



THOMSON REUTERS

2018 THIRD-QUARTER RESULTS

November 6, 2018

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Agenda

Welcome / Introduction

Frank Golden

Third-Quarter 2018 Highlights
Update on Refinitiv Partnership

Jim Smith

Financial Review - Third-Quarter 2018

Stephane Bello

Q & A

Special Note

Safe Harbor / Forward-Looking Statements

This presentation consists of these slides and the associated remarks and comments, which are related and intended to be presented and understood together.

Certain statements in this presentation and discussion are forward-looking, including, but not limited to, the company's 2018 outlook and statements regarding the company's anticipated uses of proceeds from the F&R transaction, the anticipated benefits of the strategic Refinitiv partnership with Blackstone, future growth and efficiency opportunities for Thomson Reuters' Legal, Tax & Accounting and Reuters News businesses, and expectation for Corporate costs. These forward-looking statements are based on certain assumptions and reflect the 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. Some of the factors that could cause actual results to differ materially from current expectations are discussed in the "Risk Factors" section of our 2017 annual report as well as in other 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 the proposed return of capital transaction will be completed or that any other forward-looking statements will materialize. You are cautioned not to place undue reliance on forward-looking statements, which reflect expectations only as of this date. Except as may be required by applicable law, we disclaim any intention or obligation to update or revise any forward-looking statements. Our outlook is provided for the purpose of providing information about current expectations for 2018. This information may not be appropriate for other purposes.

This presentation and discussion does not constitute an offer to purchase, or a solicitation of an offer to sell, securities of the company, nor is it a substitute for any documents that may be filed in the future with the Canadian securities regulatory authorities or the U.S. Securities and Exchange Commission.

Non-IFRS Financial Measures

This presentation contains disclosures of certain non-IFRS financial measures. These measures include adjusted EBITDA and the related margin, free cash flow, adjusted earnings and adjusted EPS and selected measures before the impact of currency.

Please see our earnings release dated November 6, 2018, which is available on www.thomsonreuters.com, for a reconciliation of each of these measures to the most directly comparable IFRS financial measure. You can also find IFRS reconciliations in the "Investor Relations" section of our website.

THOMSON REUTERS THIRD-QUARTER 2018 HIGHLIGHTS

JIM SMITH
PRESIDENT & CEO

Refinitiv Strategic Partnership

Closed Transaction October 1st

- Sold 55% interest in Financial & Risk business
- TRI received \$17 billion of cash proceeds
- TRI retains significant stake with upside potential
 - 45% equity stake in a well positioned financial business with a strong strategic partner
- A platform to build upon – repositions Refinitiv for growth in a consolidating industry
- Refinitiv estimates run rate cost savings up to \$650 million to be achieved by end of 2020

Financing Structure

- \$13.5 billion secured & unsecured debt raised from more than 350 institutions
 - Significantly oversubscribed
 - Attractive pricing and covenant structure (avg. interest rate = 5.8%)
 - Stand-alone financing/Non-recourse to TRI

Q3 2018 – Consolidated Results

(Excludes Financial & Risk which was classified as a discontinued operation)

	Reported	Change at Constant Currency
Revenues vs prior-year period	Up 2%	Up 3%
Adjusted EBITDA	Down 22%	Down 21%
<i>Q3 2018 Margin: 23.4%</i>	<i>Down 710 bp</i>	<i>Down 710 bp</i>
Adjusted EPS	Down 59%	Down 59%
<i>Q3 2018: \$0.11</i>	<i>Down \$0.16</i>	<i>Down \$0.16</i>

Full-Year 2018 Outlook Reaffirmed

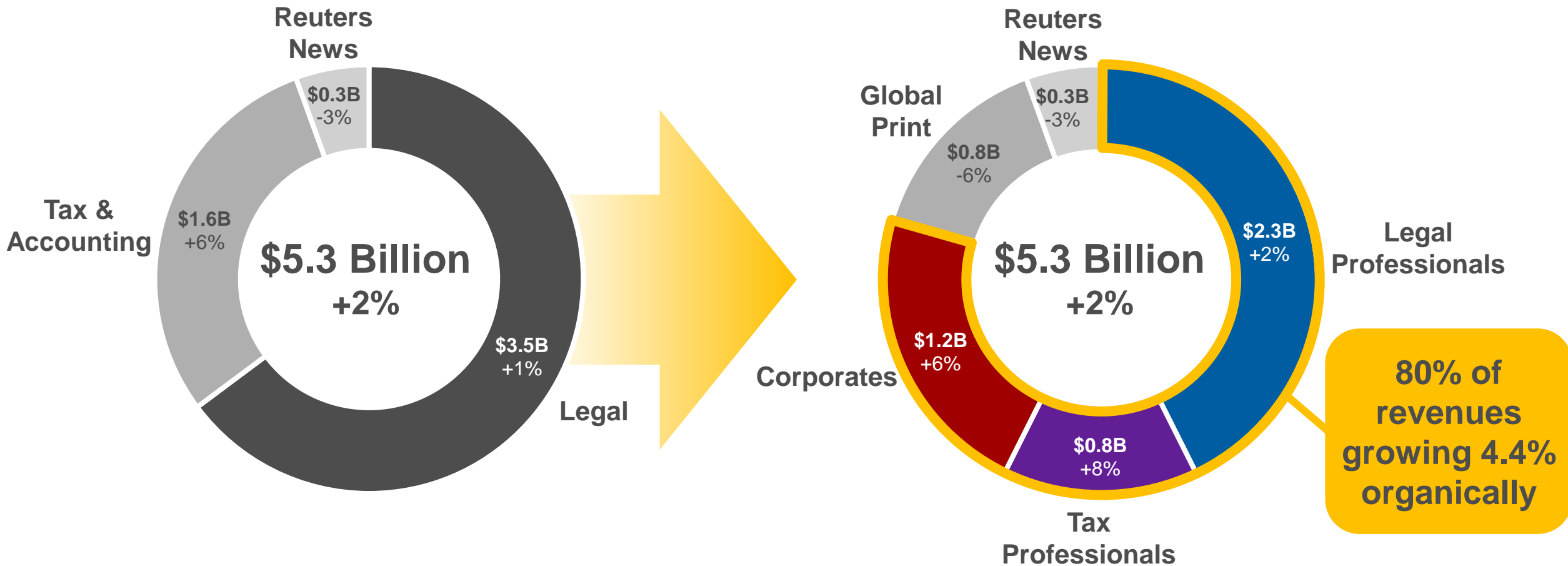
(Estimated FY 2018 effective tax rate updated)

