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REUTERS/Shannon Stapleton

SECOND-QUARTER 2015 RESULTS



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Agenda

- Welcome / Introduction Frank Golden
- Second-Quarter 2015 & Highlights Jim Smith
- Financial Review – Q2 2015 Stephane Bello
- Q & A

Special Note

- **Safe Harbor / Forward-Looking Statements**

- This presentation consists of these slides and the associated remarks and comments, which are related and intended to be presented and understood together.
- The following discussion contains forward-looking statements, including but not limited to, 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 as well as expectations related to the company's organic growth, acquisition activity, 2015 opportunities and challenges for its business segments (notably, Financial & Risk's net sales, product and platform migrations, pricing and organic revenue performance, Legal's EBITDA margin, Tax & Accounting's performance and Intellectual Property & Science's improvement in transactional revenues). Statements related to the impact of foreign currency on the company's results 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, uncertainties and assumptions. The risks, uncertainties and assumptions 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, uncertainties and assumptions. 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 2015. This information may not be appropriate for other purposes.

- **Non-IFRS Financial Measures**

- This presentation contains disclosures of certain non-IFRS financial measures. These measures include revenues from ongoing businesses, adjusted EBITDA and the related margin, underlying operating profit and the related margin, free cash flow, free cash flow from ongoing businesses, adjusted EPS and selected measures before the impact of foreign currency.
- Please see our earnings release dated July 29, 2015, which is available on www.thomsonreuters.com, for a reconciliation of each of these measures to the most directly comparable IFRS financial measure. You can also find IFRS reconciliations in the "Investor Relations" section of our website.



