



THOMSON REUTERS

FIRST-QUARTER 2008

MAY 1, 2008



THOMSON REUTERS

AGENDA

- WELCOME / INTRODUCTION FRANK GOLDEN
- STRATEGY / DRIVING RESULTS TOM GLOCER
- FINANCIAL REVIEW & 2008 OUTLOOK BOB DALEO
- Q & A

SPECIAL NOTE

Safe Harbor / Forward-Looking Statements

- The following discussion contains forward-looking statements, including those about Thomson Reuters outlook and prospects. Forward-looking statements are those which are not historical facts. These and other statements that relate to future results and events are based on Thomson Reuters current expectations.
- Our actual results in future periods may differ materially from those currently expected because of a number of risks and uncertainties. The risks and uncertainties that we believe are material are outlined in our disclosure filings and materials, which you can find on www.thomsonreuters.com. Please consult these documents for a more complete understanding of these risks and uncertainties. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law, rule or regulation.

Pro Forma Financial Information

- Pro forma financial information included in this presentation is for information purposes only and is unaudited. The pro forma financial information was prepared in U.S. dollars under Canadian GAAP in a manner consistent with accounting policies that applied to Thomson prior to the closing of the acquisition and which currently apply to Thomson Reuters. The pro forma financial information should not be considered indicative of actual balance sheet data or operating results that would have been achieved had Thomson acquired Reuters on January 1, 2007, or of results which may occur in the future. The pro forma financial information should be read in conjunction with historical financial results for Thomson and Reuters. The Reuters historical financial information has been converted from British pounds sterling to U.S. dollars for purposes of the pro forma financial information presented using average exchange rates applicable during the periods presented.

Non-GAAP Financial Measures

- This presentation contains disclosures of certain non-GAAP financial measures, such as adjusted earnings and free cash flow. Please see the “Investor Relations” section of our website for a reconciliation of each of these measures to the most directly comparable Canadian GAAP financial measure. You can also find some GAAP reconciliations in the tables attached to our earnings release dated May 1, 2008, which is also available on www.thomsonreuters.com.

STRATEGY / DRIVING RESULTS

TOM GLOCER
CHIEF EXECUTIVE OFFICER

AGENDA

- THOMSON REUTERS
 - SUBSTANTIAL SCALE
 - BALANCED
 - FOCUSED

- PRIORITIES

- Q108 RESULTS

THOMSON REUTERS

- The world's leading source of intelligent information for businesses and professionals
- Customer base growing as the world is professionalizing
- Demand for information is global, 24/7 & becoming more essential to how professionals work
- Has the ideal capabilities to be a leader in the information economy
- Substantial Scale, Balanced and Focused

THOMSON REUTERS HAS SUBSTANTIAL SCALE

- Leadership positions in the markets we serve
- \$12.5 billion in high-quality and geographically diverse combined company revenue ~ 6.5% organic growth*
- \$3 billion of EBITDA
- \$30 billion market capitalization

**pro forma 2007 vs. 2006*

THOMSON REUTERS IS BALANCED

- Balanced revenue across geographical and business segments
- Markets Division
 - Breadth and depth across full range of financial markets it serves
 - Strength on the buy and sell sides
 - Geographic diversity
- Professional Division
 - Spans four profitable industries
 - Legal, tax & accounting, scientific, healthcare
 - Large opportunities outside North America
- Diversity creates natural hedge in our business
 - Thomson Reuters not a proxy for the financial services industry
 - Much better positioned to weather market fluctuations

THOMSON REUTERS IS FOCUSED

- Start with the customer and work back
 - We not only get what our customers do, we do what our customers do
- Compete with the flexibility of individual operators and the scale and competitive strength of a large diverse company
- Disciplined approach to how we invest in our businesses
 - Strong capability to generate cash provides flexibility to take advantage of opportunities

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 - FOCUSED

- PRIORITIES

- Q108 RESULTS

PRIORITIES

- Integration
- Globalization
- Scale Economics

INTEGRATION

- Integration plan accelerated
- Estimated savings*
 - 2010 run rate = \$1.0 billion
 - 2011 run rate = \$1.2 billion (includes \$750 MM from integration)
- Costs to achieve – 1.5x
- The greatest source of value

*Includes Thomson Reuters integration related savings + THOMSON*plus* program + Core Plus program

GLOBALIZATION

- Significant opportunity
- Serving professionals around the world
 - Powerful global delivery system
 - Serving 140 countries through offices in 300 cities in 93 countries
- Core customer base is growing internationally
- Emerging markets' economic growth and global availability of information are expanding the professional classes
- Presence in emerging markets helps fuel professionalization and create new customers

SCALE ECONOMICS

- Great stand-alone businesses are not enough
- Need to deliver value across the enterprise
- Deliver more growth, higher margins, greater FCF

