

Thomson Reuters Corporation**Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow***(millions of U.S. Dollars)**(unaudited)*

	Three Months		Twelve Months	
	Ended December 31,		Ended December 31,	
	2009	2008	2009	2008
Net cash provided by operating activities	\$ 896	\$ 1,005	\$ 2,666	\$ 2,761
Capital expenditures, less proceeds from disposals	(377)	(324)	(1,097)	(939)
Other investing activities	2	14	3	7
Investing activities of discontinued operations	-	-	-	(7)
Dividends paid on preference shares	-	(1)	(2)	(5)
Free cash flow (1)	\$ 521	\$ 694	\$ 1,570	\$ 1,817

(1) Free cash flow is net cash provided by operating activities less capital expenditures, other investing activities, investing activities of discontinued operations and dividends paid on preference shares. Thomson Reuters uses free cash flow as a performance measure because it represents cash available to repay debt, pay dividends, and fund share repurchases and new acquisitions.

Thomson Reuters Corporation
Reconciliation of Operating Profit to Underlying Operating Profit

(millions of U.S. Dollars)

(unaudited)

	Three Months		Three Months		Twelve Months	
	December 31, 2009	Margin	December 31, 2008	Margin	December 31, 2009	Margin
Operating profit	\$ 346	10.3%	\$ 633	18.6%	\$ 1,575	12.1%
Adjustments:						
Amortization of other intangible assets	132		119		499	
Disposals	1		(40)		13	
Impairments of assets held for sale	-		(3)		-	
Fair value adjustments	35		(40)		170	
Integration program cost	163		158		506	
Other operating losses (gains), net	(16)		(39)		(9)	
Underlying operating profit / Underlying operating profit margin (1)	<u>\$ 661</u>	<u>19.7%</u>	<u>\$ 788</u>	<u>23.7%</u>	<u>\$ 2,754</u>	<u>21.3%</u>
Revenues	\$ 3,357		\$ 3,395		\$ 12,997	
Adjustments:						
Revenues from disposals	(8)		(66)		(49)	
Revenues from ongoing businesses (2)	<u>\$ 3,349</u>		<u>\$ 3,329</u>		<u>\$ 12,948</u>	

(1) Underlying operating profit excludes amortization of other intangible assets, impairment charges, fair value adjustments, integration program costs, other operating gains and losses and the results of disposals. Underlying operating profit margin is the underlying operating profit expressed as a percentage of revenues from ongoing businesses.

(2) Revenues from ongoing businesses and underlying operating profit exclude the results of disposals. Disposals include the results of businesses sold or held for sale that do not qualify as discontinued operations.

(3) Revenues and underlying operating profit for the twelve months ended December 31, 2008 were determined on a pro forma basis and does not have a comparable IFRS measure.

Thomson Reuters Corporation

Reconciliation of Earnings Attributable to Common Shares to Adjusted Earnings from Continuing Operations (1)

(millions of U.S. Dollars)

(unaudited)

	Three Months December 31, 2009	Twelve Months December 31, 2009
Earnings attributable to common shareholders (3)	\$ 177	\$ 844
Adjustments:		
Disposals	1	13
Fair value adjustments	35	170
Other operating gains, net	(16)	(9)
Other finance costs	178	242
Other non-operating charge	59	385
Share of post-tax earnings in equity method investees	(5)	(7)
Tax on above items	(8)	(40)
Interim period effective tax rate normalization (2)	(9)	-
Amortization of other intangible assets	132	499
Discrete tax items	(175)	(531)
Discontinued operations	(6)	(23)
Dividends declared on preference shares	-	(2)
Adjusted earnings from continuing operations	\$ 363	\$ 1,541
Adjusted earnings per share from continuing operations	\$ 0.44	\$ 1.85
Weighted average shares (in millions) (3)	834.2	832.9

(1) Adjusted earnings from continuing operations and adjusted earnings per share from continuing operations include dividends declared on preference shares and integration program costs, but exclude the pre-tax impacts of amortization of other intangible assets as well as the post-tax impacts of fair value adjustments, other operating gains and losses, impairment charges, the results of disposals, other finance (income) costs, Thomson Reuters share of post-tax earnings in equity method investees, discontinued operations and other items affecting comparability. Adjusted earnings per share from continuing operations is calculated using diluted weighted average shares and does not represent actual earnings per share attributable to shareholders.

(2) Adjustment to reflect income taxes based on estimated full-year effective tax rate. Reported earnings for interim periods reflect income taxes based on the estimated effective tax rates of each of the jurisdictions in which Thomson Reuters operates. The adjustment reallocates estimated full-year income taxes between interim periods, but has no effect on full-year income taxes.

(3) On September 10, 2009, all then-outstanding Thomson Reuters PLC ordinary shares were exchanged for an equivalent number of Thomson Reuters Corporation common shares in connection with unification of the dual listed company (DLC) structure.

Thomson Reuters Corporation

Net Debt

(millions of U.S. Dollars)

(unaudited)

	As at	
	December 31,	
	2009	2008
Current indebtedness	782	688
Long-term indebtedness	6,821	6,783
Total debt	7,603	7,471
Swaps	(137)	57
Total debt after swaps	7,466	7,528
Remove fair value adjustments for hedges	(26)	26
Remove transaction costs and discounts included in the carrying value of debt	54	47
Less: cash and cash equivalents	(1,111)	(841)
Net debt (1)	6,383	6,760

(1) Net debt is total indebtedness including the associated fair value of hedging instruments (swaps) on our debt, but excluding unamortized transaction costs and premiums or discounts associated with debt, less cash and cash equivalents.

(2) Net debt provides a measure of indebtedness in excess of the current cash available to pay down debt. Given that we hedge some of our debt to reduce risk, we include hedging instruments as we believe it provides a better measure of the total obligation associated with our outstanding debt. However, because we intend to hold our debt and related hedges to maturity, we do not consider certain components of the associated fair value of hedges in our measurements. We reduce gross indebtedness by cash and cash equivalents on the basis that they could be used to pay down debt.

Thomson Reuters Corporation
Reconciliation of Revenue Growth Percentage to Growth Percentage Before Currency

(unaudited)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	Change before currency	Foreign Currency Impact	Total Change	Change before currency	Foreign Currency Impact	Total Change
Revenues						
Legal	-3%	2%	-1%	0%	-1%	-1%
Tax & Accounting	10%	1%	11%	9%	0%	9%
Healthcare & Science	4%	1%	5%	7%	-1%	6%
Professional Division	1%	1%	2%	3%	-2%	1%
Sales & Trading	-7%	5%	-2%	-4%	-4%	-8%
Investment & Advisory	-5%	3%	-2%	-2%	-1%	-3%
Enterprise	1%	5%	6%	6%	-4%	2%
Media	-8%	2%	-6%	-8%	-6%	-14%
Markets Division	-5%	4%	-1%	-2%	-3%	-5%
Revenues from ongoing businesses	-3%	4%	1%	0%	-3%	-3%

(1) Revenue growth before currency provides a measure of underlying business trends, without distortion from the effect of foreign currency movements during the period.

(2) By applying the same foreign currency exchange rates for the current and equivalent prior period to calculate the foreign currency impact between periods, we convert the current and equivalent prior period's local currency revenues using the same foreign currency exchange rate.

(3) Our reporting currency is the U.S. dollar. However, we conduct a significant amount of our activities in currencies other than the U.S. dollar. We manage our operating segments on a constant currency basis, and we manage currency exchange risk at the corporate level.