



Thomson Reuters

2020 THIRD-QUARTER RESULTS

November 3, 2020

Agenda

Welcome / Introduction

Frank Golden

**Third-Quarter 2020 Results
Update & Next Steps**

Steve Hasker

Financial Review & 2020 Outlook

Mike Eastwood

Q & A

Special Note

Special Note Regarding Forward-Looking Statements, Material Risks and Material Assumptions

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, statements regarding the potential or expected impact of the COVID-19 pandemic on Thomson Reuters, its customers and the general economy, statements about the company's updated 2020 outlook and other expectations regarding the future financial and operational performance of the company and its individual business segments, the company's strategic priorities, initiatives and opportunities, the company's expectations regarding its cost savings program, statements regarding the proposed London Stock Exchange Group (LSEG)/Refinitiv transaction, and the company's expectations regarding its liquidity and capital resources. While the company believes that it has a reasonable basis for making forward-looking statements in this presentation, they are not a guarantee of future performance or outcomes and there is no assurance that the proposed LSEG/Refinitiv transaction will be completed or that any of the other events described in any forward-looking statement will materialize. Forward-looking statements, including those related to the COVID-19 pandemic, are subject to a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from current expectations. Many of these risks, uncertainties and assumptions are beyond our company's control and the effects of them can be difficult to predict. In particular, the full extent of the impact of the COVID-19 pandemic on our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict. Some of the factors that could cause actual results to differ materially from current expectations are discussed in the "Risk Factors" section of our 2019 annual report, our second-quarter 2020 management's discussion and analysis (MD&A), our third-quarter 2020 MD&A that we plan to file after the date hereof and 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. Many of those risks are, and could be, exacerbated by the COVID-19 pandemic and any worsening of the global business and economic environment as a result.

Our company has provided an updated business outlook for the purpose of presenting information about current expectations for 2020. This information may not be appropriate for other purposes. You are cautioned not to place undue reliance on forward-looking statements which reflect expectations only as of the date of this presentation. Except as may be required by applicable law, Thomson Reuters disclaims any obligation to update or revise any forward-looking statements.

The company's updated 2020 business outlook is based on information currently available to the company and is based on various external and internal assumptions made by the company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the company believes are appropriate under the circumstances. Please refer to our 2019 annual report and our earnings release dated November 3, 2020, which are available on www.thomsonreuters.com, for a discussion of material assumptions and material risks related to our business outlook.

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, adjusted EPS and net debt to adjusted EBITDA leverage ratio, selected measures before the impact of currency and changes in revenues computed on an organic basis.

Please see our earnings release dated November 3, 2020, which is available on www.thomsonreuters.com, for a reconciliation of each of Thomson Reuters' measures to the most directly comparable IFRS financial measure. You can also find IFRS reconciliations in the "Investor Relations" section of our website. You are encouraged to consult LSEG's public disclosures for additional information about the proposed LSEG/Refinitiv transaction.

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Third-Quarter 2020 Highlights

Steve Hasker
President & CEO

Third-Quarter 2020 Results vs. Third-Quarter 2020 Outlook

Total Thomson Reuters Q3 2020 Outlook

	Q3 2020 Outlook Before Currency⁽¹⁾	Q3 2020 Actuals Before Currency	Q3 2020 Actuals Reported
Total Revenue Growth	1.0% - 2.0%	2.5%	2.1%
Organic Revenue Growth	1.0% - 2.0%	2.5%	2.5%

“Big 3”⁽²⁾ Q3 2020 Outlook

	Q3 2020 Outlook Before Currency⁽¹⁾	Q3 2020 Actuals Before Currency	Q3 2020 Actuals Reported
Total Revenue Growth	3.0% - 4.0%	4.5%	4.0%
Organic Revenue Growth	3.0% - 4.0%	4.6%	4.6%

(1) Outlook provided August 5, 2020 before currency and excluding the impact of future acquisitions/disposals

(2) “Big 3” refers to our Legal Professionals, Corporates and Tax & Accounting Professionals segments

