

Thomson Reuters
Reconciliation of Adjusted EBITDA
Q1 2008 Earnings Presentation - May 1, 2008

(Amounts in millions of U.S. Dollars)

Pro Forma
Thomson Reuters
Year Ended
December 31, 2007 (1)

Total Revenues	<u>12,442</u>
Adjusted EBITDA	
Thomson Reuters Adjusted EBITDA	2,920
Less: Depreciation	(805)
Less: Amortization	(641)
Operating Income	<u>1,474</u>
Other income/expense	128
Net interest expense and other financing costs	(427)
Income taxes	(110)
Earnings from continuing operations	<u>1,065</u>

(1) 2007 pro forma financial information is derived from Thomson Reuters PLC's annual report on Form 20-F filed with the SEC on April 17th, 2008 and assumes that Thomson acquired Reuters on January 1, 2007.

Note: Adjusted EBITDA, underlying operating profit, free cash flow and adjusted earnings from continuing operations are not defined by, or calculated in accordance with Canadian generally accepted accounting principles (GAAP). These measures do not have any standardized meanings prescribed by Canadian GAAP and therefore are unlikely to be comparable to the calculation of similar measures used by other companies, and should not be viewed as alternatives to measures of financial performance calculated in accordance with Canadian GAAP.

The Thomson Corporation
Reconciliation of Operating Profit to Underlying Operating Profit ⁽¹⁾
Q1 2008 Earnings Presentation - May 1, 2008

(Amounts in millions of U.S. Dollars)

	Three Months Ended March 31,	
	2008	2007
Operating profit	216	225
Adjustments:		
THOMSON <i>plus</i> costs	13	34
Reuters transaction costs	68	-
Amortization	62	61
Underlying operating profit	<u>359</u>	<u>320</u>
Revenues	1,834	1,662
Operating profit margin	11.8%	13.5%
Underlying operating profit margin	19.6%	19.3%

(1) Underlying operating profit is operating profit adjusted for amortization of acquired intangible assets, costs associated with Thomson Reuters corporate efficiency initiatives, and other items affecting comparability. Underlying operating profit margin is the underlying operating profit expressed as a percentage of revenues. Thomson Reuters uses these measures to assist in comparisons from one period to another. Thomson Reuters definition of underlying operating profit may not be directly comparable to that of another company.

The Thomson Corporation

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow⁽¹⁾

Q1 2008 Earnings Presentation - May 1, 2008

(Amounts in millions of U.S. Dollars)

	Three Months	
	Ended March 31,	
	2008	2007
Net cash provided by operating activities	284	287
Capital expenditures less proceeds from disposals	(108)	(98)
Other investing activities	(12)	(10)
Capital expenditures of discontinued operations	-	(37)
Other investing activities of discontinued operations	(7)	(4)
Dividends paid on preference shares	(2)	(1)
Free cash flow	<u>155</u>	<u>137</u>

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

The Thomson Corporation

**Reconciliation of Earnings Attributable to Common Shares to Adjusted Earnings from Continuing Operations⁽¹⁾
Q1 2008 Earnings Presentation - May 1, 2008**

(Amounts in millions of U.S. Dollars, except per common share data)

	Three Months Ended March 31,	
	2008	2007
Earnings – attributable to common shares	192	223
Adjustments:		
One-time items:		
Net other expense/(income)	26	(6)
Reuters transaction costs	68	-
Taxes on above	(11)	-
Tax benefits	-	(35)
Interim period effective tax rate normalization ⁽³⁾	(25)	(23)
Discontinued operations	(1)	(15)
Adjusted earnings from continuing operations	249	144
Amortization	62	61
Adjusted earnings from continuing operations excluding amortization ⁽²⁾	311	205
Adjusted diluted earnings per common share from continuing operations	<u>\$ 0.39</u>	<u>\$ 0.22</u>
Adjusted diluted earnings per common share from continuing operations excluding amortization	<u>\$ 0.48</u>	<u>\$ 0.32</u>

(1) Adjusted earnings from continuing operations and adjusted earnings per common share from continuing operations are earnings attributable to common shares and per share amounts after adjusting for non-recurring items, discontinued operations, and other items affecting comparability. Thomson Reuters uses these measures to assist in comparisons from one period to another. Adjusted earnings per common share from continuing operations does not represent actual earnings per share attributable to shareholders.

(2) Adjusted earnings from continuing operations is presented excluding amortization of acquired intangible assets as Thomson Reuters believes that this is a useful measure when evaluating operating profitability and performance trends by excluding items distort the performance of Thomson Reuters' businesses. Adjusted earnings per common share from continuing operations excluding amortization, does not represent actual earnings per share attributable to shareholders.

(3) Adjustment to reflect income taxes based on the estimated full-year effective tax rate of the consolidated group. Reported earnings for interim periods reflect income taxes based on estimated effective tax rates of each of the group's jurisdictions. The adjustment reallocates estimated full-year income taxes between interim periods, but has no effect on full-year income taxes.

Thomson Reuters
Pro Forma Income Statement - 2007
Q1 2008 Earnings Presentation - May 1, 2008

(Amounts in millions of U.S. Dollars, except per common share data)

Income Statement	2007 Thomson Reuters Pro Forma (1)	Comparison Adjustment Used for Growth Rates(2)	
		<u>Adjustment</u>	<u>Pro Forma</u>
Revenues	12,442	86	12,528
Cost of sales, selling, marketing, general and administrative expenses	(9,522)		(9,522)
Depreciation	(805)		(805)
Amortization	(641)		(641)
	<hr/>	<hr/>	<hr/>
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)
	<hr/>	<hr/>	<hr/>
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
			<hr/>
Underlying Operating Profit			2,368
Underlying Operating Profit Margin			18.9%

(1) 2007 pro forma financial information is derived from Thomson Reuters PLC's annual report on Form 20-F filed with the SEC on April 17th, 2008 and assumes that Thomson acquired Reuters on January 1, 2007.

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