THE “NEW” THOMSON REUTERS

Preview of New Operating / Reporting Structure - January 1, 2019

2017 Revenue & Organic Growth by Current Business Unit

2017 Revenue & Organic Growth by New Customer Segment



The “New” Thomson Reuters Well Positioned

1. We are Adapting & Changing to Better Serve Our Customers to Empower Their Success

- Centering the company around customers not products
- Aligning resources toward growth & closer to the customer
- Operating with greater speed

2. Our Customers Trust Us

- They operate in a complex world and look to us for trusted answers

3. Our Businesses are Leaders in their Market Segments

- Unique, accurate, comprehensive, must have information
- Technology – our customers depend on us for solutions and software – we are their IT departments
- Human Expertise – deep domain expertise across legal, tax and regulatory

FINANCIAL REVIEW

STEPHANE BELLO
CHIEF FINANCIAL OFFICER

Consolidated Results

(Excludes Financial & Risk which is now classified as a discontinued operation)

(\$ millions)	Third-Quarter				Nine-Months			
	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency
Revenues	1,292	1,272	+2%	+3%	3,982	3,883	+3%	+3%
Adjusted EBITDA	302	388	-22%	-21%	1,080	1,183	-9%	-9%
<i>Adjusted EBITDA Margin</i>	<i>23.4%</i>	<i>30.5%</i>	<i>-710 bp</i>	<i>-710 bp</i>	<i>27.1%</i>	<i>30.5%</i>	<i>-340 bp</i>	<i>-330 bp</i>

Q3 2018 Results

DISCONTINUED OPERATION

Thomson Reuters
(excluding F&R)

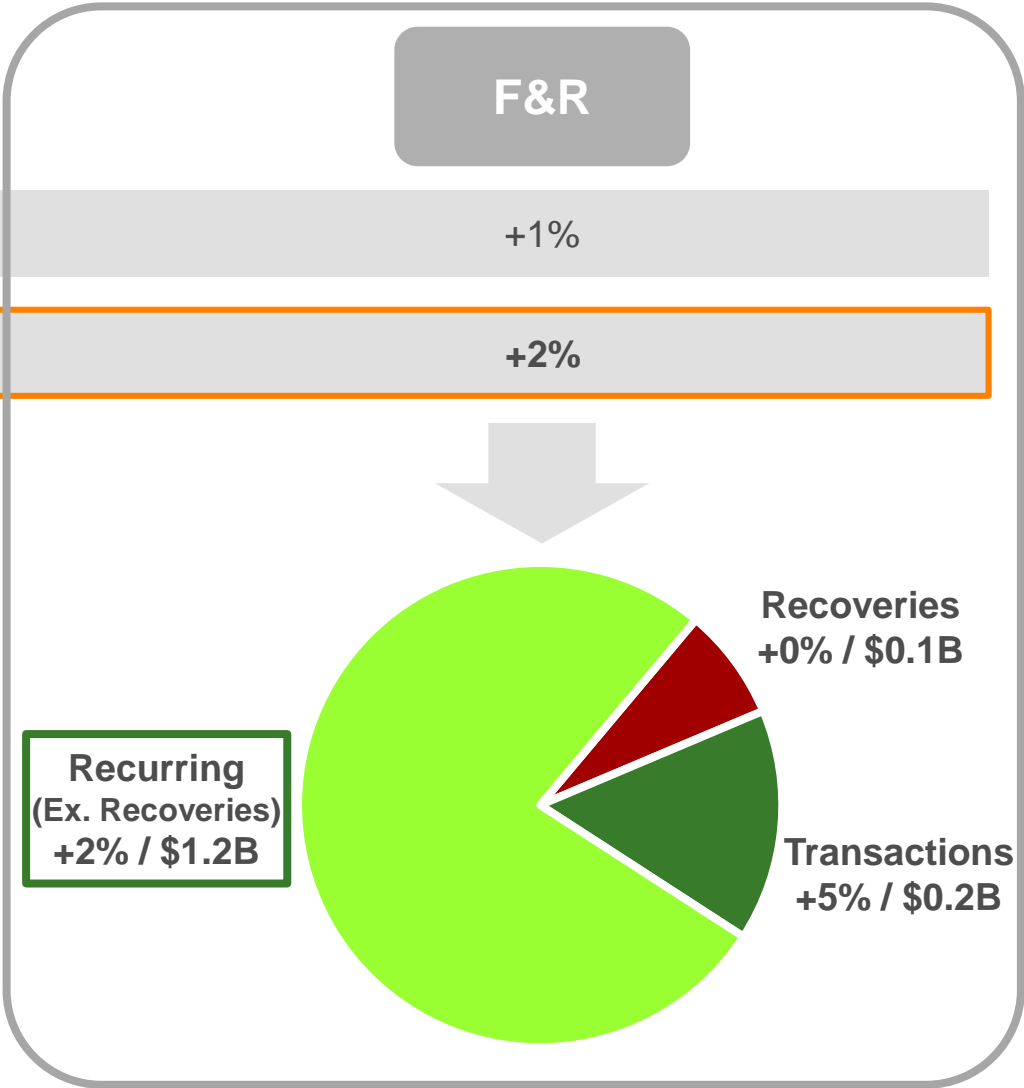
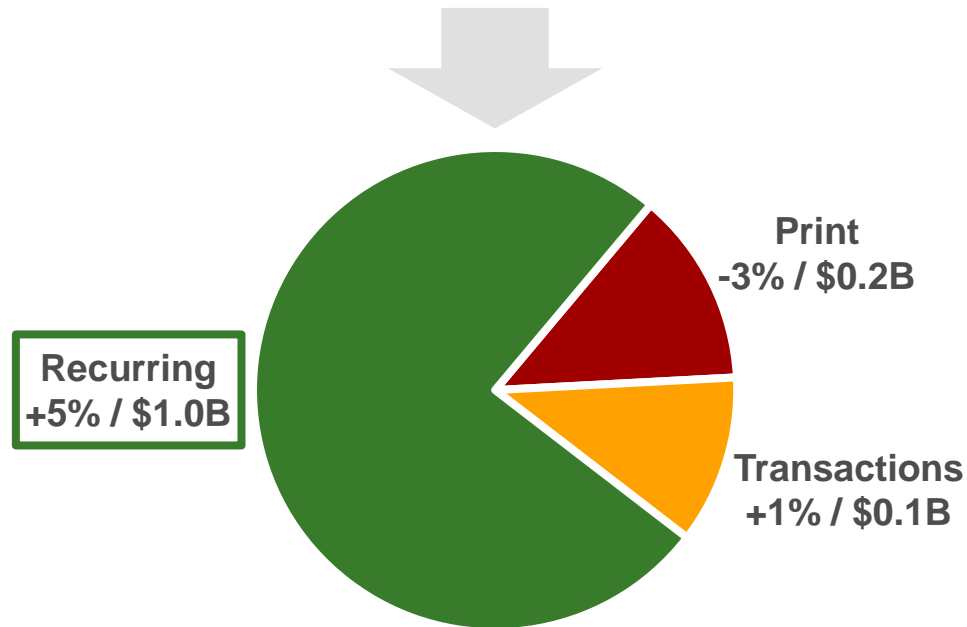
F&R

