Good morning, everyone and thank you for joining us today. Our CEO, Jim Smith and our CFO, Stephane Bello, will review the results for the first quarter in a moment. When we open the call for questions, we would appreciate it if you would limit yourselves to one question each to enable us to get to as many questions as possible.

Now there are several items to mention before we get started. Today's results are shown for our continuing operations -- Legal, Tax and Reuters News. The Financial & Risk business is reported for the first time as a discontinued operation and will continue to be shown that way until we close the transaction with Blackstone. Therefore, adjusted earnings per share no longer reflect any revenue or operating income contribution from the Financial & Risk business.

Now consistent with that treatment, our 2018 guidance is for our continuing operations and again, does not include F&R. However, since we do not yet have a definitive closing date for the Financial & Risk transaction, we are not able to provide guidance for interest expense for the second half of the year and we are also not including in our revenue guidance the portion of the $325 million payment that Reuters News will receive from the partnership post-close.

We are also not yet in a position to provide specifics regarding the timing, size or the structure of the expected tender offer. We anticipate providing details on the tender offer, or SIB, in connection with the close of the transaction in the second half of the year.

Lastly, in today's press release, we include a schedule that provides detailed first-quarter results for the Financial & Risk business. The information included in that schedule will be provided each quarter following the close of the transaction.

As a reminder, throughout today's presentation, when we compare performance period on period, we discuss revenue growth rates before currency as we believe this provides the best basis to measure the underlying performance of the business.

Now today's presentation contains forward-looking statements. Actual results may differ materially due to a number of risks and uncertainties discussed in reports and filings that we provide regulatory agencies. You can access these documents on our website or by contacting our investor relations department.

Now I will ask Jim Smith to take us through the results for the quarter.
Jim Smith Thomson Reuters Corporation - President & CEO

Thank you, Frank. Good morning and thanks to all of you for joining us today. Before we begin, I just want to say I don't think I have ever so looked forward to being in the seat for an earnings call. In fact, the only thing better this year was learning that our Reuters News team had been awarded two Pulitzer Prizes on my first day back in the office. So I want to publicly offer my congratulations to our journalists and let all of you know how proud we are of the work they do around the world each and every day.

And personally, I also want to thank those of you who reached out with kind words and thoughts earlier this year. Given that the results we are about to discuss are the best we have reported in some time, it appears I should be spending more time out of the office.

Now in all seriousness, I am very pleased with our results to start the year. Particularly as it pertains to revenue growth. I will separate my remarks into two parts. First, I will highlight the first quarter's performance and second, I will update you on our partnership with Blackstone.

First to the results for the quarter. I am pleased to report that the year is off to a good start with reported revenues for continuing operations up 4%. Continuing operations include our Legal, Tax and Reuters News businesses.

Reported revenues were $1.4 billion, up 4% on a reported basis and up 3% at constant currency. Adjusted EBITDA for the quarter was up 4% to $430 million. The EBITDA margin was unchanged from the prior period at 31.2% on a restated basis. And the currency had no impact on the margin in the quarter. And EPS was up 12% from the prior year at $0.28 per share.

Now the results on this slide exclude the Financial business given that it is now classified as a discontinued operation. For the quarter, the Financial business grew 7%, 3% at constant currency. Stephane will provide more detail in a moment, including the results of our Financial business.

Now let me update you on our transaction with Blackstone. Let me start by reiterating several points I made when we announced the partnership with Blackstone and the agreement to sell a 55% interest in our Financial & Risk business. Given that we've been working together on this strategic approach and separation planning, we have even greater conviction about the potential benefits resulting from the deal for our customers, our shareholders and all our colleagues.

As I said at the time, this is a transformational deal for both Thomson Reuters and for our financial services business. I could not then and cannot now think of a better partner. Blackstone is uniquely positioned to accelerate our progress and they have the financial wherewithal and operational expertise to enable the business to achieve its full potential.

This deal repositions the Financial business for accelerated growth in a rapidly consolidating industry while benefiting customers across the sell side, buy side and trading venues. We believe Blackstone's strong relationships to the financial services industry, long and successful history of corporate partnerships and proven ability to execute will help the business provide new and innovative products and services while also driving further efficiencies.

We are also very pleased to retain the 45% interest, which demonstrates our continued confidence in the business and it permits us to participate in its upside potential.

Finally, as I said in January, I believe that Thomson Reuters' prospects are now stronger than ever and coupled with our remaining ownership interest in our Financial business, we are in a position to deliver long-term, sustainable value for all shareholders. This includes returning a healthy dividend and maintaining a strong capital structure that provides us with significant resources and flexibility.

Now let me update you on where we are in the deal process and our expectations regarding timing for closing. We and Blackstone are making good progress from a regulatory, operational and financing standpoint and we continue to expect the deal to close in the second half of the year.
The regulatory process with antitrust authorities is moving forward and we have already received Hart-Scott-Rodino approval. We also require financial regulatory approvals in the UK, US and other countries as a number of our businesses are regulated entities.

