

Thomson Reuters**Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow⁽¹⁾****Q2 2008 Earnings Presentation - August 12, 2008***(Amounts in millions of U.S. Dollars)*

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
Net cash provided by operating activities	880	443	1,164	730
Capital expenditures	(232)	(142)	(340)	(240)
Other investing activities	(11)	(13)	(23)	(23)
Capital expenditures of discontinued operations	-	(58)	-	(95)
Other investing activities of discontinued operations	-	(2)	(7)	(6)
Dividends paid on preference shares	(1)	(2)	(3)	(3)
Free cash flow	<u>636</u>	<u>226</u>	<u>791</u>	<u>363</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.