Reported Revenue Growth: +2%*

+1%

Revenue Growth at Constant Currency: +3%

+2%

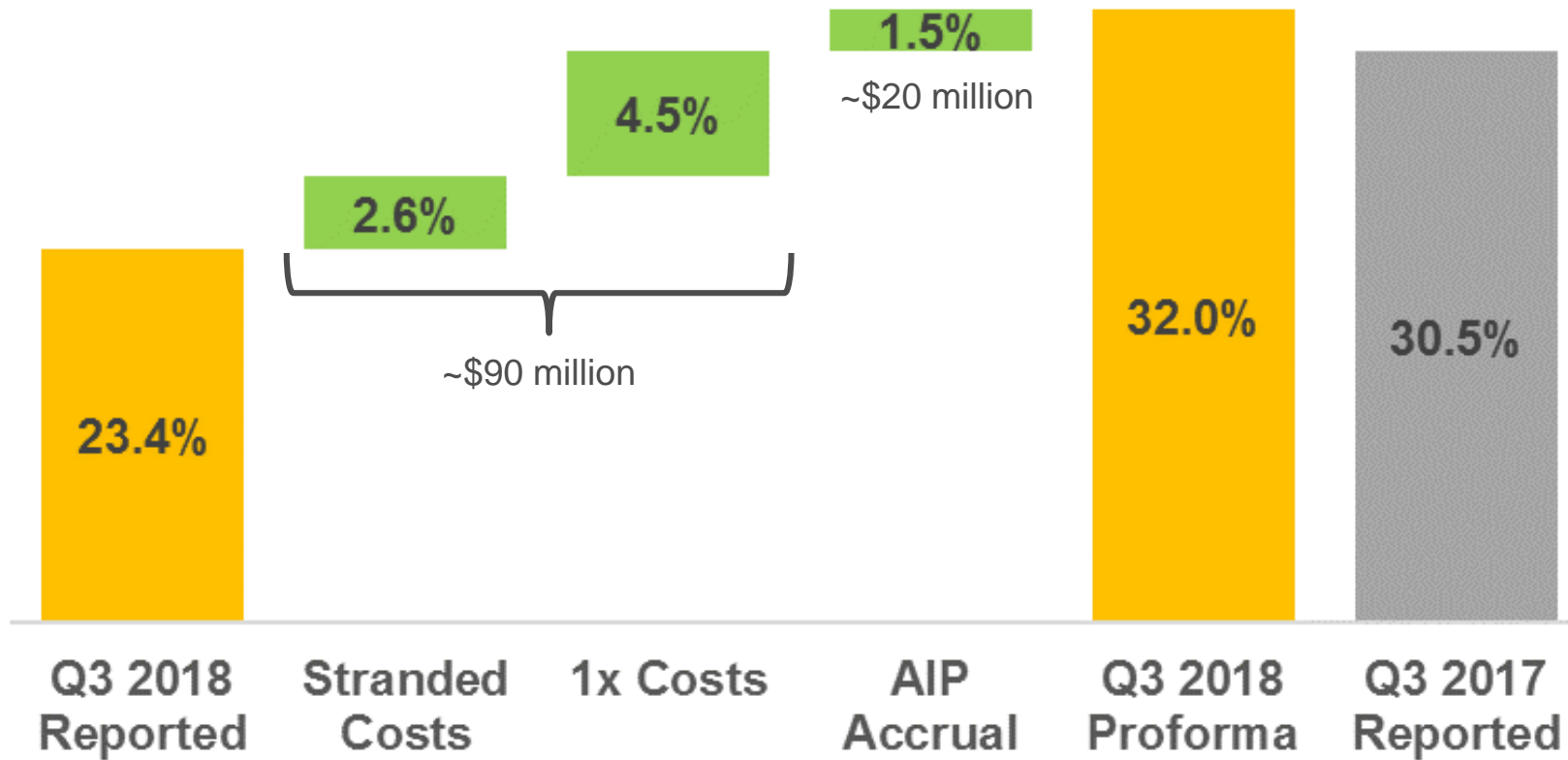


*TR reported revenue growth of 2% includes a negative impact from the devaluation of the Argentine Peso and Brazilian Real.