Operationally, we are moving at a rapid pace as we designate people, cost and resources to each business. More on this in a moment. Blackstone is progressing on arranging the financing for the transaction which is expected to consist of $13.5 billion of debt.

Now let me turn to the timeline as we see it over the next several months. As I previously said, we anticipate closing the transaction in the second half of the year. As you can see on this slide, there are numerous pre-closing items that need to be completed, including regulatory filings, employee consultations and separation planning and as Frank mentioned, we don't have answers today regarding the form, size and timing of the tender offer.

What I can say is that shortly after the closing, we expect to commence the tender offer and hope to complete it as quickly as possible and I can confirm that Woodbridge is expected to participate in the tender offer on a pro rata basis, which should allow us to maintain a sizable and attractive public float position.

We are working with our banks on the structure of the offer and we expect to provide details at the time we close the transaction. Following the completion of the tender offer, we plan to host an Investor Day in Toronto where we will discuss the operating and capital strategy for the Company. This will include presentations from the leaders of our business segments who will discuss their strategy to accelerate growth in their respective areas.

To sum up, we are on track and we do not anticipate any surprises.

Now let me update you on the balanced approach we plan to take regarding the allocation of the $17 billion in proceeds resulting from the transaction. We expect $9 billion to $10 billion to be returned to shareholders through a tender offer. This is a narrowing of the previous range. We also expect to use $3 billion to $4 billion to pay down debt. A paydown of $4 billion means we would no longer require the dividend reinvestment program given that we expect to have significant financial flexibility with our leverage ratio well below 2 times. I will remind you that our target leverage ratio is less than 2.5%.

Next, an investment fund of $1 billion to $3 billion will be intended to facilitate strategic targeted acquisitions to bolster our positions in key growth segments of our Legal and Tax businesses. And lastly, we expect to utilize about $1.5 billion to $2.5 billion for cash taxes, pension contributions, bond redemption costs and other fees and costs related to the transaction.

Let me also emphasize that this figure includes the $500 million to $600 million of one-time spend necessary to eliminate stranded costs, as well as investments to reposition the Company following the separation of the business.

Since signing the F&R partnership with Blackstone in late January, we have been focused on splitting the Company into two strong stand-alone businesses. This involves assigning 47,000 employees to each business, transferring hundreds of legal entities, signing new contracts with suppliers of several thousands of technology stacks.

Simultaneously with the separation planning, we are working on repositioning the Company. The question I have asked my management team is how would we rebuild the Company if we were starting anew. We have a unique opportunity to reposition Thomson Reuters in a way that better addresses our customers' needs and generates growth. Our customers want solutions delivered digitally and seamlessly. We have already taken significant steps to improve customer experience and we see that technology developments are creating opportunities for all parts of our business.

Bringing together our data with that of our customers and third parties and applying advanced analytics and artificial intelligence are increasingly important. Our Legal business has gained traction here and we will have more to share with you on our progress in the next few months. These initiatives are all intended to drive accelerated growth.
Faster growth will also come from improved customer analytics to drive deeper insights and from a more effective digital sales offering. This includes building a digital customer experience and sales channel for smaller Legal and Tax firms to effectively serve those 400,000 customers who pay us less than $10,000 a year.

It also involves enabling other firms who are not currently our customers to more easily access and purchase our products. And last, but certainly not least, we are focused on and investing in expanding our position in the fast-growing corporate market where we see a significant opportunity going forward.

I believe we have a bright future by doing what we do best, combining information, technology and human expertise to provide trusted answers. We have the capital flexibility to execute on that ambition and we plan to strategically and prudently ramp up investment in our businesses both organically and inorganically.

I will now turn it over to Stephane who will discuss the results by business unit.

**Stephane Bello Thomson Reuters Corporation - EVP & CFO**

Thank you, Jim and good morning or good afternoon to everyone. As Jim and Frank mentioned earlier, this marks the first quarter that the results of our Financial business are reported as a discontinued operation. Since this business represented more than half of our revenue base, all Financial results will obviously be distorted for the next few quarters as we navigate through the transition towards a smaller, but more focused business.

For instance, our profitability metrics at the consolidated level will be temporarily depressed by stranded costs. As discussed previously, we intend to gradually eliminate most of these stranded costs over the next couple of years. Importantly, virtually all of these costs will be held within the corporate center, meaning that the performance by business unit will remain relatively clean throughout this transition period.

Also, while our EBITDA performance will no longer include the contribution from our Financial business, both our debt level and share count will remain the same for most of 2018. Once we close the Blackstone partnership, we will use a large portion of the cash proceeds to buy back shares and reduce outstanding debt, which will allow us to bring down our interest expense and improve earnings per share and free cash flow per share performance.

As we always do, we will start to give you as much transparency as possible on these various distorting factors and it will take a few quarters before the full impact dissipates.

And now to our quarterly results. On a constant currency basis, first-quarter revenues were up 3%. Adjusted EBITDA was up 4% with the margin unchanged versus the restated prior-year period. Corporate costs decreased slightly versus the prior year, but looking ahead to the remainder of the year, and as you can see the guidance we provided in today’s release, we do expect corporate costs to increase temporarily over the course of the year due to stranded costs and to investments we will incur over the next couple of years to reposition the business. I will provide additional color on corporate costs later in my presentation.