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PRO FORMA Q1 2008 FINANCIAL RESULTS

- Revenue: Total = 12%
 - Organic = 8%
 - Markets = 9%
 - Professional = 7%
- Underlying Operating Income up 37%
 - Underlying operating margin = 17.8%

FINANCIAL REVIEW

BOB DALEO
EXECUTIVE VICE PRESIDENT &
CHIEF FINANCIAL OFFICER

AGENDA

- ESTIMATED SAVINGS 2008-2011
- FIRST QUARTER RESULTS
 - PRO FORMA THOMSON REUTERS
 - PROFESSIONAL DIVISION
 - MARKETS DIVISION
- 2008 BUSINESS OUTLOOK

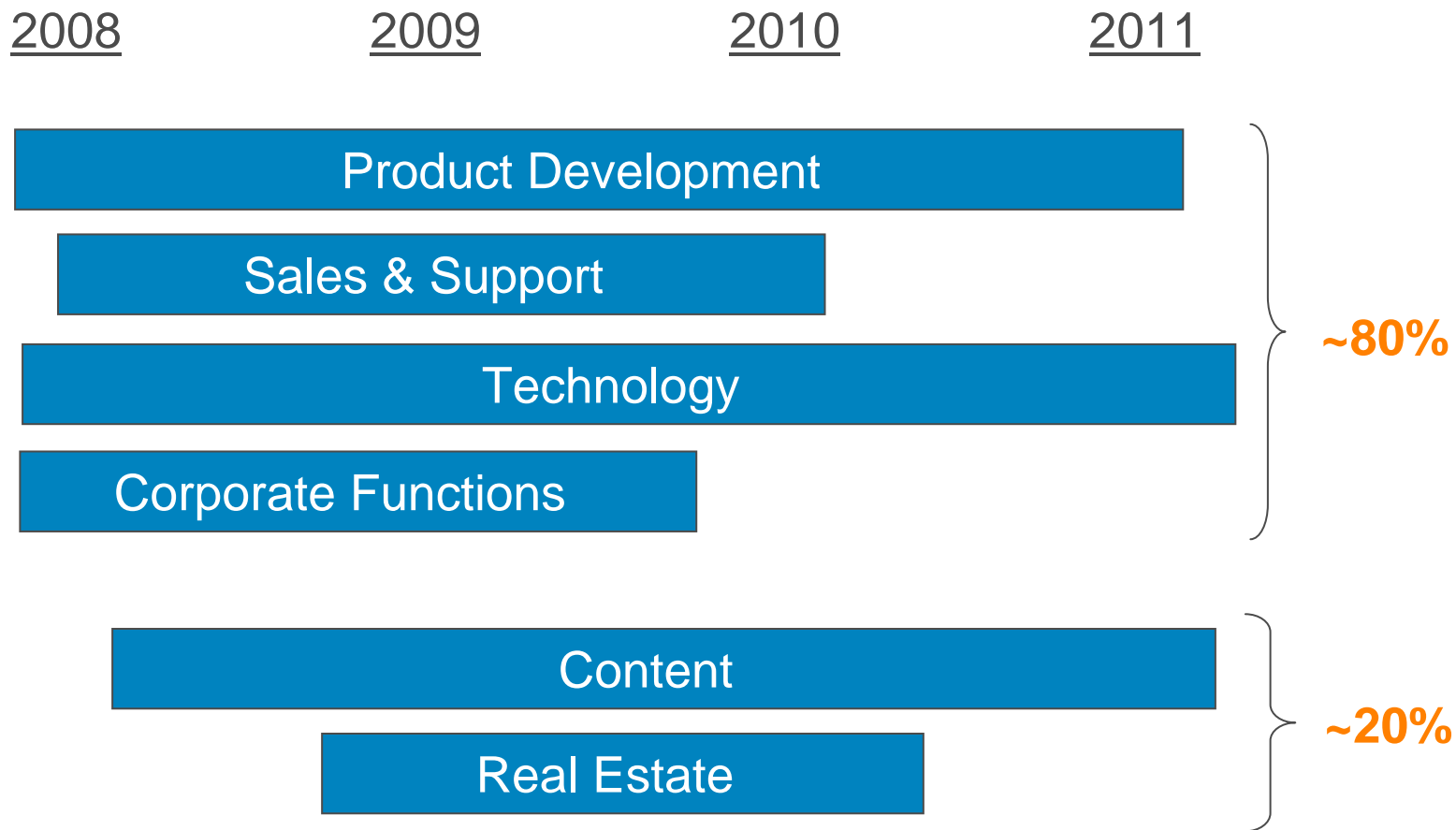
KEY TAKEAWAYS

- Significant reduction in cost base
- Strong top-line growth
- Outlook positive for 2008

