



REUTERS/Alessandro Bianchi

THOMSON REUTERS

SECOND-QUARTER 2011 RESULTS

July 28, 2011



THOMSON REUTERS

Agenda

- Welcome / Introduction

Frank Golden

- Transforming Markets

Tom Glocer

- Financial Review – Q2 2011

Bob Daleo

- Q & A

Special Note

Safe Harbor / Forward-Looking Statements

- The following discussion contains forward-looking statements, including 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 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. Our outlook is provided for the purpose of providing information about current expectations for 2011. This information may not be appropriate for other purposes.

Non-IFRS Financial Measures

- This presentation contains disclosures of certain non-IFRS financial measures. Please see the “Investor Relations” section of our website for a reconciliation of each of these measures to the most directly comparable IFRS financial measure. You can also find IFRS reconciliations in the tables attached to our earnings release dated July 28, 2011, which is also available on www.thomsonreuters.com.

TOM GLOCER
CHIEF EXECUTIVE OFFICER

Second-Quarter 2011 Results

- Revenues up 4%
 - Professional division + 8%
 - Markets division + 1%
- EBITDA margin = 27.8% up 380 bps
- Underlying operating profit margin = 20.9% up 140 bps
- Adjusted EPS = \$0.51 vs. \$0.41 Q2 2010
- 2011 Outlook affirmed

Note: Revenue growth figures are from ongoing businesses and exclude the impact of currency.

Streamlining Markets Organization

- **With integration complete, time to move to next phase**
 - New flatter organization mirrors Professional division

- **Realigning into two operating units**
 - **Financial Professionals & Marketplaces:** Focusing on services for professionals delivered to screens and trading marketplaces, combining the former Sales & Trading and Investment & Advisory businesses
 - **Enterprise Solutions:** Focusing on services and infrastructure for financial firms as a whole, continuing and expanding the current Enterprise unit

Reasons for the Restructuring

- Disappointed with the growth of Markets division
 - Realigned Markets to simplify the business and improve customer experience
 - Fix poorly executed sales reorganization
 - Re-position Eikon to drive sales

Much of Markets Business is Performing Well

- Overall performance has been modest, but masks important trends
- Core strengths of global franchises and must have products unchanged
 - Enterprise up 10%
 - Trading Marketplaces up 10%
 - Commodities & Energy up 5%
 - Asia up 5%

Q3 Action Plan

- Simplified the business structure
- Appointed a strong management team to drive a performance culture
- Strengthening alignment of sales force with markets, customers and products
- Drawing on talent and capabilities from across the Company
- Implementing two-platform strategy (Eikon & Elektron)

