

FIRST QUARTER REPORT

Period Ended
March 31, 2015

Management's Discussion and Analysis and
Unaudited Consolidated Financial Statements



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Management's Discussion and Analysis

This management's discussion and analysis is designed to provide you with a narrative explanation through the eyes of our management of our financial condition and results of operations. We recommend that you read this in conjunction with our consolidated interim financial statements for the three months ended March 31, 2015, our 2014 annual consolidated financial statements and our 2014 annual management's discussion and analysis. This management's discussion and analysis is dated as of April 28, 2015. This management's discussion and analysis contains forward-looking statements, which are subject to risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements. Forward-looking statements include, but are not limited to, our 2015 outlook and our expectations related to general economic conditions and market trends and their anticipated effects on our business segments. For additional information related to forward-looking statements and material risks associated with them, please see the "Cautionary Note Concerning Factors That May Affect Future Results" section of this management's discussion and analysis.

We have organized our management's discussion and analysis in the following key sections:

• Overview – a brief discussion of our business	2
• Results of Operations – a comparison of our current and prior-year period results	5
• Liquidity and Capital Resources – a discussion of our cash flow and debt	13
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We prepare our consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). This management's discussion and analysis also includes certain non-IFRS financial measures which we use as supplemental indicators of our operating performance and financial position as well as for internal planning purposes.

References in this discussion to "\$" and "US\$" are to U.S. dollars and references to "C\$" are to Canadian dollars. In addition, "bp" means "basis points" and "n/a" and "n/m" refer to "not applicable" and "not meaningful", respectively. Unless otherwise indicated or the context otherwise requires, references in this discussion to "we," "our," "us" and "Thomson Reuters" are to Thomson Reuters Corporation and our subsidiaries. When we refer to "net sales," we are referring to new sales less cancellations.

OVERVIEW

Our company

We are the leading source of intelligent information for businesses and professionals. We combine industry expertise with innovative technology to deliver critical information to enable our customers to operate in a dynamic business environment. The exponential growth in the volume of data, the impact of technology, and an increasingly complex legal and regulatory environment create challenges for our customers as well as opportunities for our businesses. The breadth and depth of our offerings, our global footprint, and the trust and credibility built by the world's most trusted news organization uniquely position our company at the confluence of content and technology. We bring in-depth understanding of our customers' needs, flexible technology platforms, proprietary content and scale. We believe our ability to embed our solutions into customers' workflows is a significant competitive advantage as it leads to strong customer retention.

We derive the majority of our revenues from selling solutions to our customers, primarily electronically and on a subscription basis. Over the years, this has proven to be capital efficient and cash flow generative, and it has enabled us to maintain leading and scalable positions in our chosen markets.

We are organized in four strategic business units supported by a corporate center:



Financial & Risk, a provider of critical news, information and analytics, enabling transactions and bringing together financial communities. Financial & Risk also provides regulatory and operational risk management solutions.



Legal, a provider of critical online and print information, decision tools, software and services that support legal, investigation, business and government professionals around the world.



Tax & Accounting, a provider of integrated tax compliance and accounting information, software and services for professionals in accounting firms, corporations, law firms and government.



Intellectual Property & Science, a provider of comprehensive intellectual property and scientific information, decision support tools and services that enable the lifecycle of innovation for governments, academia, publishers, corporations and law firms to discover, protect and commercialize new ideas and brands.

We also have a Global Growth & Operations (GGO) organization which works across our business units to combine our global capabilities and to expand our local presence and development in countries and regions where we believe the greatest growth opportunities exist. Our GGO organization is focused on supporting our businesses in the following geographic areas: Latin America, China, India, the Middle East, Africa, the Association of Southeast Asian Nations/North Asia, Russia and countries comprising the Commonwealth of Independent States and Turkey. We do not report GGO as a separate business unit, but rather include its results within our strategic business units.

We operate Reuters, which is a provider of real-time, high-impact, multimedia news and information services to newspapers, television and cable networks, radio stations and websites around the globe. Our Reuters News business is managed and reported within our corporate center.

Key Highlights

First quarter performance:

Non-IFRS Financial Measures ⁽¹⁾ (millions of U.S. dollars, except per share amounts and margins)	2015	2014	CHANGE	CHANGE IN CONSTANT CURRENCY
Revenues from ongoing businesses	3,044	3,129	(3%)	2%
Adjusted EBITDA	803	820	(2%)	4%
Adjusted EBITDA margin	26.4%	26.2%	20bp	60bp
Underlying operating profit	515	528	(2%)	6%
Underlying operating profit margin	16.9%	16.9%	-	60bp
Adjusted earnings per share (adjusted EPS)	\$0.44	\$0.46	(4%)	9%

Our first quarter results were consistent with our expectations, and we reaffirmed our full-year business outlook in connection with announcing those results. Given the significant impact that changes in foreign exchange rates have recently had on our results, we are providing more information about our performance at constant currency rates.

Revenues from ongoing businesses increased in constant currency as 5% combined growth from our Legal, Tax & Accounting and Intellectual Property & Science businesses was partially offset by our Financial & Risk business, which was essentially unchanged. The increase in revenues from ongoing businesses in constant currency was due to contributions from acquisitions and revenues from existing businesses.

- **Financial & Risk's** net sales were positive in the first quarter and in all regions. This represents the fourth consecutive quarter of positive net sales as well as year-over-year improvement in nine of the last ten quarters. Revenues remained unchanged, however, reflecting lower price realization from the migration of some of our foreign exchange and buy-side customers to new products on the unified technology platform. Our major product and platform migration programs remain on schedule.
- **Legal's** revenues increased 3% from existing businesses, representing its best revenue performance since the first quarter of 2011. Legal Solutions businesses growth of 9% more than offset a 6% decline in U.S. print.
- **Tax & Accounting** had a strong start to the year as revenues grew 10%, 7% of which was from existing businesses.
- **Intellectual Property & Science** revenues were essentially unchanged as lower transaction revenues offset a 3% increase in recurring revenues.

2015 REVENUES FROM ONGOING BUSINESSES



Adjusted EBITDA, underlying operating profit and adjusted EPS declined due to the impact of foreign currency on our results. In constant currency, adjusted EBITDA, underlying operating profit and the related margins increased as higher revenues offset a modest increase in operating expenses, which included reinvestments in our growth businesses, particularly in our Tax & Accounting segment. Adjusted EPS included a \$0.06 negative impact from foreign currency. In constant currency, adjusted EPS increased due to higher underlying operating profit.

In 2015, we plan to capitalize on our position to help our customers navigate the information age. Specifically, we are focused on further improving execution across our company by:

- investing in sales and marketing expertise, as well as customer service capabilities;
- implementing several key product and platform migrations in our Financial & Risk business, which we believe will improve service levels to our customers and drive cost savings; and
- delivering strong and consistent cash flow to reinvest in our growth businesses while returning capital to our shareholders through dividends and share repurchases.

(1) Refer to Appendix A for additional information on non-IFRS financial measures.

2015 Outlook:

We recently reaffirmed our 2015 full-year business outlook that we originally communicated in February. For 2015, we continue to expect positive revenue from existing businesses (organic), adjusted EBITDA margin between 27.5% and 28.5%, underlying operating profit margin between 18.5% and 19.5%, and free cash flow between \$1.55 billion and \$1.75 billion.

Our 2015 outlook assumes constant currency rates relative to 2014 and is based on the expected performance of our existing businesses and does not factor in the impact of any acquisitions or divestitures that may occur during the year. In light of increased volatility recently experienced in the foreign exchange markets, we believe that currency is likely to have a higher-than-usual impact on our results in 2015. Additional information is provided in the "Outlook" section of this management's discussion and analysis. The information in this section is forward-looking and should also be read in conjunction with the section of this management's discussion and analysis entitled "Cautionary Note Concerning Factors That May Affect Future Results".

Seasonality

Our revenues and operating profit on a consolidated basis do not tend to be significantly impacted by seasonality as we record a large portion of our revenues ratably over a contract term and our costs are generally incurred evenly throughout the year. However, our non-recurring revenues can cause changes in our performance from quarter to consecutive quarter. Additionally, the release of certain print-based offerings can be seasonal as can certain product releases for the regulatory markets, which tend to be concentrated at the end of the year. Our quarterly performance may also be impacted by the timing of certain product migrations we are in the process of executing, as well as by volatile foreign currency exchange rates, as we have recently experienced. As a consequence, the results of certain of our segments can be impacted by seasonality to a greater extent than our consolidated revenues and operating profit.

Use of non-IFRS financial measures

In addition to our results reported in accordance with IFRS, we use certain non-IFRS financial measures as supplemental indicators of our operating performance and financial position, as well as for internal planning purposes. These non-IFRS financial measures include:

- Revenues from ongoing businesses;
- Revenue changes at constant currency (before currency or revenues excluding the effects of foreign currency);
- Underlying operating profit and the related margin;
- Adjusted EBITDA and the related margin;
- Adjusted EBITDA less capital expenditures and the related margin;
- Adjusted earnings and adjusted earnings per share;
- Net debt;
- Free cash flow; and
- Free cash flow from ongoing businesses.

Given the increased volatility recently experienced in the foreign exchange markets, currency has had a significant impact on our first quarter 2015 results. We believe analysis of our results excluding the effects of foreign currency improves comparability. Accordingly, we have supplemented our analysis with the following non-IFRS measures:

- Changes in underlying operating profit and the related margin at constant currency (before currency or changes in underlying operating profit and the related margin excluding the effects of foreign currency);
- Changes in adjusted EBITDA and the related margin at constant currency (before currency or changes in adjusted EBITDA and the related margin excluding the effects of foreign currency); and
- Changes in adjusted earnings per share at constant currency (before currency or changes in adjusted earnings per share excluding the effects of foreign currency).

We report non-IFRS financial measures as we believe their use provides more insight into and understanding of our performance. See Appendix A of this management's discussion and analysis for a description of our non-IFRS financial measures, including an explanation of why we believe they are useful measures of our performance, including our ability to generate cash flow. Refer to the sections of this management's discussion and analysis entitled "Results of Operations", "Liquidity and Capital Resources" and Appendix B for reconciliations of these non-IFRS financial measures to the most directly comparable IFRS financial measures.

RESULTS OF OPERATIONS

Basis of presentation

In this management's discussion and analysis, we discuss our results of operations on both an IFRS and non-IFRS basis. Both bases exclude discontinued operations and include the performance of acquired businesses from the date of purchase.

Consolidated results

We discuss our consolidated results from continuing operations on an IFRS basis, as reported in our consolidated income statement. Additionally, we discuss our consolidated results on a non-IFRS basis using the measures described within the "Use of Non-IFRS Financial Measures" section of this management's discussion and analysis. Among other adjustments, our non-IFRS revenue and profitability measures as well as free cash flow from ongoing businesses exclude Other Businesses, which is an aggregation of businesses that have been or are expected to be exited through sale or closure that did not qualify for discontinued operations classification.

Segment results

We discuss the results of our four reportable segments as presented in our consolidated interim financial statements for the three months ended March 31, 2015: Financial & Risk, Legal, Tax & Accounting and Intellectual Property & Science.

We also provide information on "Corporate & Other" and "Other Businesses". These categories neither qualify as a component of another reportable segment nor as a separate reportable segment.

- Corporate & Other includes expenses for corporate functions, certain share-based compensation costs and the Reuters News business, which is comprised of the Reuters News Agency and consumer publishing; and
- Other Businesses is an aggregation of businesses that have been or are expected to be exited through sale or closure that did not qualify for discontinued operations classification. The results of Other Businesses are not comparable from period to period as the composition of businesses changes due to the timing of completed divestitures.

See note 3 of our consolidated interim financial statements for the three months ended March 31, 2015 which includes a reconciliation of results from our reportable segments to consolidated results as reported in our consolidated income statement.

In analyzing our revenues from ongoing businesses, at both the consolidated and segment levels, we identify the impact of foreign currency changes. Additionally, we separately measure revenue growth from existing businesses and from acquired businesses, on a constant currency basis.

Consolidated results

(millions of U.S. dollars, except per share amounts and margins)	THREE MONTHS ENDED MARCH 31,		CHANGE	
	2015	2014	Total	Constant currency
IFRS Financial Measures				
Revenues	3,044	3,130	(3%)	
Operating profit	407	359	13%	
Diluted earnings per share	\$0.38	\$0.34	12%	
Non-IFRS Financial Measures				
Revenues from ongoing businesses	3,044	3,129	(3%)	2%
Adjusted EBITDA	803	820	(2%)	4%
Adjusted EBITDA margin	26.4%	26.2%	20bp	60bp
Adjusted EBITDA less capital expenditures	500	572	(13%)	
Adjusted EBITDA less capital expenditures margin	16.4%	18.3%	(190)bp	
Underlying operating profit	515	528	(2%)	6%
Underlying operating profit margin	16.9%	16.9%	-	60bp
Adjusted earnings per share	\$0.44	\$0.46	(4%)	9%

Foreign currency effects. With respect to the average foreign exchange rates that we use to report our results, the U.S. dollar strengthened significantly against the Euro, the British pound sterling, the Japanese yen and the Canadian dollar in the first quarter of 2015 compared to the same period in 2014. Given our currency mix of revenues and expenses around the world, these fluctuations had a negative impact on our consolidated revenues, as well as on our consolidated adjusted EBITDA and underlying operating profit margins. The revenues of each of our segments were negatively impacted by foreign currency movements, however, given their specific currency profiles, certain of our segments experienced benefits to their related margins.