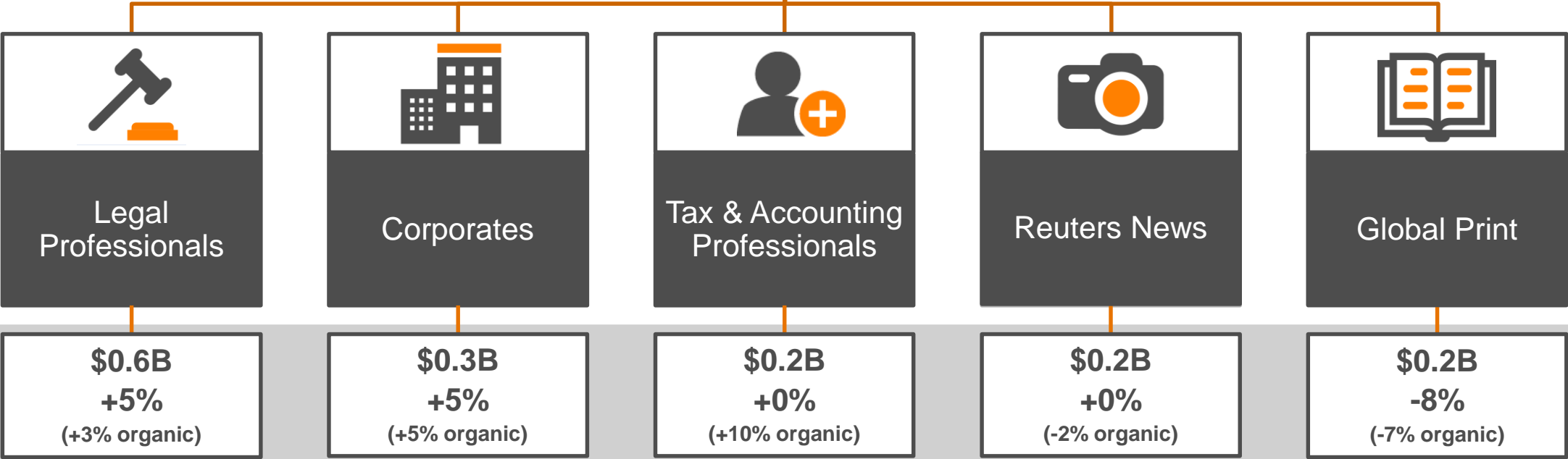
Third-Quarter 2020 Consolidated Results

IFRS Financial Measures (\$ millions)	2020	2019	Change
Revenues	\$1,443	\$1,413	Up 2%
Operating profit	\$318	\$262	Up 21%
Diluted earnings per share (EPS)	\$0.48	\$(0.09)	n/m
Cash flow from operations	\$581	\$264	Up 117%

Non-IFRS Financial Measures (\$ millions)	2020	2019	Change	Change at Constant Currency	Organic Growth
Revenues	\$1,443	\$1,413	Up 2%	Up 3%	Up 2%
Adjusted EBITDA	\$491	\$345	Up 42%	Up 45%	
<i>Adjusted EBITDA margin</i>	<i>34.0%</i>	<i>24.4%</i>	<i>Up 960 bps</i>	<i>Up 1000 bps</i>	
Adjusted EPS	\$0.39	\$0.27	Up 44%	Up 48%	
Free cash flow	\$541	\$126	330%		

Third-Quarter 2020 Revenue Growth by Segment

Reported Revenues up 2% to \$1.4 billion
Organic revenues up 2%
Organic recurring revenues up 4%



“Big 3” grew 5% organically (~79% total revenues)

Reaffirming & Raising Full-Year 2020 Outlook

Total Thomson Reuters 2020 Outlook

	Full-Year 2020 Outlook Before Currency⁽¹⁾	Nine-Months 2020 Actuals Before Currency	Nine-Months 2020 Actuals Reported
Total Revenue Growth	1.0% - 2.0%	2.0%	1.0%
Organic Revenue Growth	0% - 1.0%	0.9%	0.9%
Adjusted EBITDA Margin <i>(increased from 31.0% - 32.0%)</i>	~ 32%	33.1%	33.2%
Free Cash Flow <i>(increased from \$1.0 - \$1.1 billion)</i>	~ \$1.1 billion	\$0.9 billion ⁽²⁾	\$0.9 billion

“Big 3” 2020 Outlook

	Full-Year 2020 Outlook Before Currency⁽¹⁾	Nine-Months 2020 Actuals Before Currency	Nine-Months 2020 Actuals Reported
Total Revenue Growth	3.0% - 4.0%	4.0%	3.0%
Organic Revenue Growth	3.0% - 4.0%	3.4%	3.4%
Adjusted EBITDA Margin <i>(increased from 36.0% - 37.0%)</i>	37.0% - 38.0%	37.3%	37.4%

