



THOMSON REUTERS

2020 SECOND-QUARTER RESULTS

August 5, 2020

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Agenda

Welcome / Introduction

Frank Golden

Second-Quarter 2020 Results

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 2020 outlook and other expectations regarding the future financial and operational performance of the company and its individual business segments (notably regarding Westlaw Edge, revenues for the Government business of the Legal Professionals segment, Tax & Accounting Professionals segment revenues, the Reuters Events business and Reuters News segment revenues, Global Print segment shipments and revenues, and Transactions revenues), 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 first-quarter 2020 management's discussion and analysis (MD&A), our second-quarter 2020 MD&A that we plan to file after the date hereof and 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. 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 a 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 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 August 5, 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 August 5, 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.

THOMSON REUTERS

Second-Quarter 2020 Highlights

Steve Hasker
President & CEO

Second-Quarter 2020 Results vs. Second-Quarter 2020 Outlook

Total Thomson Reuters Q2 2020 Outlook

	Q2-2020 Outlook Before Currency ⁽¹⁾	Q2-2020 Actuals Before Currency	Q2-2020 Actuals Reported
Total Revenue Growth	-1.0% to -2.0%	0.3%	-1.2%
Organic Revenue Growth	-2.0% to -3.0%	-1.6%	-1.6%

“Big 3”⁽²⁾ Q2 2020 Outlook

	Q2-2020 Outlook Before Currency ⁽¹⁾	Q2-2020 Actuals Before Currency	Q2-2020 Actuals Reported
Total Revenue Growth	2.5% - 3.5%	2.9%	1.3%
Organic Revenue Growth	2.0% - 3.0%	2.2%	2.2%

(1) Outlook provided May 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

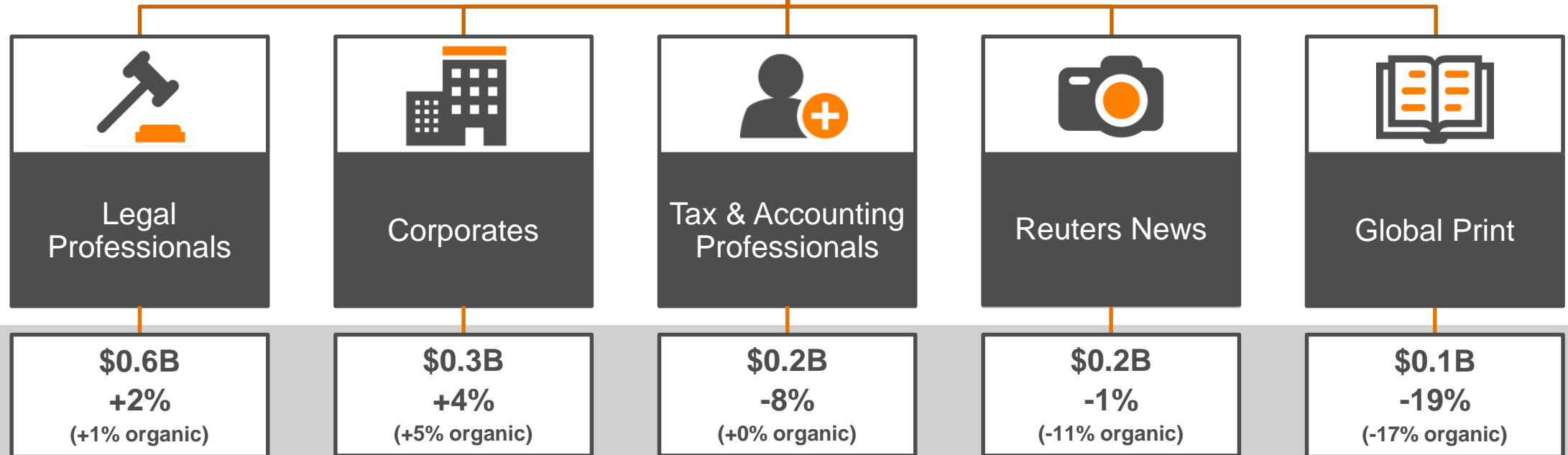
Second-Quarter 2020 Consolidated Results

