

Thomson Reuters Corporation
Reconciliation of Ongoing Revenues ⁽¹⁾

(millions of U.S. Dollars)

(unaudited)

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2011	2010	2011	2010
Revenues				
Legal ⁽²⁾	\$907	\$862	\$3,434	\$3,157
Tax & Accounting ⁽²⁾	369	310	1,149	1,006
Intellectual Property & Science ⁽²⁾	225	207	852	789
Professional Division	\$1,501	\$1,379	\$5,435	\$4,952
Markets Division	1,857	1,826	7,494	7,168
Eliminations	(3)	(4)	(13)	(12)
Revenues from ongoing businesses ⁽¹⁾	3,355	3,201	12,916	12,108
Other businesses ⁽³⁾	222	257	891	962
Revenues	\$3,577	\$3,458	\$13,807	\$13,070

(1) Revenues from ongoing businesses are revenues from reportable segments (which excludes Other businesses (see note (3) below)) less eliminations.

(2) Thomson Reuters reorganized its reportable segments in the second quarter of 2011. Prior-period amounts have been reclassified to reflect the current presentation.

(3) Other businesses are businesses that have been or are expected to be exited through sale or closure that did not qualify for discontinued operations classification. Other businesses do not qualify as a component of the company's four reportable segments, nor as a separate reportable segment. Other businesses include the Healthcare business, for which the divestiture process has been suspended until market conditions improve.

Thomson Reuters Corporation
Reconciliation of Operating (Loss) Profit to Underlying Operating Profit ⁽¹⁾ and Adjusted EBITDA ⁽²⁾ (Slide 20)
(millions of U.S. Dollars)
(unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
Operating (loss) profit	(\$2,593)	\$307	(\$705)	\$1,419
Adjustments:				
Goodwill impairment	3,010	-	3,010	-
Amortization of other identifiable intangible assets	166	146	612	545
Integration programs expenses	64	173	215	463
Fair value adjustments	(37)	42	(149)	117
Other operating losses (gains), net	98	1	(204)	16
Operating profit from Other businesses ⁽³⁾	(51)	(58)	(200)	(204)
Underlying operating profit	\$657	\$611	\$2,579	\$2,356
Adjustments:				
Integration programs expenses	(64)	(173)	(215)	(463)
Depreciation and amortization of computer software (excluding other businesses ⁽³⁾)	271	247	1,048	959
Adjusted EBITDA	\$864	\$685	\$3,412	\$2,852
Underlying operating profit margin	19.6%	19.1%	20.0%	19.5%
Adjusted EBITDA margin	25.8%	21.4%	26.4%	23.6%

Thomson Reuters Corporation
Reconciliation of (Loss) Earnings from continuing operations to Adjusted EBITDA ⁽²⁾
(millions of U.S. Dollars)
(unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
(Loss) earnings from continuing operations	(\$2,604)	\$225	(\$1,396)	\$933
Adjustments:				
Tax (benefit) expense	(78)	(4)	293	139
Other finance (income) costs	(4)	(8)	15	(28)
Net interest expense	95	96	396	383
Amortization of other identifiable intangible assets	166	146	612	545
Amortization of computer software	178	155	659	572
Depreciation	114	110	438	457
EBITDA	(\$2,133)	\$720	\$1,017	\$3,001
Adjustments:				
Share of post tax earnings in equity method investees	(2)	(2)	(13)	(8)
Other operating losses (gains), net	98	1	(204)	16
Goodwill impairment	3,010	-	3,010	-
Fair value adjustments	(37)	42	(149)	117
EBITDA from other businesses ⁽³⁾	(72)	(76)	(249)	(274)
Adjusted EBITDA	\$864	\$685	\$3,412	\$2,852
Adjusted EBITDA Margin	25.8%	21.4%	26.4%	23.6%

(1) Underlying operating profit is operating profit from reportable segments and corporate expenses. Underlying operating profit margin is the underlying operating profit expressed as a percentage of revenues from ongoing businesses.

(2) Thomson Reuters defines adjusted EBITDA as underlying operating profit excluding the related depreciation and amortization of computer software but including integration programs expense. Adjusted EBITDA margin is adjusted EBITDA expressed as a percentage of revenues from ongoing businesses.

(3) Other businesses are businesses that have been or are expected to be exited through sale or closure that did not qualify for discontinued operations classification. Other businesses do not qualify as a component of the company's four reportable segments, nor as a separate reportable segment. Other businesses include the Healthcare business, for which the divestiture process has been suspended until market conditions improve.