Revenues

	THREE MONTHS ENDED MARCH 31,		PERCENTAGE CHANGE:				
	2015	2014	Existing businesses	Acquired businesses	Constant currency	Foreign currency	Total
(millions of U.S. dollars)							
Revenues from ongoing businesses	3,044	3,129	1%	1%	2%	(5%)	(3%)
Other Businesses	-	1	n/m	n/m	n/m	n/m	n/m
Revenues	3,044	3,130	n/m	n/m	n/m	n/m	(3%)

Revenues from ongoing businesses increased on a constant currency basis as combined growth of 5% from our Legal, Tax & Accounting and Intellectual Property & Science segments was partially offset by our Financial & Risk segment, which was essentially unchanged from the prior-year period. Revenues from acquired businesses within our Tax & Accounting segment contributed to revenue growth.

In the first quarter, our GGO organization comprised approximately 9% of our revenues and grew 8% on a constant currency basis (4% from existing businesses).

Operating profit, underlying operating profit, adjusted EBITDA and adjusted EBITDA less capital expenditures

	THREE MONTHS ENDED MARCH 31,		CHANGE	
	2015	2014	Total	Constant currency
(millions of U.S. dollars, except margins)				
Operating profit	407	359	13%	
Adjustments to remove:				
Amortization of other identifiable intangible assets	149	163		
Fair value adjustments	(53)	2		
Other operating losses, net	12	3		
Operating loss from Other Businesses	-	1		
Underlying operating profit	515	528	(2%)	6%
Remove: depreciation and amortization of computer software (excluding Other Businesses)	288	292		
Adjusted EBITDA⁽¹⁾	803	820	(2%)	4%
Deduct: capital expenditures, less proceeds from disposals (excluding Other Businesses)	303	248		
Adjusted EBITDA less capital expenditures⁽¹⁾	500	572	(13%)	
Underlying operating profit margin	16.9%	16.9%	-	60bp
Adjusted EBITDA margin	26.4%	26.2%	20bp	60bp
Adjusted EBITDA less capital expenditures margin	16.4%	18.3%	(190)bp	

(1) See Appendix B for a reconciliation of net earnings to adjusted EBITDA and adjusted EBITDA less capital expenditures.

In the first quarter, operating profit increased as growth in revenues and favorable fair value adjustments were partly offset by a modest increase in operating expenses and the impact of unfavorable foreign currency movements.

Adjusted EBITDA and underlying operating profit declined due to foreign currency. On a constant currency basis, adjusted EBITDA, underlying operating profit and the related margins increased primarily due to higher revenues, which more than offset a modest increase in expenses.

Adjusted EBITDA less capital expenditures and the related margin decreased due to lower adjusted EBITDA and higher capital expenditures.

Operating expenses

	THREE MONTHS ENDED MARCH 31,		CHANGE
	2015	2014	
(millions of U.S. dollars)			
Operating expenses	2,188	2,313	(5%)
Adjustments to remove:			
Fair value adjustments ⁽¹⁾	53	(2)	
Other Businesses	-	(2)	
Operating expenses, excluding fair value adjustments and Other Businesses	2,241	2,309	(3%)

(1) Fair value adjustments primarily represent non-cash accounting adjustments from the revaluation of embedded foreign exchange derivatives within certain customer contracts due to fluctuations in foreign exchange rates and mark-to-market adjustments from certain share-based awards.

Operating expenses, excluding fair value adjustments and Other Businesses, decreased due to the impact of foreign currency. On a constant currency basis, operating expenses, excluding fair value adjustments and Other Businesses, increased slightly as lower expenses within our Financial & Risk segment, primarily from earlier efficiency initiatives, mitigated cost increases in our remaining segments, which included higher investments in certain growth businesses. Expenses in the first quarter of 2014 included \$10 million of severance charges.

Depreciation and amortization

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,		
	2015	2014	CHANGE
Depreciation	95	98	(3%)
Amortization of computer software	193	194	(1%)
Subtotal	288	292	(1%)
Amortization of other identifiable intangible assets	149	163	(9%)

- Depreciation and amortization of computer software on a combined basis decreased as the impact of foreign currency and the completion of depreciation and amortization of assets acquired in previous years more than offset higher expense associated with our investments, primarily product development initiatives across our businesses.
- Amortization of other identifiable intangible assets decreased due to foreign currency and the completion of amortization for certain identifiable intangible assets acquired in previous years.

Net interest expense

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,		
	2015	2014	CHANGE
Net interest expense	105	108	(3%)

The decrease in net interest expense was primarily attributable to lower interest on our debt obligations reflecting the refinancing of certain debt obligations during 2014. This decrease was partly offset by higher pension-related interest costs driven by a higher valuation of our net pension obligations. As over 95% of our long-term debt obligations paid interest at fixed rates (after swaps), the net interest expense on the balance of our debt was essentially unchanged.

Other finance income

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Other finance income	42	28

In both periods, other finance income included gains or losses realized from changes in foreign currency exchange rates on certain intercompany funding arrangements. Additionally, the first quarter of 2015 included gains related to foreign exchange contracts.

Tax (expense) benefit

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Tax (expense) benefit	(28)	13

The tax (expense) benefit in each period reflected the mix of taxing jurisdictions in which pre-tax profits and losses were recognized. Because the geographical mix of pre-tax profits and losses in interim periods may be different from that for the full-year, tax expense or benefit in interim periods is not necessarily indicative of tax expense for the full-year.

Additionally, the comparability of our tax (expense) benefit was impacted by various transactions and accounting adjustments during each period. The following table sets forth certain components within income tax (expense) benefit that impact comparability from period-to-period, including tax (expense) benefit associated with items that are removed from adjusted earnings:

BENEFIT (EXPENSE) (millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Tax items impacting comparability:		
Corporate tax rates ⁽¹⁾	1	2
Other tax adjustments ⁽²⁾	5	12
Subtotal	6	14
Tax related to:		
Fair value adjustments	(16)	(1)
Other items	2	1
Subtotal	(14)	-
Total	(8)	14

(1) Relates to the net reduction of deferred tax liabilities due to changes in corporate tax rates that were substantively enacted in certain jurisdictions.

(2) Relates primarily to changes in the recognition of deferred tax assets in various jurisdictions due to acquisitions, assumptions regarding future profitability, and adjustments for indefinite-lived assets and liabilities that are not expected to reverse.

Because the items described above impact the comparability of our tax (expense) benefit for each period, we remove them from our calculation of adjusted earnings, along with the pre-tax items to which they relate.

The computation of our adjusted tax expense is set forth below:

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Tax (expense) benefit	(28)	13
Remove: Items from above impacting comparability	8	(14)
Other adjustments:		
Interim period effective tax rate normalization ⁽¹⁾	1	(12)
Tax charge amortization ⁽²⁾	(22)	(22)
Total tax expense on adjusted earnings	(41)	(35)

(1) 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 we operate. The adjustment reallocates estimated full-year income taxes between interim periods, but has no effect on full-year income taxes.

(2) In 2013, we recorded \$604 million of deferred tax charges associated with the consolidation of the ownership and management of our technology and content assets. Within our tax expense on adjusted earnings, we amortize these deferred charges on a straight-line basis over seven years. We believe this treatment more appropriately reflects our tax position because these charges are expected to be paid over seven years from the date of the original transaction, in varying annual amounts, in conjunction with the repayments of interest-bearing notes that were issued as consideration in the original transactions.

Net earnings and earnings per share

(millions of U.S. dollars, except per share amounts)	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Net earnings	320	292
Diluted earnings per share	\$0.38	\$0.34

Net earnings and the related per share amounts increased primarily due to higher operating profit partly offset by higher tax expense.

Adjusted earnings and adjusted earnings per share

(millions of U.S. dollars, except per share amounts and share data)	THREE MONTHS ENDED MARCH 31,		CHANGE	
	2015	2014	Total	Constant currency
Earnings attributable to common shareholders	305	282	8%	
Adjustments to remove:				
Operating loss from Other Businesses	-	1		
Fair value adjustments	(53)	2		
Other operating losses, net	12	3		
Other finance income	(42)	(28)		
Share of post-tax earnings in equity method investments	(4)	-		
Tax on above items ⁽¹⁾	14	-		
Tax items impacting comparability ⁽¹⁾	(6)	(14)		
Amortization of other identifiable intangible assets	149	163		
Interim period effective tax rate normalization⁽¹⁾	1	(12)		
Tax charge amortization⁽¹⁾	(22)	(22)		
Dividends declared on preference shares	(1)	(1)		
Adjusted earnings	353	374	(6%)	
Adjusted earnings per share (adjusted EPS)	\$0.44	\$0.46	(4%)	9%
Diluted weighted average common shares (millions)	797.6	820.9		

(1) See the "Tax expense" section above for additional information.

Adjusted earnings and the related per share amount decreased due to a \$0.06 negative impact from foreign currency. On a constant currency basis, adjusted earnings and the related per share amount increased primarily due to higher underlying operating profit. Additionally, adjusted earnings per share benefitted from lower diluted weighted-average common shares due to share repurchases (see the "Liquidity and Capital Resources—Share Repurchases" section of this management's discussion and analysis for additional information).

Segment results

A discussion of the operating results of our Financial & Risk, Legal, Tax & Accounting and Intellectual Property & Science reportable segments follows:

- Results from the Reuters News business are included in "Corporate & Other". These results as well as Other Businesses are both excluded from our reportable segments as neither of them qualify as a component of our four reportable segments, nor as a separate reportable segment.
- We use segment operating profit to measure the operating performance of our reportable segments.
 - The costs of centralized support services such as technology, editorial, real estate, accounting, procurement, legal and human resources are allocated to each segment based on usage or other applicable measures.
 - We define segment operating profit as operating profit before (i) amortization of other identifiable intangible assets; (ii) other operating gains and losses; (iii) certain asset impairment charges; (iv) corporate-related items; and (v) fair value adjustments. We use this measure because we do not consider these excluded items to be controllable operating activities for purposes of assessing the current performance of our reportable segments.
 - We also use segment operating profit margin, which we define as segment operating profit as a percentage of revenues.
 - Our definition of segment operating profit may not be comparable to that of other companies.
- As a supplemental measure of segment operating performance, we add back depreciation and amortization of computer software to segment operating profit to arrive at each segment's EBITDA and the related margin as a percentage of revenues. See Appendix B of this management's discussion and analysis for additional information.

Financial & Risk

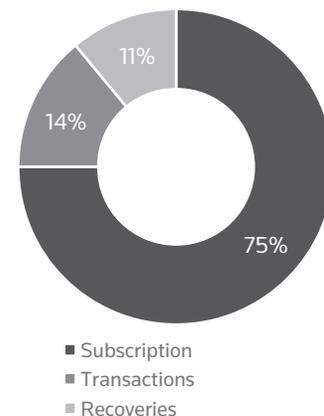
(millions of U.S. dollars, except margins)	THREE MONTHS ENDED MARCH 31,		PERCENTAGE CHANGE:				
	2015	2014	Existing businesses	Acquired businesses	Constant currency	Foreign currency	Total
Revenues	1,552	1,658	-	-	-	(6%)	(6%)
EBITDA	401	399					1%
EBITDA margin	25.8%	24.1%					170bp
Segment operating profit	241	240					-
Segment operating profit margin	15.5%	14.5%					100bp

Revenues on a constant currency basis were essentially unchanged as higher revenues resulting from our annual price increase were offset by the impact of lower price realization resulting from the migration of certain foreign exchange and buy-side customers to new products on our unified technology platform. Net sales were positive for the fourth consecutive quarter and improved year-over-year in nine of the last ten quarters.

By geographic area, Financial & Risk's revenues in the Americas increased 2%, revenues in Europe, Middle East and Africa (EMEA) decreased 2%, and revenues in Asia Pacific decreased 1%. Net sales were positive in all regions.

The major product and platform migrations that Financial & Risk has planned in 2015 are on schedule. We have converted approximately one-third of the revenue base associated with the migration of our remaining buy-side and foreign exchange customers to the unified technology platform. Further, we have moved 60% of customers to the new Elektron platform, with half of those customers entirely off the legacy platform. As a result, we expect to continue incurring some dual running costs until the legacy platform is closed later this year.