This next slide provides some additional color around the revenue growth performance of both Thomson Reuters and the Financial business. As Jim said, the year is off to a good start for both businesses.

For Thomson Reuters, reported revenues grew 4% with 1% of the improvement coming from currency. And for our Financial & Risk business, reported revenues grew 7% with 4% of the improvement coming from currency. So revenue growth at constant currency rates was encouraging with both businesses growing 3% during the quarter.

Breaking the growth down by revenue type, (inaudible) Thomson Reuters [of 4] recurring revenue base grew 4% while Transaction and Print revenues declined as expected. In Financial & Risk, a return to higher volatility levels triggered a significant increase in Transaction revenues, which were up 14% during the quarter. Recurring revenue growth, excluding recoveries, was 1% and we expect this to slowly improve throughout the year.
Overall, these results are encouraging. Revenue growth is obviously the number one priority for both businesses. In the case of Thomson Reuters, our core subscription revenue base is already growing at 4% today.

Our Legal and Tax businesses both enjoyed market-leading positions. This combined with greater focus in investment following the closing of the F&R transaction make us confident that we can continue to improve our overall trajectory over the next few years.

For Financial & Risk, the strategic partnership with Blackstone is expected to help accelerate the growth trajectory of the business given Blackstone's deep and strategic relationships within the financial services industry.

Now let me provide some additional color on the performance of our individual segments starting with Legal. Overall, Legal revenues were up 2%. This represents the best performance of this business since the first quarter of 2016. Recurring revenues, which make up almost 3/4 of the total, were up 4%. Transactions, 9% of the total, were down 1% and Global Print, which makes up the remaining 18%, was down 2%. On an organic basis, Global Print was down 4%.

Now from a profitability perspective, Legal's margin was 36.6%, down 70 basis points and this was driven by product and marketing investments we made in this year.

Here is a more detailed look at Legal's revenue performance. As you notice that we have made changes to two of the segments that we report in an effort to provide a better perspective on the dynamics within the business.

Going forward, we will report Global Print rather than only US Print as we have done in the past. The rationale for this change is that our Print businesses around the world are now experiencing similar trends to those we see in the United States.

During the quarter, Global Print revenues declined 2% versus the prior year aided by a small tuck-in acquisition. On an organic basis, Print revenues declined 4%, but this is largely timing related. For the full year, we continue to expect Print revenues to decline around 6% to 7% organically, which is in line with prior years.

By consolidating all of our Print revenues into the gray segment on this slide, it also becomes easier to appreciate the performance of our Global Solutions businesses, which now make up 40% of the total. These businesses were up 4% versus the prior year and importantly recurring revenues in Global Solutions grew 6% in the first quarter, which are in line with the mid-single digit growth performance we recorded over the last several quarters and which also demonstrates the solid underlying trajectory of that segment.

The U.S. Online Legal Information segment was up 2% and it represented 42% of total revenue. This segment provides a solid foundation for Legal overall given its high margins and strong free cash flow characteristics.

Now looking at our Tax & Accounting business, first-quarter revenues grew 5%; recurring revenues, which are about 70% of the total, were up 8% during the quarter; transaction revenues, about a quarter [of the total] declined 1%; and Print revenues, which is just 3% of the total, declined 7%. Adjusted EBITDA was up 4% with the margin down 20 basis points versus the prior year period all driven by currency movements.

I will remind you that Tax & Accounting is our most seasonal business with nearly 60% of full-year revenues generated in the first and fourth quarter of each year. As such, the margin performance of this business is generally much stronger in the first and fourth quarter and weaker in the second and third quarters because (inaudible) in a more linear fashion for the year.

Looking at Tax & Accounting's results by subsegment, you can see on this next slide that our Professional and Corporate businesses delivered another strong quarter as both segments grew 6% versus the prior year period. Knowledge Solutions grew 1% and the smaller Government segment saw revenues decline 1%.

Moving to Reuters News, results for this segment will be presented very much in line with how we have historically treated the business
until the Financial & Risk transaction closes. In other words, the revenues detailed on this slide do not reflect any payment from the F&R business yet. Once the transaction closes, Reuters News revenues will increase by $325 million higher. This additional revenue will have little if any EBITDA benefit as it essentially covers the cost of providing the new service to the partnership.

So during the first quarter, Reuters News revenues were $72 million, down from the prior year due to a reduction in agency spend and a one-time contractual payment received from the first quarter of 2017, which created a difficult year-on-year comparison. And adjusted EBITDA in the quarter was $8 million, down $5 million versus the prior year driven by the same factors that impacted revenues.

Let me now speak for a moment to the performance of our Financial & Risk business, which, as we mentioned before, is now reported as a discontinued operation. The information presented on this slide reflects the metrics that we will continue to report once the transaction closes. These metrics will allow you to value our 45% ownership interest in the partnership following the completion of the transaction with Blackstone.