(1) Before currency and excluding the impact of future acquisitions/disposals

(2) Amounts computed at actual currency rates

Update & Next Steps

Building on Foundational Strengths

Capitalizing on Opportunities

Key Takeaways

Moving From a Holding Company to an Operating Company

Building on Foundational Strengths:

- Leverage our strong position and customer access in our historically resilient markets
- Combine our unique content with world class AI, Machine Learning and software to be a leading content-enabled technology company and become a true partner and innovator

Capitalizing on Tangible Opportunities:

- **Revenues** - Shift focus to smaller number of higher growth product categories where attractive synergies exist
- **Efficiencies** - Significantly enhance customer experience
 - Create shared technology platforms that support agile product development and significantly enhance customer experience – intuitive – frictionless – connected - personalized

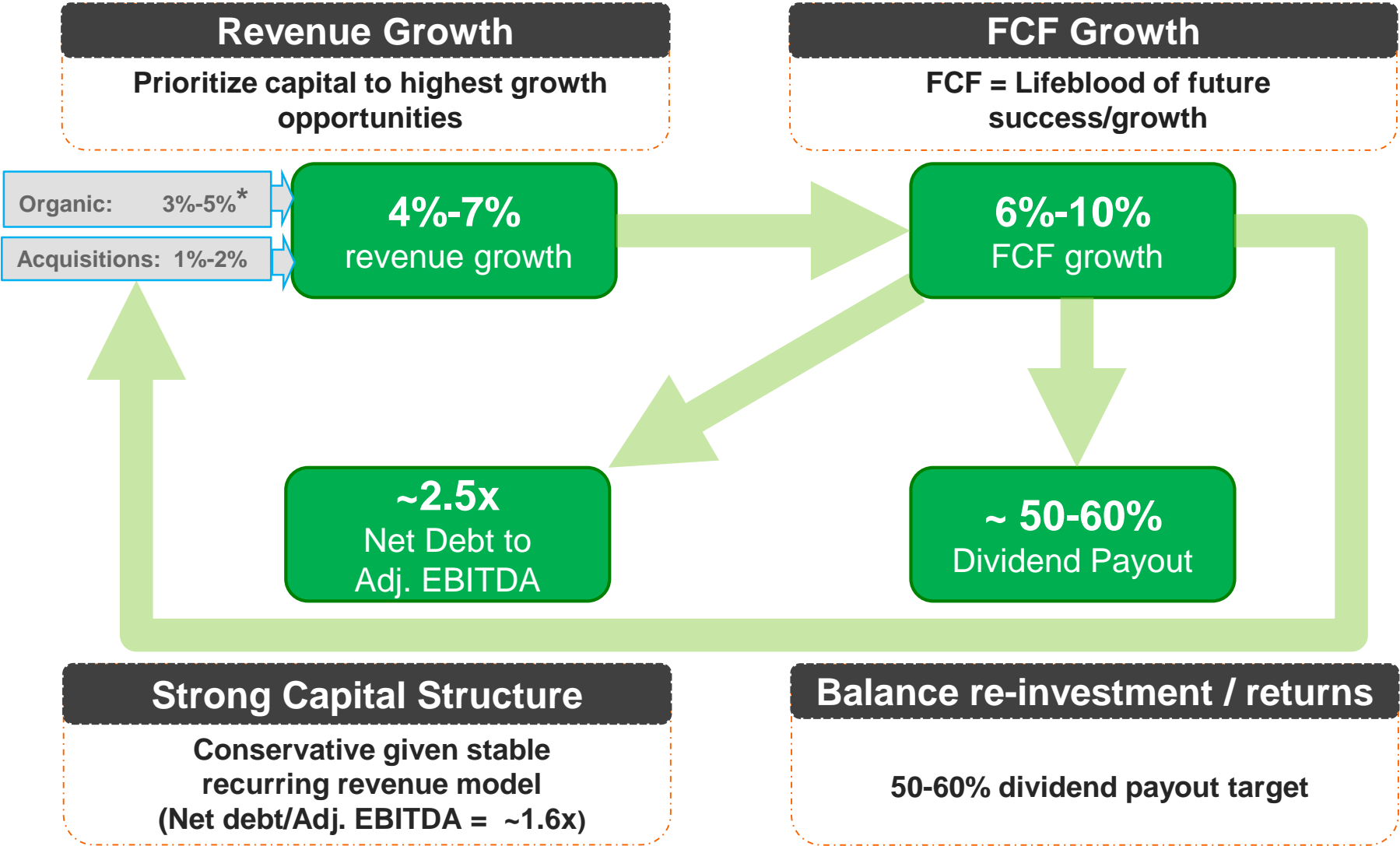
We will transition to a simpler, more integrated, innovative & agile company