IFRS Financial Measures (\$ millions)	2020	2019	Change
Revenues	\$1,405	\$1,423	Down 1%
Operating profit	\$365	\$447	Down 18%
Diluted earnings per share (EPS)	\$0.25	\$0.36	Down 31%
Cash flow from operations	\$422	\$113	Up 288%

Non-IFRS Financial Measures (\$ millions)	2020	2019	Change	Change at Constant Currency	Organic Growth
Revenues	\$1,405	\$1,423	Down 1%	Up 0%	Down 2%
Adjusted EBITDA	\$479	\$355	Up 35%	Up 34%	
<i>Adjusted EBITDA margin</i>	<i>34.1%</i>	<i>25.0%</i>	<i>Up 910 bps</i>	<i>Up 840 bps</i>	
Adjusted EPS	\$0.44	\$0.29	Up 52%	Up 48%	
Free cash flow	\$305	\$1	n/m		

Second-Quarter 2020 Revenue Growth by Segment

Reported Revenues down 1% to \$1.4 billion
Organic revenues down 2%
Organic recurring revenues up 3%



“Big 3” grew 2% organically

Reaffirming Full-Year 2020 Outlook

Total Thomson Reuters 2020 Outlook

	Full-Year 2020 Outlook Before Currency⁽¹⁾	First-Half 2020 Actuals Before Currency	First-Half 2020 Actuals Reported
Total Revenue Growth	1.0% - 2.0%	1.7%	0.5%
Organic Revenue Growth	0% - 1.0%	0.1%	0.1%
Adjusted EBITDA Margin	31.0% - 32.0%	32.3%	32.8%

“Big 3” 2020 Outlook

	Full-Year 2020 Outlook Before Currency⁽¹⁾	First-Half 2020 Actuals Before Currency	First-Half 2020 Actuals Reported
Total Revenue Growth	3.0% - 4.0%	3.8%	2.5%
Organic Revenue Growth	3.0% - 4.0%	2.9%	2.9%
Adjusted EBITDA Margin	36.0% - 37.0%	36.6%	36.8%

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

Thomson Reuters Looking Forward

- **Opportunities to better connect and enable professional marketplaces**
- **Opportunities to better serve our customers with solutions that are digital, virtual, real-time and automated**
- **Thomson Reuters is extremely well positioned to support our customers in this transition**

Financial Review

Mike Eastwood
Chief Financial Officer

Second-Quarter & Six-Months 2020

Revenues - Legal, Corporates, Tax & Accounting

(\$ millions)	Second Quarter					Six Months					Normalized Organic Growth
	2020	2019	Total	Constant Currency	Organic	2020	2019	Total	Constant Currency	Organic	
Revenues											
Legal Professionals	620	605	+2%	+3%	+ 1%	1,246	1,205	+3%	+4%	+3%	
Corporates	329	315	+4%	+6%	+5%	696	661	+5%	+6%	+5%	
Tax & Accounting Professionals	168	182	-8%	-4%	+0%	386	404	-4%	-1%	+0%	3%
Big 3 Revenues	1,117	1,102	+1%	+3%	+2%	2,328	2,270	+3%	+4%	+3%	3%