SECOND-QUARTER 2015 HIGHLIGHTS

JIM SMITH
PRESIDENT & CEO

Q2 2015 Results

Reported

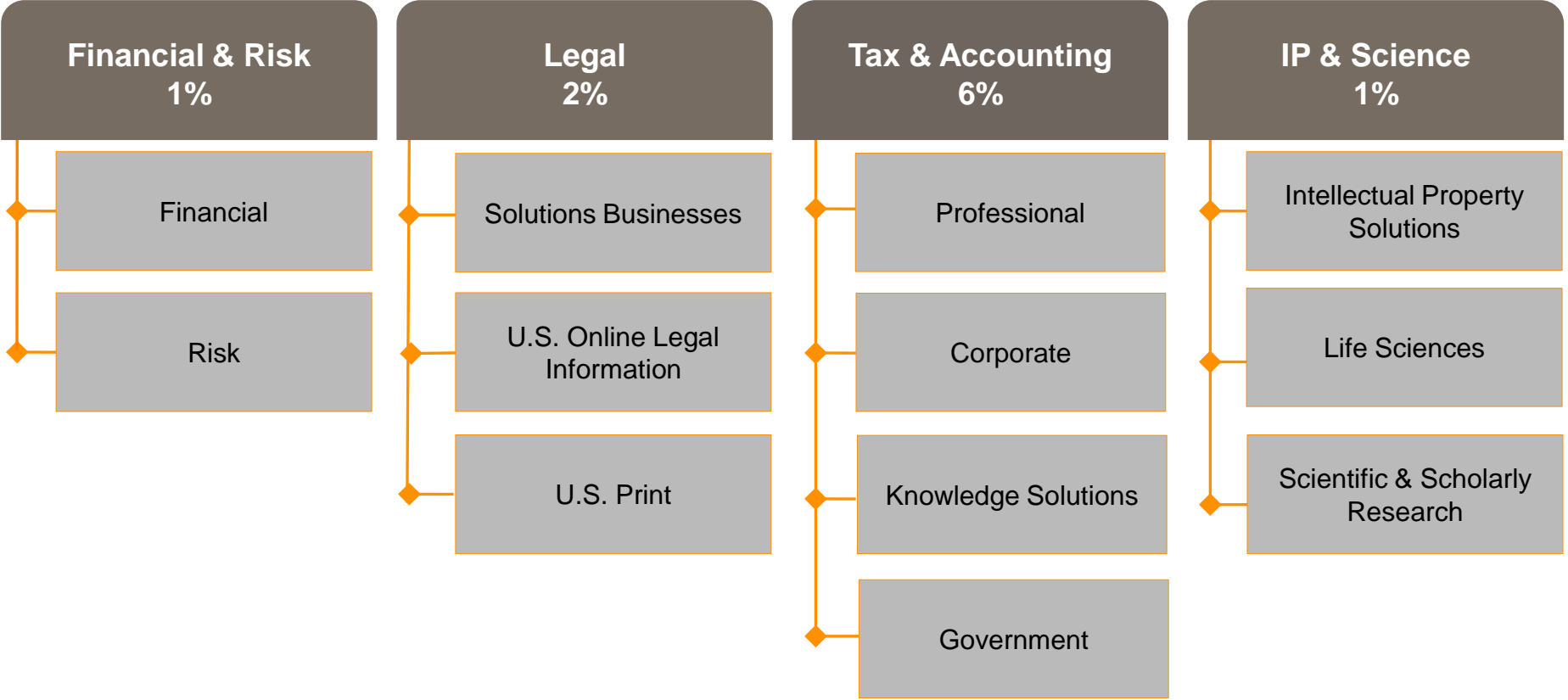
Δ Year-on-Year Before Currency

- Revenues down 4% *Up 2%*
- Adj. EBITDA down 2% *Up 3%*
 - Margin 28.2% vs. 27.8% in Q2 2014 *Up 50 bps*
- Underlying operating profit down 1% *Up 7%*
 - Margin 19.0% vs. 18.4% in Q2 2014 *Up 100 bps*
- Adjusted EPS \$0.52 vs. \$0.51 in Q2 2014 (+2%) *Up \$0.07 (+14%)*

\$3.8 billion of cash returned to shareholders since October 2013

2015 Outlook Affirmed

Q2 2015 Revenue Results by Business



Global Growth & Operations (GGO)
\$0.3 Billion - Up 6%

Q2 2015

Improving Organic Revenue & Profitability Trends

Financial & Risk

Realizing benefits from improving net sales & simplification programs

- **Revenue up 1%** - first organic revenue growth since Q4 2011 (before currency)
 - Q2 2014 = -3% Q2 2015 = +1% (400 bps improvement)
 - Net sales positive in all regions
 - Retention rate up >200 bp vs. Q2 2014
- **Profitability Improving** - EBITDA margin up 110 bp (excludes currency impact)
 - Q2 2014 = 27.6% (excludes 1x costs) Q2 2015 = 28.7%

Legal

Encouraging organic revenue growth trend

- **Revenue up 2%** - US Online Legal positive revenue growth – second consecutive quarter
 - Q2 2014 = 0% (excluding print +2%) Q2 2015 = + 2% (excluding print +3%)



FINANCIAL REVIEW

STEPHANE BELLO
CHIEF FINANCIAL OFFICER

Consolidated Results

(\$ Millions)	Second Quarter			Six Months		
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>2015</u>	<u>2014</u>	<u>Change</u>
Revenues	\$3,038	\$3,158	-4%	\$6,082	\$6,287	-3%
<i>Before Currency</i>			<i>2%</i>			<i>2%</i>
Adjusted EBITDA	\$856	\$877	-2%	\$1,659	\$1,697	-2%
<i>Adjusted EBITDA Margin</i>	<i>28.2%</i>	<i>27.8%</i>		<i>27.3%</i>	<i>27.0%</i>	
Underlying Operating Profit	\$576	\$581	-1%	\$1,091	\$1,109	-2%
<i>Underlying Operating Profit Margin</i>	<i>19.0%</i>	<i>18.4%</i>		<i>17.9%</i>	<i>17.6%</i>	