Moving From a Holding Company to an Operating Company

Key Takeaways

- ❑ **Building from a position of strength as we focus on higher-growth opportunities**
- ❑ **Strategic growth plan will not require transformational M&A or miracle growth bets**
- ❑ **Rigorous execution is critical to success**
 - + We will execute with urgency & provide ongoing transparency against a defined set of milestones
- ❑ **Definition of Success**
 - + Improved customer experience
 - + Higher organic growth from new sales, higher retention & additional cross-sell & upsell
 - + Higher margins from higher organic growth & lower costs to serve customers
 - + Reduced capital expenditure intensity
 - + Higher free cash flow

Confident in Returning to a Healthy & Sustainable Value Creation Model



* Long term aspiration of 4% to 6%

Financial Review

Mike Eastwood
Chief Financial Officer

Third-Quarter & Nine-Months 2020

Legal, Corporates, Tax & Accounting Revenues

(\$ millions)	Third Quarter					Nine Months					Normalized Organic Growth
	2020	2019	Total	Constant Currency	Organic	2020	2019	Total	Constant Currency	Organic	
Revenues											
Legal Professionals	636	607	+5%	+4%	+3%	1,882	1,812	+4%	+4%	+3%	
Corporates	333	319	+5%	+5%	+5%	1,029	980	+5%	+6%	+5%	
Tax & Accounting Professionals	165	165	+0%	+3%	+10%	551	569	-3%	+0%	+3%	+5%
Big 3 Revenues	1,134	1,091	+4%	+5%	+5%	3,462	3,361	+3%	+4%	+3%	+4%

Normalized organic growth reflects nine-months 2020 organic growth as if the UltraTax state software had been released in January 2020

Third-Quarter & Nine-Months 2020 Consolidated Revenues

(\$ millions)

