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THIRD-QUARTER 2014 RESULTS



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Agenda

- Welcome / Introduction Frank Golden
- Third-Quarter Highlights Jim Smith
- Financial Review – Q3 2014 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.
- The following discussion contains forward-looking statements, including but not limited to, those about Thomson Reuters outlook and prospects. Forward-looking statements are those which are not historical facts. These and other statements that relate to future results as well as expectations related to the company's transformation initiatives, 2014 opportunities and challenges for its business segments (notably, Financial & Risk's net sales, pricing and revenue performance and Legal's U.S. print revenues) and the amount of charges to be incurred by the company in 2014, are based on Thomson Reuters current expectations.
- Our actual results in future periods may differ materially from those currently expected because of a number of risks, uncertainties and assumptions. The risks, uncertainties and assumptions that we believe are material are outlined in our disclosure filings and materials, which you can find on www.thomsonreuters.com. Please consult these documents for a more complete understanding of these risks, uncertainties and assumptions. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. Our outlook is provided for the purpose of providing information about current expectations for 2014. This information may not be appropriate for other purposes.

Non-IFRS Financial Measures

- This presentation contains disclosures of certain non-IFRS financial measures. These measures include revenues from ongoing businesses, adjusted EBITDA and the related margin, underlying operating profit and the related margin, free cash flow, free cash flow from ongoing businesses and adjusted EPS.
- Please see our earnings release dated October 30, 2014, which is available on www.thomsonreuters.com, for a reconciliation of each of these measures to the most directly comparable IFRS financial measure.



THIRD - QUARTER 2014 HIGHLIGHTS

JIM SMITH
PRESIDENT & CEO

Q3 2014 Results

- **Revenues up 1%**
- **F&R Q3 & 9 months net sales positive**
 - Q3 all regions positive – Americas, Europe, Asia
 - 7 of last 8 quarters better year-over-year
- **Legal returns to positive organic revenue growth**
- **Adjusted EBITDA & Underlying Operating Profit both down 3%**
 - Adj. EBITDA Margin 26.5% down 100 bp vs. Q3 2013
 - Pre-FX & charges down 10 bp
 - Underlying Op. Profit Margin 17.1% down 70 bp vs. Q3 2013
 - Pre-FX & charges up 20 bp
- **Adjusted EPS \$0.45 vs. \$0.48 in Q3 2013**
- **\$1 billion returned to shareholders since October 2013**
- **2014 Outlook affirmed**

Q3 2014 Revenue Results by Business



Q3 2014

Building a Platform for Sustainable & Profitable Growth

- **Year-to-date performance on track**
 - Healthier financial & legal markets
 - Positive trends in the business
 - Better sales performance sets the stage for improved growth in 2015
- **Transformation & Simplification programs delivering**
 - Driving organic revenue initiatives & shifting resources behind most promising opportunities
 - F&R continues to make good progress on simplification initiatives

FINANCIAL REVIEW

STEPHANE BELLO
CHIEF FINANCIAL OFFICER

Consolidated Results

(\$ Millions)	Third Quarter			Nine Months		
	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>2014</u>	<u>2013</u>	<u>Change</u>
Revenues	\$3,107	\$3,073	1%	\$9,394	\$9,278	1%
<i>Before Currency</i>			<i>1%</i>			<i>1%</i>
Adjusted EBITDA	\$822	\$845	-3%	\$2,519	\$2,460	2%
<i>Adjusted EBITDA Margin</i>	<i>26.5%</i>	<i>27.5%</i>		<i>26.8%</i>	<i>26.5%</i>	
Underlying Operating Profit	\$530	\$548	-3%	\$1,639	\$1,579	4%
<i>Underlying Operating Profit Margin</i>	<i>17.1%</i>	<i>17.8%</i>		<i>17.4%</i>	<i>17.0%</i>	

