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## FIRST-QUARTER 2011 RESULTS

April 28, 2011



THOMSON REUTERS

# Agenda

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- Welcome / Introduction Frank Golden
  
- First-Quarter Results & Highlights Tom Glocer
  
- Financial Review – Q1 2011 Bob Daleo
  
- Q & A

# Special Note

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## 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](http://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 April 28, 2011, which is also available on [www.thomsonreuters.com](http://www.thomsonreuters.com).

**TOM GLOCER**  
CHIEF EXECUTIVE OFFICER

# First-Quarter 2011 Results

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- Revenues up 5%
  - Professional division + 8%
  - Markets division + 2%
- Underlying operating profit margin = 17.2%
  - 18.4% excluding one-time charges
- Adjusted EPS = \$0.39 vs. \$0.36 Q1 2010
  - \$0.42 excluding one-time charges
- 2011 Outlook affirmed

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

*Underlying operating profit excludes amortization of other intangible assets, impairment charges, fair value adjustments, integration program expenses, other operating gains and losses and the results of disposals.*

# First-Quarter Highlights

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- **Revenue growth accelerating**
  - Professional
    - Fourth consecutive quarter of increasing revenue growth
    - Legal revenues up 10%
  - Markets
    - Third consecutive quarter of increasing revenue growth
    - Enterprise revenues up 10%
- **On track for strong margin improvement in 2011**
  - 2011 estimated savings from efficiency initiatives = \$40 million
  - Excluding Q1 one-time charges:
    - EBITDA growth 9% / margin = 24.4% (up 70 bp vs. year-ago)
    - Operating profit growth 8% / margin = 18.4% (up 40 bp vs. year-ago)
- **Optimizing our business portfolio to enhance both growth and profitability**
  - Sales of BAR BRI, Scandinavian Legal & Tax businesses, Risk and Portia businesses expected to generate net proceeds of approximately \$1 billion

# Good Start – On Track

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- Positive start to the year
  - Good momentum coming out of Q4 2010 continued into Q1 2011
- Focusing on:
  - Accelerating growth across the company
  - Expanding margins
  - Growing free cash flow

**Focus: Accelerate growth & deliver strong returns on investments**

# FINANCIAL REVIEW

BOB DALEO  
EXECUTIVE VICE PRESIDENT &  
CHIEF FINANCIAL OFFICER



# Consolidated Results

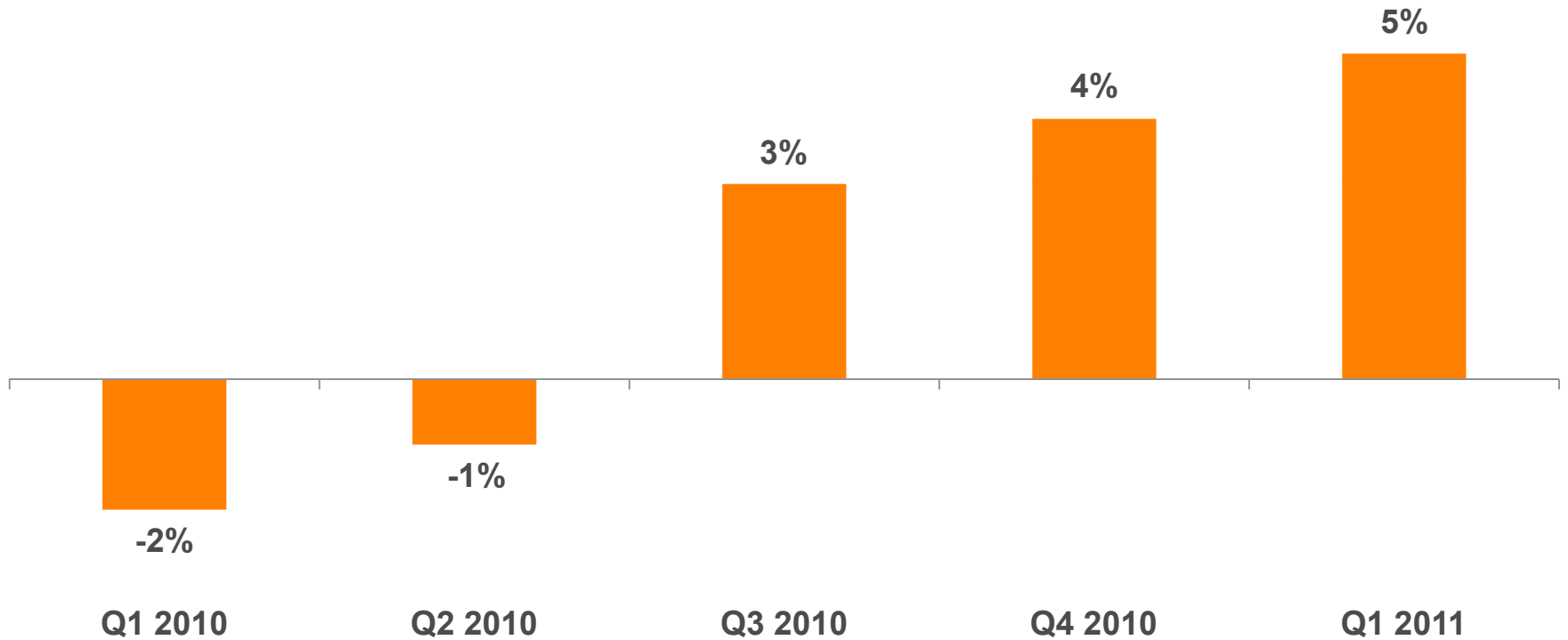
(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$3,240	\$3,057	6%
<i>Before Currency</i>			<i>5%</i>
Adjusted EBITDA <sup>(1)</sup>	\$751	\$725	4%
<i>Adjusted EBITDA Margin</i>	<i>23.2%</i>	<i>23.7%</i>	
Underlying Operating Profit <sup>(2)</sup>	\$556	\$550	1%
<i>Underlying Operating Profit Margin</i>	<i>17.2%</i>	<i>18.0%</i>	