12 Note: Individual segments do not sum to total due to rounding

Q3 2018 Results

Q3 EBITDA Margin

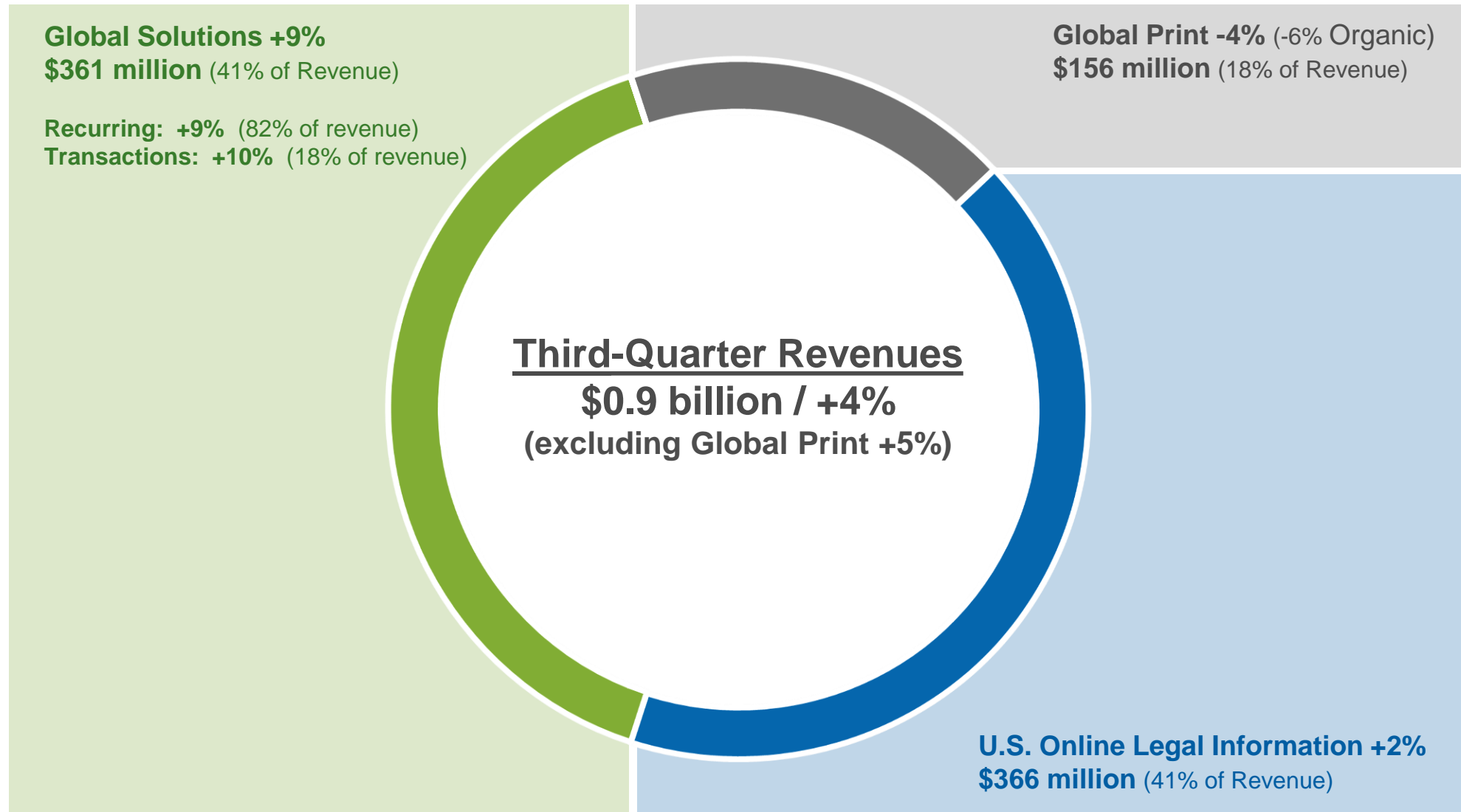


Legal

(\$ millions)	Third-Quarter				Nine-Months			
	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency
Revenues	883	860	+3%	+4%	2,637	2,559	+3%	+3%
<i>Recurring</i>	649	618	+5%	+5%	1,926	1,835	+5%	+5%
<i>Transactions</i>	78	74	+5%	+7%	233	228	+2%	+2%
<i>Print</i>	156	168	-7%	-4%	478	496	-4%	-4%
Adjusted EBITDA	327	345	-5%	-5%	967	984	-2%	-2%
<i>Adjusted EBITDA Margin</i>	<i>37.0%</i>	<i>40.1%</i>	<i>-310 bp</i>	<i>-330 bp</i>	<i>36.7%</i>	<i>38.5%</i>	<i>-180 bp</i>	<i>-180 bp</i>