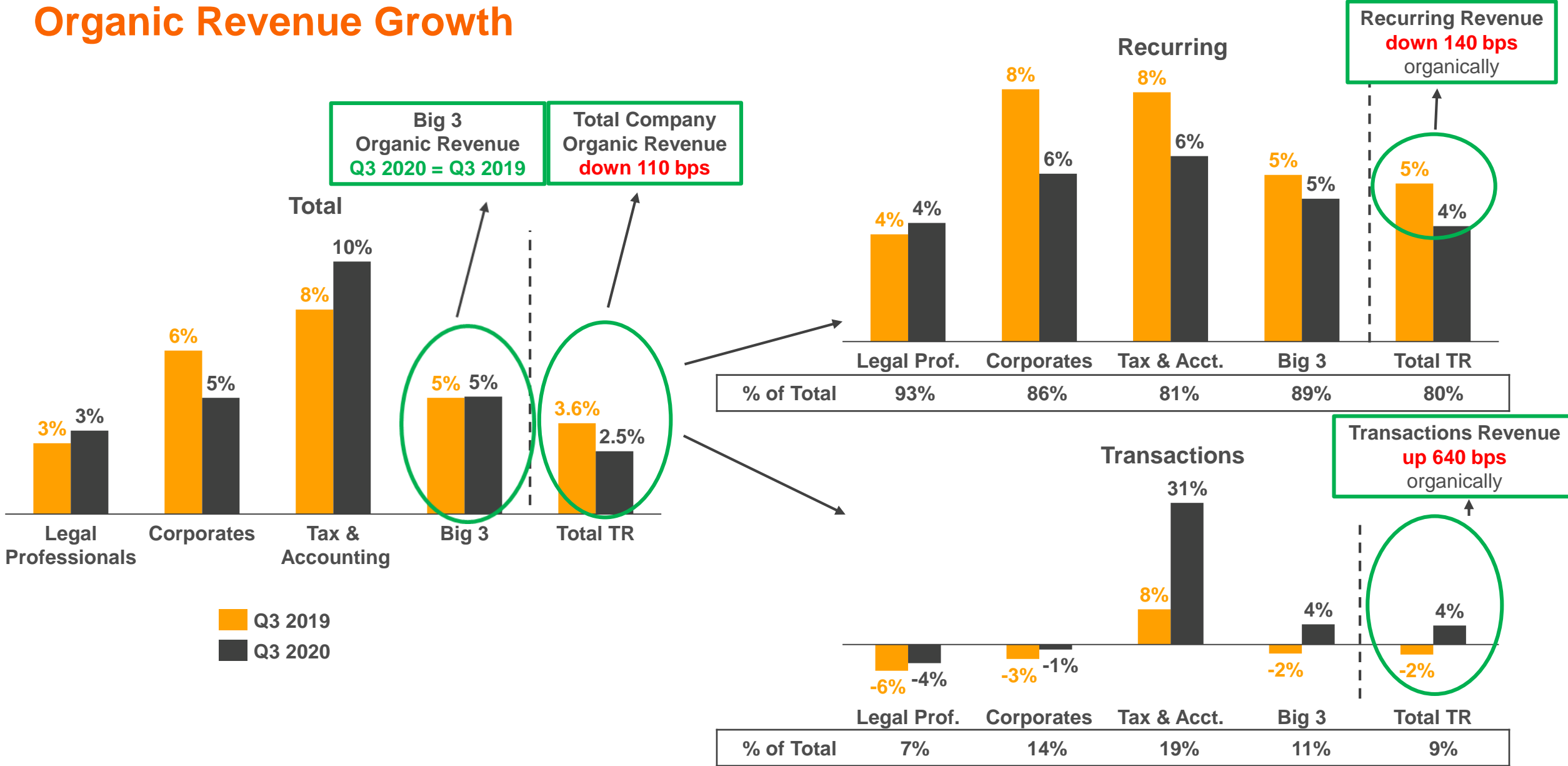
Third Quarter

Nine Months

Revenues	Third Quarter					Nine Months					Normalized Organic Growth
	2020	2019	Total	Constant Currency	Organic	2020	2019	Total	Constant Currency	Organic	
Legal Professionals	636	607	+5%	+4%	+3%	1,882	1,812	+4%	+4%	+3%	
Corporates	333	319	+5%	+5%	+5%	1,029	980	+5%	+6%	+5%	
Tax & Accounting Professionals	165	165	+0%	+3%	+10%	551	569	-3%	+0%	+3%	+5%
Big 3 Revenues	1,134	1,091	+4%	+5%	+5%	3,462	3,361	+3%	+4%	+3%	+4%
Reuters News	154	155	+0%	-1%	-2%	464	466	+0%	+0%	-6%	
Global Print	154	168	-8%	-7%	-7%	443	497	-11%	-10%	-10%	
Eliminations / Rounding	1	(1)				(1)	(1)				
Total Revenues	1,443	1,413	+2%	+3%	+2%	4,368	4,323	+1%	+2%	+1%	+1%

Normalized organic growth reflects nine-months 2020 organic growth as if the UltraTax state software had been released in January 2020

Third-Quarter 2020 vs. Third-Quarter 2019 Organic Revenue Growth



Third-Quarter & Nine-Months 2020

Legal, Corporates, Tax & Accounting Adjusted EBITDA

(\$ millions)

	Third Quarter				Nine Months			
	2020	2019	Total	Constant Currency	2020	2019	Total	Constant Currency
Adjusted EBITDA								
Legal Professionals <i>Margin</i>	272 42.8%	222 36.7%	+22%	+21%	756 40.2%	680 37.6%	+11%	+11%
Corporates <i>Margin</i>	120 36.0%	105 33.0%	+14%	+14%	355 34.5%	314 32.0%	+13%	+13%
Tax & Accounting Professionals <i>Margin</i>	47 28.5%	33 20.1%	+42%	+47%	185 33.6%	184 32.3%	+1%	+3%
Big 3 Adjusted EBITDA <i>Margin</i>	439 38.7%	360 33.1%	+22%	+21%	1,296 37.4%	1,178 35.1%	+10%	+10%