COST SAVINGS INITIATIVES

	Programs- to-Date 3/31/08	2008	2009	2010	2011	Total
<u>Run Rate Savings</u>						
Core Plus / THOMSON <i>plus</i>	\$300	\$320	\$400	\$460	\$460	
Integration Program	\$0	\$280	\$400	\$540	\$750	
Total:	\$300	\$600	\$800	\$1,000	\$1,210	
<u>Combined In-Period Savings</u>		\$400	\$700	\$900	\$1,100	
<u>Costs (Cash)</u>						
Core Plus / THOMSON <i>plus</i>	\$570	\$75	\$0	\$0	\$0	\$645
Integration Program	\$0	\$525	\$350	\$150	\$100	\$1,125

SAVINGS SOURCES AND TIMING



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PRO FORMA EXPLANATION

Income Statement	2007 Thomson Reuters Pro Forma 20-F ⁽¹⁾	Comparison Adjustment Used for Growth Rates ⁽²⁾	
	Pro forma TR	Adjustment	Pro forma TR
Revenues	\$12,442	86	\$12,528
Cost of sales, SGA, marketing	(9,522)		(9,522)
Depreciation	(805)		(805)
Amortization	(641)		(641)
Operating profit	1,474	86	1,560
Net other income (expense)	128		128
Net interest expense & other financing costs	(427)		(427)
Income tax expense	(110)		(110)
Earnings from Continuing Operations	1,065	86	1,151
Underlying Operating Profit			
Operating profit			1,560
THOMSONplus costs			153
Amortization of Intangibles			641
Pension Adjustment			(34)
Fair Value Adjustments			48
Underlying Operating Profit			2,368
Underlying Operating Profit Margin			18.9%

⁽¹⁾ 2007 figures are derived from full-year Pro forma based 20-F published on April 17th, and assumed 1/1/2007 acquisition date

⁽²⁾ Reflects removal of purchase accounting revenue adjustment, which also flows-through to operating profit

THOMSON REUTERS – PRO FORMA

(\$ Millions)	FIRST QUARTER		
	<u>2008</u>	<u>2007</u> *	<u>Change</u>
Revenues	\$3,254	\$2,916	12%
Operating Profit	\$ 428	\$ 231	85%
THOMSON <i>plus</i>	13	34	
Fair Value Adjustments	(20)	2	
Amortization of Intangibles	158	157	
Underlying Operating Profit	<u>\$ 579</u>	<u>\$ 424</u>	37%
<i>Underlying Operating Profit Margin</i>	17.8%	14.5%	

*2007 figures are derived from full-year Pro forma based 20-F published on April 17th, adding back the \$86MM revenue purchase accounting adjustment.

NOTE: Results from continuing operations.

PROFESSIONAL DIVISION

PROFESSIONAL DIVISION – PRO FORMA

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Revenues	\$1,272	\$1,141	11%
Operating Profit	\$ 299	\$ 282	6%
Operating Profit Margin	23.5%	24.7%	

Note: Results from continuing operations.

LEGAL

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Revenues	\$809	\$740	9%
Segment Operating Profit	\$225	\$206	9%
Segment Operating Profit Margin	27.8%	27.8%	

Note: Results from continuing operations.

TAX & ACCOUNTING

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Revenues	\$205	\$160	28%
Segment Operating Profit	\$ 39	\$ 38	3%
Segment Operating Profit Margin	19.0%	23.8%	

Note: Results from continuing operations.

SCIENTIFIC

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Revenues	\$163	\$149	9%
Segment Operating Profit	\$ 32	\$ 34	-6%
Segment Operating Profit Margin	19.6%	22.8%	

Note: Results from continuing operations.

HEALTHCARE

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Revenues	\$95	\$92	3%
Segment Operating Profit	\$ 3	\$ 4	-25%
Segment Operating Profit Margin	3.2%	4.3%	

Note: Results from continuing operations.

MARKETS DIVISION

MARKETS DIVISION – PRO FORMA

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u> *	<u>Change</u>
Revenues	\$1,985	\$1,781	11%
Operating Profit	\$ 353	\$ 209	69%
Operating Profit Margin	17.8%	11.7%	

* 2007 figures are derived from full-year Pro forma based 20-F published on April 17th, adding back the \$86MM revenue purchase accounting adjustment.
NOTE: Results from continuing operations.