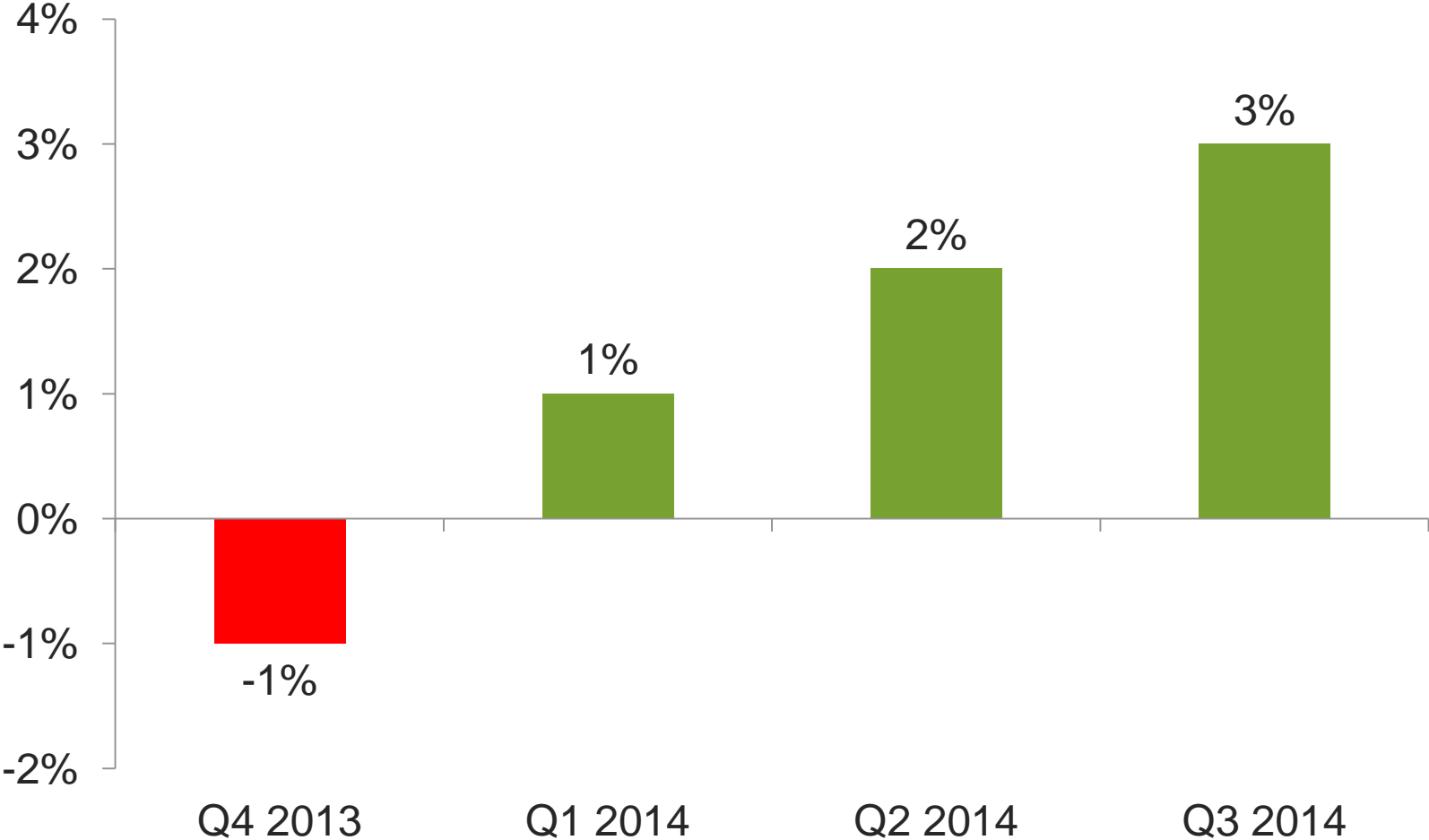
Results for ongoing businesses.