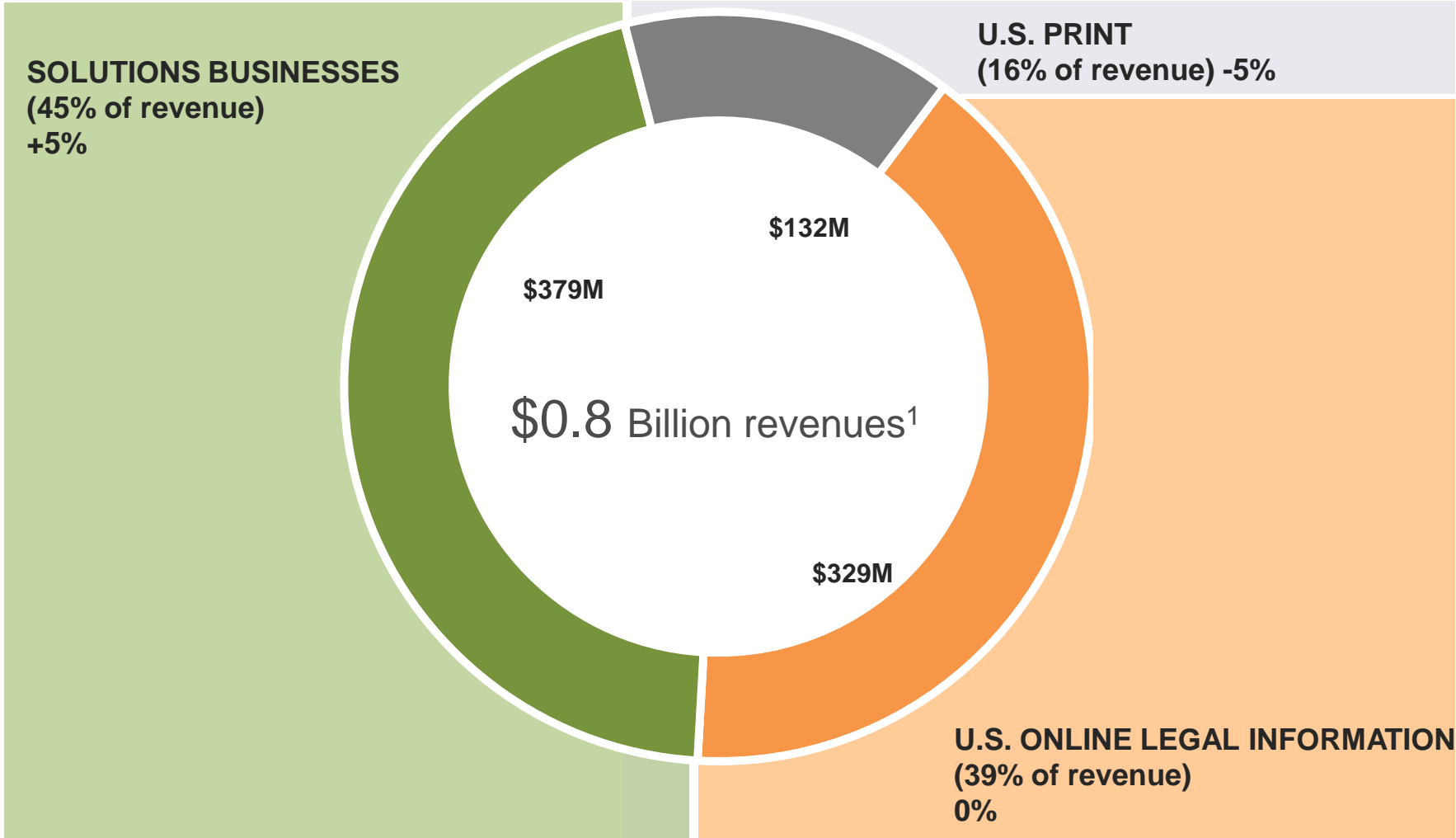
Results from ongoing businesses.