Financial & Risk started the year on a strong footing as revenue grew 3% to $1.6 billion. We have always said that the underlying performance of our Financial business excluding the various headwinds we had to deal with over the last few years will be about 3%, so we were pleased to see that our first-quarter performance validates these expectations.

Adjusted EBITDA was 14% to $526 million with the margin up a healthy 220 basis points to over 33%. EBITDA growth benefited from strong profitable transaction revenue growth, as well as continued tight expense management. Capital expenditures were $108 million in the quarter and free cash flow was $91 million. Now debt outstanding has also been included on this slide, but obviously it won’t be relevant until after the transaction closes.

Now let me update you on our earnings per share and free cash flow performance. Let me start with earnings per share. Adjusted EPS in the quarter increased $0.03 to $0.28 per share, a 12% increase compared to a restated prior year period. As shown on this slide, this improvement was primarily driven by stronger operating results and lower interest expense. Currency had no impact on EPS during the quarter.

As indicated earlier, our earnings-per-share performance will be impacted by F&R now being classified as a discontinued operation and therefore removed from our consolidated results. However, we do expect EPS to improve in 2019 as we deploy a portion of the $17 billion in proceeds from acquisitions, use $3 billion to $4 billion to pay down debt and utilize $9 billion to $10 billion to reduce our share count.

Let me now turn to our free cash flow performance. Our reported free cash flow was $120 million during the first quarter versus negative $585 million from the prior year period, which represented an improvement of over $700 million. As shown on this slide, there are a number of distorting factors, which impact our free cash flow performance and hopefully this slide gives you a better picture by removing the noise that impacts our free cash flow.

Working from the bottom of the page upwards, the Financial & Risk component of free cash flow was $91 million versus negative $44 million in 2017 and that was primarily driven by higher EBITDA and favorable working capital levels. Also in the first quarter of last year, we had $41 million of costs related to the IP & Science divestiture. We made a $500 million pension contribution and we also made payments relating to the charge we took in the fourth quarter of 2016. If you exclude all these items, comparable free cash flow from continuing operations was about $30 million in the first quarter, (inaudible) prior year period.

As we move through the year, we will report our free cash flow impacts resulting from the Financial & Risk transaction, but there was no real impact in the first quarter.

Let me discuss our guidance for 2018. But before turning to our specific guidance for 2018, I’d like to discuss our expectations for corporate costs over the next three years and then focus specifically on corporate costs for 2018. And I will speak to the three parts of corporate costs -- core corporate costs, strategic costs, as well as the reinvestment we will make to reposition the business.

First, as I previously said, we are determined to reduce our core corporate costs. We simply must bring these costs in line with what is
appropriate for a smaller revenue base and this will take some investment and some time.

As you recall, our corporate costs in 2017 were about $280 million. That was down, as a reminder, from about $340 million the prior year. Since we are losing about half of our revenue and profit base through the Blackstone transaction, it will be fair to assume that we should also be able to reduce corporate costs by half to about $140 million.

Now, in reality, we will not be able to pass on 50% of overall corporate cost to Financial & Risk. Certain costs -- for instance those related to being a public company -- will simply stay with us. In addition, we will incur some dis-synergies as we lose some of the scale benefits we have achieved through our transformation initiatives. We define all these as stranded costs. These costs will be lower in the first half of the year and they will increase for the year as we build standalone capabilities in advance of closing the transaction.

For the full year, we expect these [stranded] costs to be approximately $150 million. We will implement a number of initiatives aimed at offsetting these costs and the savings from these initiatives should start occurring in 2019 and reach a full run rate sometime in 2020. As a result, we expect stranded costs to gradually decline from $150 million in 2018 to about $100 million in 2019 and to be less than $50 million by 2020.

Finally, we will also make investments totaling about $500 million to $600 million for 2018 and 2019. These investments will allow us to reduce stranded costs, to replace capabilities lost through the sale of Financial & Risk and to better position Thomson Reuters for the future.

As a reminder, as Jim mentioned, these investments, this $500 million to $600 million of investments, aren't included in the $1.5 billion to $2.5 billion of fee-related expenses that we referred to earlier.

So in aggregate, for 2018, we expect that total corporate costs will range between $500 million and $600 million and this will be comprised of the $140 million of core corporate costs, of about $150 million of stranded costs and of somewhere between $200 million and $300 million of investments that we will make to eliminate stranded costs and to reposition the business.

When we report going forward, all three buckets will be included in the consolidated corporate cost line. In 2019, we expect to have reduced the stranded costs to about $100 million, as I said and we expect investments to again be around $250 million to $300 million and by 2020, our target is to reduce stranded costs to less than $50 million, bringing our run rate corporate cost to about $190 million annually. Of course, we will strive to bring this number even lower, but this is our current target.

Now as we move through 2018 and 2019, I expect that the figures I just mentioned will differ somewhat from today, but they are a reasonable barometer of what we think we need to make our investments in order to reconfigure the business to properly position it for growth going forward.

Now let me turn to the timing of corporate spend in 2018. And the timing will obviously be impacted by the exact closing date of the transaction; however, this slide provides you with an initial indication as to how corporate costs may be incurred throughout the year.