All figures include Risk products being retained by Thomson Reuters

Legal Revenue by Segment

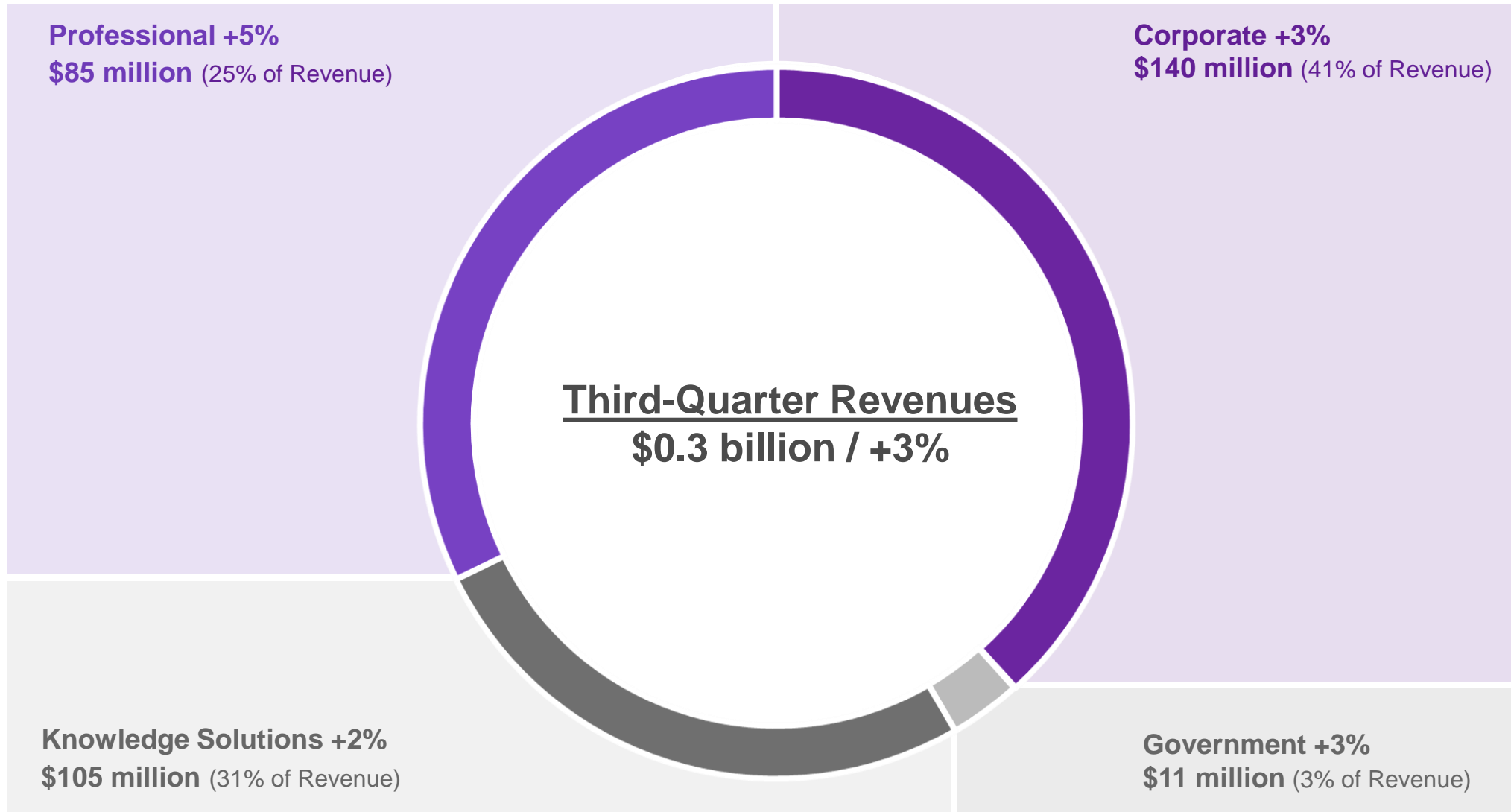


Global Solutions includes Risk businesses being retained by Thomson Reuters

Tax & Accounting

(\$ millions)	Third-Quarter				Nine-Months			
	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency
Revenues	341	341	+0%	+3%	1,137	1,108	+3%	+4%
<i>Recurring</i>	272	267	+2%	+5%	859	824	+4%	+6%
<i>Transactions</i>	56	62	-10%	-5%	240	247	-3%	-2%
<i>Print</i>	13	12	+8%	+8%	38	37	+3%	+3%
Adjusted EBITDA	93	95	-2%	-2%	331	339	-2%	-1%
<i>Adjusted EBITDA Margin</i>	<i>27.3%</i>	<i>27.9%</i>	<i>-60 bp</i>	<i>-140 bp</i>	<i>29.1%</i>	<i>30.6%</i>	<i>-150 bp</i>	<i>-160 bp</i>

Tax & Accounting Revenue By Segment



Reuters News

(Does not include Financial & Risk payment of \$325m annually)

(\$ millions)	Third-Quarter				Nine-Months			
	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency
Revenues	71	73	-3%	-4%	215	221	-3%	-5%
Adjusted EBITDA	6	7	-14%	-17%	22	29	-24%	-29%
<i>Adjusted EBITDA Margin</i>	<i>8.5%</i>	<i>9.6%</i>	<i>-110 bp</i>	<i>-110 bp</i>	<i>10.2%</i>	<i>13.1%</i>	<i>-290 bp</i>	<i>-310 bp</i>

Financial & Risk (Discontinued Operation)

(\$ millions)	Third-Quarter				Nine-Months			
	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency	<u>2018</u>	<u>2017</u>	<u>Change</u>	Change Before Currency
Revenues	1,541	1,525	+1%	+2%	4,677	4,511	+4%	+2% ⁽¹⁾
<i>Recurring ex. Recoveries</i>	1,186	1,175	+1%	+2%	3,595	3,486	+3%	+2%
<i>Transactions</i>	239	230	+4%	+5%	730	669	+9%	+9%
<i>Recoveries</i>	116	120	-3%	0%	352	356	-1%	-3%
Adjusted EBITDA	482	461	+5%	+6%	1,480	1,380	+7%	+6%
<i>Adjusted EBITDA Margin</i>	<i>31.3%</i>	<i>30.2%</i>	<i>+110 bp</i>	<i>+100 bp</i>	<i>31.6%</i>	<i>30.6%</i>	<i>+100 bp</i>	<i>+120 bp</i>
Capital Expenditures	116	96	+21%		362	318	+14%	
Free Cash Flow ⁽²⁾	442	296	+49%		882	565	+56%	
Debt Outstanding	N/A	N/A	N/A		N/A	N/A	N/A	