Legal

(\$ Millions)	Second Quarter			Six Months		
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>2015</u>	<u>2014</u>	<u>Change</u>
Revenues	\$840	\$850	-1%	\$1,650	\$1,653	0%
<i>Before Currency</i>			<i>2%</i>			<i>2%</i>
EBITDA	\$314	\$331	-5%	\$593	\$615	-4%
<i>EBITDA Margin</i>	<i>37.4%</i>	<i>38.9%</i>		<i>35.9%</i>	<i>37.2%</i>	
Operating Profit	\$251	\$261	-4%	\$464	\$476	-3%
<i>Operating Profit Margin</i>	<i>29.9%</i>	<i>30.7%</i>		<i>28.1%</i>	<i>28.8%</i>	

Results from ongoing businesses.

Legal Q2 2015



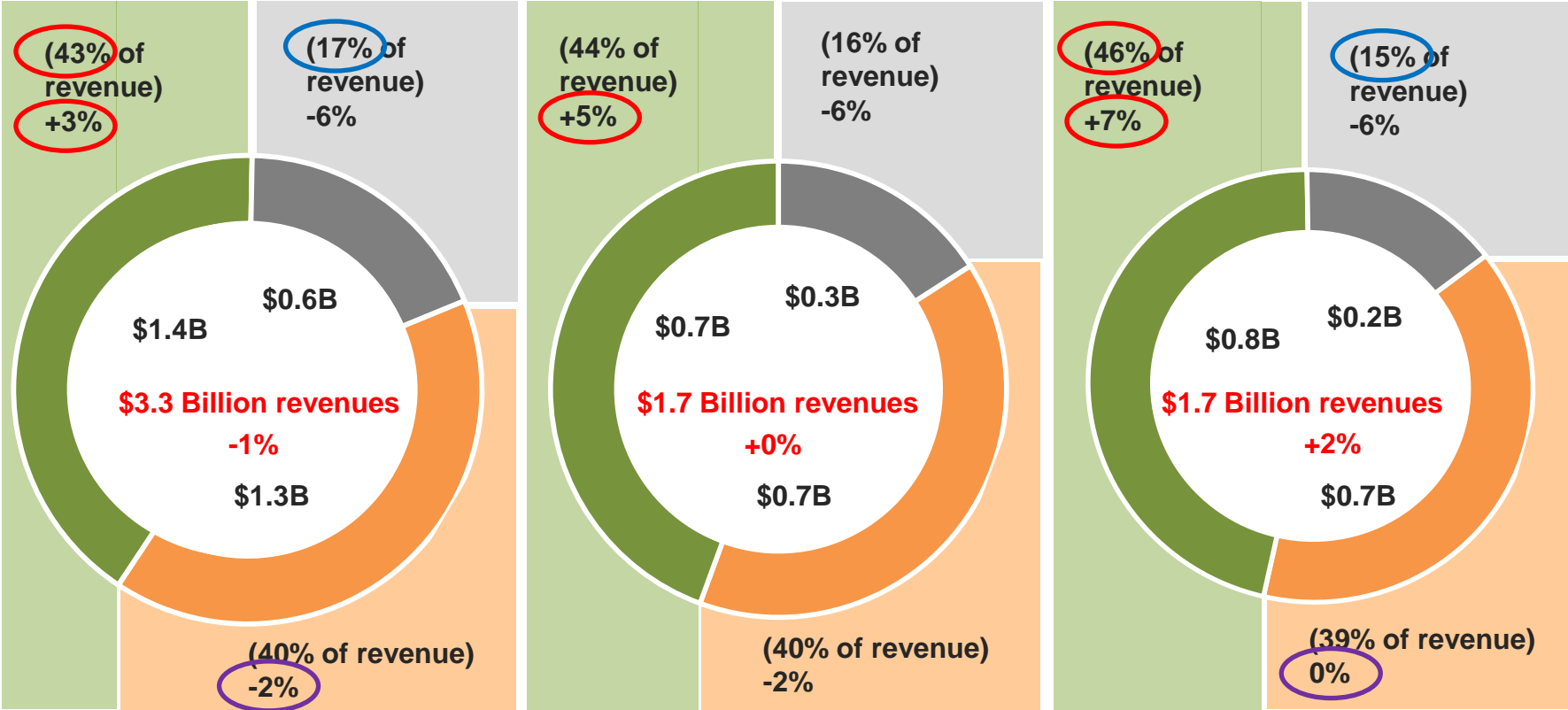
¹ Q2 2015 Results from ongoing businesses.