FIRST QUARTER 2015 REVENUES BY TYPE



Results by type were:

- **Subscription** revenues decreased 1% as the commercial impacts associated with the migration of some customers to our unified technology platform more than offset higher revenues from our annual price increase;
- **Transactions** revenues increased 3%, reflecting a return to a more normal level of volatility in the foreign exchange and fixed income markets; and
- **Recoveries** revenues (low-margin revenues that we collect and largely pass-through to a third party provider, such as stock exchange fees) were essentially unchanged from the prior-year period. We expect Recoveries revenues to decline over the balance of the year as more third party providers move to direct billing of customers.

EBITDA and segment operating profit increased slightly as savings from efficiency initiatives were largely offset by the unfavorable impact of foreign currency. The prior-year period also included the impact of severance charges associated with the efficiency initiatives. Excluding the impacts of currency and prior-year severance charges, EBITDA and segment operating profit increased 9% and 14%, respectively, despite the revenue decline over the prior 12 months. We previously stated that we have targeted an EBITDA margin nearing 30% in 2015 for our Financial & Risk business. As an indication of how we are progressing toward this target, the segment's EBITDA margin in the first quarter would have been 27.3% excluding the impact of foreign currency.

Legal

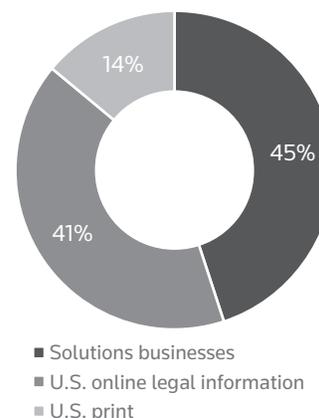
(millions of U.S. dollars, except margins)	THREE MONTHS ENDED MARCH 31,		PERCENTAGE CHANGE:				
	2015	2014	Existing businesses	Acquired businesses	Constant currency	Foreign currency	Total
Revenues	810	803	3%	-	3%	(2%)	1%
EBITDA	279	284					(2%)
EBITDA margin	34.4%	35.4%					(100)bp
Segment operating profit	213	215					(1%)
Segment operating profit margin	26.3%	26.8%					(50)bp

Revenues increased on a constant currency basis due to contributions from existing businesses. Subscription revenues, which represented 73% of Legal's business, increased 3%. Transaction revenues, which represented 13% of Legal's business, increased 17% (13% from existing businesses), driven by FindLaw law firm marketing solutions, Pangea3 legal managed services, and our Latin America businesses. Legal's U.S. print revenues (14% of Legal's business) decreased 6%. Excluding U.S. print, Legal's revenues increased 5%. We expect the first quarter to be the strongest revenue growth quarter for our Legal business, as transactional revenue growth was especially high.

Results by line of business were:

- **Solutions business** revenues include non U.S. legal information and global software and services businesses. Our Solutions businesses revenues increased 10% (9% from existing businesses), driven by higher transactional revenues and growth in U.K. Practical Law and Serengeti;
- **U.S. online legal information** revenues, which are primarily comprised of Westlaw, grew slightly, representing the first time this business recorded revenue growth since 2009. Revenue performance has steadily improved over the last four quarters; and
- **U.S. print** revenues decreased 6%.

FIRST QUARTER 2015 REVENUES BY LINE OF BUSINESS



EBITDA, segment operating profit and the related margins decreased due to timing of investments and other expenses. Segment operating profit growth and margin benefited from slightly lower depreciation and amortization expense. Foreign exchange benefited EBITDA and segment operating profit margins by 50bp and 40bp, respectively, compared to the prior-year period.

Tax & Accounting

(millions of U.S. dollars, except margins)	THREE MONTHS ENDED MARCH 31,		PERCENTAGE CHANGE:				
	2015	2014	Existing businesses	Acquired businesses	Constant currency	Foreign currency	Total
Revenues	373	348	7%	3%	10%	(3%)	7%
EBITDA	126	115					10%
EBITDA margin	33.8%	33.0%					80bp
Segment operating profit	98	84					17%
Segment operating profit margin	26.3%	24.1%					220bp

Revenues increased on a constant currency basis reflecting contributions from both existing and acquired businesses. Recurring revenues, which comprise approximately 80% of our Tax & Accounting business, increased 11% (7% from existing businesses) and transaction revenues increased 6% (all from existing businesses).

Results by line of business were:

- **Professional** revenues from accounting firms increased 12%, all from existing businesses, primarily from our CS Professional Suite and Enterprise Suite solutions for accounting firms;
- **Knowledge Solutions** revenues were essentially unchanged;
- **Corporate** revenues increased 17% (9% from existing businesses) primarily from ONESOURCE software and services and strong growth in solutions revenues in Latin America; and
- **Government** revenues were essentially unchanged over a relatively small revenue base.

FIRST QUARTER 2015 REVENUES BY LINE OF BUSINESS



EBITDA, segment operating profit and the related margins increased primarily due to higher revenues, partially offset by investments in growth businesses. Segment operating profit growth and margin also benefited from lower depreciation and amortization. Foreign exchange benefited EBITDA and segment operating profit margins by 60bp and 50bp, respectively, compared to the prior-year period.

Tax & Accounting is a seasonal business with a significant percentage of its operating profit historically generated in the fourth quarter. Small movements in the timing of revenues and expenses can impact quarterly margins. Full-year margins are more reflective of the segment’s performance.

Intellectual Property & Science

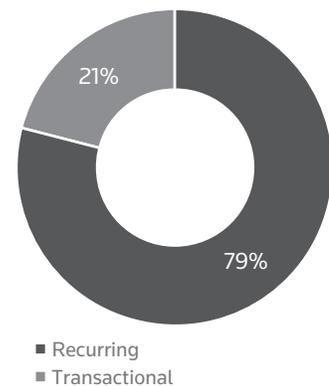
(millions of U.S. dollars, except margins)	THREE MONTHS ENDED MARCH 31,		PERCENTAGE CHANGE:				
	2015	2014	Existing businesses	Acquired businesses	Constant currency	Foreign currency	Total
Revenues	237	243	-	-	-	(2%)	(2%)
EBITDA	60	72					(17%)
EBITDA margin	25.3%	29.6%					(430)bp
Segment operating profit	38	51					(25%)
Segment operating profit margin	16.0%	21.0%					(500)bp

Revenues were essentially unchanged on a constant currency basis as growth in recurring revenues offset a decline in transactional revenues.

Results by type were:

- **Recurring** revenues increased 3% as growth from our MarkMonitor online brand protection solution and Web of Science subscriptions was partly offset by softness in Asset Management revenues; and
- **Transactional** revenues declined 11% due to large one-time transactions in 2014 that did not repeat in 2015.

FIRST QUARTER 2015 REVENUES BY TYPE



EBITDA, segment operating profit and the related margins decreased primarily due to timing of expenses, as well as a lower margin revenue mix compared to the prior-year period. Foreign exchange benefited EBITDA and segment operating profit margins by 70bp and 80bp, respectively, compared to the prior-year period.

Quarterly revenue growth for Intellectual Property & Science can be uneven due to the impact of large sales in the Government & Academia business. Small movements in the timing of revenues and expenses can impact quarterly margins. Full-year revenues and margins are more reflective of the segment's performance.

Corporate & Other

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Revenues – Reuters News	74	79
Reuters News	(3)	-
Core corporate expenses	(72)	(62)
Total	(75)	(62)

Revenues from our Reuters News business declined primarily due to unfavorable foreign currency.

The increase in core corporate expenses was primarily due to timing of expenses.

LIQUIDITY AND CAPITAL RESOURCES

Our capital strategy is aligned with our business strategy to drive revenue growth from existing businesses, achieve savings from our efficiency initiatives, and to reinvest in our growth businesses.

Our disciplined capital management strategy remains focused on:

- Growing free cash flow and balancing cash generated between reinvestment in the business and returns to shareholders; and
- Maintaining a strong balance sheet, solid credit ratings and ample financial flexibility to support the execution of our business strategy.

Our principal sources of liquidity are cash on hand, cash provided by our operations, our \$2.0 billion commercial paper programs and our \$2.5 billion credit facility. From time to time, we also issue debt securities. Our principal uses of cash are for debt repayments, debt servicing costs, dividend payments, capital expenditures, share repurchases and acquisitions. We believe that our existing sources of liquidity will be sufficient to fund our expected 2015 cash requirements in the normal course of business.

Cash flow

Summary of consolidated statement of cash flow

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,		
	2015	2014	\$ CHANGE
Net cash provided by operating activities	237	113	124
Net cash used in investing activities	(309)	(247)	(62)
Net cash used in financing activities	(166)	(523)	357
Decrease in cash and bank overdrafts	(238)	(657)	419
Translation adjustments	(12)	-	(12)
Cash and bank overdrafts at beginning of period	1,015	1,312	(297)
Cash and bank overdrafts at end of period	765	655	110
Cash and bank overdrafts at end of period comprised of:			
Cash and cash equivalents	769	667	102
Bank overdrafts	(4)	(12)	8

Operating activities. The increase in net cash provided by operating activities was primarily due to lower severance payments associated with our earlier efficiency initiatives and favorable movements in working capital.

Investing activities. The increase in net cash used in investing activities was primarily attributable to higher capital expenditures.

Financing activities. The decrease in net cash used in financing activities was primarily attributable to 2015 commercial paper borrowings, partly offset by a higher share repurchases. We returned \$0.6 billion and \$0.5 billion to our shareholders through dividends and share repurchases in the three months ended March 31, 2015 and 2014, respectively. Additional information about our debt, dividends and share repurchases is as follows:

- **Commercial paper programs.** Our \$2.0 billion commercial paper programs provide cost-effective and flexible short-term funding to balance the timing of dividend payments, debt repayments, share repurchases, and completed acquisitions. Issuances of commercial paper reached a peak of \$0.4 billion during the first quarter of 2015, all of which remained outstanding at March 31, 2015.
- **Credit facility.** We have a \$2.5 billion syndicated credit facility agreement which matures in May 2018. The facility may be utilized to provide liquidity for general corporate purposes (including support for our commercial paper programs). There were no borrowings under the credit facility in the first quarter of 2015.

We may request an increase, subject to approval by applicable lenders, in the lenders' commitments up to a maximum amount of \$3.0 billion.

Based on our current credit ratings, the cost of borrowing under the agreement is priced at LIBOR/EURIBOR plus 100 basis points. If our long-term debt rating were downgraded by Moody's or Standard & Poor's, our facility fee and borrowing costs may increase, although availability would be unaffected. Conversely, an upgrade in our ratings may reduce our facility fee and borrowing costs. We monitor the lenders that are party to our facility and believe they continue to be able to lend to us.

We guarantee borrowings by our subsidiaries under the credit facility. We must also maintain a ratio of net debt as of the last day of each fiscal quarter to EBITDA as defined in the credit agreement (earnings before interest, income taxes, depreciation and amortization and other modifications described in the credit agreement) for the last four quarters ended of not more than 4.5:1. We were in compliance with this covenant at March 31, 2015.

- **Debt shelf prospectus.** We have a debt shelf prospectus under which we may issue up to \$3.0 billion principal amount of debt securities from time to time through April 2016. As of March 31, 2015, we have issued \$1.5 billion principal amount of debt securities under the prospectus.
- **Credit ratings.** Our access to financing depends on, among other things, suitable market conditions and the maintenance of suitable long-term credit ratings. Our credit ratings may be adversely affected by various factors, including increased debt levels, decreased earnings, declines in customer demand, increased competition, a further deterioration in general economic and business conditions and adverse publicity. Any downgrades in our credit ratings may impede our access to the debt markets or result in significantly higher borrowing rates.

The following table sets forth the credit ratings that we have received from rating agencies in respect of our outstanding securities as of the date of this management's discussion and analysis:

	MOODY'S	STANDARD & POOR'S	DBRS LIMITED	FITCH
Long-term debt	Baa2	BBB+	BBB (high)	BBB+
Commercial paper	P-2	A-2	R-2 (high)	F2
Trend/Outlook	Stable	Stable	Stable	Stable

These credit ratings are not recommendations to purchase, hold, or sell securities and do not address the market price or suitability of a specific security for a particular investor. Credit ratings may not reflect the potential impact of all risks on the value of securities. We cannot assure you that our credit ratings will not be lowered in the future or that rating agencies will not issue adverse commentaries regarding our securities.