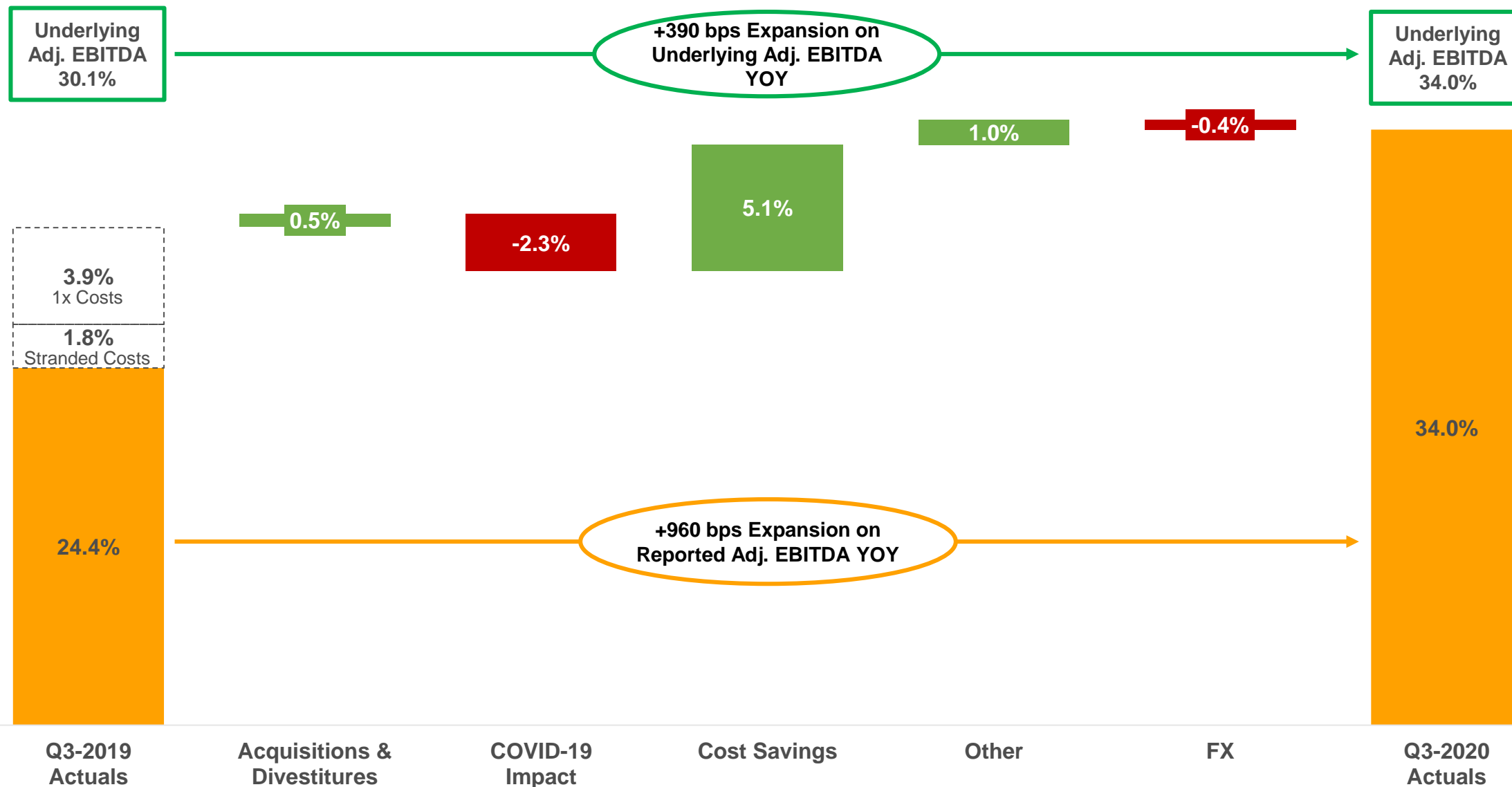
Third-Quarter & Nine-Months 2020 Consolidated Adjusted EBITDA

(\$ millions)