FINANCIAL REVIEW

BOB DALEO
EXECUTIVE VICE PRESIDENT &
CHIEF FINANCIAL OFFICER

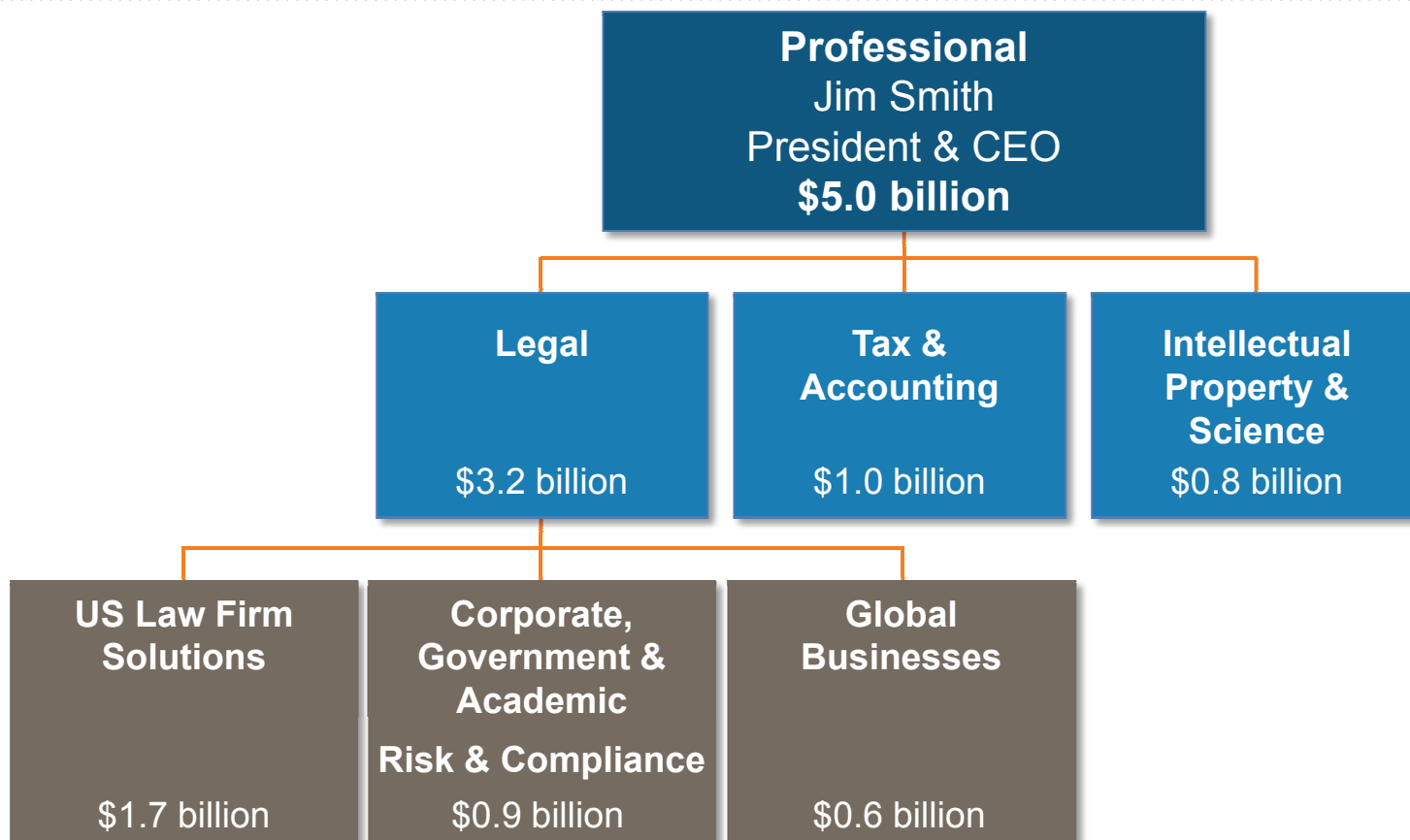
Consolidated Results

(\$ Millions)	Second Quarter			Six Months		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$3,195	\$2,942	9%	\$6,303	\$5,877	7%
<i>Before Currency</i>			<i>4%</i>			<i>4%</i>
Adjusted EBITDA	\$887	\$705	26%	\$1,608	\$1,400	15%
<i>Adjusted EBITDA Margin</i>	<i>27.8%</i>	<i>24.0%</i>		<i>25.5%</i>	<i>23.8%</i>	
Underlying Operating Profit	\$669	\$573	17%	\$1,205	\$1,103	9%
<i>Underlying Operating Profit Margin</i>	<i>20.9%</i>	<i>19.5%</i>		<i>19.1%</i>	<i>18.8%</i>	

Note: results from ongoing businesses.