Legal

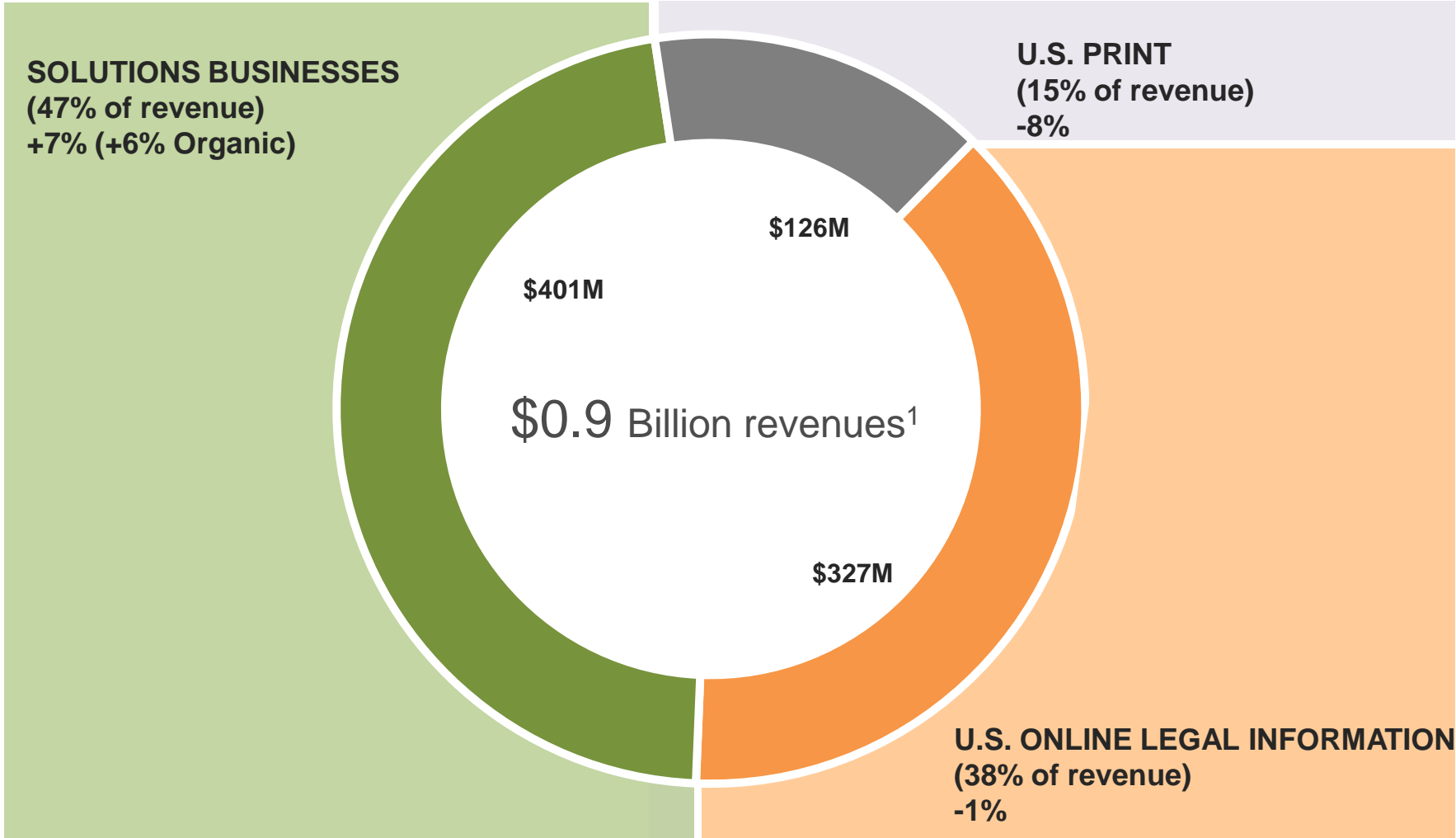
(\$ Millions)	Third Quarter			Nine Months		
	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>2014</u>	<u>2013</u>	<u>Change</u>
Revenues	\$854	\$843	1%	\$2,507	\$2,483	1%
<i>Before Currency</i>			<i>1%</i>			<i>1%</i>
EBITDA	\$324	\$320	1%	\$939	\$922	2%
<i>EBITDA Margin</i>	<i>37.9%</i>	<i>38.0%</i>		<i>37.5%</i>	<i>37.1%</i>	
Operating Profit	\$254	\$248	2%	\$730	\$704	4%
<i>Operating Profit Margin</i>	<i>29.7%</i>	<i>29.4%</i>		<i>29.1%</i>	<i>28.4%</i>	

Results for ongoing businesses.