Legal Positive Evolving Business Mix

FY 2013

H1 2014

H1 2015



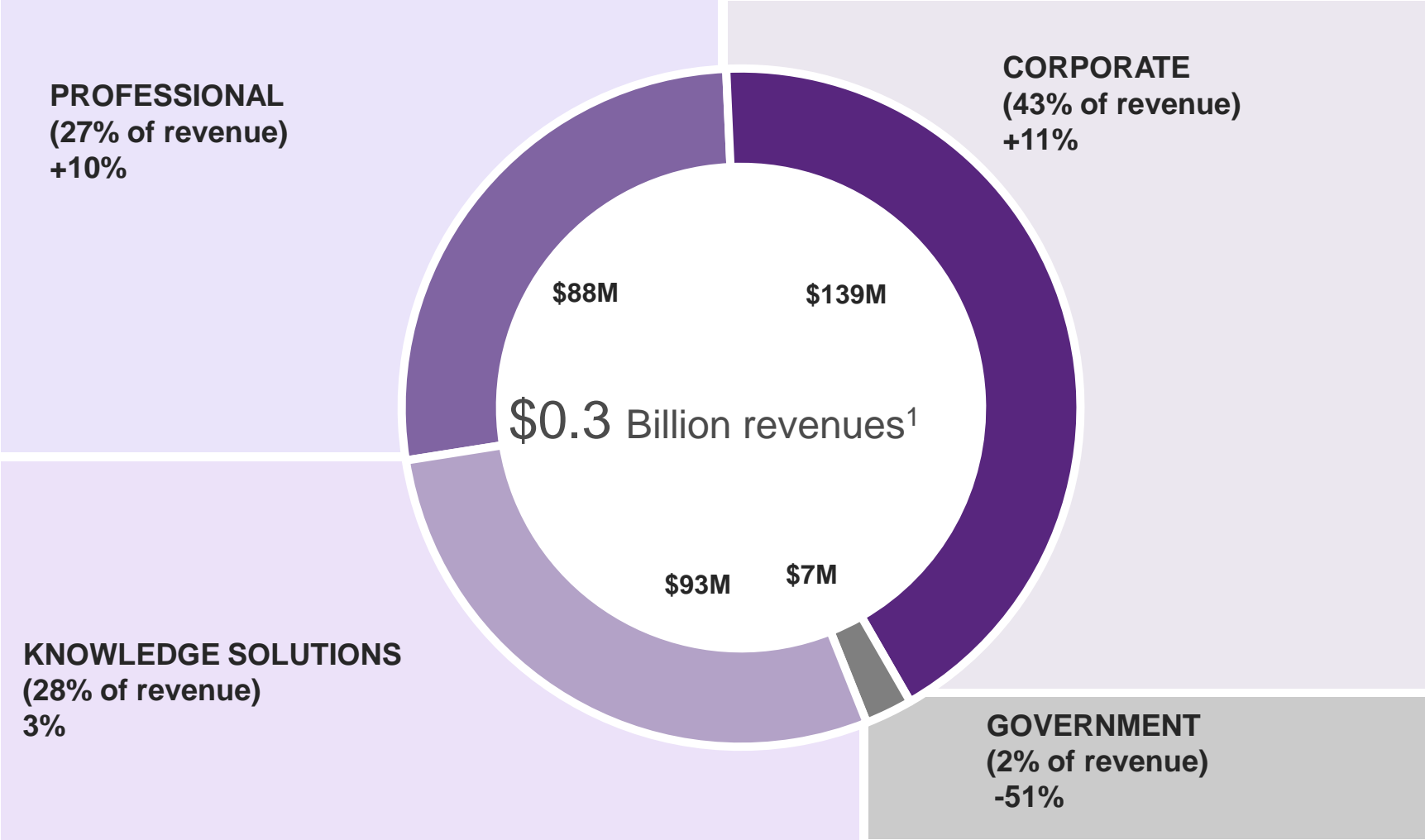
Solutions Businesses
 U.S. Print
 U.S. Online Legal Information