Thomson Reuters Corporation

Reconciliation of Underlying Operating Profit to Adjusted EBITDA ⁽³⁾ by Division and Business Segment (Slides 22,24,25,26 & 28)

(millions of U.S. dollars)

(unaudited)

	Three Months Ended December 31, 2011			Three Months Ended December 31, 2010		
	Underlying Operating Profit	Add: Depreciation and Amortization of Computer Software **	Adjusted EBITDA	Underlying Operating Profit	Add: Depreciation and Amortization of Computer Software **	Adjusted EBITDA
Legal ⁽¹⁾	\$251	\$67	\$318	\$238	\$69	\$307
Tax & Accounting ⁽¹⁾	118	27	145	110	22	132
Intellectual Property & Science ⁽¹⁾	64	16	80	53	12	65
Professional division	433	110	543	401	103	504
Markets division	311	153	464	298	135	433
Corporate expenses	(87)	8	(79)	(88)	9	(79)
Integration programs expenses	na	na	(64)	na	na	(173)
	\$657	\$271	\$864	\$611	\$247	\$685
	Twelve Months Ended December 31, 2011			Twelve Months Ended December 31, 2010		
	Underlying Operating Profit	Add: Depreciation and Amortization of Computer Software **	Adjusted EBITDA	Underlying Operating Profit	Add: Depreciation and Amortization of Computer Software **	Adjusted EBITDA
Legal ⁽¹⁾	\$943	\$290	\$1,233	\$892	\$269	\$1,161
Tax & Accounting ⁽¹⁾	261	98	359	223	84	307
Intellectual Property & Science ⁽¹⁾	237	59	296	209	54	263
Professional division	1,441	447	1,888	1,324	407	1,731
Markets division	1,411	581	1,992	1,281	527	1,808
Corporate expenses	(273)	20	(253)	(249)	25	(224)
Integration programs expenses	na	na	(215)	na	na	(463)
	\$2,579	\$1,048	\$3,412	\$2,356	\$959	\$2,852

** excludes Other businesses ⁽²⁾

na = not applicable

(1) Thomson Reuters reorganized its reportable segments in the second quarter of 2011. Prior-period amounts have been reclassified to reflect the current presentation.

(2) Other businesses are businesses that have been or are expected to be exited through sale or closure that did not qualify for discontinued operations classification. Other businesses do not qualify as a component of the company's four reportable segments, nor as a separate reportable segment. Other businesses include the Healthcare business, for which the divestiture process has been suspended until market conditions improve.

(3) Thomson Reuters defines adjusted EBITDA as underlying operating profit excluding the related depreciation and amortization of computer software but including integration programs expense.

Thomson Reuters Corporation

Reconciliation of (Loss) Earnings Attributable to Common Shareholders to Adjusted Earnings from Continuing Operations ⁽¹⁾ (Slide 31)

(millions of U.S. dollars, except as otherwise indicated and except for per share data)

(unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2011	2010	2011	2010
(Loss) Earnings attributable to common shareholders	\$ (2,572)	\$ 224	\$ (1,390)	\$ 909
Adjustments:				
Goodwill impairment	3,010	-	3,010	-
Goodwill impairment attributable to non-controlling interests	(40)	-	(40)	-
Operating profit from Other businesses ⁽³⁾	(51)	(58)	(200)	(204)
Fair value adjustments	(37)	42	(149)	117
Other operating losses (gains), net	98	1	(204)	16
Other finance (income) costs	(4)	(8)	15	(28)
Share of post tax earnings in equity method investees	(2)	(2)	(13)	(8)
Tax on above items	(51)	(11)	129	9
Interim period effective tax rate normalization ⁽²⁾	10	22	-	-
Discrete tax items	(72)	(47)	(105)	(47)
Amortization of other identifiable intangible assets	166	146	612	545
Discontinued operations	(2)	-	(4)	-
Dividends declared on preference shares	(1)	(1)	(3)	(3)
Adjusted earnings from continuing operations	\$ 452	\$ 308	\$ 1,658	\$ 1,306
Adjusted earnings per share from continuing operations	\$ 0.54	\$ 0.37	\$ 1.98	\$ 1.56
Diluted weighted average common shares <i>(in millions)</i> ⁽¹⁾	829.7	837.7	835.8	836.4

(1) Adjusted earnings from continuing operations and adjusted earnings per share from continuing operations include dividends declared on preference shares and integration programs expense, but exclude the pre-tax impacts of amortization of other identifiable intangible assets as well as the post-tax impacts of fair value adjustments, other operating (gains) and losses, certain impairment charges, the results of Other businesses (see note (3) below), other finance (income) costs, Thomson Reuters share of post-tax (earnings) losses 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 or loss per share attributable to shareholders.

Because Thomson Reuters reported a "net loss from continuing operations" under IFRS for the fourth quarter and full year 2011, the weighted average common shares used to compute diluted EPS are the same as basic EPS, with no adjustment for potential common shares that would reduce the loss per share and therefore be anti-dilutive. Since adjusted earnings from continuing operations is a profit, as it excludes the \$3.0 billion goodwill impairment charge, potential common shares are included, as they lower adjusted EPS and are therefore dilutive.