The first quarter of the year benefited from lower corporate costs than we expected and this is timing-related. For the remainder of the year, we expect core corporate costs to average $40 million per quarter and to total about $140 million for the full year as I just explained. Stranded costs start at a very low level in the first quarter, but they are expected to increase at a run rate of $40 million to $50 million per quarter over the balance of the year as we establish new capabilities to prepare for the separation of F&R.

In terms of investment spend, we expect to start spending in the second quarter to prepare the Company for separation and we expect spending to ramp up in the third and fourth quarter as we enact the transformation required once the transaction closes. This is obviously the category of cost that is the hardest to predict.

What you see on this slide is our current best estimate, but these numbers are likely to fluctuate somewhat based on a number of factors.
So in summary, at a combined level, we expect corporate costs to increase gradually over the course of 2018 before declining again in 2019, as I just explained on the prior slides.

Now to our guidance, which excludes Financial & Risk. First, we expect our revenue growth for the full year to be in the low single digit range. Due to our inability to assess a firm close date at this stage, this growth rate does not include any portion of the $325 million payment that Reuters News will receive from the partnership following the close.

We also expect to generate between $1.2 billion and $1.3 billion in adjusted EBITDA. This number reflects corporate costs of somewhere between $500 million and $600 million, including stranded costs and the investments I just explained. And as I just mentioned, these stranded costs and investments will be priced off 2018 EBITDA performance by $350 million to $450 million.

Turning to the other guidance metrics, we expect depreciation and amortization to range between $500 million and $525 million, up versus the restated prior year due to the investments required to operate as a standalone company. We expect capital expenditure to be in line with the restated prior year.

Interest expense will be impacted by the transaction close date and therefore the timing of when we are able to pay down debt. Given the uncertainty around this date, we are providing guidance for the first half of your only and we will provide more information when the timing of retiring some of our outstanding debt becomes clear.

And finally, we expect our effective tax rate on an adjusted earnings to be between 14% and 16%, a bit higher than in the past few years, primarily due to the non-deductibility of some fee-related costs resulting from the Financial & Risk transaction.

With that, let me turn this back over to Jim for a brief conclusion before we take some of your questions.

**Jim Smith**  
*Thomson Reuters Corporation - President & CEO*

Thank you, Stephane. So to conclude, we are encouraged by the best start to the year that we have had in several years with each business having performed at or above our expectations. We have teams dedicated to closing the F&R/Blackstone transaction as quickly as possible and preparing both sides to hit the ground running on day one as two separate companies, enabling the rest of them to stay focused on delivering against current business opportunities.

As we approach day one, we are excited about the opportunities we see to further strengthen our Legal and Tax businesses both organically and inorganically. Both of these businesses are the market leader in their respective segments and I'm confident that we have great opportunities to accelerate their growth performance in the years ahead.

As discussed today, we have the financial wherewithal and flexibility to capitalize on the growth opportunities we see in these markets. So in closing, I'm excited about the opportunity we have to effect significant change as we transition and position the Company for growth. We will further develop our digital capabilities from the front end to the back end, which will impact how we sell to customers, how we service our customers and how we deliver our products to our customers, all of which I believe will lead to attracting new customers and revenue streams.

Now let me turn it back over to Frank.

**Frank Golden**  
*Thomson Reuters Corporation - SVP, IR*

Thanks, Jim and thanks, Stephane, for those comments and now, operator, we'd like to open the call for questions please.

**QUESTIONS AND ANSWERS**

Good morning. Jim, welcome back. Good to hear that you are feeling better. I guess the first question is maybe for you. If we think about the use of proceeds post the deal, how would we think about your level of patience to waiting before you either relever the business back to sort of the target range Stephane talked about? And then I have a quick follow-up as well.

Jim Smith Thomson Reuters Corporation - President & CEO

Yes, I want to assure everyone on the call, we are not going to let that money burn a hole in our pockets. We will take the same disciplined approach that we have taken in the past at looking for opportunities to support our key growth vectors and we think there are a number of interesting ones out there, but they will be and will have to be opportunities that fit both within our strategic framework and our financial guidelines and our expectations for return.

So we will be very disciplined about that process and don't feel any pressure around timing. We will take the opportunity as they -- and the opportunities as they present themselves.

Great. Then the quick follow-up is for Stephane. Stephane, in the release, you guys talked about, and maybe you should talk about it. At the operating group level, excluding all the other costs we talked about, you talk about making incremental product and marketing investments in the quarter. If we think about that ongoing business, talk to us a little bit about the investment there, whether that's temporary or permanent and maybe the magnitude. Thanks.

Stephane Bello Thomson Reuters Corporation - EVP & CFO

Sure. There are some investments particularly in our Legal group happening this year and I think you will have a better sense of what these investments are when you see some of the product introduction we make I would say probably in the middle of the year. So stay tuned on this. So I would say they are temporary from that regard.

Operator

Manav Patnaik.

Thank you. Good morning, gentlemen. My first question is I guess embedded in your revenue guidance is the current run rate in each of the businesses. Is that the trend we should expect? I guess since we didn't really focus on these businesses before, I was just wondering if you could give us more color on what the trends are that we should keep an eye on.