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

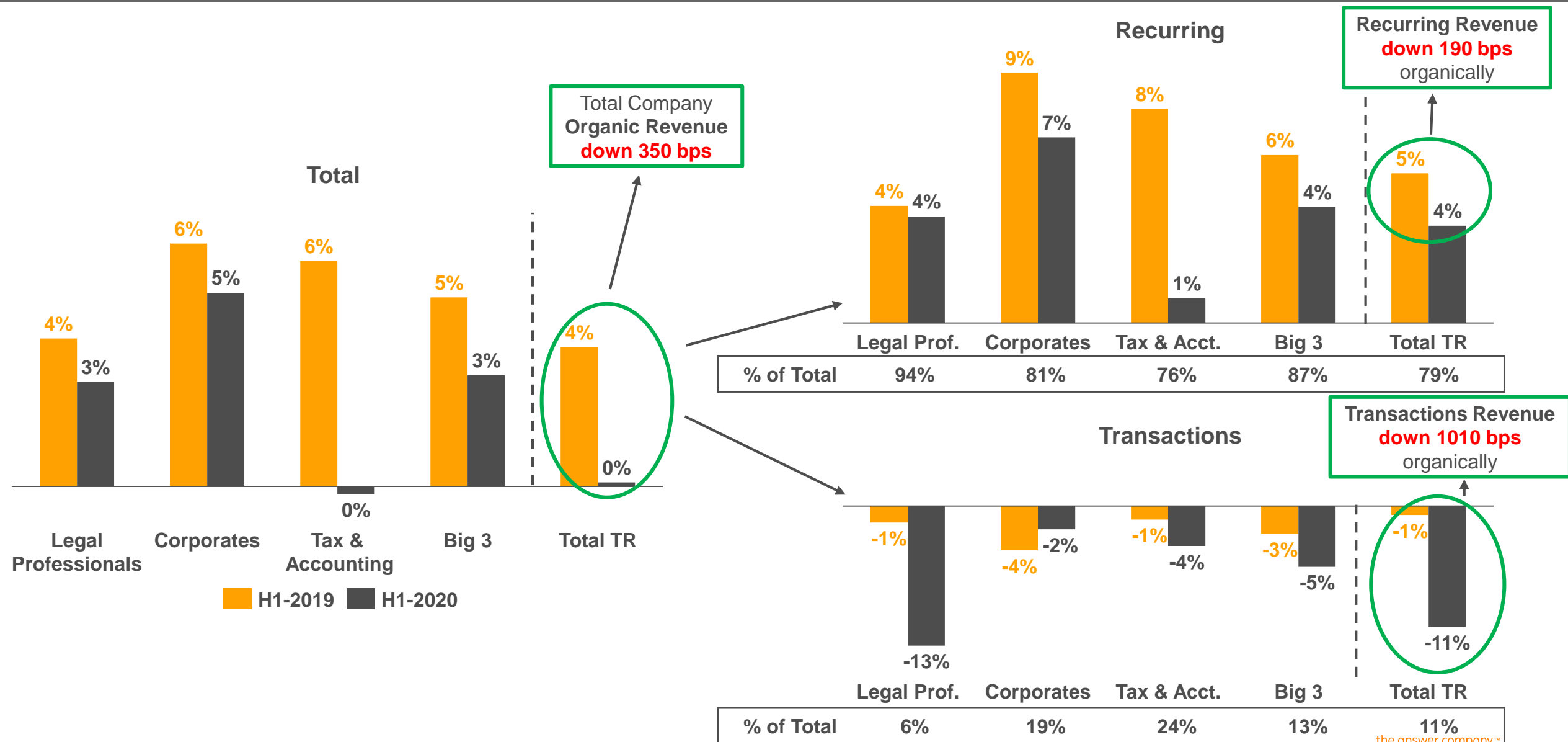
Second-Quarter & Six-Months 2020 Consolidated Revenues

(\$ millions)

Revenues	Second Quarter					Six Months					Normalized Organic Growth
	2020	2019	Total	Constant Currency	Organic	2020	2019	Total	Constant Currency	Organic	
Legal Professionals	620	605	+2%	+3%	+1%	1,246	1,205	+3%	+4%	+3%	
Corporates	329	315	+4%	+6%	+5%	696	661	+5%	+6%	+5%	
Tax & Accounting Professionals	168	182	-8%	-4%	+0%	386	404	-4%	-1%	+0%	3%
Big 3 Revenues	1,117	1,102	+1%	+3%	+2%	2,328	2,270	+3%	+4%	+3%	3%
Reuters News	155	156	-1%	+0%	-11%	310	311	+0%	+0%	-8%	
Global Print	134	164	-19%	-17%	-17%	289	329	-12%	-11%	-11%	
Eliminations / Rounding	(1)	1				(2)					
Total Revenues	1,405	1,423	-1%	+0%	-2%	2,925	2,910	+1%	+2%	+0%	1%