(1) Adjusted EBITDA is underlying operating profit excluding depreciation and amortization of computer software from ongoing businesses, but including integration program expenses.

(2) Underlying operating profit excludes amortization of other intangible assets, impairment charges, fair value adjustments, integration program expenses, other operating gains and losses and the results of disposals.

# Accelerating Revenue Growth

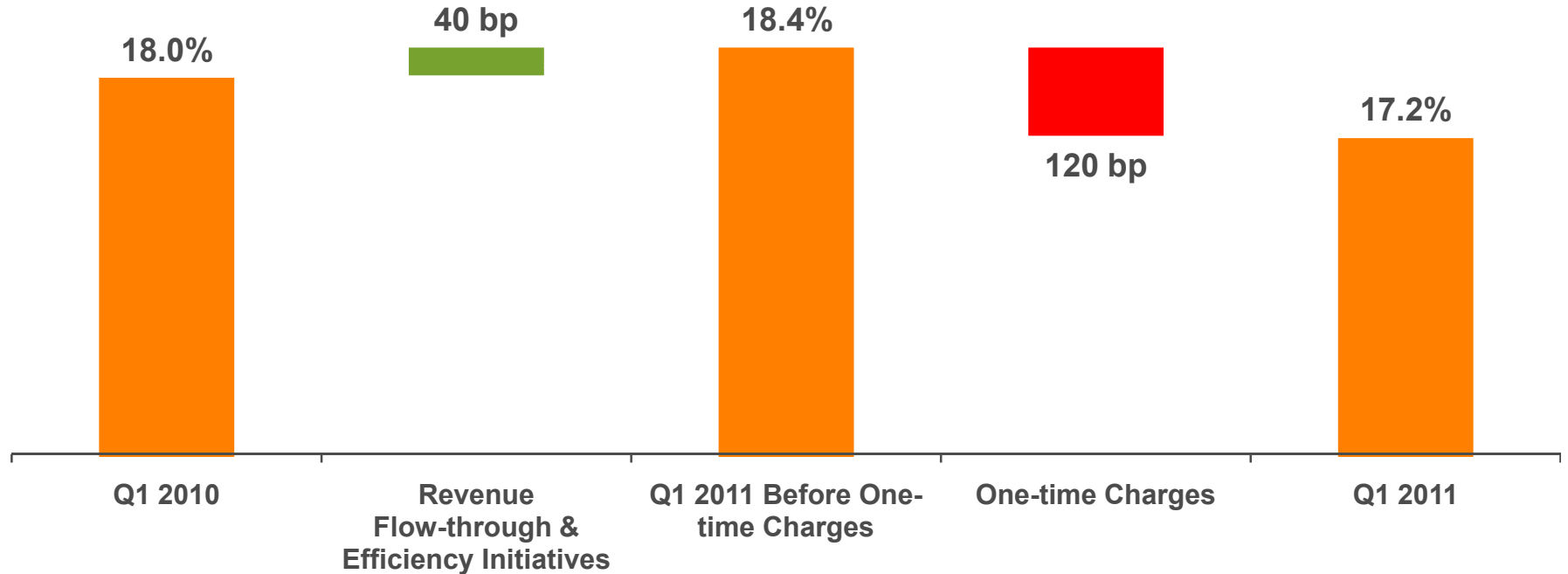
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*Note: Revenue growth at constant currency (pre-FX).*