Legal Organic Revenue Growth Excluding U.S. Print



Legal Q3 2014



¹ Q3 2014 Revenues from ongoing businesses.

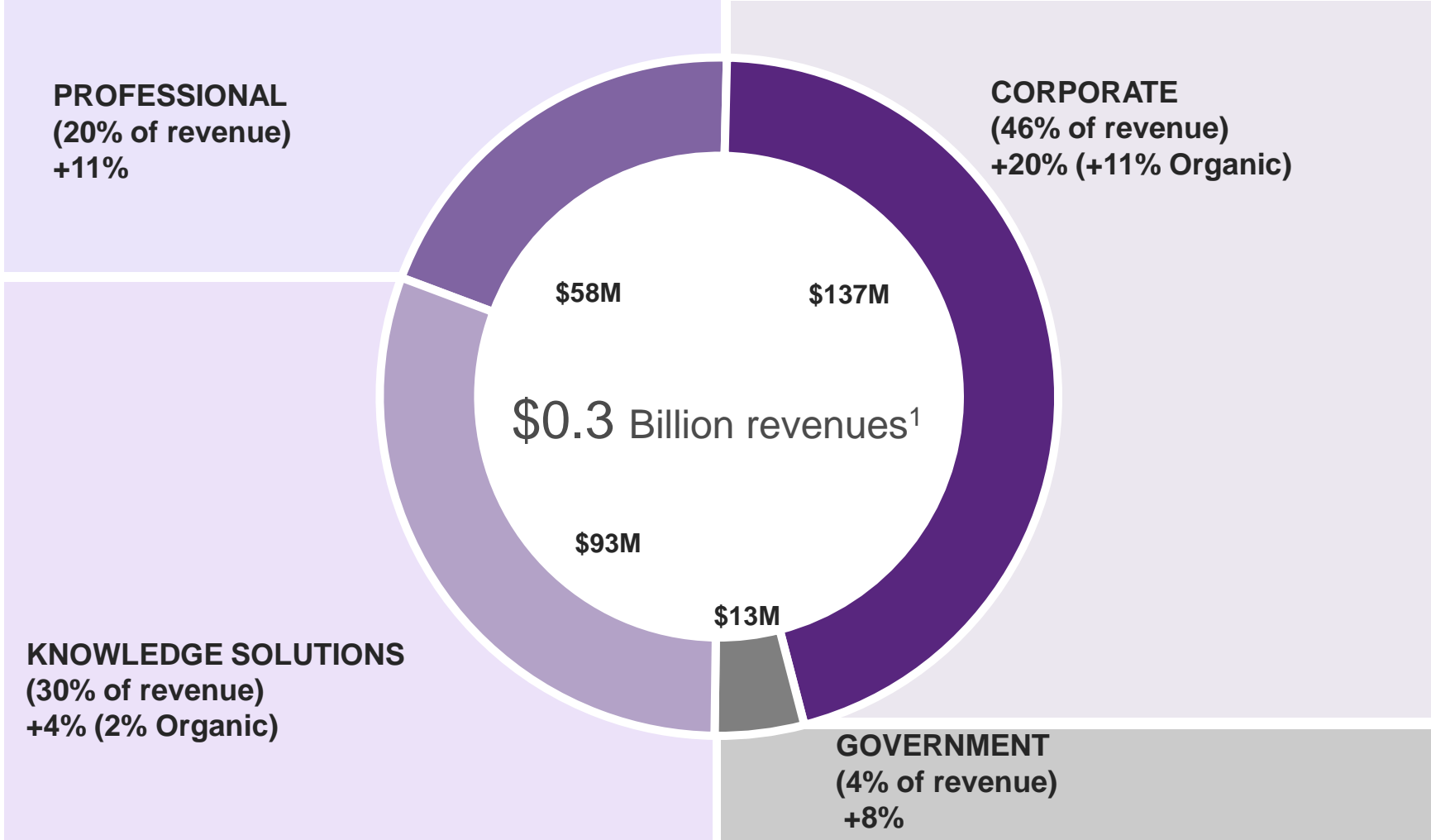
Tax & Accounting

(\$ Millions)	Third Quarter			Nine Months		
	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>2014</u>	<u>2013</u>	<u>Change</u>
Revenues	\$301	\$270	12%	\$973	\$875	11%
<i>Before Currency</i>			<i>13%</i>			<i>13%</i>