- **Dividends.** In February 2015, we announced a \$0.02 per share increase in the annualized dividend rate to \$1.34 per common share. Dividends paid on our common shares were as follows for the periods presented:

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Dividends declared	266	270
Dividends reinvested	(8)	(8)
Dividends paid	258	262

- **Share repurchases.** We may buy back shares (and subsequently cancel them) from time to time as part of our capital strategy. In July 2014, we announced a plan to repurchase up to \$1.0 billion of our common shares by the end of 2015. As of March 31, 2015, we repurchased 18.4 million common shares for a cost of \$0.7 billion under this buyback plan.

We currently repurchase shares under a normal course issuer bid (NCIB). Under our NCIB, we may repurchase up to 30 million common shares between May 28, 2014 and May 27, 2015 in open market transactions on the TSX, the New York Stock Exchange (NYSE) and/or other exchanges and alternative trading systems, if eligible, or by such other means as may be permitted by the TSX. We intend to renew our NCIB in May 2015 for an additional 12 month period.

During the three months ended March 31, 2015, we repurchased 8.8 million of our common shares for a cost of \$348 million. The average price per share that we repurchased in the first quarter of 2015 was \$39.74. During the three months ended March 31, 2014, we repurchased 7.5 million of our common shares for a cost of \$264 million. The average price per share that we repurchased in the first quarter of 2014 was \$35.14.

Decisions regarding any future repurchases will be based on market conditions, share price and other factors including opportunities to invest capital for growth. We may elect to suspend or discontinue our share repurchases at any time, in accordance with applicable laws. From time to time when we do not possess material nonpublic information about ourselves or our securities, we may enter into a pre-defined plan with our broker to allow for the repurchase of shares at times when we ordinarily would not be active in the market due to our own internal trading blackout periods, insider trading rules or otherwise. Any such plans entered into with our broker will be adopted in accordance with applicable Canadian securities laws and the requirements of Rule 10b5-1 under the U.S. Securities Exchange Act of 1934, as amended. We entered into such plans with our broker on March 31, 2015 and on March 31, 2014. As a result, we recorded a \$200 million liability in "Other financial liabilities" within current liabilities at March 31, 2015 (\$100 million at March 31, 2014) with a corresponding amount recorded in equity in the consolidated statement of financial position in both periods. The liability recorded on March 31, 2014 was settled in the second quarter of 2014.

Free cash flow

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Net cash provided by operating activities	237	113
Capital expenditures, less proceeds from disposals	(303)	(248)
Other investing activities	2	1
Dividends paid on preference shares	(1)	(1)
Free cash flow	(65)	(135)

Free cash flow is historically the lowest in the first quarter of the year and is not indicative of our full-year expectation of between \$1,550 million and 1,750 million. The improvement in free cash flow in the first quarter of 2015 was primarily due to higher cash from operating activities, partially offset by higher capital expenditures.

Financial position

Our total assets were \$29.8 billion at March 31, 2015, a decrease of \$0.8 billion compared to December 31, 2014. The decrease was primarily due to changes in foreign currency, depreciation of fixed assets, amortization of computer software and other identifiable intangible assets. These decreases were partially offset by capital expenditures.

As at March 31, 2015, the carrying amounts of our total current liabilities exceeded the carrying amounts of our total current assets principally because current liabilities include deferred revenue from the sale of information and services delivered electronically on a subscription basis, for which many customers pay in advance. The cash received from these advance payments is used to currently fund the operating, investing and financing activities of our business. However, for accounting purposes, these advance payments must be deferred and recognized over the term of the subscription. As such, we typically reflect a negative working capital position in our balance sheet. In the ordinary course of business, deferred revenue does not represent a cash obligation, but rather an obligation to perform services or deliver products. Therefore, we believe that our negative working capital position as at March 31, 2015, was not indicative of a liquidity issue, but rather an outcome of the required accounting for our business model.

Net debt⁽¹⁾

(millions of U.S. dollars)	MARCH 31, 2015	DECEMBER 31, 2014
Current indebtedness	889	534
Long-term indebtedness	7,446	7,576
Total debt	8,335	8,110
Swaps	372	207
Total debt after swaps	8,707	8,317
Remove fair value adjustments for hedges⁽²⁾	17	6
Total debt after currency hedging arrangements	8,724	8,323
Remove transaction costs and discounts included in the carrying value of debt	76	78
Less: cash and cash equivalents⁽³⁾	(769)	(1,018)
Net debt	8,031	7,383

(1) Net debt is a non-IFRS financial measure, which we define in Appendix A.

(2) Represents the interest-related fair value component of hedging instruments that are removed to reflect net cash outflow upon maturity.

(3) Includes cash and cash equivalents of \$98 million and \$105 million at March 31, 2015 and December 31, 2014, respectively, held in subsidiaries, which have regulatory restrictions, contractual restrictions or operate in countries where exchange controls and other legal restrictions apply and are therefore not available for general use by our company.

The maturity dates for our debt are well balanced with no significant concentration in any one year. Our next scheduled debt maturity occurs in July 2015. At March 31, 2015, the average maturity of our term debt was approximately nine years at an average interest rate (after swaps) of less than 5%.

Additional information

- We monitor the financial strength of financial institutions with which we have banking and other commercial relationships, including those that hold our cash and cash equivalents as well as those which are counterparties to derivative financial instruments and other arrangements; and
- We expect to continue to have access to funds held by our subsidiaries outside the U.S. in a tax efficient manner to meet our liquidity requirements.

Off-balance sheet arrangements, commitments and contractual obligations

For a summary of our other off-balance sheet arrangements, commitments and contractual obligations please see our 2014 annual management's discussion and analysis. There were no material changes to these arrangements, commitments and contractual obligations during the three months ended March 31, 2015.

Contingencies

Lawsuits and legal claims

We are engaged in various legal proceedings, claims, audits and investigations that have arisen in the ordinary course of business. These matters include, but are not limited to, intellectual property infringement claims, employment matters and commercial matters. The outcome of all of the matters against us is subject to future resolution, including the uncertainties of litigation. Based on information currently known to us and after consultation with outside legal counsel, management believes that the ultimate resolution of any such matters, individually or in the aggregate, will not have a material adverse impact on our financial condition taken as a whole.

Uncertain tax positions

We are subject to taxation in numerous jurisdictions and we are routinely under audit by many different taxing authorities in the ordinary course of business. There are many transactions and calculations during the course of business for which the ultimate tax determination is uncertain, as taxing authorities may challenge some of our positions and propose adjustments or changes to our tax filings. As a result, we maintain provisions for uncertain tax positions that we believe appropriately reflect our risk. These provisions are made using our best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. We review the adequacy of these provisions at the end of each reporting period and adjust them based on changing facts and circumstances. Due to the uncertainty associated with tax audits, it is possible that at some future date, liabilities resulting from such audits or related litigation could vary significantly from our provisions. However, based on currently enacted legislation, information currently known to us and after consultation with outside tax advisors, management believes that the ultimate resolution of any such matters, individually or in the aggregate, will not have a material adverse impact on our financial condition taken as a whole.

For additional information, please see the "Risk Factors" section of our 2014 annual report, which contains further information on risks related to tax matters.

OUTLOOK

The information in this section is forward-looking and should be read in conjunction with the section below entitled "Cautionary Note Concerning Factors That May Affect Future Results".

We recently reaffirmed our business outlook for 2015 that was first communicated in February.

Our outlook assumes constant currency rates relative to 2014 with no further acquisitions or divestitures.

In light of recent increased volatility in the foreign exchange markets, currency is likely to have a higher-than-usual impact on our results in 2015. Consistent with prior years, our guidance is provided before currency. The following table sets forth our current 2015 financial outlook, the material assumptions related to our financial outlook and the material risks that may cause actual performance to differ materially from our current expectations.

REVENUE GROWTH FROM EXISTING BUSINESSES (ORGANIC) EXPECTED TO BE POSITIVE

Material assumptions

- Gross domestic product (GDP) growth in most of the countries where we operate
- Continued increase in the number of professionals around the world and their demand for high quality information and services
- The successful execution of sales initiatives, ongoing product release programs and our globalization strategy
- Positive net sales performance in our Financial & Risk segment
- Lower price realization from the migration of Financial & Risk customers to its unified technology platform
- A continued decline in our U.S. print revenues

Material risks

- Uneven economic growth, recession or volatile currency movements across the markets we serve may result in reduced spending levels by our customers
 - Demand for our products and services could be reduced by changes in customer buying patterns, competitive pressures or our inability to execute on key product or customer support initiatives
 - Implementation of regulatory reform around the world, including financial services laws, may limit business opportunities for our customers, lowering their demand for our products and services
 - Pressure on our customers, in developed markets in particular, to constrain the number of professionals employed due to regulatory and economic uncertainty
 - Competitive pricing actions could impact our revenues
 - Lower price realization from the migration of Financial & Risk customers to its unified technology platform could be more severe or last longer than expected
 - Global market conditions could depress transaction volumes in our Financial & Risk business
-

ADJUSTED EBITDA MARGIN EXPECTED TO BE BETWEEN 27.5% and 28.5%

Material assumptions

- Revenue growth from existing businesses (organic) expected to be positive
- Business mix continues to shift to higher-growth, but lower margin offerings
- Execution of continued efficiency initiatives
- Migration of key products and platforms in Financial & Risk

Material risks

- Refer to the risks above related to the revenue outlook
 - Revenues from higher margin businesses may be lower than expected; conversely, revenues from low-margin businesses could be higher than expected
 - The costs of required investments exceed expectations or actual returns are below expectations
 - Acquisition and disposal activity may dilute margins
 - Customer migrations to upgraded platforms are delayed or do not provide the expected savings
 - Efficiency initiatives may cost more than expected, be delayed or may not produce the expected level of savings
 - Investments in growth markets could be higher than expected
 - Volatility in foreign exchange markets could have a higher-than-usual impact on margins
-

 UNDERLYING OPERATING PROFIT MARGIN EXPECTED TO BE BETWEEN 18.5% AND 19.5%

Material assumptions

- Adjusted EBITDA margin expected to be between 27.5% and 28.5%
- Depreciation and software amortization expense expected to be approximately 9% of revenues
- Capital expenditures expected to be approximately 8% of revenues

Material risks

- Refer to the risks above related to adjusted EBITDA margin outlook
 - Capital expenditures may be higher than currently expected, resulting in higher in-period depreciation and amortization
 - Obsolescence of technology may require accelerated amortization or impairment of certain assets
-

 FREE CASH FLOW IS EXPECTED TO BE BETWEEN \$1,550 MILLION AND \$1,750 MILLION

Material assumptions

- Revenue growth from existing businesses (organic) expected to be positive
- Adjusted EBITDA margin expected to be between 27.5% and 28.5%
- Capital expenditures expected to be approximately 8% of revenues

Material risks

- Refer to the risks above related to the revenue outlook and adjusted EBITDA margin outlook
 - A weaker macroeconomic environment and unanticipated disruptions from new order-to-cash applications could negatively impact working capital performance
 - Capital expenditures may be higher than currently expected resulting in higher cash outflows
 - The timing and amount of tax payments to governments may differ from our expectations
-

Additionally, in 2015, we expect interest expense to be between \$435 million and \$465 million. We expect our 2015 effective tax rate (as a percentage of post-amortization adjusted earnings) to be between 14.5% and 16.5%, assuming no material changes to us from current tax laws or treaties to which we are subject.

RELATED PARTY TRANSACTIONS

As of April 28, 2015, Woodbridge beneficially owned approximately 58% of our shares. There were no new significant related party transactions during the first quarter of 2015. Please refer to the "Related Party Transactions" section of our 2014 annual management's discussion and analysis, which is contained in our 2014 annual report, as well as note 30 of our 2014 annual consolidated financial statements for information regarding related party transactions.

SUBSEQUENT EVENTS

Share repurchases

From April 1, 2015 through April 28, 2015, we repurchased 4.3 million of our common shares for \$177 million at an average price per share of \$41.30.

CHANGES IN ACCOUNTING POLICIES

Please refer to the "Changes in Accounting Policies" section of our 2014 annual management's discussion and analysis, which is contained in our 2014 annual report, as well as note 2 of our consolidated interim financial statements for the three months ended March 31, 2015, for information regarding changes in accounting policies.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make estimates and judgments about the future. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Please refer to the "Critical Accounting Estimates and Judgments" section of our 2014 annual management's discussion and analysis, which is contained in our 2014 annual report, for additional information. Since the date of our 2014 annual management's discussion and analysis, there have not been any significant changes to our critical accounting estimates and judgments.

ADDITIONAL INFORMATION

Disclosure controls and procedures

Our Chief Executive Officer and Chief Financial Officer, after evaluating the effectiveness of our disclosure controls and procedures (as defined in applicable U.S. and Canadian securities law) as of the end of the period covered by this management's discussion and analysis, have concluded that our disclosure controls and procedures were effective to ensure that all information that we are required to disclose in reports that we file or furnish under the U.S. Securities Exchange Act and applicable Canadian securities law is (i) recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and Canadian securities regulatory authorities and (ii) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

Internal control over financial reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. We are engaged in the following long-term efficiency initiatives which impact our financial reporting:

- A multi-year phased implementation of order-to-cash (OTC) applications and related workflow processes. Key elements of the OTC solutions are order management, billing, cash management and collections functionality. We expect to reduce the number of applications and to streamline processes across our organization through this initiative.
- Automation of manual processes and updating workflows associated with intercompany revenue and cost allocation.