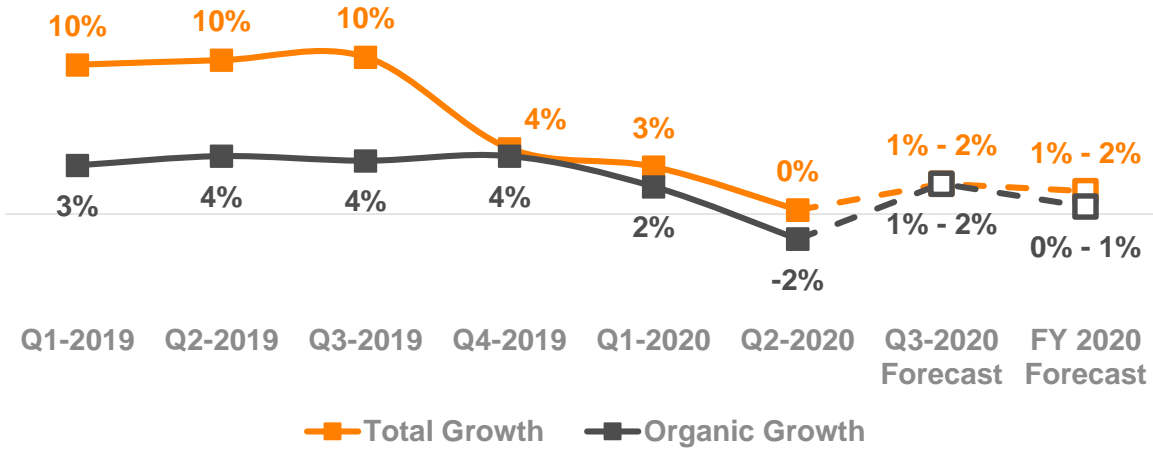
Normalized organic growth reflects six-months 2020 organic growth as if the UltraTax state software had been released in January 2020