All figures exclude Risk products being retained by Thomson Reuters

(1) F&R constant currency growth of 2% includes a negative impact from the adoption of a new accounting standard, IFRS 15. On an organic basis, revenues increased 3%

(2) 2017 nine-month figures negatively impacted by \$78M of payments related to Q4-16 Charge, 2018 impact \$5M

ADJUSTED EARNINGS PER SHARE

FREE CASH FLOW

CORPORATE COSTS

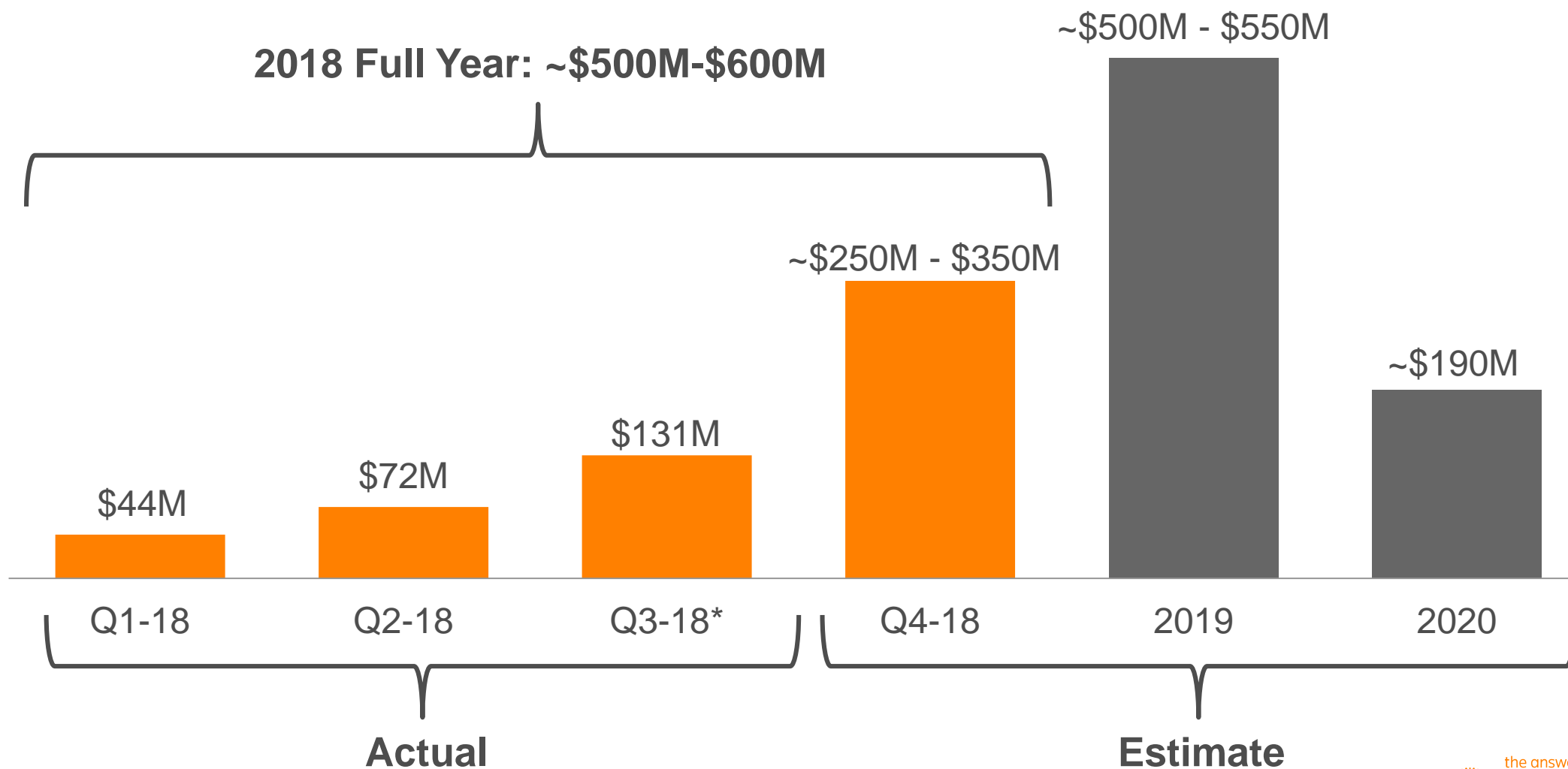
Adjusted Earnings Per Share (EPS)

(\$ millions except per share amounts & share count)	Third-Quarter			Nine-Months		
	<u>2018</u>	<u>Change</u>	<u>% Change</u>	<u>2018</u>	<u>Change</u>	<u>% Change</u>
Adjusted EBITDA	\$302	(\$86)		\$1,080	(\$103)	
Depreciation & Computer Software Amortization	(\$120)	(\$21)		(\$377)	(\$27)	
Interest Expense	(\$82)	\$7		(\$241)	\$29	
Income Tax	(\$25)	(\$22)		(\$70)	(\$25)	
Dividend declared on preference shares	\$(1)	\$0		(\$2)	\$0	
Adjusted Earnings	\$74	(\$122)		\$390	(\$126)	
Adjusted EPS	\$0.11	(\$0.16)	-59%	\$0.55	(\$0.16)	-23%
<i>Currency Impact</i>	(\$0.00)			(\$0.00)		
<i>Diluted Weighted Average Common Shares</i>	702.3M			708.1M		

