THOMSON REUTERS

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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.

• This presentation contains forward-looking statements, including, without limitation, those related to the outlook, prospects and operating performance of our Legal business segment. Forward-looking statements are those which are not historical facts. These and other statements that relate to future results and events 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 and uncertainties. The risks and uncertainties 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 and uncertainties. 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. Forward-looking statements are provided for the purpose of providing information about current expectations. This information may not be appropriate for other purposes.
Legal’s Evolution

**Traditional Thomson Reuters Mindset**
- Jurisdiction Specific
- Law Firm Centric
- Content-First Entry

**What’s Changed**
- Power to Buyside
- Technology Development
- Demand for Efficiency

**A Smarter Way to Work**
- Integrating Content, Expertise and Technologies
- Practice
- Manage
- Thrive
What's Changed?

Balance of Power Shifting to Clients

61%

- 61% of in-house counsel say reducing spending on outside counsel is one of their most important goals
- 54% plan to bring more work in-house.¹

Greater Usage of Cloud Technology

72%

- 72% of small firms plan to use cloud-based services this year
- 38.7% believe cloud-based software will surpass installed software in 3-5 years.²

Drive for Efficiency

- 67% of Chief Legal Officers making greater use of technology tools to drive efficiency (last 12 months)³

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¹ CounselLink Legal Department Operations survey
² Cloud Technology in the Legal Industry report
³ 2014 Altman Weil Chief Legal Officers Survey
Solutions Businesses
~78%: Market growing mid-single digit

Business Development Solutions

Education & Professional Development

Practice, Financial & Court Case Management Systems

Est. Global Legal Solutions Market $17B

US Print
~7%: Market declining mid-single digit

US Online Legal Information
~15%: Market declining low-single digit

Litigation Solutions

Investigative Solutions

Global Legal Market Opportunity
Thomson Reuters Legal
Q3 2014

Solutions Businesses
(47% of revenue)
+7% (+6% Organic)

U.S. Print
(15% of revenue)
-8%

U.S. Online Legal Information
(38% of revenue)
-1%

U.S. Practical Law

$0.9 Billion revenues\(^1\)

$401M

$327M

$126M

1 Q3 2014 Revenues from ongoing businesses.
Thomson Reuters Legal
Organic Revenue Growth Excluding U.S. Print

Q4 2013: -1%
Q1 2014: 1%
Q2 2014: 2%
Q3 2014: 3%
Thomson Reuters Legal
Revenue & EBITDA Margin 2010 - 2014

US Print | US Online Legal Research | Solutions | EBITDA Margin
---|---|---|---
2010 | 21% | 46% | 33%
2011 | 20% | 42% | 38%
2012 | 19% | 41% | 40%
2013 | 17% | 40% | 43%
2014 Sept YTD | 16% | 39% | 37%*

*Excludes Q4 charges