First-Half 2020 vs. First-Half 2019 Organic Revenue Growth Details

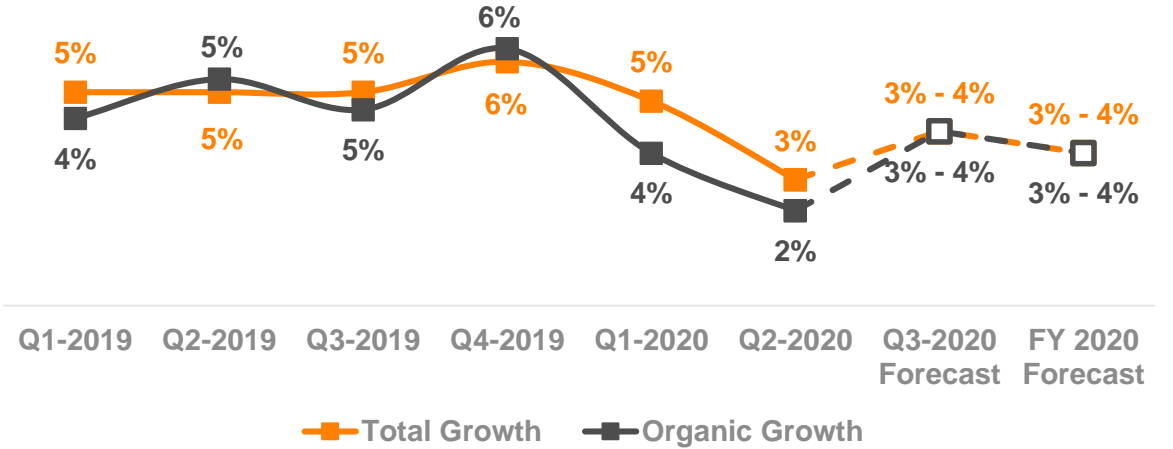


Thomson Reuters Third-Quarter 2020 Forecast

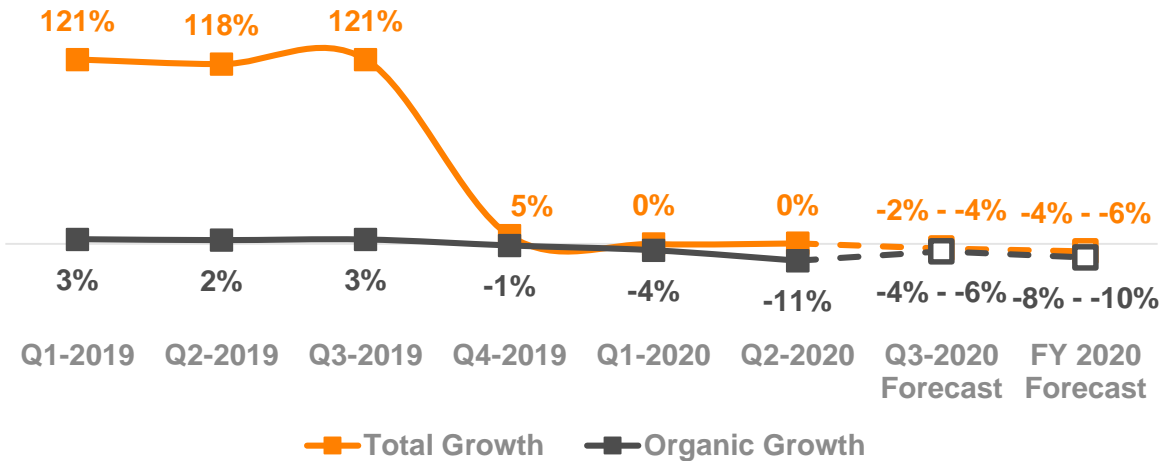
Total Thomson Reuters



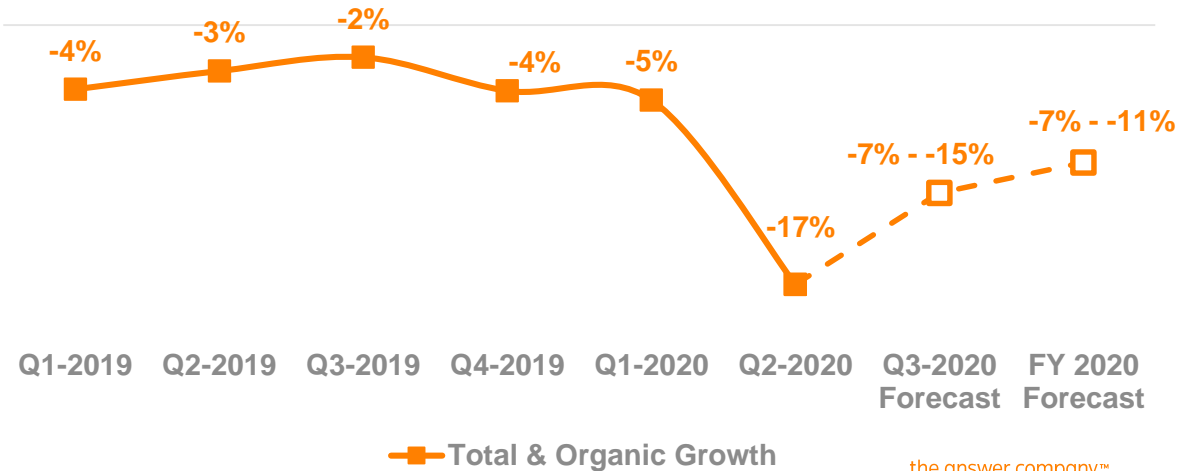
Big 3 Segments



Reuters News



Global Print



Second-Quarter & Six-Months 2020

Adjusted EBITDA - Legal, Corporates, Tax & Accounting

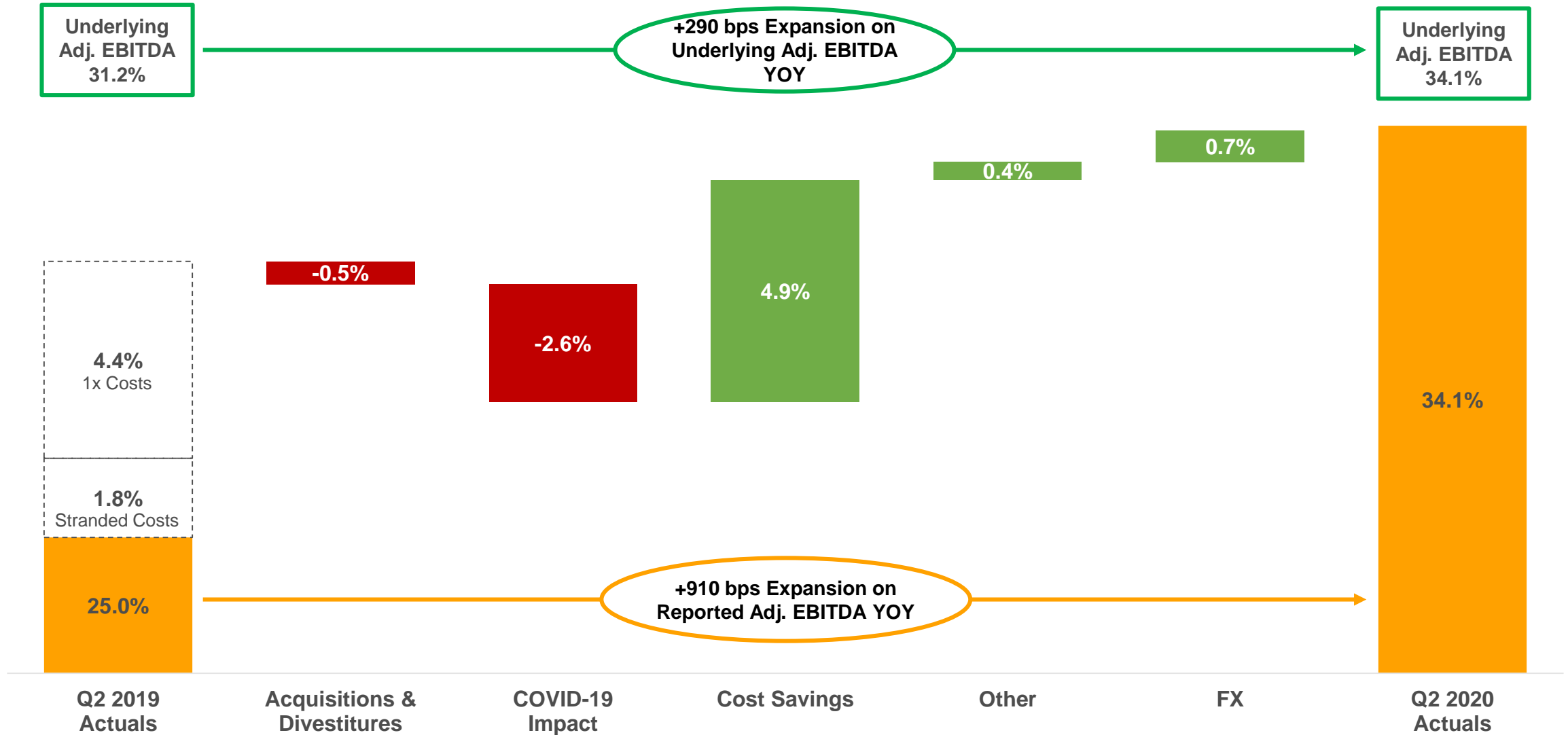
(\$ millions)

	Second Quarter				Six Months			
	2020	2019	Total	Constant Currency	2020	2019	Total	Constant Currency
Adjusted EBITDA								
Legal Professionals	254	229	+11%	+11%	484	458	+6%	+6%
<i>Margin</i>	<i>40.9%</i>	<i>37.8%</i>			<i>38.8%</i>	<i>38.0%</i>		
Corporates	118	98	+21%	+21%	235	209	+13%	+13%
<i>Margin</i>	<i>35.9%</i>	<i>30.9%</i>			<i>33.8%</i>	<i>31.5%</i>		
Tax & Accounting Professionals	54	59	-9%	-6%	138	151	-8%	-6%
<i>Margin</i>	<i>31.9%</i>	<i>32.3%</i>			<i>35.7%</i>	<i>37.3%</i>		
Big 3 Adjusted EBITDA	426	386	+10%	+11%	857	818	+5%	+5%
<i>Margin</i>	<i>38.1%</i>	<i>34.9%</i>			<i>36.8%</i>	<i>36.0%</i>		