# Consolidated Underlying Operating Profit Margins

## Drivers of Margin Change (Q1 2011 over Q1 2010)



# Professional Division Results

# Professional Division Results

(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$1,377	\$1,267	9%
<i>Before Currency</i>			<i>8%</i>
EBITDA	\$419	\$397	6%
<i>EBITDA Margin</i>	<i>30.4%</i>	<i>31.3%</i>	
Operating Profit	\$301	\$289	4%
<i>Operating Profit Margin</i>	<i>21.9%</i>	<i>22.8%</i>	

Results from ongoing businesses.

# Professional Division Legal Segment

(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$885	\$799	11%
<i>Before Currency</i>			<i>10%</i>
EBITDA	\$291	\$278	5%
<i>EBITDA Margin</i>	<i>32.9%</i>	<i>34.8%</i>	
Operating Profit	\$216	\$210	3%
<i>Operating Profit Margin</i>	<i>24.4%</i>	<i>26.3%</i>	

Results from ongoing businesses.

# Professional Division Tax & Accounting Segment

(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$272	\$260	5%
<i>Before Currency</i>			<i>4%</i>
EBITDA	\$66	\$57	16%
<i>EBITDA Margin</i>	<i>24.3%</i>	<i>21.9%</i>	
Operating Profit	\$41	\$35	17%
<i>Operating Profit Margin</i>	<i>15.1%</i>	<i>13.5%</i>	

Results from ongoing businesses.

# Professional Division Healthcare & Science Segment

(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$220	\$208	6%
<i>Before Currency</i>			<i>6%</i>
EBITDA	\$62	\$62	0%
<i>EBITDA Margin</i>	<i>28.2%</i>	<i>29.8%</i>	
Operating Profit	\$44	\$44	0%
<i>Operating Profit Margin</i>	<i>20.0%</i>	<i>21.2%</i>	

Results from ongoing businesses.