EBITDA	\$72	\$66	9%	\$285	\$251	14%
<i>EBITDA Margin</i>	<i>23.9%</i>	<i>24.4%</i>		<i>29.3%</i>	<i>28.7%</i>	
Operating Profit	\$43	\$34	26%	\$192	\$160	20%
<i>Operating Profit Margin</i>	<i>14.3%</i>	<i>12.6%</i>		<i>19.7%</i>	<i>18.3%</i>	

Results for ongoing businesses.

Tax & Accounting

Q3 2014



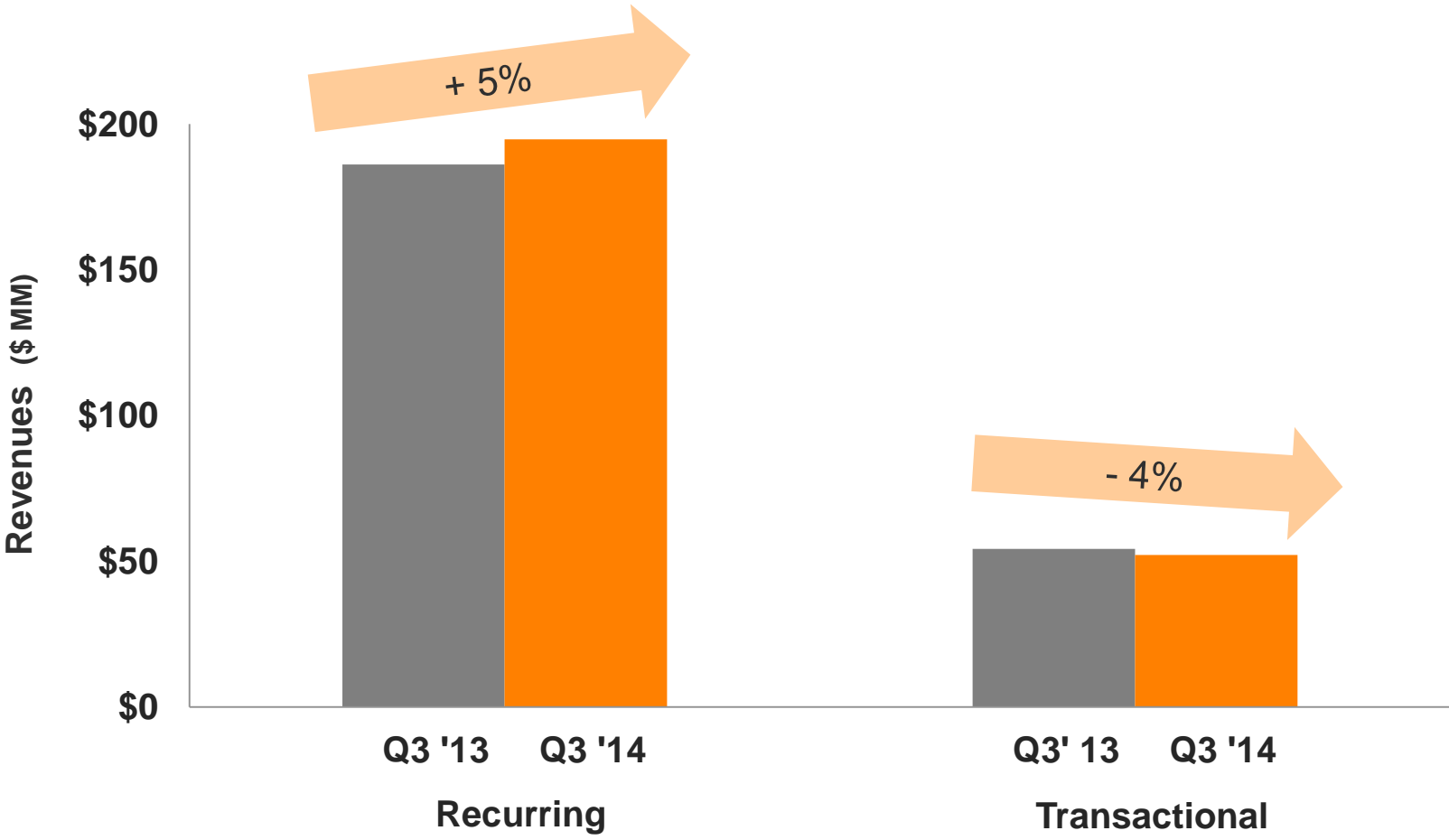
¹ Q3 2014 Revenues from ongoing businesses.