Second-Quarter & Six-Months 2020 Consolidated Adjusted EBITDA

(\$ millions)	Second Quarter				Six Months			
Adjusted EBITDA	2020	2019	Total	Constant Currency	2020	2019	Total	Constant Currency
Legal Professionals <i>Margin</i>	254 40.9%	229 37.8%	+11%	+11%	484 38.8%	458 38.0%	+6%	+6%
Corporates <i>Margin</i>	118 35.9%	98 30.9%	+21%	+21%	235 33.8%	209 31.5%	+13%	+13%
Tax & Accounting Professionals <i>Margin</i>	54 31.9%	59 32.3%	-9%	-6%	138 35.7%	151 37.3%	-8%	-6%
Big 3 Adjusted EBITDA <i>Margin</i>	426 38.1%	386 34.9%	+10%	+11%	857 36.8%	818 36.0%	+5%	+5%
Reuters News <i>Margin</i>	25 15.6%	19 12.5%	+24%	+6%	44 14.1%	42 13.6%	+3%	-12%
Global Print <i>Margin</i>	54 40.5%	72 44.1%	-25%	-24%	117 40.5%	146 44.4%	-20%	-19%
Corporate Costs	(26)	(122)			(59)	(254)		
Total Adjusted EBITDA <i>Margin</i>	479 34.1%	355 25.0%	+35%	+34%	959 32.8%	752 25.8%	+27%	+27%

Second-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)	Second Quarter			Six Months		
	<u>2020</u>	<u>Change</u>	<u>% Change</u>	<u>2020</u>	<u>Change</u>	<u>% Change</u>
Adjusted EBITDA	\$479	\$124		\$959	\$207	
Depreciation & Amortization	(\$161)	(\$19)		(\$312)	(\$31)	
Interest Expense	(\$52)	(\$15)		(\$97)	(\$25)	
Income Tax	(\$45)	(\$16)		(\$89)	(\$19)	
Dividend declared on preference shares	-	\$1		(\$1)	\$1	
Adjusted Earnings	\$221	\$75		\$460	\$133	
Adjusted EPS	\$0.44	\$0.15	+52%	\$0.92	\$0.27	+42%
<i>Foreign Currency Impact</i>	<i>\$0.01</i>			<i>\$0.01</i>		
<i>Diluted Weighted Average Common Shares</i>	<i>497.6M</i>			<i>497.6M</i>		