Stephane Bello Thomson Reuters Corporation - EVP & CFO

Sure. And let me maybe try to take that question. I think that's exactly right. That's what is projected in the guidance and we will have to reacquaint everyone with the dynamics of each of the businesses and that is why, as Jim said, we intend to have an Investor Day sometime in the fall to really do a deep dive on each of the businesses with you.

But I would say at a high level, if you look at our Legal business and you refer to the pie chart that we show during the presentation, the foundation, the base of that business is a very solid US online business that is currently growing at 2%. We believe we can probably improve that a little bit, not massively, but a little bit perhaps to the 3% range. And that is about 42% of the revenue base.

We then have a 40% portion that is the solutions business. That is currently growing at 4%, 6% subscription, but it is basically tracked by transactions. That is probably the place in the business where we had to make inorganic investments, you should expect us to make inorganic investments. So the faster we can make that portion of the business bigger, the faster we can get the growth rate to accelerate our Legal business.

And then you've got the Print, which is less than 20% of the total revenue and that is in secular decline as we all know.

If you turn to our Tax & Accounting business, that business, the dynamics there remain very healthy. You have seen the growth rate at
about 5%. That is really driven both by the corporate segment, which really sells large software modules to multinationals primarily and driven by what we call the Professional business, which is like small software sold to accounting firms that help people prepare their tax returns. Both sides of the business are running strongly at about 6% as you have seen. We don't see anything that would change these dynamics in the future.

So there again if we identify opportunities to make that business bigger through inorganic investments, we think it's a fantastic area to make such investments. So hopefully that answers more or less your question, but as I said much more details to come along when we have Investor Day.

The last point I would mention and that I would remind you, we always did that in the past, but I think that given the reconfiguration of the business having now put Financial & Risk in discontinued operations, our Tax & Accounting business is more seasonal and that's simply due to the fact that the revenue recognition is much higher in the fourth quarter and in the first quarter and lower in the second and third quarter whereas the cost spread is much more equal over the course of the year. So that will have an impact on the margin of that business throughout the year and also an impact on the absolute level of revenue you are going to see for the year, not so much revenue growth because it is a seasonality that repeats itself every year, so the revenue growth should be pretty consistent but the absolute revenue dollars that you get in each quarter may vary.

Manav Patnaik Barclays Capital - Analyst

Okay, that's super helpful. I guess just a quick follow-up there is -- I mean I think like us -- I guess the question is, because you have been so focused on F&R before, is it true that maybe you hadn't paid as much attention to these remaining business and there is a lot of opportunity now that you do have that time?

Jim Smith Thomson Reuters Corporation - President & CEO

I would hate to say that we didn't pay a lot of attention to them. I will say we will have an opportunity to pay even more attention to them in the future once we complete the separation.

I also can say that, as many of you know, those are businesses that are very near and dear to my heart and I'm looking forward to spending a lot more time focusing on them. I am looking forward to our Investor Day later in the year so we can give you some real detail around why we are so excited about the growth prospects in those businesses, all those businesses where we have a clear leadership position.

So yes, it's safe to say we will be able to concentrate more of our energy, attention, focus, capital resources, everything on those businesses than we did in the past.

Operator

Aravinda Galappatthige.

Aravinda Galappatthige Canaccord Genuity - Analyst

Good morning. Thanks for taking my question and it's for Stephane. Stephane, thanks for the details on the corporate cost component. That's really helpful. I guess my thought here was that -- and my question related to that is these are such large numbers we are talking about and a substantial decline going into 2020. Could you, and I don't mean in terms of numbers, but could you maybe just talk about the nature of these costs? When we say stranded costs, when we say new investments to reposition, could you give us some items that you are talking about so we have a sense of the nature of it? And the ability you would have to actually eliminate or reduce it as you get to 2020?

Stephane Bello Thomson Reuters Corporation - EVP & CFO

Absolutely. And thank you for coming back on this point. It's an important point. So we said we get about $500 million to $600 million of these investments that we are going to make. I would say, if you look at that $500 million to $600 million over the next couple of years, I would break that into like three buckets of roughly the same size. So each of them about $150 million to $200 million.
The first bucket consists in very specific initiatives we will take to generate savings that will help us bringing the stranded costs down or rather finding savings that offset the stranded costs (inaudible). So think about $150 million to $200 million that will be spent to essentially generate savings, if you take my number, $130 million to $150 million.

The second bucket are essentially capabilities that we need to, and by the way, to give you some specific examples in this first category, it would be for instance bringing some of our finance HR strategy function to a smaller level, it could be bringing down our ET&O organization to a lower level. So that is going to be rightsizing some areas in our organization. That is really what we are talking about.

The second bucket really represents capabilities that we need to redevelop for the new company and one example that I would give you is that we have been -- I think I mentioned that after we close the transaction, we will be using the Financial & Risk networks, communication networks system and we have shut down our networks on the other side where we need to reestablish these.

We will have a number of our servers that will go -- that are residing in data centers and these data centers will be transferred to F&R. What we will do is try to move these servers not just in our data centers but move them straight to the cloud. That requires investment.