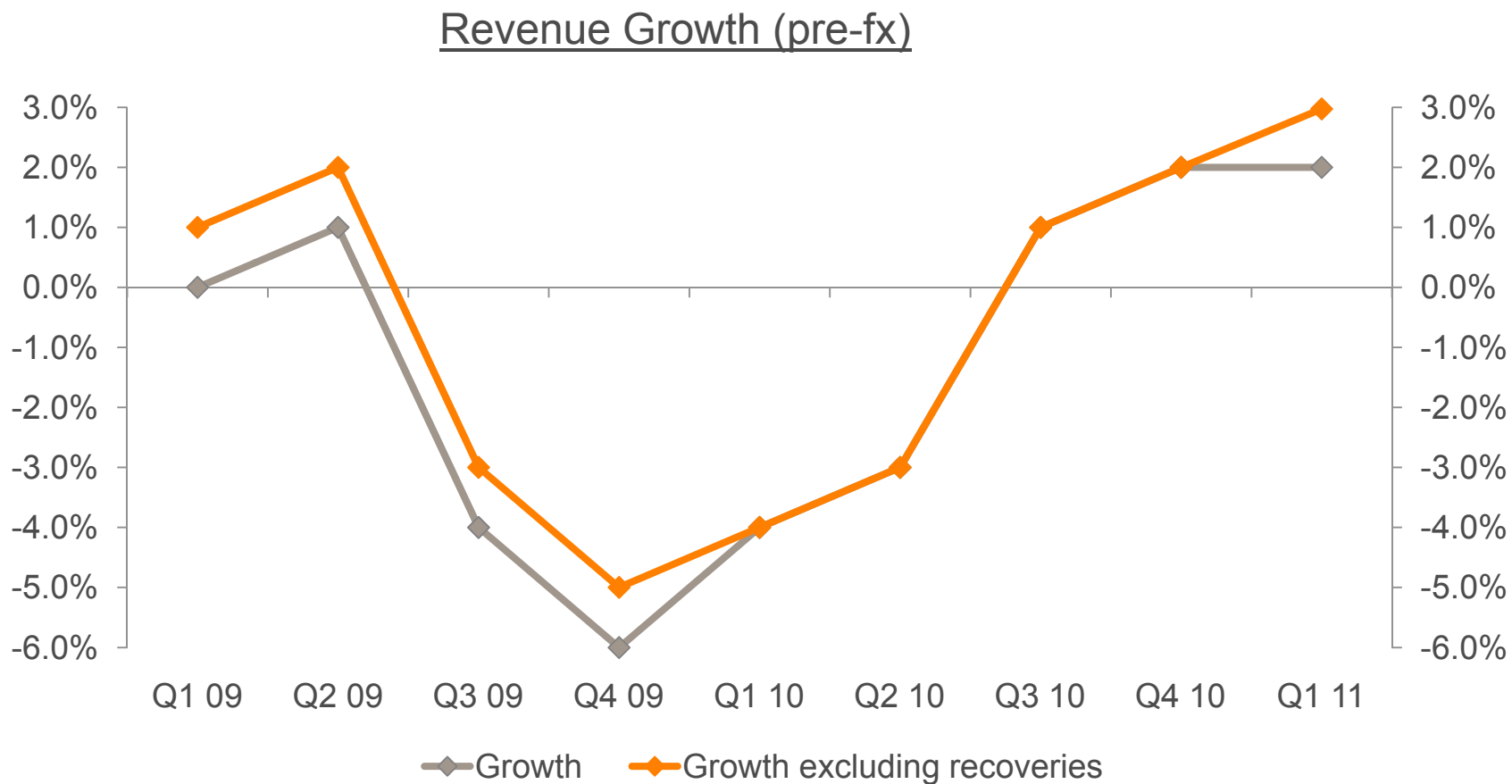
# Markets Division Results

# Markets Division Results

(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$1,865	\$1,792	4%
<i>Before Currency</i>			<i>2%</i>
EBITDA	\$471	\$475	-1%
<i>EBITDA Margin</i>	<i>25.3%</i>	<i>26.5%</i>	
Operating Profit	\$330	\$318	4%
<i>Operating Profit Margin</i>	<i>17.7%</i>	<i>17.7%</i>	

Results from ongoing businesses.

# Markets Division Revenue Growth Excluding Recoveries



*Results from ongoing businesses.*

# Markets Division Revenues by Segment

(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
<b>Sales &amp; Trading</b>	\$927	\$890	4%
<i>Before Currency</i>			2%
<b>Investment &amp; Advisory</b>	\$560	\$559	0%
<i>Before Currency</i>			-1%
<b>Enterprise</b>	\$296	\$263	13%
<i>Before Currency</i>			10%
<b>Media</b>	\$82	\$80	2%
<i>Before Currency</i>			1%

Results from ongoing businesses.

# Consolidated Results

# Adjusted Earnings Per Share

(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
<b>Underlying Operating Profit</b>	<b>\$556</b>	<b>\$550</b>	<b>\$6</b>
Integration Program Expenses	(70)	(97)	27
Interest Expense	(101)	(93)	(8)
Income Tax	(53)	(53)	-
Non-controlling interests	(7)	(7)	-
Dividends on preference shares	(1)	(1)	-
<b>Adjusted Earnings</b>	<b>\$324</b>	<b>\$299</b>	<b>\$25</b>
<b>Adjusted Diluted EPS</b>	<b>\$0.39</b>	<b>\$0.36</b>	<b>\$0.03</b>

# Free Cash Flow

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(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
<b>Underlying Free Cash Flow</b>	<b>\$13</b>	<b>\$107</b>	<b>(\$94)</b>
Integration Program Costs	(73)	(114)	41
Reported Free Cash Flow	(\$60)	(\$7)	(\$53)

# 2011 Outlook – Affirmed

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All figures from ongoing businesses	2010	2011 Outlook <sup>(1)</sup>
Revenues	\$12.6 billion	Mid-single digit growth
Adjusted EBITDA Margin	23.5%	Up at least 300 bp
Underlying Operating Profit Margin	19.3%	Up at least 100 bp
Free Cash Flow	\$2.0 billion	20-25% growth

<sup>(1)</sup> 2011 outlook is for ongoing businesses before currency.