Intellectual Property & Science

(\$ Millions)	Third Quarter			Nine Months		
	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>2014</u>	<u>2013</u>	<u>Change</u>
Revenues	\$248	\$240	3%	\$742	\$707	5%
<i>Before Currency</i>			<i>3%</i>			<i>5%</i>
EBITDA	\$76	\$80	-5%	\$233	\$229	2%
<i>EBITDA Margin</i>	<i>30.6%</i>	<i>33.3%</i>		<i>31.4%</i>	<i>32.4%</i>	
Operating Profit	\$54	\$61	-11%	\$167	\$171	-2%
<i>Operating Profit Margin</i>	<i>21.8%</i>	<i>25.4%</i>		<i>22.5%</i>	<i>24.2%</i>	

Results for ongoing businesses.

Intellectual Property & Science Q3 2014



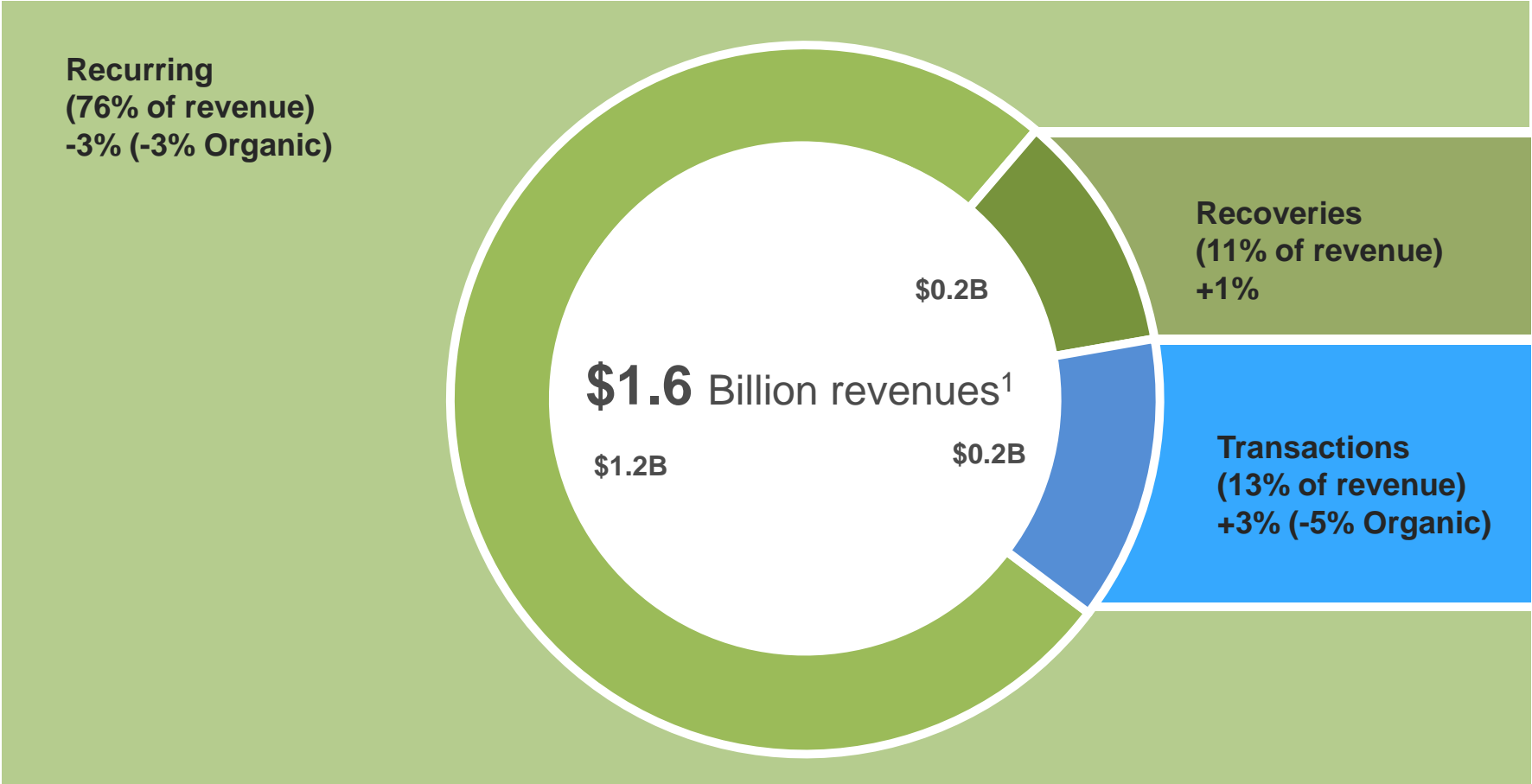
Financial & Risk

(\$ Millions)	Third Quarter			Nine Months		
	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>2014</u>	<u>2013</u>	<u>Change</u>
Revenues	\$1,628	\$1,640	-1%	\$4,941	\$4,975	-1%
<i>Before Currency</i>			<i>-2%</i>			<i>-2%</i>
EBITDA	\$408	\$433	-6%	\$1,233	\$1,213	2%
<i>EBITDA Margin</i>	<i>25.1%</i>	<i>26.4%</i>		<i>25.0%</i>	<i>24.4%</i>	
Operating Profit	\$252	\$275	-8%	\$758	\$735	3%
<i>Operating Profit Margin</i>	<i>15.5%</i>	<i>16.8%</i>		<i>15.3%</i>	<i>14.8%</i>	

Results for ongoing businesses.