These initiatives are being implemented in phases and therefore the nature and extent of activity will vary by quarter. We modify the design and documentation of the related internal control processes and procedures as part of our phased approach.

Except as described above, there was no change in our internal control over financial reporting during the first quarter of 2015 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Share capital

As of April 28, 2015, we had outstanding 784,843,750 common shares, 6,000,000 Series II preference shares, 10,631,713 stock options and a total of 7,608,697 time-based restricted share units and performance restricted share units. We have also issued a Thomson Reuters Founders Share which enables Thomson Reuters Founders Share Company to exercise extraordinary voting power to safeguard the Thomson Reuters Trust Principles.

Public securities filings and regulatory announcements

You may access other information about our company, including our 2014 annual report (which contains information required in an annual information form) and our other disclosure documents, reports, statements or other information that we file with the Canadian securities regulatory authorities through SEDAR at www.sedar.com and in the United States with the SEC at www.sec.gov.

Cautionary note concerning factors that may affect future results

Certain statements in this management's discussion and analysis are forward-looking, including, but not limited to, statements about 2015 expectations in the "Overview" and "Outlook" sections, our expectations about Recoveries revenues, EBITDA margin, and the migration of customers to new products and platforms in the Financial & Risk segment, revenues in our Legal segment, and future share repurchases. The words "expect", "target" and "will" and similar expressions identify forward-looking statements. These forward-looking statements are based on certain assumptions and reflect our company's current expectations. As a result, forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Certain factors that could cause actual results or events to differ materially from current expectations are discussed in the "Outlook" section above. Additional factors are discussed in the "Risk Factors" section of our 2014 annual report and in materials that we from time to time file with, or furnish to, the Canadian securities regulatory authorities and the U.S. Securities and Exchange Commission. There is no assurance that any forward-looking statement will materialize. Our outlook is provided for the purpose of providing information about current expectations for 2015. This information may not be appropriate for other purposes. You are cautioned not to place undue reliance on forward-looking statements, which reflect our expectations only as of the date of this management's discussion and analysis. Except as may be required by applicable law, we disclaim any obligation to update or revise any forward-looking statements.

APPENDIX A

Non-IFRS financial measures

We use non-IFRS financial measures as supplemental indicators of our operating performance and financial position. Additionally, we use non-IFRS measures as performance metrics as the basis for management incentive programs. These measures do not have any standardized meanings prescribed by IFRS and therefore are unlikely to be comparable to the calculation of similar measures used by other companies. The following table sets forth our non-IFRS financial measures, including an explanation of why we believe they are useful measures of our performance. Reconciliations for the most directly comparable IFRS measure are reflected in our management's discussion and analysis.

HOW WE DEFINE IT	WHY WE USE IT AND WHY IT IS USEFUL TO INVESTORS	MOST DIRECTLY COMPARABLE IFRS MEASURE/ RECONCILIATION
Revenues from ongoing businesses		
Revenues from reportable segments and Corporate & Other (which includes the Reuters News business), less eliminations.	Provides a measure of our ability to grow our ongoing businesses over the long term.	Revenues
Revenues at constant currency (before currency or revenues excluding the effects of foreign currency)		
Revenues 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.	Provides a measure of underlying business trends, without distortion from the effect of foreign currency movements during the period. 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.	Revenues
Underlying operating profit and underlying operating profit margin		
Operating profit from reportable segments and Corporate & Other. The related margin is expressed as a percentage of revenues from ongoing businesses.	Provides a basis to evaluate operating profitability and performance trends, excluding the impact of items which distort the performance of our operations.	Operating profit
Adjusted EBITDA and adjusted EBITDA margin		
Underlying operating profit excluding the related depreciation and amortization of computer software. The related margin is expressed as a percentage of revenues from ongoing businesses.	Provides a measure commonly reported and widely used by investors as an indicator of a company's operating performance and ability to incur and service debt, and as a valuation metric.	Earnings (loss) from continuing operations ⁽¹⁾
Adjusted EBITDA less capital expenditures and adjusted EBITDA less capital expenditures margin		
Adjusted EBITDA less capital expenditures, less proceeds from disposals (excluding Other Businesses). The related margin is expressed as a percentage of revenues from ongoing businesses.	Provides a basis for evaluating the operating profitability and capital intensity of a business in a single measure. This measure captures investments regardless of whether they are expensed or capitalized.	Earnings (loss) from continuing operations ⁽¹⁾

HOW WE DEFINE IT	WHY WE USE IT AND WHY IT IS USEFUL TO INVESTORS	MOST DIRECTLY COMPARABLE IFRS MEASURE/ RECONCILIATION
Adjusted earnings and adjusted earnings per share		
<p>Earnings (loss) attributable to common shareholders and per share:</p> <ul style="list-style-type: none"> • excluding the pre-tax impacts of amortization of other identifiable intangible assets; and • the post-tax impacts of fair value adjustments, other operating gains and losses, certain impairment charges, the results of Other Businesses, other net finance costs or income, our share of post-tax earnings or losses in equity method investments, discontinued operations and other items affecting comparability. • We also deduct dividends declared on preference shares; and <p>amortization of the tax charges associated with the consolidation of ownership and management of technology and content assets. For the non-IFRS measure, the majority of the charges are amortized over seven years, the period over which the tax is expected to be paid.</p>	<p>Provides a more comparable basis to analyze earnings and is also a measure commonly used by shareholders to measure our performance.</p> <p>We believe this treatment more accurately reflects our tax position because the tax liability is associated with ongoing tax implications from the consolidation of these assets.</p>	<p>Earnings (loss) attributable to common shareholders and earnings (loss) per share attributable to common shareholders</p>
<p>This measure is calculated using diluted weighted-average shares.</p>		
<p>In interim periods, we also adjust our reported earnings and earnings per share to reflect a normalized effective tax rate. Specifically, the normalized effective rate is computed as the estimated full-year effective tax rate applied to adjusted pre-tax earnings of the interim period. The reported effective tax rate is based on separate annual effective income tax rates for each taxing jurisdiction that are applied to each interim period's pre-tax income.</p>	<p>Because the geographical mix of pre-tax profits and losses in interim periods may be different from that for the full-year, we believe that using the expected full-year effective tax rate provides more comparability among interim periods. The adjustment to normalize the effective tax rate reallocates estimated full-year income taxes between interim periods, but has no effect on full-year tax expense or on cash taxes paid.</p>	

(1) Net earnings when there are no earnings from discontinued operations.

HOW WE DEFINE IT	WHY WE USE IT AND WHY IT IS USEFUL TO INVESTORS	MOST DIRECTLY COMPARABLE IFRS MEASURE/ RECONCILIATION
Net debt		
Total indebtedness, including the associated fair value of hedging instruments, but excluding the associated unamortized transaction costs and premiums or discounts and the interest-related fair value component of hedging instruments, less cash and cash equivalents.	Provides a commonly used measure of a company's leverage. 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 the interest components of the associated fair value of hedges in our measurements. We reduce gross indebtedness by cash and cash equivalents.	Total debt (current indebtedness plus long-term indebtedness)
Free cash flow		
Net cash provided by operating activities, and other investing activities, less capital expenditures and dividends paid on our preference shares.	Helps assess our ability, over the long term, to create value for our shareholders as it represents cash available to repay debt, pay common dividends and fund share repurchases and new acquisitions.	Net cash provided by operating activities
Free cash flow from ongoing businesses		
Free cash flow excluding businesses that have been or are expected to be exited through sale or closure, which we refer to as "Other Businesses".	Provides a supplemental measure of our ability, over the long term, to create value for our shareholders because it represents free cash flow generated by our operations excluding businesses that have been or are expected to be exited through sale or closure.	Net cash provided by operating activities

Non-IFRS financial measures, excluding the effects of foreign currency

Given the increased volatility recently experienced in the foreign exchange markets, currency has had a significant impact on our first quarter 2015 results. We believe analysis of our results excluding the effects of foreign currency improves comparability. Accordingly, we have supplemented our analysis with the following non-IFRS measures:

Changes in adjusted EBITDA and the related margin at constant currency (before currency or changes in adjusted EBITDA and the related margin excluding the effects of foreign currency)		
Adjusted EBITDA and adjusted EBITDA margin 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 adjusted EBITDA using the same foreign currency exchange rate.	Provides a measure of underlying business trends, without distortion from the effect of foreign currency movements during the period.	Earnings (loss) from continuing operations ⁽¹⁾

HOW WE DEFINE IT	WHY WE USE IT AND WHY IT IS USEFUL TO INVESTORS	MOST DIRECTLY COMPARABLE IFRS MEASURE / RECONCILIATION
Changes in underlying operating profit and the related margin at constant currency (before currency or changes in underlying operating profit and the related margin excluding the effects of foreign currency)		
Underlying operating profit and underlying operating profit margin 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 underlying operating profit using the same foreign currency exchange rate.	Provides a measure of underlying business trends, without distortion from the effect of foreign currency movements during the period.	Operating profit
Changes in adjusted earnings per share (adjusted EPS) at constant currency (before currency or changes in adjusted EPS excluding the effects of foreign currency)		
Adjusted EPS 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 adjusted EPS using the same foreign currency exchange rate.	Provides a more comparable basis to analyze earnings, without distortion from the effect of foreign currency movements during the period.	Earnings (loss) per share attributable to common shareholders

(1) Net earnings when there are no earnings from discontinued operations.

APPENDIX B

This appendix provides reconciliations that are not presented elsewhere in this management's discussion and analysis for certain non-IFRS measures to the most directly comparable IFRS measure for the three months ended March 31, 2015 and 2014.

Reconciliation of net earnings to adjusted EBITDA and adjusted EBITDA less capital expenditures

(millions of U.S. dollars, except margins)	THREE MONTHS ENDED MARCH 31		
	2015	2014	CHANGE
Net earnings	320	292	10%
Adjustments to remove:			
Tax expense (benefit)	28	(13)	
Other finance income	(42)	(28)	
Net interest expense	105	108	
Amortization of other identifiable intangible assets	149	163	
Amortization of computer software	193	194	
Depreciation	95	98	
EBITDA	848	814	
Adjustments to remove:			
Share of post-tax earnings in equity method investments	(4)	-	
Other operating losses, net	12	3	
Fair value adjustments	(53)	2	
EBITDA from Other Businesses	-	1	
Adjusted EBITDA	803	820	(2%)
Deduct: Capital expenditures, less proceeds from disposals (excluding Other Businesses)	303	248	
Adjusted EBITDA less capital expenditures	500	572	(13%)
Adjusted EBITDA margin	26.4%	26.2%	20bp
Adjusted EBITDA less capital expenditures margin	16.4%	18.3%	(190)bp

Reconciliation of underlying operating profit to adjusted EBITDA by segment

(millions of U.S. dollars)	THREE MONTHS ENDED MARCH 31, 2015			THREE MONTHS ENDED MARCH 31, 2014		
	Underlying operating profit	Add: Depreciation and amortization of computer software	Adjusted EBITDA	Underlying operating profit	Add: Depreciation and amortization of computer software **	Adjusted EBITDA
Financial & Risk	241	160	401	240	159	399
Legal	213	66	279	215	69	284
Tax & Accounting	98	28	126	84	31	115
Intellectual Property & Science	38	22	60	51	21	72
Corporate & Other (includes Reuters News)	(75)	12	(63)	(62)	12	(50)
Total	515	288	803	528	292	820

** Excludes Other Businesses.

Reconciliation of changes in adjusted EBITDA, underlying operating profit and the related margins, and adjusted earnings per share (adjusted EPS), excluding the effects of foreign currency

THREE MONTHS ENDED MARCH 31,										
(millions of U.S. dollars, except per share amounts, and margins)			% CHANGE			BP CHANGE				
	2015	2014	Total	Foreign currency	Constant currency	2015 margin	2014 margin	Total	Foreign currency	Constant currency
Adjusted EBITDA	803	820	(2%)	(6%)	4%	26.4%	26.2%	20bp	(40)bp	60bp
Underlying operating profit	515	528	(2%)	(8%)	6%	16.9%	16.9%	-	(60)bp	60bp
Adjusted EPS	\$0.44	\$0.46	(4%)	(13%)	9%	n/a	n/a	n/a	n/a	n/a

APPENDIX C

Quarterly information (unaudited)

The following table presents a summary of our consolidated operating results for the eight most recent quarters.