Consolidated Free Cash Flow

(\$ millions)	Third-Quarter			Nine-Months		
	<u>2018</u>	<u>2017</u>	<u>Change</u>	<u>2018</u>	<u>2017</u>	<u>Change</u>
Comparable Free Cash Flow (Continuing Operations)	\$191	\$251	\$(60)	\$488	\$574	\$(86)
Other Items (Q4-16 Charges paid, 2017 \$500m pension contribution and F&R deal/separation costs)	\$34	\$11	(\$23)	\$36	\$559	\$523
Free Cash Flow (Continuing Operations)	\$157	\$240	\$(83)	\$452	\$15	\$437
Free Cash Flow – IP & Science	\$0	(\$5)	\$5	\$0	(\$54)	\$54
Free Cash Flow – Financial & Risk	\$442	\$296	\$146	\$822	\$565	\$257
Free Cash Flow	\$599	\$531	\$68	\$1,274	\$526	\$748

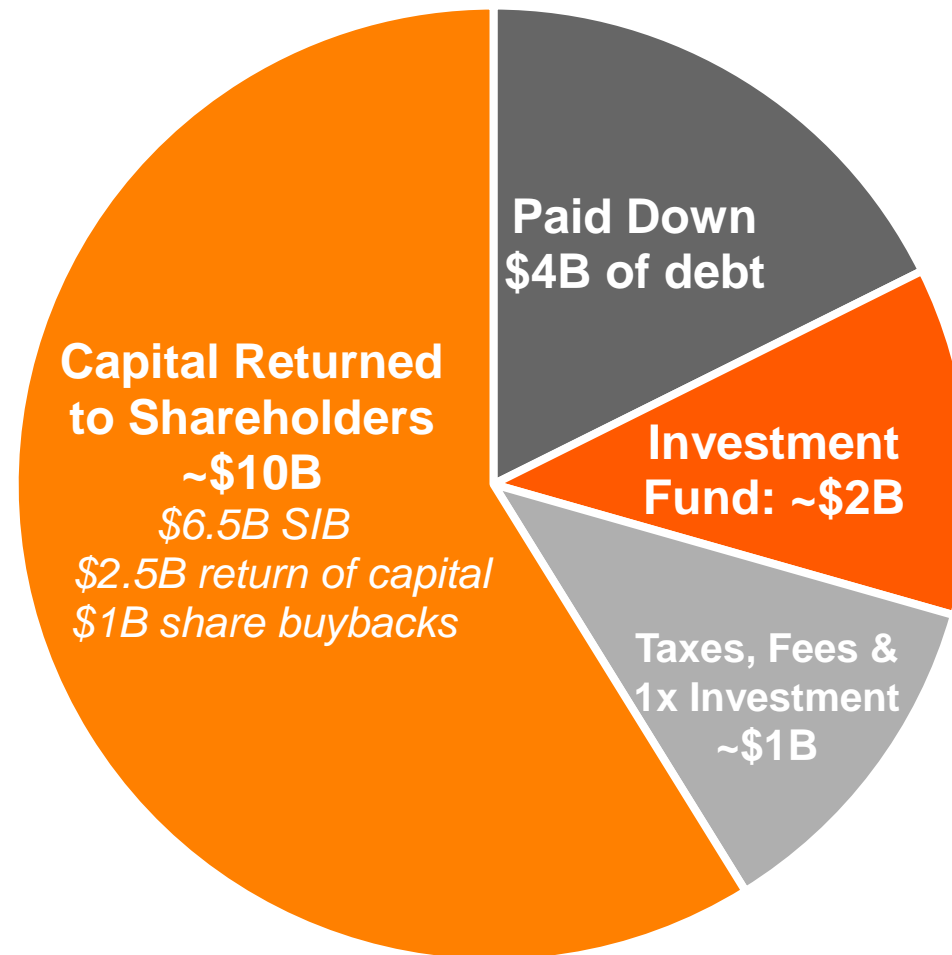
Corporate Costs



Capital Structure Related

Use of \$17 Billion of Proceeds from Sale of 55% of F&R

- Allocate to future growth investments
- Maintain a strong capital structure (net debt/EBITDA <2.5x)
 - Return capital to shareholders