Financial & Risk

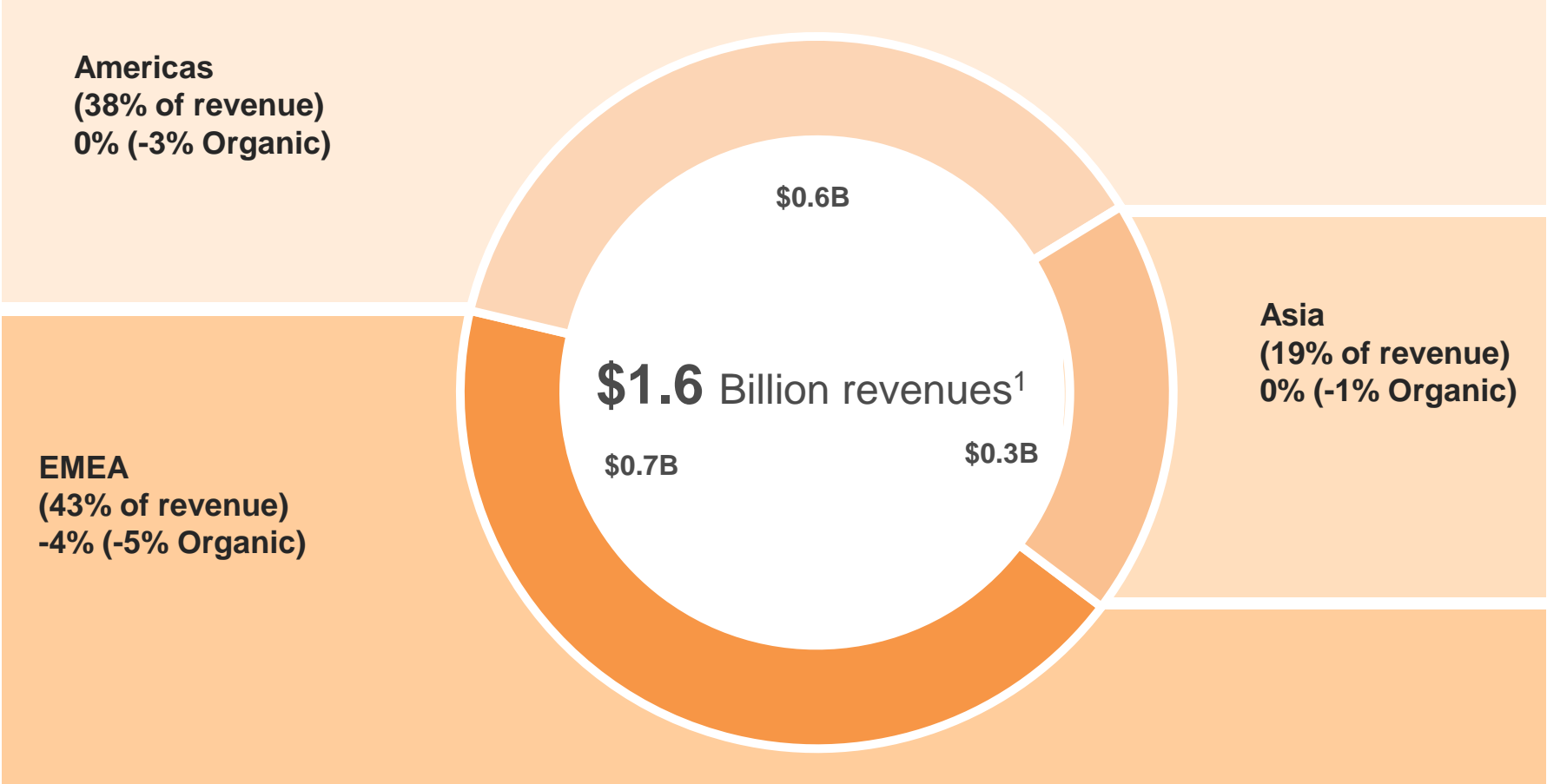
Q3 2014



¹ Q3 2014 Revenues from ongoing businesses.

Financial & Risk

Q3 2014 Regional Revenue



¹ Q3 2014 Revenues from ongoing businesses.

CONSOLIDATED RESULTS



Adjusted Earnings Per Share

(\$ Millions except per share amounts)	Third Quarter		
	<u>2014</u>	<u>2013</u>	<u>Change</u>
Underlying Operating Profit	\$530	\$548	(\$18)
Interest Expense	(\$110)	(\$109)	(\$1)
Income Tax	(\$39)	(\$30)	(\$9)
Other ⁽¹⁾	(\$20)	(\$12)	(\$8)
Adjusted Earnings	\$361	\$397	(\$36)
Adjusted EPS	\$0.45	\$0.48	(\$0.03)

⁽¹⁾ Other includes earnings attributable to non-controlling interests and dividends on preference shares.

Free Cash Flow

(\$ Millions)	Nine Months			
	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>% Change</u>
Ongoing Free Cash Flow excluding cash charges	\$1,086	\$1,027	\$59	6%
Nine Months cash charges	(\$212)	(\$127)	(\$85)	-
Ongoing Free Cash Flow	\$874	\$900	(\$26)	-3%
Free Cash Flow from Disposals	\$1	\$76	(\$75)	-
Free Cash Flow	\$875	\$976	(\$101)	-10%

2014 Outlook -Affirmed

	2013 Actual ⁽¹⁾	2014 Outlook ⁽²⁾
Revenues	\$12.5 billion	Comparable to 2013
Adjusted EBITDA Margin	24.5%	26.0% - 27.0%
Underlying Operating Profit Margin	15.0%	17.0% - 18.0%
Free Cash Flow	\$1.2 billion	\$1.3 - \$1.5 billion
Capital Expenditures % of Revenue	8.0%	~8.0%
Interest Expense (P&L)	\$460 million	\$450 - \$475 million
Effective Tax Rate	11.2%	13.0% - 15.0%

(1) The company previously announced that it planned to take a charge of approximately \$395 million, \$275 million of which was incurred in 2013. 2013 Actual includes charges incurred last year.

(2) 2014 Outlook includes the impact of \$120 million of charges expected to be incurred this year. The free cash flow Outlook for 2014 reflects the estimated cash impact of the charges incurred in 2013 and 2014 as well as the impact of the loss of free cash flow from disposals (approximately \$375 million in aggregate).

Q&A