	QUARTER ENDED MARCH 31,		QUARTER ENDED JUNE 30,		QUARTER ENDED SEPTEMBER 30,		QUARTER ENDED DECEMBER 31,	
(millions of U.S. dollars, except per share amounts)	2015	2014	2014	2013	2014	2013	2014	2013
Revenues	3,044	3,130	3,159	3,163	3,107	3,086	3,211	3,278
Operating profit	407	359	381	597	466	316	1,339	213
Earnings (loss) from continuing operations	320	292	260	256	250	283	1,157	(347)
Earnings from discontinued operations, net of tax	-	-	-	6	-	-	-	4
Net earnings (loss)	320	292	260	262	250	283	1,157	(343)
Earnings (loss) attributable to common shareholders	305	282	249	248	231	271	1,147	(351)
Dividends declared on preference shares	(1)	(1)	-	(1)	(1)	-	(1)	(1)
Basic earnings (loss) per share								
From continuing operations	\$ 0.38	\$ 0.34	\$ 0.31	\$ 0.29	\$ 0.29	\$ 0.33	\$ 1.43	(\$ 0.43)
From discontinued operations	-	-	-	0.01	-	-	-	-
	\$ 0.38	\$ 0.34	\$ 0.31	\$ 0.30	\$ 0.29	\$ 0.33	\$ 1.43	(\$ 0.43)
Diluted earnings (loss) per share								
From continuing operations	\$ 0.38	\$ 0.34	\$ 0.31	\$ 0.29	\$ 0.28	\$ 0.33	\$ 1.43	(\$ 0.43)
From discontinued operations	-	-	-	0.01	-	-	-	-
	\$ 0.38	\$ 0.34	\$ 0.31	\$ 0.30	\$ 0.28	\$ 0.33	\$ 1.43	(\$ 0.43)

Our revenues and operating profit on a consolidated basis do not tend to be significantly impacted by seasonality as we record a large portion of our revenues ratably over a contract term and our costs are generally incurred evenly throughout the year. However, our non-recurring revenues can cause changes in our performance from quarter to consecutive quarter. Additionally, the release of certain print-based offerings can be seasonal as can certain product releases for the regulatory markets, which tend to be concentrated at the end of the year. Our quarterly performance may also be impacted by the timing of certain product migrations we are in the process of executing, as well as by volatile foreign currency exchange rates, as we have recently experienced. As a consequence, the results of certain of our segments can be impacted by seasonality to a greater extent than our consolidated revenues and operating profit.

Revenues – Foreign currency caused revenues to decline in the first and fourth quarters, but did not significantly impact revenue movements in the other periods. Revenues declined in the second quarter of 2014 due to divestitures, primarily our Corporate Services business, which was sold in the second quarter of 2013. On a constant currency basis, all periods reflected strong combined growth from our Legal, Tax & Accounting and Intellectual Property & Science segments. Revenue performance over these periods also reflected challenges in our Financial & Risk segment, including an overall difficult economic environment. Acquisitions contributed modestly to revenue changes reflecting our increased focus on growing revenues from existing businesses.

Operating profit – Operating profit in the first and third quarters increased primarily due to favorable fair value adjustments. Operating profit increased in the fourth quarter primarily due to a \$931 million gain from the release of accumulated foreign currency translation adjustments from shareholders' equity. The gain was triggered by the loss of control of a subsidiary, which involved the settlement of an intercompany loan that was considered permanent. This transaction was part of our plan to reduce the number of subsidiaries in our legal organizational structure, which is one of our simplification program initiatives. The decline in the second quarter was primarily due to a 2013 gain on sale of our Corporate Services business and unfavorable fair value adjustments.

Net earnings (loss) – Net earnings increased in the first quarter due to higher operating profit, partly offset by higher income tax expense. Net earnings in the fourth quarter of 2014 compared to a net loss in the fourth quarter of 2013. The increase was due to higher operating profit, and a 2013 income tax charge of \$425 million associated with the consolidation of the ownership and management of our technology and content assets, an initiative which was part of our simplification program. Net earnings in the third quarter were lower as higher operating profit was more than offset by higher financing costs and income tax expense. Net earnings in the second quarter were comparable as lower operating profit was offset by lower tax expense, which reflected a 2013 income tax charge of \$161 million associated with the consolidation of the ownership and management of our technology and content assets, which was also part of our simplification program.

THOMSON REUTERS CORPORATION
CONSOLIDATED INCOME STATEMENT
(unaudited)

(millions of U.S. dollars, except per share amounts)	NOTES	THREE MONTHS ENDED MARCH 31,	
		2015	2014
Revenues		3,044	3,130
Operating expenses	5	(2,188)	(2,313)
Depreciation		(95)	(98)
Amortization of computer software		(193)	(194)
Amortization of other identifiable intangible assets		(149)	(163)
Other operating losses, net		(12)	(3)
Operating profit		407	359
Finance costs, net:			
Net interest expense	6	(105)	(108)
Other finance income	6	42	28
Income before tax and equity method investments		344	279
Share of post-tax earnings in equity method investments		4	-
Tax (expense) benefit	7	(28)	13
Net earnings		320	292
Earnings attributable to:			
Common shareholders		305	282
Non-controlling interests		15	10
Earnings per share:	8		
Basic and diluted earnings per share		\$0.38	\$0.34

The related notes form an integral part of these consolidated financial statements.

THOMSON REUTERS CORPORATION
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(unaudited)

(millions of U.S. dollars)	NOTES	THREE MONTHS ENDED MARCH 31,	
		2015	2014
Net earnings		320	292
Other comprehensive loss:			
Cash flow hedges adjustments to earnings	6	177	107
Items that may be subsequently reclassified to net earnings:			
Cash flow hedges adjustments to equity		(172)	(97)
Foreign currency translation adjustments to equity		(412)	18
		(584)	(79)
Item that will not be reclassified to net earnings:			
Net remeasurement losses on defined benefit pension plans, net of tax ⁽¹⁾		(34)	(50)
Other comprehensive loss		(441)	(22)
Total comprehensive (loss) income		(121)	270
Comprehensive (loss) income for the period attributable to:			
Common shareholders		(136)	260
Non-controlling interests		15	10

(1) The related tax benefit was \$15 million and \$31 million for the three months ended March 31, 2015 and 2014, respectively.

The related notes form an integral part of these consolidated financial statements.

THOMSON REUTERS CORPORATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(unaudited)

(millions of U.S. dollars)	NOTES	MARCH 31, 2015	DECEMBER 31, 2014
ASSETS			
Cash and cash equivalents	9	769	1,018
Trade and other receivables		1,777	1,810
Other financial assets	9	263	161
Prepaid expenses and other current assets		707	657
Current assets		3,516	3,646
Computer hardware and other property, net		1,113	1,182
Computer software, net		1,496	1,529
Other identifiable intangible assets, net		6,875	7,124
Goodwill		16,044	16,403
Other financial assets	9	157	127
Other non-current assets	10	541	536
Deferred tax		47	50
Total assets		29,789	30,597
LIABILITIES AND EQUITY			
Liabilities			
Current indebtedness	9	889	534
Payables, accruals and provisions	11	1,918	2,443
Deferred revenue		1,359	1,355
Other financial liabilities	9	428	265
Current liabilities		4,594	4,597
Long-term indebtedness	9	7,446	7,576
Provisions and other non-current liabilities	12	2,203	2,171
Other financial liabilities	9	285	161
Deferred tax		1,367	1,433
Total liabilities		15,895	15,938
Equity			
Capital	13	10,091	10,157
Retained earnings		6,867	7,168
Accumulated other comprehensive loss		(3,554)	(3,147)
Total shareholders' equity		13,404	14,178
Non-controlling interests		490	481
Total equity		13,894	14,659
Total liabilities and equity		29,789	30,597

Contingencies (note 15)

The related notes form an integral part of these consolidated financial statements.

THOMSON REUTERS CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOW
(unaudited)

(millions of U.S. dollars)	NOTES	THREE MONTHS ENDED MARCH 31,	
		2015	2014
Cash provided by (used in):			
OPERATING ACTIVITIES			
Net earnings		320	292
Adjustments for:			
Depreciation		95	98
Amortization of computer software		193	194
Amortization of other identifiable intangible assets		149	163
Net losses on disposals of businesses and investments		-	1
Deferred tax		(27)	(40)
Other	14	(14)	34
Changes in working capital and other items	14	(479)	(629)
Net cash provided by operating activities		237	113
INVESTING ACTIVITIES			
Acquisitions, net of cash acquired		(8)	-
Capital expenditures, less proceeds from disposals		(303)	(248)
Other investing activities		2	1
Net cash used in investing activities		(309)	(247)
FINANCING ACTIVITIES			
Net borrowings under short-term loan facilities	9	400	-
Repurchases of common shares	13	(348)	(264)
Dividends paid on preference shares		(1)	(1)
Dividends paid on common shares	13	(258)	(262)
Other financing activities		41	4
Net cash used in financing activities		(166)	(523)
Decrease in cash and bank overdrafts		(238)	(657)
Translation adjustments		(12)	-
Cash and bank overdrafts at beginning of period		1,015	1,312
Cash and bank overdrafts at end of period		765	655
Cash and bank overdrafts at end of period comprised of:			
Cash and cash equivalents		769	667
Bank overdrafts		(4)	(12)
		765	655
Supplemental cash flow information is provided in note 14.			
Interest paid		(88)	(109)
Interest received		-	1
Income taxes paid		(67)	(65)

Interest paid and received is reflected as an operating cash flow. Interest paid is net of debt-related hedges.

Income taxes paid and received are reflected as either operating or investing cash flows depending on the nature of the underlying transaction.

The related notes form an integral part of these consolidated financial statements.

THOMSON REUTERS CORPORATION
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(unaudited)

(millions of U.S. dollars)	Stated share capital	Contributed surplus	Total capital	Retained earnings	Unrecognized gain on cash flow hedges	Foreign currency translation adjustments	Total accumulated other comprehensive (loss) income ("AOCL")	Non-controlling interests	Total
Balance, December 31, 2014	9,976	181	10,157	7,168	18	(3,165)	(3,147)	481	14,659
Comprehensive income ⁽¹⁾	-	-	-	271	5	(412)	(407)	15	(121)
Change in ownership interest of subsidiary	-	-	-	5	-	-	-	1	6
Distributions to non-controlling interests	-	-	-	-	-	-	-	(7)	(7)
Dividends declared on preference shares	-	-	-	(1)	-	-	-	-	(1)
Dividends declared on common shares	-	-	-	(266)	-	-	-	-	(266)
Shares issued under Dividend Reinvestment Plan ("DRIP")	8	-	8	-	-	-	-	-	8
Repurchases of common shares ⁽²⁾	(140)	-	(140)	(310)	-	-	-	-	(450)
Stock compensation plans	79	(13)	66	-	-	-	-	-	66
Balance, March 31, 2015	9,923	168	10,091	6,867	23	(3,577)	(3,554)	490	13,894

(millions of U.S. dollars)	Stated share capital	Contributed surplus	Total capital	Retained earnings	Unrecognized (loss) gain on cash flow hedges	Foreign currency translation adjustments	AOCL	Non-controlling interests	Total
Balance, December 31, 2013	10,170	177	10,347	7,303	(17)	(1,597)	(1,614)	394	16,430
Comprehensive income ⁽¹⁾	-	-	-	232	10	18	28	10	270
Distributions to non-controlling interests	-	-	-	-	-	-	-	(3)	(3)
Dividends declared on preference shares	-	-	-	(1)	-	-	-	-	(1)
Dividends declared on common shares	-	-	-	(270)	-	-	-	-	(270)
Shares issued under DRIP	8	-	8	-	-	-	-	-	8
Repurchases of common shares ⁽²⁾	(101)	-	(101)	(178)	-	-	-	-	(279)
Stock compensation plans	35	(23)	12	-	-	-	-	-	12
Balance, March 31, 2014	10,112	154	10,266	7,086	(7)	(1,579)	(1,586)	401	16,167

(1) Retained earnings for the three months ended March 31, 2015 includes net remeasurement losses on defined benefit pension plans of \$34 million, net of tax (2014 – losses of \$50 million, net of tax).

(2) Includes stated share capital of \$62 million and retained earnings of \$138 million for the three months ended March 31, 2015 related to the Company's pre-defined share repurchase plan (2014 – stated share capital of \$36 million and retained earnings of \$64 million). See note 13.

The related notes form an integral part of these consolidated financial statements.

THOMSON REUTERS CORPORATION

Notes to Consolidated Financial Statements (unaudited)
(unless otherwise stated, all amounts are in millions of U.S. dollars)

Note 1: Business description and basis of preparation

General business description

Thomson Reuters Corporation (the "Company" or "Thomson Reuters") is an Ontario, Canada corporation with common shares listed on the Toronto Stock Exchange ("TSX") and the New York Stock Exchange ("NYSE") and Series II preference shares listed on the TSX. The Company provides intelligent information to businesses and professionals. Its offerings combine industry expertise with innovative technology to deliver critical information to decision makers.