Strong Capital Structure

\$4 Billion of Debt Repaid

Leverage Ratio 1.9x (net debt/adj. EBITDA) - well below 2.5x max. target

PLUS \$2 Billion of Cash on Balance Sheet

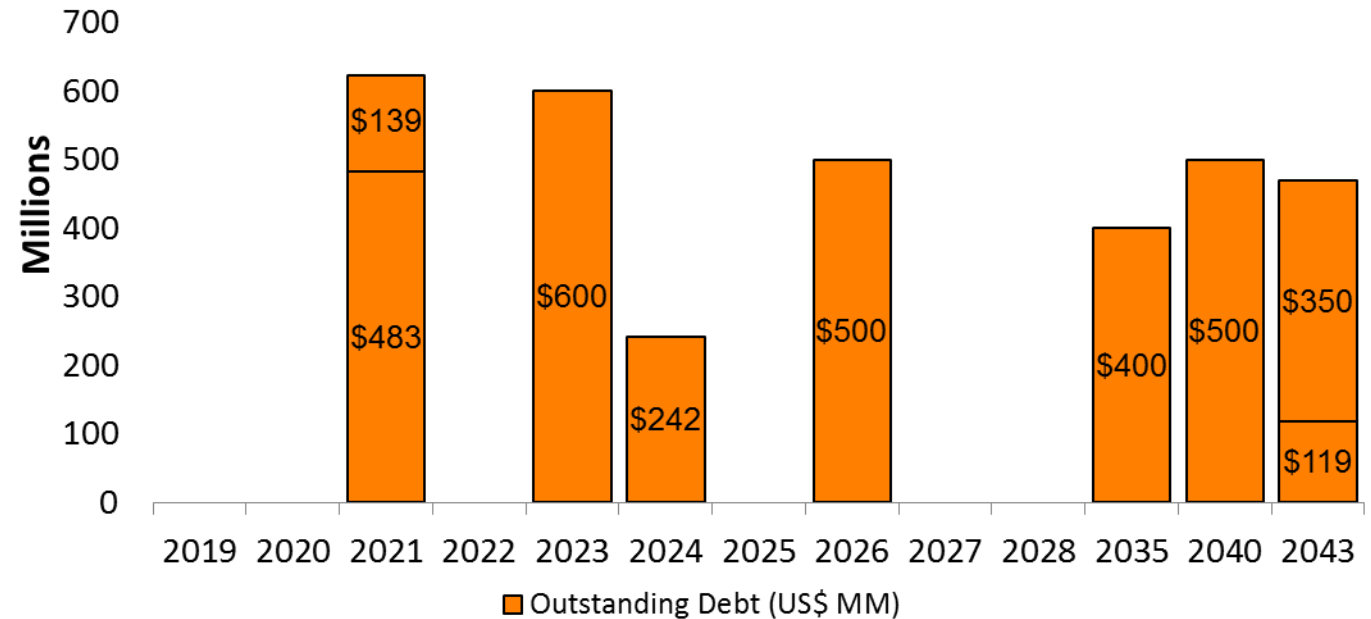
- Debt Repayments**

Repaid CP/revolver	\$1.7B
Redeemed 2019 & 2020 bonds	\$1.7B
Tender for bonds	\$0.6B

- Net Results**

- New average maturity of ~12 years (vs. ~9 years)
- New average interest cost of ~4.5% (vs. ~4.3%)
- No maturities until 2021

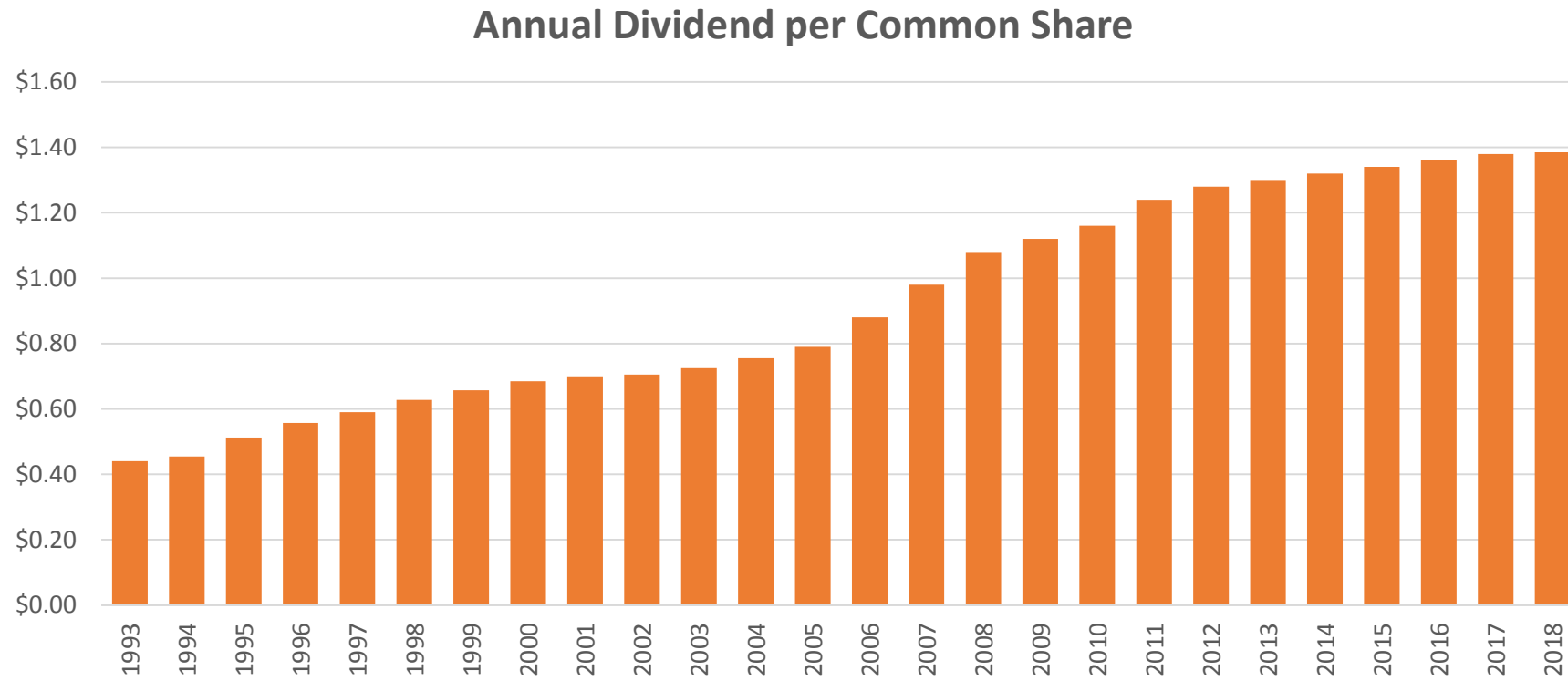
Debt Ladder



Raised Dividend \$0.02 Per Share to \$1.40 – December 2018

Long Held Commitment of Returning Cash to Shareholders

25 Consecutive Years of Annual Dividend Increases



2018 Outlook

	Thomson Reuters Restated 2017 (excluding F&R)	2018 Outlook ⁽¹⁾ Before Currency
Revenue Growth	\$5.3 billion	Low single digit ⁽²⁾
Adjusted EBITDA	\$1.6 billion	~\$1.3 billion (previously \$1.2B - \$1.3B)
Corporate Costs	\$244 million	\$500 - \$600 million
Depreciation & Amortization of computer software	\$496 million	\$500 million - \$525 million
Capital Expenditures % of Revenue	9.9%	In line with 2017
Effective Tax Rate on Adjusted Earnings	11.4%	17% - 19% (previously 14% - 16%)

(1) 2018 Outlook is before currency

(2) Revenue Growth Outlook excludes the impact of Reuters News payment from Refinitiv in the fourth-quarter of 2018

Q&A