We will have some real estate partitioning that we are going to have. We have to create some legal entities. So these are some examples of these capabilities that we need to like reestablish in order to effect the separation. No return on these things. This is just an investment and there is really unfortunately not a return associated with them; it's just what we have to do to offset the dissynergies. So one-time cost again, $150 million to $200 million.

And then the last category includes a number of investments, and Jim alluded to some of the initiatives that we are pursuing, that are really going to help us repositioning the Company and I would say these will include things like really establishing much stronger digital capability in the way we go to market. Jim gave the example of the fact that we have close to 400,000 of our customers, so almost 80% to 90% of our customers spend less than $10,000 a year with us.

We have got to address these customers much more digitally, not with human beings. That is what our customers expect. That is what we think can really help us serve them better, maybe start accessing new customers that we don't access right now.

You could say we could have certainly done that before the F&R separation, but this is a perfect example of when you have a lot of priorities to pursue and in F&R, you are dealing with customers that are each $150 million to $200 million when you speak about the largest ones. Obviously you are more focused on these ones. Now we are going to like really focus about better serving these smaller customers.

So that hopefully gives you some color about the type of investments that are included in the numbers that we gave. And we've got a really unique opportunity to make these investments now to reposition the Company for the future.
David Ridley-Lane Bank of America Merrill Lynch - Analyst

Good morning. I wanted to check something. At the midpoint of your 2018 guidance, it implies about a 33.3% adjusted EBITDA margin before the corporate expenses compared to 34.5% on the restated 2017 basis. So just wondering what the headwinds you are seeing to the underlying segment margins in 2018 would be.

Stephane Bello Thomson Reuters Corporation - EVP & CFO

Sure. Let me take that question if I may. I think that the biggest factor to include is the fact that later in the year and that is why we have given for the first time some guidance based on an absolute EBITDA, not on a margin basis, it's because what's going to happen later this year we're suddenly going to have the impact of the Reuters contract kicking in. So this $325 million payment we are getting from Reuters is going to increase revenue at some point really dramatically, but with no corresponding increase in EBITDA. And so that will have a depressing impact on the overall margin of the Company, of course.

We are not sure exactly when that will happen; it depends on the exact date of the closing and that's why you can understand now why we provided EBITDA guidance rather than EBITDA margin guidance is because we know we have a better sense of what our EBITDA will be. That contract will not impact EBITDA very much, but we have no idea how much revenue will be recorded this year from that $325 million payment. That depends on the timing of the closing.

Michael Cho JPMorgan - Analyst

Hi, good morning. This is Michael Cho in for Andrew. Just had a quick one on the F&R segment. I was wondering if you can just give us some commentary on how year-over-year revenues performed for desktop versus feeds.

Stephane Bello Thomson Reuters Corporation - EVP & CFO

Yes, happy to do that. So desktops for the first quarter represented about 35% of the revenue base and they were down 3% and the feeds and risk portion of the business represented about 42% of the revenue base and that was up 6%.

Michael Cho JPMorgan - Analyst

Okay, thanks. And just one quick follow-up on that. When would you expect to I guess see a new -- or will there be a new F&R leadership team announced at the close as well?

Stephane Bello Thomson Reuters Corporation - EVP & CFO

Our expectation is that right now the current F&R leadership team is the one you would see at the close.

Doug Arthur Evercore ISI - Analyst

Yes, thanks. Jim, I wanted to ask you, and by the way, great to hear your voice; it's good to see you're back. I wanted to ask you about the general spending environment in Legal right now. And I say that kind of remembering over the last five years that the big law firms have been in a cutback mode and you have been trying to develop services to help them cut costs. Do you think that the better growth here is partly a function of sort of stronger animal spirits and spending by the big firms or is this really more of a mix issue here in the first quarter?
Jim Smith Thomson Reuters Corporation - President & CEO

I don't think it is a mix issue. I think it's -- I would start by saying I don't think there has been any sea change when you think about law firms. In fact, overall law firm demand was slightly down in the first quarter. The demand for legal services. We've seen the same dynamics at the bigger firms doing better, small and medium firms having a tougher time, so there's not been a change in those dynamics.

What we have seen though is while they have been pushing to cut costs, they have been adopting more and more technology and there's more professional management of law firms, there are more general managers in large law firms. There are more chief technology officers and the like and I think as we have tried to transition our positioning from just the library into the workflow, I think that's paying off.

So if you look -- our underlying core legal information subscription businesses, it was great, had a solid low single digit growth start to the year, but we continued mid-single digits in some of the other areas where we are providing workflow tools, software and solutions.

So I think what we're banking on and where we are seeing lots of traction is in working with those firms not necessarily just to get more of their legal information spend, but to help them as they think about what their technology spend is going to look like in the future, what their software spend is going to look like in the future and how technology is likely to impact the shape of their firms in the practice of law.