Professional Division Results

Professional Division 2011 Realignment



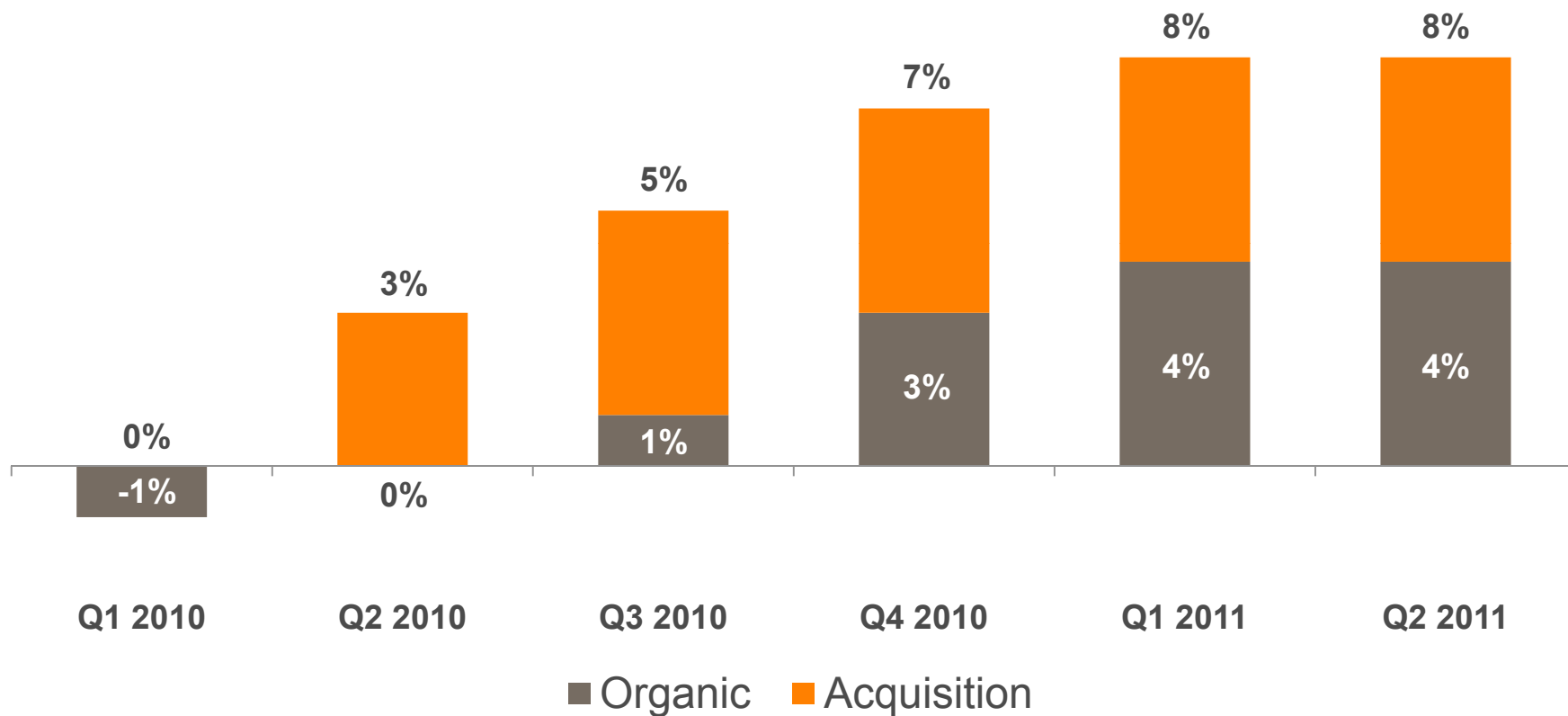
- Core Legal Research
- Business of Law
 - FindLaw
 - Elite

- Corporate, Government & Academic
- Governance, Risk & Compliance

- Aranzadi (Spain)
- Carswell (Canada)
- La Ley (Argentina)
- Revista dos Tribunais (Brazil)

- Sweet & Maxwell (UK)
- Westlaw AU (Australia)
- Westlaw China
- Westlaw India

Professional Division Accelerating Revenue Growth



Note: Revenue growth at constant currency (pre-FX).

Professional Division Results

(\$ Millions)	Second Quarter			Six Months		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$1,306	\$1,184	10%	\$2,551	\$2,329	10%
<i>Before Currency</i>			<i>8%</i>			<i>8%</i>
EBITDA	\$457	\$413	11%	\$846	\$780	8%
<i>EBITDA Margin</i>	<i>35.0%</i>	<i>34.9%</i>		<i>33.2%</i>	<i>33.5%</i>	
Operating Profit	\$343	\$311	10%	\$624	\$580	8%
<i>Operating Profit Margin</i>	<i>26.3%</i>	<i>26.3%</i>		<i>24.5%</i>	<i>24.9%</i>	

Results from ongoing businesses.

Professional Division Legal Segment

(\$ Millions)	Second Quarter			Six Months		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$843	\$761	11%	\$1,631	\$1,470	11%
<i>Before Currency</i>			<i>9%</i>			<i>10%</i>
EBITDA	\$314	\$287	9%	\$572	\$533	7%
<i>EBITDA Margin</i>	<i>37.2%</i>	<i>37.7%</i>		<i>35.1%</i>	<i>36.3%</i>	
Operating Profit	\$236	\$220	7%	\$422	\$402	5%
<i>Operating Profit Margin</i>	<i>28.0%</i>	<i>28.9%</i>		<i>25.9%</i>	<i>27.3%</i>	

Results from ongoing businesses.

Professional Division Tax & Accounting Segment

(\$ Millions)	Second Quarter			Six Months		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$252	\$226	12%	\$508	\$470	8%
<i>Before Currency</i>			<i>10%</i>			<i>7%</i>
EBITDA	\$72	\$56	29%	\$137	\$113	21%
<i>EBITDA Margin</i>	<i>28.6%</i>	<i>24.8%</i>		<i>27.0%</i>	<i>24.0%</i>	
Operating Profit	\$50	\$35	43%	\$93	\$72	29%
<i>Operating Profit Margin</i>	<i>19.8%</i>	<i>15.5%</i>		<i>18.3%</i>	<i>15.3%</i>	

Results from ongoing businesses.