# Conclusion

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- Revenue trends continue to improve as new products gain momentum
- On track for strong margin improvement and free cash flow expansion in 2011
- Optimizing our business portfolio to drive both growth and returns

# Q&A



# Results Including Markets Disposals

# Adjusted Earnings Per Share

## First-Quarter 2011

(\$ Millions)	Ongoing Businesses <sup>(1)</sup>	Disposals	Including Disposals <sup>(2)</sup>
<b>Underlying Operating Profit</b>	<b>\$556</b>	<b>\$8</b>	<b>\$564</b>
Integration Program Expenses	(70)	-	(70)
Interest Expense	(101)	-	(101)
Income Tax	(53)	(1)	(54)
Non-controlling interests	(7)	-	(7)
Dividends on preference shares	(1)	-	(1)
<b>Adjusted Earnings</b>	<b>\$324</b>	<b>\$7</b>	<b>\$331</b>
<b>Adjusted Diluted EPS</b>	<b>\$0.39</b>	<b>\$0.00</b>	<b>\$0.39</b>

# Markets Division Results Including Disposals<sup>(1)</sup>

(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenues	\$1,924	\$1,846	4%
<i>Before Currency</i>			<i>2%</i>
EBITDA	\$485	\$486	0%
<i>EBITDA Margin</i>	<i>25.2%</i>	<i>26.3%</i>	
Operating Profit	\$338	\$323	5%
<i>Operating Profit Margin</i>	<i>17.6%</i>	<i>17.5%</i>	

<sup>(1)</sup> Includes the results of Enterprise Risk and Portia businesses.

# Markets Division Revenues by Segment Including Disposals<sup>(1)</sup>

(\$ Millions)	First Quarter		
	<u>2011</u>	<u>2010</u>	<u>Change</u>
<b>Sales &amp; Trading</b>	\$928	\$891	4%
<i>Before Currency</i>			<i>2%</i>
<b>Investment &amp; Advisory</b>	\$560	\$560	0%
<i>Before Currency</i>			<i>-1%</i>
<b>Enterprise</b>	\$354	\$315	12%
<i>Before Currency</i>			<i>10%</i>
<b>Media</b>	\$82	\$80	2%
<i>Before Currency</i>			<i>1%</i>

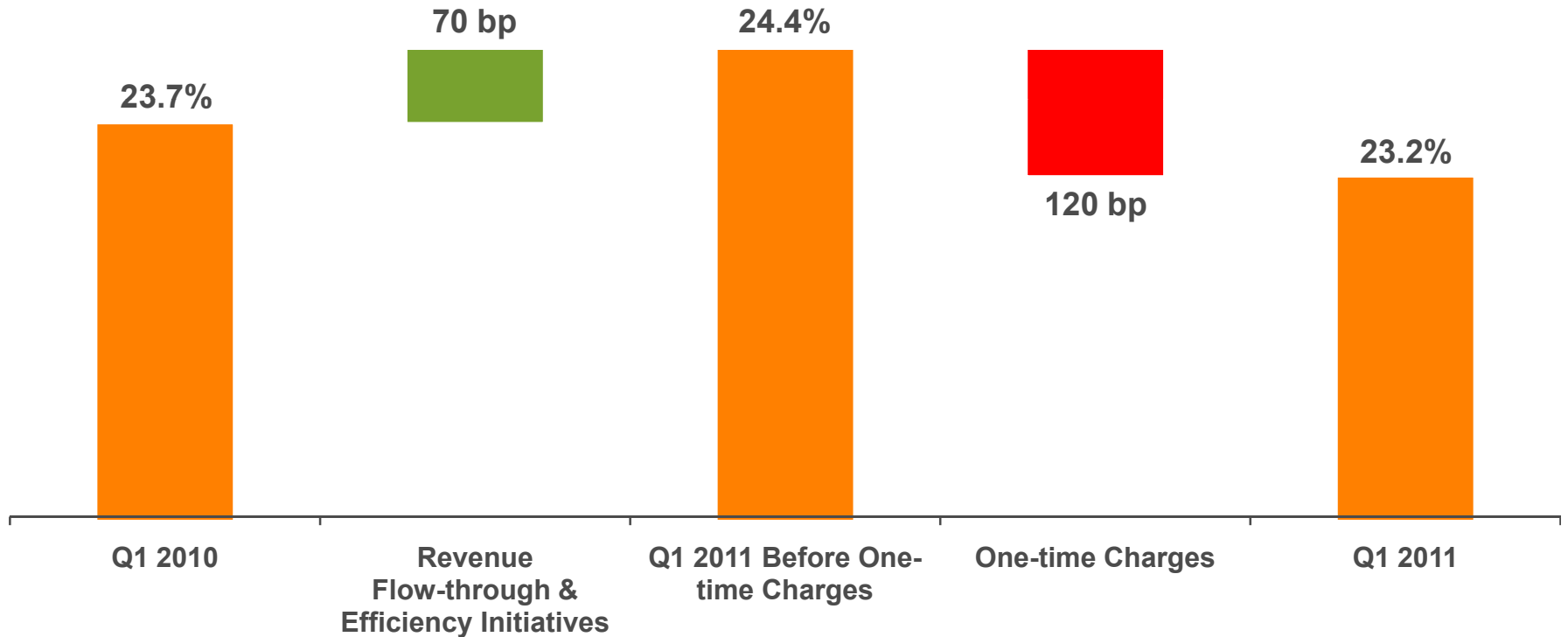
<sup>(1)</sup> Includes the results of Enterprise Risk and Portia businesses.