Basis of preparation

The unaudited consolidated interim financial statements ("interim financial statements") were prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended December 31, 2014, except as described in note 2. The interim financial statements are in compliance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. The preparation of financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements have been set out in note 2 of the Company's consolidated financial statements for the year ended December 31, 2014. These interim financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2014, which are included in the Company's 2014 annual report.

The accompanying interim financial statements include all adjustments, composed of normal recurring adjustments, considered necessary by management to fairly state the Company's results of operations, financial position and cash flows. The operating results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the full year.

References to "\$" are to U.S. dollars and references to "C\$" are to Canadian dollars.

Note 2: Changes in accounting policies

Certain pronouncements were issued by the IASB or International Financial Reporting Interpretations Committee that are effective for accounting periods beginning on or after January 1, 2015. Many of these updates are not applicable or consequential to the Company and have been excluded from the discussion below.

Amendment adopted January 1, 2015

The following amendment was adopted on January 1, 2015 and did not have a material impact on the consolidated financial statements at March 31, 2015 and December 31, 2014 or for the three months ended March 31, 2015 and 2014.

IAS 19	<i>Employee Benefits</i>	IAS 19 amendment, <i>Defined Benefit Plans: Employee Contributions</i> , clarifies the accounting for contributions from employees. Employee contributions, which are often a fixed percentage of salary, may be recognized as a reduction in the service cost component of pension expense in the same period the employee provides services. However, if the employee contribution rate varies based on years of service, the reduction in expense must be allocated over future service periods, mirroring the service cost recognition pattern.
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Pronouncements effective for annual periods beginning January 1, 2017 or later:

IFRS 15	<i>Revenue from Contracts with Customers</i>	IFRS 15 is the culmination of a joint project between the IASB and the Financial Accounting Standards Board, the accounting standard setter in the U.S., to create a single revenue standard. The core principle of IFRS 15 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new standard moves away from a revenue recognition model based on an earnings process to an approach that is based on transfer of control of a good or service to a customer. Additionally, the new standard requires disclosures as to the nature, amount, timing and uncertainty of revenues and cash flows arising from contracts with customers. IFRS 15 is effective on January 1, 2017, and shall be applied retrospectively to each period presented or retrospectively as a cumulative-effect adjustment as of the date of adoption. In April 2015, the IASB proposed a one-year deferral of the effective date to January 1, 2018. The Company is assessing the impact of the new standard on its consolidated financial statements.
IFRS 9	<i>Financial Instruments</i>	<p>IFRS 9 replaces IAS 39 – <i>Financial Instruments: Recognition and Measurement</i>. The new standard addresses classification and measurement, impairment and hedge accounting.</p> <p><i>Classification and measurement</i></p> <p>The new standard requires the classification of financial assets based on business model and cash flow characteristics measured at either (a) amortized cost; (b) fair value through profit or loss; or (c) fair value through other comprehensive income. For financial liabilities, the standard retains most of the IAS 39 requirements, but where the fair value option is taken, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement.</p> <p><i>Impairment</i></p> <p>Under the forward looking impairment model, expected credit losses are recognized as soon as a financial asset is originated or purchased, rather than waiting for a trigger event to record a loss.</p> <p><i>Hedge accounting</i></p> <p>The new standard more closely aligns hedge accounting with an entity's risk management activities. Specifically, the new standard (a) no longer requires the use of a specific quantitative threshold to determine if the hedging relationship is highly effective in order to qualify for hedge accounting; (b) removes restrictions that prevented some economically rational hedging strategies from qualifying for hedge accounting; and (c) allows purchased options, forwards and non-derivative financial instruments to be hedging instruments in applicable circumstances.</p> <p>IFRS 9 is effective on January 1, 2018 and shall be applied retrospectively to each period presented, subject to the various transition provisions within IFRS 9. The Company is assessing the impact of the new standard on its consolidated financial statements.</p>

Note 3: Segment information

The Company is organized as four reportable segments reflecting how the businesses are managed: Financial & Risk, Legal, Tax & Accounting and Intellectual Property & Science. The accounting policies applied by the segments are the same as those applied by the Company. The reportable segments offer products and services to target markets as described below.

Financial & Risk

The Financial & Risk segment is a provider of critical news, information and analytics, enabling transactions and bringing together financial communities. Financial & Risk also provides regulatory and operational risk management solutions.

Legal

The Legal segment is a provider of critical online and print information, decision tools, software and services that support legal, investigation, business and government professionals around the world.

Tax & Accounting

The Tax & Accounting segment is a provider of integrated tax compliance and accounting information, software and services for professionals in accounting firms, corporations, law firms and government.

Intellectual Property & Science

The Intellectual Property & Science segment is a provider of comprehensive intellectual property and scientific information, decision support tools and services that enable the lifecycle of innovation for governments, academia, publishers, corporations and law firms to discover, protect and commercialize new ideas and brands.

The Company also reports "Corporate & Other" and "Other Businesses". These categories neither qualify as a component of another reportable segment nor as a separate reportable segment.

- Corporate & Other includes expenses for corporate functions, certain share-based compensation costs and the Reuters News business, which is comprised of the Reuters News Agency and consumer publishing; and
- Other Businesses is an aggregation of businesses that have been or are expected to be exited through sale or closure that did not qualify for discontinued operations classification.

	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Revenues		
Financial & Risk	1,552	1,658
Legal	810	803
Tax & Accounting	373	348
Intellectual Property & Science	237	243
Corporate & Other (includes Reuters News)	74	79
Eliminations	(2)	(2)
Revenues from ongoing businesses	3,044	3,129
Other Businesses	-	1
Consolidated revenues	3,044	3,130
Operating profit		
Segment operating profit		
Financial & Risk	241	240
Legal	213	215
Tax & Accounting	98	84
Intellectual Property & Science	38	51
Corporate & Other (includes Reuters News)	(75)	(62)
Underlying operating profit	515	528
Other Businesses	-	(1)
Fair value adjustments (see note 5)	53	(2)
Amortization of other identifiable intangible assets	(149)	(163)
Other operating losses, net	(12)	(3)
Consolidated operating profit	407	359

In accordance with IFRS 8, *Operating Segments*, the Company discloses information about its reportable segments based upon the measures used by management in assessing the performance of those reportable segments.

- Results from the Reuters News business and Other Businesses are excluded from reportable segments as they do not qualify as a component of the Company's four reportable segments, nor as a separate reportable segment.
- The Company uses segment operating profit to measure the operating performance of its reportable segments.
 - The costs of centralized support services such as technology, editorial, real estate, accounting, procurement, legal and human resources are allocated to each segment based on usage or other applicable measures.
 - Segment operating profit is defined as operating profit before (i) amortization of other identifiable intangible assets; (ii) other operating gains and losses; (iii) certain asset impairment charges; (iv) corporate-related items; and (v) fair value adjustments. Management uses this measure because the Company does not consider these excluded items to be controllable operating activities for purposes of assessing the current performance of the reportable segments.
 - While in accordance with IFRS, the Company's definition of segment operating profit may not be comparable to that of other companies.
- Management also uses revenues from ongoing businesses and underlying operating profit to measure its consolidated performance, which includes Reuters News. Revenues from ongoing businesses are revenues from reportable segments and Corporate & Other, less eliminations.
- Underlying operating profit is comprised of operating profit from reportable segments and Corporate & Other.
- Other Businesses are excluded from both measures as they are not fundamental to the Company's strategy.
- Revenues from ongoing businesses and underlying operating profit do not have standardized meaning under IFRS, and therefore may not be comparable to similar measures of other companies.

Note 4: Seasonality

The Company's revenues and operating profit on a consolidated basis do not tend to be significantly impacted by seasonality as it records a large portion of its revenues ratably over a contract term and its costs are generally incurred evenly throughout the year. However, non-recurring revenues can cause changes in the Company's performance from quarter to consecutive quarter. Additionally, the release of certain print-based offerings can be seasonal as can certain product releases for the regulatory markets, which tend to be concentrated at the end of the year. The Company's quarterly performance may also be impacted by the timing of certain product migrations it is in the process of executing, as well as by volatile foreign currency exchange rates, as has been recently experienced. As a consequence, the results of certain of the Company's segments can be impacted by seasonality to a greater extent than its consolidated revenues and operating profit.

Note 5: Operating expenses

The components of operating expenses include the following:

	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Salaries, commissions and allowances	1,119	1,180
Share-based payments	20	17
Post-employment benefits	70	70
Total staff costs	1,209	1,267
Goods and services ⁽¹⁾	556	535
Data	239	245
Telecommunications	133	149
Real estate	104	115
Fair value adjustments ⁽²⁾	(53)	2
Total operating expenses	2,188	2,313

(1) Goods and services include professional fees, consulting and outsourcing services, contractors, selling and marketing, and other general and administrative costs.

(2) Fair value adjustments primarily represent mark-to-market impacts on embedded derivatives and certain share-based awards.

Earnings used in determining consolidated earnings per share are as follows:

	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Net earnings	320	292
Less: Earnings attributable to non-controlling interests	(15)	(10)
Dividends declared on preference shares	(1)	(1)
Earnings used in consolidated earnings per share	304	281

The weighted-average number of shares outstanding, as well as a reconciliation of the weighted-average number of shares outstanding used in the basic earnings per share computation to the weighted-average number of shares outstanding used in the diluted earnings per share computation, is presented below:

	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Weighted-average number of shares outstanding	793,584,144	817,338,851
Weighted-average number of vested DSUs	609,636	584,084
Basic	794,193,780	817,922,935
Effect of stock options and TRSUs	3,372,369	3,023,051
Diluted	797,566,149	820,945,986

Note 9: Financial instruments

Financial assets and liabilities

Financial assets and liabilities in the consolidated statement of financial position were as follows:

March 31, 2015	Cash, trade and other receivables	Assets/ (liabilities) at fair value				Other financial liabilities	Total
		through earnings	Derivatives used for hedging	Available for sale			
Cash and cash equivalents	769	-	-	-	-	769	
Trade and other receivables	1,777	-	-	-	-	1,777	
Other financial assets - current	68	195	-	-	-	263	
Other financial assets - non-current	58	73	-	26	-	157	
Current indebtedness	-	-	-	-	(889)	(889)	
Trade payables (see note 11)	-	-	-	-	(267)	(267)	
Accruals (see note 11)	-	-	-	-	(1,256)	(1,256)	
Other financial liabilities - current ⁽¹⁾	-	(39)	(130)	-	(259)	(428)	
Long-term indebtedness	-	-	-	-	(7,446)	(7,446)	
Other financial liabilities - non current	-	(34)	(247)	-	(4)	(285)	
Total	2,672	195	(377)	26	(10,121)	(7,605)	

December 31, 2014	Cash, trade and other receivables	Assets/ (liabilities) at fair value through earnings	Derivatives used for hedging	Available for sale	Other financial liabilities	Total
Cash and cash equivalents	1,018	-	-	-	-	1,018
Trade and other receivables	1,810	-	-	-	-	1,810
Other financial assets - current	44	117	-	-	-	161
Other financial assets - non-current	55	45	1	26	-	127
Current indebtedness	-	-	-	-	(534)	(534)
Trade payables (see note 11)	-	-	-	-	(411)	(411)
Accruals (see note 11)	-	-	-	-	(1,578)	(1,578)
Other financial liabilities - current ⁽¹⁾	-	(24)	(85)	-	(156)	(265)
Long-term indebtedness	-	-	-	-	(7,576)	(7,576)
Other financial liabilities - non current	-	(34)	(122)	-	(5)	(161)
Total	2,927	104	(206)	26	(10,260)	(7,409)

(1) Includes \$200 million (2014 - \$115 million) related to the Company's pre-defined plan with its broker for the repurchase of up to \$200 million (2014 - \$115 million) of the Company's shares during its internal trading blackout period. See note 13.

Cash and cash equivalents

Of total cash and cash equivalents, \$98 million and \$105 million at March 31, 2015 and December 31, 2014, respectively, was held in subsidiaries which have regulatory restrictions, contractual restrictions or operate in countries where exchange controls and other legal restrictions apply and are therefore not available for general use by the Company.

Debt-related activity

Under its commercial paper programs, the Company may issue up to \$2.0 billion of notes. In the three month-period ended March 31, 2015, the Company issued \$400 million of commercial paper, which remained outstanding at March 31, 2015 and was included within current indebtedness within the consolidated balance sheet.

The Company has a \$2.5 billion syndicated credit facility agreement which matures in May 2018. The facility may be utilized to provide liquidity for general corporate purposes (including to support its commercial paper programs). There were no borrowings under the credit facility in the first quarter of 2015.