	Third Quarter				Nine Months			
Adjusted EBITDA	2020	2019	Total	Constant Currency	2020	2019	Total	Constant Currency
Legal Professionals Margin	272 42.8%	222 36.7%	+22%	+21%	756 40.2%	680 37.6%	+11%	+11%
Corporates Margin	120 36.0%	105 33.0%	+14%	+14%	355 34.5%	314 32.0%	+13%	+13%
Tax & Accounting Professionals Margin	47 28.5%	33 20.1%	+42%	+47%	185 33.6%	184 32.3%	+1%	+3%
Big 3 Adjusted EBITDA Margin	439 38.7%	360 33.1%	+22%	+21%	1,296 37.4%	1,178 35.1%	+10%	+10%
Reuters News Margin	23 15.2%	16 10.0%	+53%	+65%	67 14.5%	58 12.4%	+16%	+7%
Global Print Margin	64 41.1%	71 42.3%	-10%	-11%	181 40.7%	217 43.7%	-17%	-17%
Corporate Costs	(35)	(102)			(94)	(356)		
Total Adjusted EBITDA Margin	491 34.0%	345 24.4%	+42%	+45%	1,450 33.2%	1,097 25.4%	+32%	+33%

Third-Quarter 2020

Adjusted EBITDA Margin Performance



Adjusted Earnings Per Share

Free Cash Flow

Adjusted Earnings Per Share (EPS)

(\$ millions except per share amounts & share count)	Third Quarter			Nine Months		
	<u>2020</u>	<u>Change</u>	<u>% Change</u>	<u>2020</u>	<u>Change</u>	<u>% Change</u>
Adjusted EBITDA	\$491	\$146		\$1,450	\$353	
Depreciation & Amortization	(\$194)	(\$39)		(\$506)	(\$70)	
Interest Expense	(\$49)	(\$9)		(\$146)	(\$34)	
Income Tax	(\$55)	(\$39)		(\$144)	(\$58)	
Dividend declared on preference shares	(\$1)	(\$1)		(\$2)	-	
Adjusted Earnings	\$192	\$58		\$652	\$191	
Adjusted EPS	\$0.39	\$0.12	+44%	\$1.31	\$0.39	+42%
<i>Foreign Currency Impact</i>	(\$0.01)			(\$0.01)		
<i>Diluted Weighted Average Common Shares</i>	498.4M			497.8M		

Consolidated Free Cash Flow

(\$ millions)	Third Quarter			Nine Months		
	<u>2020</u>	<u>2019</u>	<u>Change</u>	<u>2020</u>	<u>2019</u>	<u>Change</u>
Comparable Free Cash Flow (Continuing Operations)	\$459	\$332	\$127	\$840	\$650	\$190
Other Items (Q1-19 pension contribution & Refinitiv separation costs)	\$85	(\$170)	\$255	\$54	(\$542)	\$596
Free Cash Flow (Continuing Operations)	\$544	\$162	\$382	\$894	\$108	\$786
Free Cash Flow – Refinitiv related/F&R	(\$3)	(\$36)	\$33	(\$13)	(\$158)	\$145
Free Cash Flow	\$541	\$126	\$415	\$881	(\$50)	\$931

Update on Proposed Sale of Refinitiv to London Stock Exchange Group

- **TRI expected ownership interest in LSEG upon transaction closing = ~82.5M shares**
 - Value = ~\$8.8B / ~\$18 value within TRI stock price [based on LSEG 11/2/20 closing price]
 - Transaction expected to close in the first-quarter of 2021

- **LSEG currently expected to only issue shares as consideration for the transaction**
 - LSEG may, at its option, settle up to \$2.5B of the consideration in cash
 - Payment of any cash consideration will reduce the number of LSEG shares issued

2020 Outlook



Reaffirming & Raising Full-Year 2020 Outlook

	Total TR 2020 Outlook⁽¹⁾	Big 3 2020 Outlook⁽¹⁾
Total Revenue Growth	1.0% - 2.0%	3.0% - 4.0%
Organic Revenue Growth	0% - 1.0%	3.0% - 4.0%
Adjusted EBITDA Margin (Increased from 31.0% - 32.0%)	~ 32.0%	37.0% - 38.0% (Up from 36% - 37%)
Corporate Costs	\$140 - \$150 million	
Free Cash Flow (Increased from \$1.0 - \$1.1 billion)	~ \$1.1 billion	
Capital Expenditures as % of Revenue (Increased from 7.5% - 8.0%)	8.0% - 8.5%	
Depreciation & Amortization of computer software (Increased from \$625 - \$650 million)	\$650 - \$675 million	
Interest Expense (P&L)	\$190 - \$215 million	
Effective Tax Rate on Adjusted Earnings	~ 17% - 19%	

(1) Before currency and excluding the impact of future acquisitions/disposals

Q&A