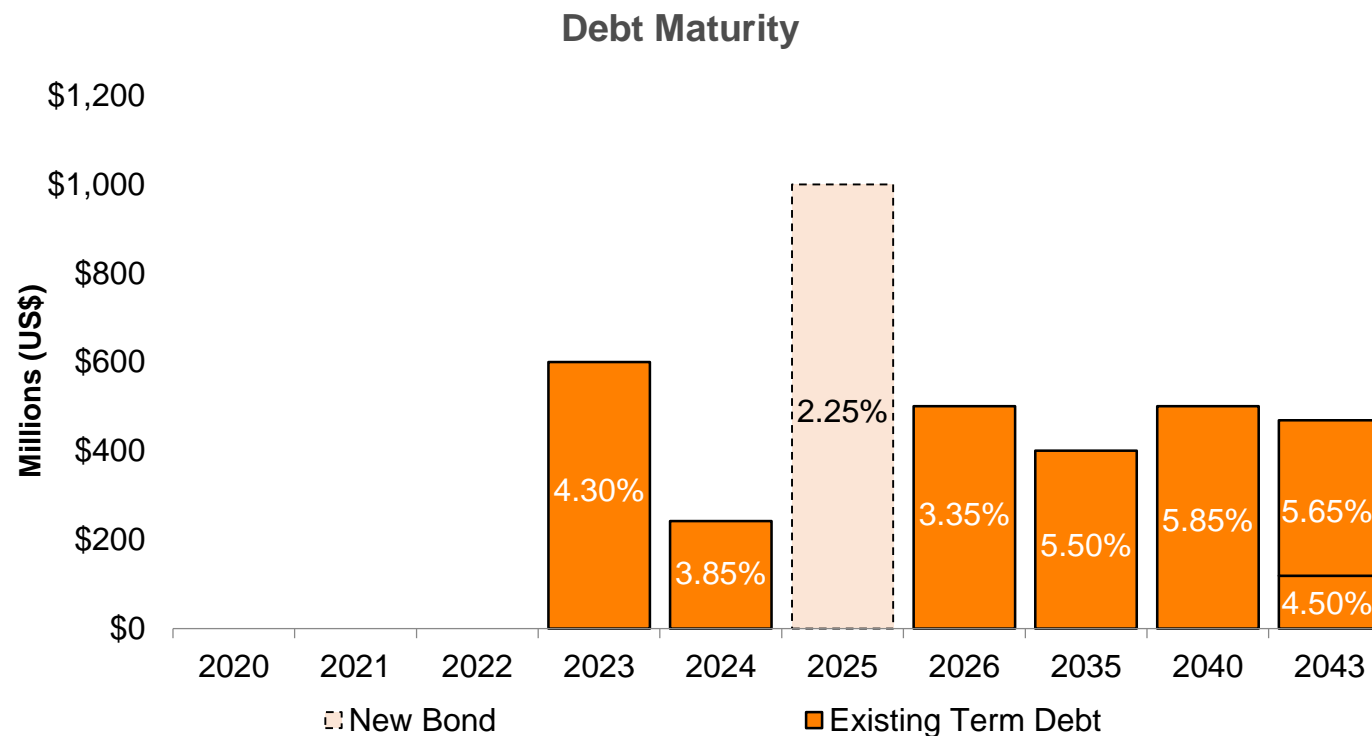
Consolidated Free Cash Flow

(\$ millions)	Second Quarter			Six 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)	\$268	\$159	\$109	\$381	\$318	\$63
Other Items (Q1-19 pension contribution & Refinitiv separation costs)	\$32	(\$93)	\$125	(\$31)	(\$372)	\$341
Free Cash Flow (Continuing Operations)	\$300	\$66	\$234	\$350	(\$54)	\$404
Free Cash Flow – Refinitiv related/F&R	\$5	(\$65)	\$70	(\$10)	(\$122)	\$112
Free Cash Flow	\$305	\$1	\$304	\$340	(\$176)	\$516

Well Balanced Debt Maturity Ladder with Substantial Access to Liquidity

- Capital structure and liquidity position both remain strong
- Principal sources of liquidity: Cash on hand, cash from operations, \$1.8B syndicated credit facility and \$1.8B CP program
- Current Net Debt / Adjusted EBITDA Ratio of 1.9x vs. Target of 2.5x (1.7x calculated under credit facility below max. covenant of 4.5x)
- No debt maturities until November 2023

- Debt Outstanding @ 6/30/20 = \$3.8B
- Cash on Balance Sheet @ 6/30/20 = \$0.9B
- Credit Facility (Revolver) @ 6/30/20 = ~\$1.8B
- Avg. Interest Cost for term debt = 4.1%
- Average term debt maturity = ~10 years
- May 2020 Issued CAD \$1.4B notes (swapped to USD \$1B)



Update on Proposed Sale of Refinitiv to London Stock Exchange Group

- **TRI expected ownership interest in LSEG upon transaction closing = ~82.5M shares**
 - Value = ~\$9.1B / ~\$18 value within TRI stock price [based on LSEG 8/4/20 closing price]
 - Transaction still expected to close before the end of 2020 or early in 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 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	31.0% - 32.0%	36.0% - 37.0%
Corporate Costs	\$140 - \$150 million	
Free Cash Flow (Increased from ~\$1 billion)	\$1.0 - \$1.1 billion	
Capital Expenditures as % of Revenue	7.5% - 8.0%	
Depreciation & Amortization of computer software	\$625 - \$650 million	
Interest Expense (P&L)	\$190 - \$215 million	
Effective Tax Rate on Adjusted Earnings	~17% - 19%	

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

Q&A