That is why we are so excited about some of the work we are doing around applying artificial intelligence and cognitive computing to the legal process and in fact, we have a big gathering of law firm managing partners next week together to talk about exactly where we are. But we are very excited about opportunities to take that labs infrastructure that we built and focus it full tilt on the legal and tax workflow solutions. So I hope that's helpful. The environment is largely the same, but we are trying to help in other areas.

Doug Arthur Evercore ISI - Analyst

That's very helpful. I appreciate it. Thank you.

Operator

Drew McReynolds.

Drew McReynolds RBC Capital Markets - Analyst

Thanks very much and welcome back, Jim. On the margin profile for Legal, Tax & Accounting, not in the next couple years because I think everyone is acknowledging a lot of the temporary noise in the numbers, but once we get beyond that, let's say, 2020, is there any kind of anticipated change in the margin profiles of those two businesses? Clearly, the revenue mix will evolve and we are aware of solutions, for example, in Legal being a little bit low margin and WestlawNext. But outside of mix, is there kind of any reason we should be thinking differently on margin?

And one follow-up, just in terms of free cash flow for 2018, obviously F&R will be in the numbers until it is not. Can you just confirm -- could we pencil in on an annualized basis about $1 billion in free cash flow from F&R? Thanks.

Stephane Bello Thomson Reuters Corporation - EVP & CFO

I will try to take these two questions. First, the margin question. And I will expand a little bit on the answer I gave earlier. So overall, at the total company level, the margin will be depressed because of the factor I mentioned, the fact that the Reuters News business is going to be a bigger part of the revenue and doesn't have the same margin profile as the other two businesses.

If you look at the other two businesses, which was your question, I would say no major changes in terms of trends or trajectory. For 2018, I would expect the margins in our Legal business to be a bit lower than they were in 2017. That is because of these investments that they are making and again, you will hear more about the nature of these investments later in the year, but I would view this as being temporary.
And in the case of our Tax & Accounting business, this year given the growth profile, I would expect for the full year to see a slight improvement in their margin actually. So really nothing fundamentally changed from what we talked about in the past in terms of revenue mix impact and the like.

In the case of your question about the free cash flow coming from the Financial & Risk business, I think that's a really tough question to answer because they will be obviously a private company going forward. They will certainly take a number of initiatives early on to really accelerate any cost take-out that can be taken so that they can make re-investments in the business early also.

So very hard to say what the free cash flow of the business will be initially. I think we will have to see and figure that out over the next few years, but the goal is obviously to -- for that business to accelerate any initiatives that are in place and accelerate any re-investments that the business -- they want to push behind the key growth initiatives.
versus Q1 last year in the Tax business, there has been a nice healthy double-digit increase in having that sales outperform, but what they
do do, we can have a pretty big change. It makes our products even more sticky and so we would expect overall nothing is better for our
business than complicated regulations except for complicated regulations that change frequently.

And that's kind of what we've got in the tax environment right now. So we think that's a positive trend, but I wouldn't expect a major
spike in activity because of the nature of our products.
revenue growth, so the 75% subscription base of the business, to improve gradually over the year. It was about 1.5% in the first quarter and we would expect that number to in fact start improving over the balance of the year.

After the close of the transaction and once the influence of our partner starts to become more and more visible, we would expect the revenue growth of the business to hopefully accelerate. And that’s really why we entered into that transaction. It was primarily based on the -- not on the fact that we were not confident into the revenue trajectory of the business, but based on the strong belief that we could actually even accelerate and improve that trajectory with a contribution from Blackstone.

And in terms of profitability, I would say very much the same thing. What you are seeing in this year is essentially given the results of some of the actions we took over the last few months and you have seen the EBITDA profitability being at 33% in the first quarter, which is the highest EBITDA margin this business has ever realized and I would expect again with the contribution and the help and the expertise of Blackstone that we could see that margin trajectory continue to improve going forward.

Jim Smith  Thomson Reuters Corporation - President & CEO

Stephane, I think that’s a very good point. I would just like to add to that because it calls to your attention something that I think is really important to emphasize. We realize and clearly, from these questions we’ve had today, we realize this is a complicated transaction and we realize there is some clarity to important questions that we won’t be able to provide until the smoke clears around the transaction.

But the most important and encouraging thing to me about the first quarter is that the underlying trajectories of both of those businesses continue to move in the right direction and in fact each performed as well as they have performed, if not better than they have performed in years. So we believe those businesses are well-positioned. They are again in good places and that we will sort through the details of this transaction and look forward to getting it together when that smoke has indeed cleared.

Frank Golden  Thomson Reuters Corporation - SVP, IR

Perfect. Thanks, Jim, Stephane. Thanks all of you for joining us today for our first-quarter call. That was our last question so we will conclude the call and we will speak to you again in Q2 in early August. Have a good day.

Operator

Ladies and gentlemen, this conference is available for digitized replay after 10:30 a.m. Eastern time today through May 18 at midnight. You may access the replay service at any time by calling 1-800-475-6701 and enter the access code of 446610. International participants may dial 320-365-3844. Again, that is 1-800-475-6701 and 320-365-3844 with the access code of 446610. That does conclude your conference for today. Thank you for your participation and for using AT&T teleconference service. You may now disconnect.