The following table reconciles IFRS and non-IFRS common share information:

(Weighted average common shares)	Three Months Ended	Twelve Months Ended
	December 31,	
IFRS: Basic and Diluted	828,185,741	833,459,452
Effect of stock options and other equity incentive awards	1,489,159	2,297,510
Non- IFRS	829,674,900	835,756,962

(2) Adjustment to reflect income taxes based on estimated full-year effective tax rate. Reported earnings or loss 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) Other businesses are businesses that have been or are expected to be exited through sale or closure that did not qualify for discontinued operations classification. Other businesses do not qualify as a component of the company's four reportable segments, nor as a separate reportable segment. Other businesses include the Healthcare business, for which the divestiture process has been suspended until market conditions improve.

Thomson Reuters Corporation

Reconciliation of Net Cash Provided by Operating Activities to Underlying Free Cash Flow ^{(1),(2)} (Slide 32)

(millions of U.S. Dollars)

(unaudited)

	Three Months Ended December 31,		Twelve Months December 31,	
	2011	2010	2011	2010
Net cash provided by operating activities ⁽³⁾	\$ 942	\$ 1,003	\$ 2,597	\$ 2,672
Capital expenditures, less proceeds from disposals ⁽³⁾	(282)	(297)	(1,041)	(1,114)
Other investing activities	10	6	49	8
Dividends paid on preference shares	(1)	(1)	(3)	(3)
Free cash flow ^{(2),(3)}	669	711	1,602	1,563
Integration programs costs	88	129	286	450
Underlying free cash flow ^{(1),(3)}	\$ 757	\$ 840	\$ 1,888	\$ 2,013

(1) Underlying free cash flow is free cash flow excluding one-time cash costs associated with integration programs.

(2) Free cash flow is net cash provided by operating activities less capital expenditures, other investing activities and dividends paid on the company's 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.

(3) There was no impact on free cash flow or underlying free cash flow as a result of the revision of prior-period amounts for "net cash provided by operating activities" and "capital expenditures, less proceeds from disposals."

Thomson Reuters Corporation**Other Businesses ⁽¹⁾***(millions of U.S. Dollars)**(unaudited)*

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
<u>Other businesses</u>	2011	2010	2011	2010
Revenues	\$222	\$257	\$891	\$962
Operating profit	\$51	\$58	\$200	\$204
Depreciation and amortization of computer software	21	18	49	70
EBITDA	\$72	\$76	\$249	\$274

(1) Other businesses are businesses that have been or are expected to be exited through sale or closure that did not qualify for discontinued operations classification. Other businesses do not qualify as a component of the company's four reportable segments, nor as a separate reportable segment. Other businesses include the Healthcare business, for which the divestiture process has been suspended until market conditions improve.

Thomson Reuters Corporation
Reconciliation of Net Debt ⁽¹⁾ (Slide 34)

(millions of U.S. Dollars)

(unaudited)

	<u>As at December 31, 2011</u>	<u>As at December 31, 2010</u>
Current indebtedness	434	645
Long-term indebtedness	7,160	6,873
Total debt	7,594	7,518
Fair value of hedge agreements	(226)	(296)
Total debt after fair value of hedge agreements	7,368	7,222
Remove fair value adjustment for cash flow hedges	(19)	(31)
Remove transaction costs and discounts included in the carrying value of debt	60	62
Less: cash and cash equivalents	(422)	(864)
Net debt ⁽¹⁾	<u>6,987</u>	<u>6,389</u>
Net Debt / Adjusted EBITDA ⁽²⁾	2.0x	2.2x
Adjusted EBITDA ⁽²⁾	<u>3,412</u>	<u>2,852</u>
Adjusted EBITDA:		
Underlying operating profit	\$2,579	\$2,356
Adjustments:		
Integration programs expenses	(215)	(463)
Depreciation and amortization of computer software (excluding Other businesses ⁽³⁾)	1,048	959
Adjusted EBITDA	<u>\$3,412</u>	<u>\$2,852</u>

(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. 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.

(2) Thomson Reuters defines adjusted EBITDA as underlying operating profit excluding the related depreciation and amortization of computer software, but including integration programs expense.

(3) Other businesses are businesses that have been or are expected to be exited through sale or closure that did not qualify for discontinued operations classification. Other businesses do not qualify as a component of the company's four reportable segments, nor as a separate reportable segment. Other businesses include the Healthcare business, for which the divestiture process has been suspended until market conditions improve.

Baseline for 2012 Business Outlook

Thomson Reuters Corporation

Reconciliation of Free Cash Flow to Free Cash Flow from Ongoing Operations ⁽¹⁾ (Slide 37)

(millions of U.S. dollars)

(unaudited)

	Twelve Months Ended	
	December 31,	
	<u>2011</u>	<u>2010</u>
Free cash flow	\$1,602	\$1,563
Other businesses	(215)	(270)
	<u>Free cash flow from ongoing operations</u>	<u>Free cash flow from ongoing operations</u>
	\$1,387	\$1,293

(1) Thomson Reuters uses free cash flow from ongoing operations as a supplemental non-IFRS financial measure of its ability to create shareholder value because it represents free cash flow generated by its operations excluding businesses that have been or are expected to be exited through sale or closure.