# Additional Supplemental Information

# Consolidated Adjusted EBITDA First-Quarter 2011

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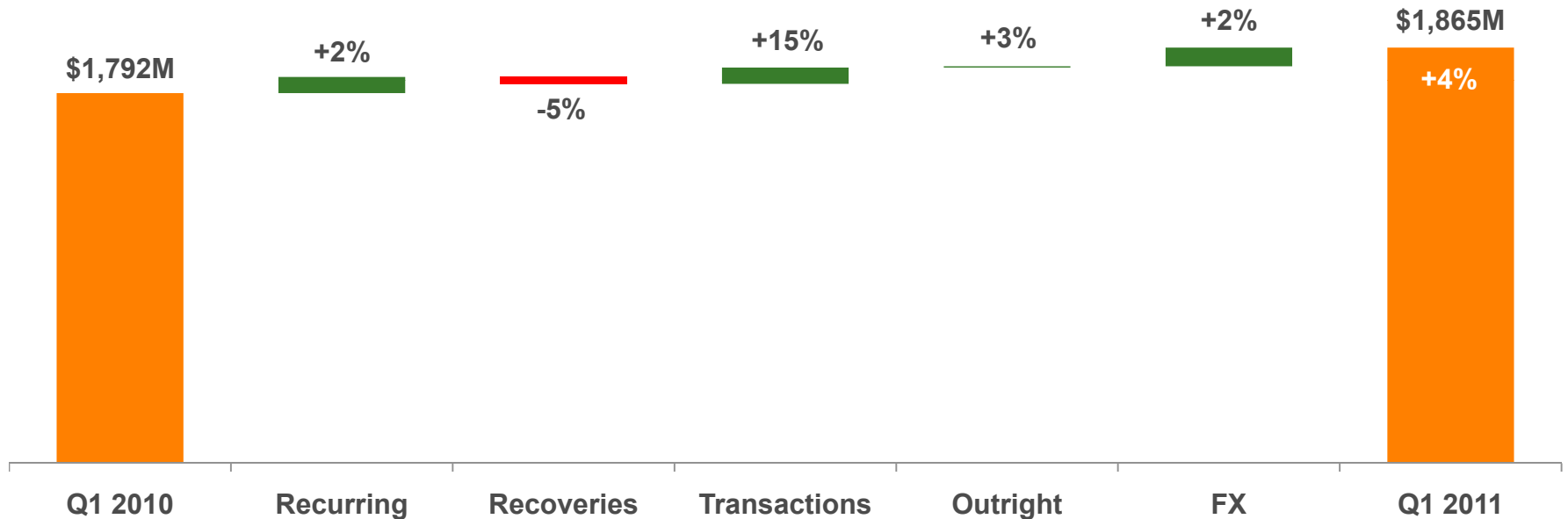
Drivers of Margin Change  
(Q1 2011 over Q1 2010)





# Markets Division First-Quarter 2011 Revenue Mix

## Drivers of Growth <sup>(1)</sup> (Q1 2011 over Q1 2010)



<sup>(1)</sup> Results from ongoing businesses. Scale of bar represents year-over-year change in revenues from Q1 2010 to Q1 2011. Growth rates are at constant currency.