Professional Division Intellectual Property & Science

Intellectual Property & Science is a leading provider of content, technology and services that enable the discovery, development and delivery of innovations across the world

Discovery
(Scientific & Scholarly Research)
Web of Knowledge

Development
(Life Sciences)
Cortellis

Intellectual Property Solutions

Patents / Trademarks / Standards research and management tools

Strong Business:

- \$800 million in revenue
 - 30% outside of North America
- 26.5% OI Margin

Global Organization:

- 3,700 employees
 - 70% outside of North America
 - Operations in 26 Countries
-

Professional Division Intellectual Property & Science Segment

(\$ Millions)	Second Quarter			Six Months		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$211	\$197	7%	\$412	\$389	6%
<i>Before Currency</i>			<i>4%</i>			<i>4%</i>
EBITDA	\$71	\$70	1%	\$137	\$134	2%
<i>EBITDA Margin</i>	<i>33.6%</i>	<i>35.5%</i>		<i>33.3%</i>	<i>34.4%</i>	
Operating Profit	\$57	\$56	2%	\$109	\$106	3%
<i>Operating Profit Margin</i>	<i>27.0%</i>	<i>28.4%</i>		<i>26.5%</i>	<i>27.2%</i>	

Results from ongoing businesses.

Professional Division Latin America Opportunity

Strong macroeconomic performance and growth opportunities make Latin America an attractive market for Thomson Reuters

- Relatively low spend per professional, presenting a high-growth opportunity
- Opportunity to secure a solid regional footprint through strategic acquisitions
- Leveraging similarities in Latin American markets to develop a scalable business model
- GDP growth higher for Latin America than for developed economies
- Estimated 2011 revenues >\$130 million growing 20%



Markets Division Results

Markets Division Results

(\$ Millions)	Second Quarter			Six Months		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$1,894	\$1,762	7%	\$3,759	\$3,554	6%
<i>Before Currency</i>			<i>1%</i>			<i>2%</i>
EBITDA	\$532	\$427	25%	\$1,003	\$902	11%
<i>EBITDA Margin</i>	<i>28.1%</i>	<i>24.2%</i>		<i>26.7%</i>	<i>25.4%</i>	
Operating Profit	\$388	\$312	24%	\$718	\$630	14%
<i>Operating Profit Margin</i>	<i>20.5%</i>	<i>17.7%</i>		<i>19.1%</i>	<i>17.7%</i>	

Results from ongoing businesses.

Markets Division Revenues by Segment

(\$ Millions)	Second Quarter			Six Months		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
Sales & Trading	\$940	\$868	8%	\$1,867	\$1,758	6%
<i>Before Currency</i>			1%			2%
Investment & Advisory	\$558	\$550	1%	\$1,118	\$1,109	1%
<i>Before Currency</i>			-2%			-2%
Enterprise	\$312	\$265	18%	\$608	\$528	15%
<i>Before Currency</i>			10%			10%
Media	\$84	\$79	6%	\$166	\$159	4%
<i>Before Currency</i>			-1%			0%

Results from ongoing businesses.

Consolidated Results

Adjusted Earnings Per Share

(\$ Millions)	Second Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Underlying Operating Profit	\$669	\$573	\$96
Integration Program Expenses	(42)	(90)	48
Interest Expense	(98)	(95)	(3)
Income Tax	(90)	(42)	(48)
Non-controlling interests	(9)	(7)	(2)
Dividends on preference shares	(1)	-	(1)
Adjusted Earnings	\$429	\$339	\$90
Adjusted Diluted EPS	\$0.51	\$0.41	\$0.10

Free Cash Flow

(\$ Millions)	Six Months		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Underlying Free Cash Flow	\$713	\$858	(\$145)
Integration Program Costs	(140)	(221)	81
Reported Free Cash Flow	\$573	\$637	(\$64)

2011 Outlook – Affirmed

All figures from ongoing businesses	2010	2011 Outlook ⁽¹⁾
Revenues	\$12.1 billion	Mid-single digit growth
Adjusted EBITDA Margin	23.6%	Up at least 300 bp
Underlying Operating Profit Margin	19.5%	Up at least 100 bp
Free Cash Flow	\$1.6 billion	20-25% growth

⁽¹⁾ 2011 outlook is for ongoing businesses before currency.

Conclusion

- Focused on executing Action Plan
- Focused on accelerating revenue growth
- Continuing to drive efficiencies across the company

Q&A