REUTERS GROUP PLC

(Millions)

FIRST QUARTER

	2008		2007	
	<u>CGAAP</u>	<u>IFRS</u>	<u>CGAAP</u>	<u>IFRS</u>
Revenues	\$1,420	£717	\$1,254	£626
Operating Profit	335	£102	98	£ 71
<i>Operating Profit Adjustments</i>				
Embedded Derivatives	(20)	(1)	2	(1)
Pension Accounting Adjustment	(115)	-	20	-
Integration Costs	38	19	-	-
Amortization of Intangibles	10	4	12	6
Underlying Operating Profit	<u>\$ 248</u>		<u>\$ 132</u>	
<i>Underlying Operating Profit Margin</i>	17.5%		10.5%	
Trading Profit		<u>£124</u>		<u>£ 76</u>
<i>Trading Profit Margin</i>		17.3%		12.1%

Note: Results from continuing operations.

REUTERS GROUP PLC DIVISIONS

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Sales & Trading	\$876	\$803	9%
Investment & Advisory (R&AM)	\$214	\$168	27%
Enterprise	\$239	\$202	18%
Media	<u>\$91</u>	<u>\$81</u>	12%
Total	<u><u>\$1,420</u></u>	<u><u>\$1,254</u></u>	13%

Note: Results from continuing operations.

THOMSON FINANCIAL

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Revenues	\$565	\$527	7%
Segment Operating Profit	\$110	\$ 95	16%
Segment Operating Profit Margin	19.5%	18.0%	

Note: Results from continuing operations.

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BUSINESS OUTLOOK

	<u>2007</u> Pro Forma*	<u>2008</u> Full Year Pro Forma*
Revenue (excluding FX)	\$12.5B	up 6% - 8% (nearly all organic)
Underlying Operating Profit Margin (Note: Underlying includes benefits of savings programs, excludes synergy and integration costs and acquisition-related expenses of amortization of intangibles)	18.9%	19% - 21%
Free Cash Flow Margin (excluding acquisition-related expenses)	na	11% - 12%
CAPEX/Revenue	na	8% - 9%
Depreciation	\$805M	\$800 - \$850
Amortization	\$641M	\$625 - \$650
Interest Expense	na	\$450 million
Effective Tax Rate on Adjusted Earnings	na	22% - 25% (post-amortization) 18% - 21% (pre-amortization)

*Pro forma is defined as GAAP financials as if Reuters was purchased Jan 1, 2007 and includes purchase accounting adjustments as noted on slide 20.

QUESTIONS & ANSWERS

APPENDIX



THE THOMSON CORPORATION

Consolidated Q108 results
Corporate expenses
Earnings per share
Free cash flow



THE THOMSON CORPORATION CONSOLIDATED RESULTS Q1 2008

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Revenues	\$1,834	\$1,662	10%
Operating Profit	\$ 216	\$ 225	-4%
Operating Profit Margin	11.8%	13.5%	
Underlying Operating Profit	\$ 359	\$ 320	12%
Underlying Operating Profit Margin	19.6%	19.3%	

Note: Results from continuing operations.

THE THOMSON CORPORATION CORPORATE EXPENSES

(\$ Millions)

FIRST QUARTER

	<u>2008</u>	<u>2007</u>
Core Corporate Costs	\$ 50	\$ 57
Reuters Transaction Costs	\$ 68	\$ 0
THOMSON <i>plus</i> Costs	<u>\$ 13</u>	<u>\$ 34</u>
Total Corporate Costs	<u><u>\$131</u></u>	<u><u>\$ 91</u></u>

EARNINGS/EPS VARIANCE ANALYSIS

(\$ Millions)

	FIRST QUARTER			
	2008		2007	
	<u>\$</u>	<u>EPS</u>	<u>\$</u>	<u>EPS</u>
Earnings – attributable to common shares as reported	\$192	\$0.30	\$223	\$0.35
Net expense / (income)	26	0.04	(6)	(0.01)
Reuters Transaction Costs	68	0.11	-	-
Taxes on Above	(11)	(0.02)	0	0.00
Tax benefits / (charges)	-	-	(35)	(0.06)
Normalization of tax rate	(25)	(0.04)	(23)	(0.04)
Discontinued operations	(1)	-	(15)	(0.02)
Adjusted earnings	<u>\$249</u>	<u>\$0.39</u>	<u>\$144</u>	<u>\$0.22</u>
Amortization	62	0.09	61	0.10
Adjusted earnings pre-amortization	<u>\$311</u>	<u>\$0.48</u>	<u>\$205</u>	<u>\$0.32</u>

FREE CASH FLOW

(\$ Millions)

	FIRST QUARTER		
	<u>2008</u>	<u>2007</u>	<u>Change</u>
Net cash provided by operations	\$ 284	\$ 287	(\$3)
CAPEX			
– capital investments	(108)	(98)	(10)
– discontinued operations	0	(37)	37
Other investing activities, net	(19)	(14)	(5)
Dividends paid on preference shares	(2)	(1)	(1)
Free cash flow	<u>\$ 155</u>	<u>\$ 137</u>	<u>\$18</u>