

Thomson Reuters Corporation

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

(millions of U.S. dollars)

(unaudited)

	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>December 31,</u>		<u>December 31,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Net cash provided by operating activities	1,005	659	2,761	1,816
Capital expenditures	(317)	(225)	(906)	(608)
Other investing activities	7	(4)	(26)	(37)
Capital expenditures of discontinued operations	--	--	--	(97)
Other investing activities of discontinued operations	--	--	(7)	(2)
Dividends paid on preference shares	(1)	(2)	(5)	(6)
Free cash flow	694	428	1,817	1,066

(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 dividends and fund new acquisitions.