Fair Value

The fair values of cash, trade and other receivables, trade payables and accruals approximate their carrying amounts because of the short-term maturity of these instruments. The fair value of long-term debt and related derivative instruments is set forth below.

Debt and Related Derivative Instruments

Carrying Amounts

Amounts recorded in the consolidated statement of financial position are referred to as "carrying amounts". The carrying amounts of primary debt are reflected in "Long-term indebtedness" and "Current indebtedness" and the carrying amounts of derivative instruments are included in "Other financial assets" and "Other financial liabilities", both current and non-current in the consolidated statement of financial position, as appropriate.

Fair Value

The fair value of debt is estimated based on either quoted market prices for similar issues or current rates offered to the Company for debt of the same maturity. The fair values of interest rate swaps and forward contracts are estimated based upon discounted cash flows using applicable current market rates and taking into account non-performance risk.

The following is a summary of debt and related derivative instruments that hedge the cash flows or fair value of the debt:

	CARRYING AMOUNT		FAIR VALUE	
	Primary debt instruments	Derivative instruments liability	Primary debt instruments	Derivative instruments liability
March 31, 2015				
Bank and other ⁽¹⁾	414	-	416	-
C\$600, 5.70% Notes, due 2015	475	125	480	125
C\$500, 3.369% Notes, due 2019	393	74	418	74
C\$750, 4.35% Notes, due 2020	588	130	657	130
C\$550, 3.309% Notes, due 2021	431	43	457	43
\$500, 0.875% Notes, due 2016	499	-	500	-
\$550, 1.30% Notes, due 2017	547	-	550	-
\$550, 1.65% Notes, due 2017	547	-	552	-
\$1,000, 6.50% Notes, due 2018	995	-	1,145	-
\$500, 4.70% Notes, due 2019	498	-	553	-
\$350, 3.95% Notes, due 2021	347	-	377	-
\$600, 4.30% Notes, due 2023	594	-	648	-
\$450, 3.85% Notes, due 2024	445	-	467	-
\$350, 4.50% Notes, due 2043	340	-	360	-
\$350, 5.65% Notes, due 2043	340	-	419	-
\$400, 5.50% Debentures, due 2035	393	-	464	-
\$500, 5.85% Debentures, due 2040	489	-	612	-
Total	8,335	372	9,075	372
Current portion	889	125		
Long-term portion	7,446	247		

	CARRYING AMOUNT		FAIR VALUE	
	Primary debt instruments	Derivative instruments liability	Primary debt instruments	Derivative instruments liability
December 31, 2014				
Bank and other	14	-	16	-
C\$600, 5.70% Notes, due 2015	518	85	529	85
C\$500, 3.369% Notes, due 2019	430	39	447	39
C\$750, 4.35% Notes, due 2020	644	76	699	76
C\$550, 3.309% Notes, due 2021	472	7	482	7
\$500, 0.875% Notes, due 2016	498	-	497	-
\$550, 1.30% Notes, due 2017	547	-	547	-
\$550, 1.65% Notes, due 2017	547	-	547	-
\$1,000, 6.50% Notes, due 2018	995	-	1,134	-
\$500, 4.70% Notes, due 2019	498	-	541	-
\$350, 3.95% Notes, due 2021	347	-	367	-
\$600, 4.30% Notes, due 2023	594	-	638	-
\$450, 3.85% Notes, due 2024	445	-	455	-
\$350, 4.50% Notes, due 2043	340	-	347	-
\$350, 5.65% Notes, due 2043	340	-	405	-
\$400, 5.50% Debentures, due 2035	393	-	450	-
\$500, 5.85% Debentures, due 2040	488	-	584	-
Total	8,110	207	8,685	207
Current portion	534	85		
Long-term portion	7,576	122		

(1) Includes commercial paper borrowings outstanding.

Fair value estimation

The following fair value measurement hierarchy is used for financial instruments that are measured in the consolidated statement of financial position at fair value:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The levels used to determine fair value measurements for those instruments carried at fair value in the consolidated statement of financial position are as follows:

MARCH 31, 2015				TOTAL
	LEVEL 1	LEVEL 2	LEVEL 3	BALANCE
Assets				
Embedded derivatives ⁽¹⁾	-	175	-	175
Forward exchange contracts ⁽²⁾	-	93	-	93
Financial assets at fair value through earnings	-	268	-	268
Available for sale investments ⁽³⁾	7	19	-	26
Total assets	7	287	-	294
Liabilities				
Embedded derivatives ⁽¹⁾	-	(21)	-	(21)
Forward exchange contracts ⁽²⁾	-	(23)	-	(23)
Contingent consideration ⁽⁴⁾	-	-	(29)	(29)
Financial liabilities at fair value through earnings	-	(44)	(29)	(73)
Cash flow hedges ⁽⁵⁾	-	(377)	-	(377)
Derivatives used for hedging	-	(377)	-	(377)
Total liabilities	-	(421)	(29)	(450)
DECEMBER 31, 2014				
	LEVEL 1	LEVEL 2	LEVEL 3	BALANCE
Assets				
Embedded derivatives ⁽¹⁾	-	104	-	104
Forward exchange contracts ⁽²⁾	-	58	-	58
Financial assets at fair value through earnings	-	162	-	162
Cash flow hedges ⁽⁵⁾	-	1	-	1
Derivatives used for hedging	-	1	-	1
Available for sale investments ⁽³⁾	8	18	-	26
Total assets	8	181	-	189
Liabilities				
Embedded derivatives ⁽¹⁾	-	(11)	-	(11)
Forward exchange contracts ⁽²⁾	-	(17)	-	(17)
Contingent consideration ⁽⁴⁾	-	-	(30)	(30)
Financial liabilities at fair value through earnings	-	(28)	(30)	(58)
Cash flow hedges ⁽⁵⁾	-	(207)	-	(207)
Derivatives used for hedging	-	(207)	-	(207)
Total liabilities	-	(235)	(30)	(265)

(1) Largely related to U.S. dollar pricing of vendor or customer agreements by foreign subsidiaries.

(2) Used to manage foreign exchange risk on cash flows excluding indebtedness.

(3) Investments in entities over which the Company does not have control, joint control or significant influence.

(4) Obligations to pay additional consideration for prior acquisitions.

(5) Comprised of fixed-to-fixed cross-currency swaps on indebtedness and forward starting interest rate swaps.

The Company recognizes transfers into and transfers out of the fair value measurement hierarchy levels as of the date of the event or a change in circumstances that caused the transfer. There were no transfers between hierarchy levels for the three months ended March 31, 2015.

Valuation Techniques

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- quoted market prices or dealer quotes for similar instruments;
- the fair value of currency and interest rate swaps and forward foreign exchange contracts is calculated as the present value of the estimated future cash flows based on observable yield curves; and
- the fair value of contingent consideration is calculated based on estimates of future revenue performance.

Note 10: Other non-current assets

	MARCH 31, 2015	DECEMBER 31, 2014
Net defined benefit plan surpluses	21	20
Cash surrender value of life insurance policies	285	281
Equity method investments	174	174
Other non-current assets	61	61
Total other non-current assets	541	536

Note 11: Payables, accruals and provisions

	MARCH 31, 2015	DECEMBER 31, 2014
Trade payables	267	411
Accruals	1,256	1,578
Provisions	182	210
Other current liabilities	213	244
Total payables, accruals and provisions	1,918	2,443

Note 12: Provisions and other non-current liabilities

	MARCH 31, 2015	DECEMBER 31, 2014
Net defined benefit plan obligations	1,412	1,366
Deferred compensation and employee incentives	220	225
Provisions	154	169
Unfavorable contract liability	6	7
Uncertain tax positions	314	309
Other non-current liabilities	97	95
Total provisions and other non-current liabilities	2,203	2,171

Note 13: Capital

Share repurchases

The Company may buy back shares (and subsequently cancel them) from time to time as part of its capital strategy. Under its current normal course issuer bid ("NCIB"), the Company may repurchase up to 30 million common shares between May 28, 2014 and May 27, 2015 in open market transactions on the TSX, the NYSE and/or other exchanges and alternative trading systems, if eligible, or by such other means as may be permitted by the TSX.

During the three months ended March 31, 2015, the Company repurchased 8.8 million of its common shares for a cost of \$348 million. The average price per share that the Company repurchased in the first quarter of 2015 was \$39.74. During the three months ended March 31, 2014, the Company repurchased 7.5 million of its common shares for a cost of \$264 million. The average price per share that the Company repurchased in the first quarter of 2014 was \$35.14. Decisions regarding any future repurchases will be based on market conditions, share price and other factors including opportunities to invest capital for growth.

The Company may elect to suspend or discontinue its share repurchases at any time, in accordance with applicable laws. From time to time when the Company does not possess material nonpublic information about itself or its securities, it may enter into a pre-defined plan with its broker to allow for the repurchase of shares at times when the Company ordinarily would not be active in the market due to its own internal trading blackout periods, insider trading rules or otherwise. Any such plans entered into with the Company's broker will be adopted in accordance with applicable Canadian securities laws and the requirements of Rule 10b5-1 under the U.S. Securities Exchange Act of 1934, as amended. The Company entered into such plans with its broker on March 31, 2015 and on December 31, 2014. As a result, the Company recorded a \$200 million liability in "Other financial liabilities" within current liabilities at March 31, 2015 (\$115 million at December 31, 2014) with a corresponding amount recorded in equity in the consolidated statement of financial position in both periods. The liability recorded on December 31, 2014 was settled in the first quarter of 2015.

Dividends

Dividends on common shares are declared in U.S. dollars. Details of dividends declared per share are as follows:

	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Dividends declared per common share	\$0.335	\$0.33

In the consolidated statement of cash flow, dividends paid on common shares are shown net of amounts reinvested in the Company's DRIP. Details of dividend reinvestment are as follows:

	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Dividend reinvestment	8	8

Note 14: Supplemental cash flow information

Details of "Other" in the consolidated statement of cash flow are as follows:

	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Non-cash employee benefit charges	68	62
Fair value adjustments	(53)	2
Net gains on foreign exchange and derivative financial instruments	(37)	(26)
Other	8	(4)
	(14)	34

Details of "Changes in working capital and other items" are as follows:

	THREE MONTHS ENDED MARCH 31,	
	2015	2014
Trade and other receivables	(12)	(69)
Prepaid expenses and other current assets	(61)	(34)
Other financial assets	27	10
Payables, accruals and provisions	(376)	(507)
Deferred revenue	40	80
Other financial liabilities	(12)	(12)
Income taxes	(24)	(38)
Other ⁽¹⁾	(61)	(59)
	(479)	(629)

(1) Includes \$(33) million (2014—\$(36) million) related to employee benefit plans and \$(7) million (2014—\$(3) million) related to distributions to non-controlling interests, respectively.

Note 15: Contingencies**Lawsuits and legal claims**

The Company is engaged in various legal proceedings, claims, audits and investigations that have arisen in the ordinary course of business. These matters include, but are not limited to, intellectual property infringement claims, employment matters and commercial matters. The outcome of all of the matters against the Company is subject to future resolution, including the uncertainties of litigation. Based on information currently known to the Company and after consultation with outside legal counsel, management believes that the ultimate resolution of any such matters, individually or in the aggregate, will not have a material adverse impact on the Company's financial condition taken as a whole.

Uncertain tax positions

The Company is subject to taxation in numerous jurisdictions and is routinely under audit by many different taxing authorities in the ordinary course of business. There are many transactions and calculations during the course of business for which the ultimate tax determination is uncertain, as taxing authorities may challenge some of the Company's positions and propose adjustments or changes to its tax filings. As a result, the Company maintains provisions for uncertain tax positions that it believes appropriately reflect its risk. These provisions are made using the Company's best estimates of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of each reporting period and adjusts them based on changing facts and circumstances. Due to the uncertainty associated with tax audits, it is possible that at some future date, liabilities resulting from such audits or related litigation could vary significantly from the Company's provisions. However, based on currently enacted legislation, information currently known by the Company and after consultation with outside tax advisors, management believes that the ultimate resolution of any such matters, individually or in the aggregate, will not have a material adverse impact on the Company's financial condition taken as a whole.

Note 16: Related party transactions

As of March 31, 2015, The Woodbridge Company Limited ("Woodbridge") beneficially owned approximately 58% of the Company's shares. There were no new significant related party transactions during the first quarter of 2015. Refer to "Related party transactions" set out in note 30 of the Company's consolidated financial statements for the year ended December 31, 2014, which are included in the Company's 2014 annual report, for information regarding related party transactions.

Note 17: Subsequent events**Share repurchases**

From April 1, 2015 through April 28, 2015, the Company has repurchased 4.3 million of its common shares for \$177 million at an average price per share of \$41.30.

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