Tax & Accounting

(\$ Millions)	Second Quarter			Six Months		
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>2015</u>	<u>2014</u>	<u>Change</u>
Revenues	\$327	\$324	1%	\$700	\$672	4%
<i>Before Currency</i>			<i>6%</i>			<i>8%</i>
EBITDA	\$90	\$98	-8%	\$216	\$213	1%
<i>EBITDA Margin</i>	<i>27.5%</i>	<i>30.2%</i>		<i>30.9%</i>	<i>31.7%</i>	
Operating Profit	\$63	\$65	-3%	\$161	\$149	8%
<i>Operating Profit Margin</i>	<i>19.3%</i>	<i>20.1%</i>		<i>23.0%</i>	<i>22.2%</i>	

Results from ongoing businesses.

Tax & Accounting Q2 2015



¹ Results from ongoing businesses

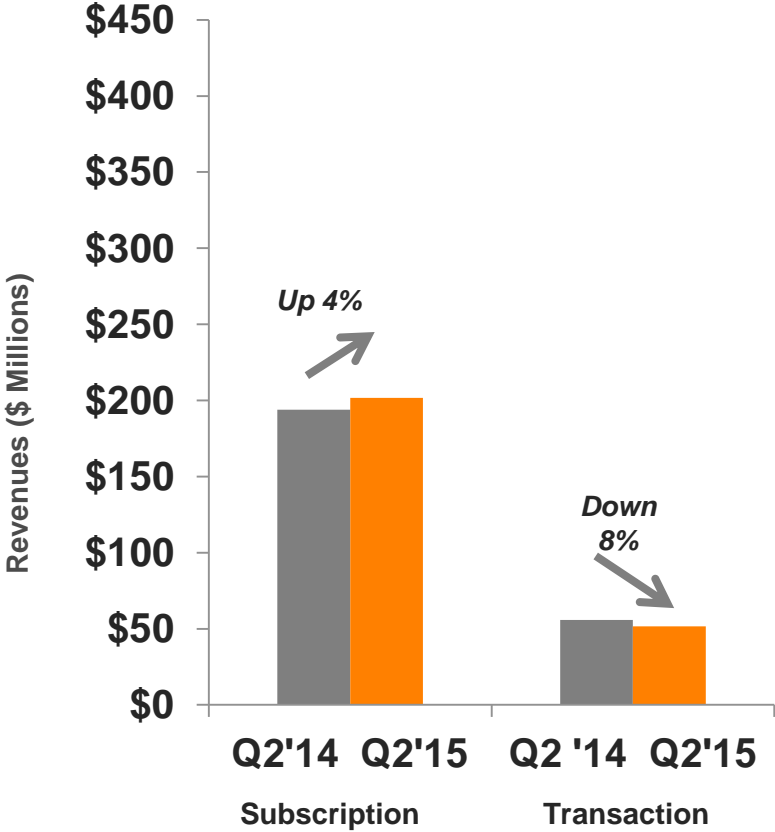
Intellectual Property & Science

(\$ Millions)	Second Quarter			Six Months		
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>2015</u>	<u>2014</u>	<u>Change</u>
Revenues	\$248	\$251	-1%	\$485	\$494	-2%
<i>Before Currency</i>			<i>1%</i>			<i>1%</i>
EBITDA	\$81	\$85	-5%	\$141	\$157	-10%
<i>EBITDA Margin</i>	<i>32.7%</i>	<i>33.9%</i>		<i>29.1%</i>	<i>31.8%</i>	
Operating Profit	\$58	\$62	-6%	\$96	\$113	-15%
<i>Operating Profit Margin</i>	<i>23.4%</i>	<i>24.7%</i>		<i>19.8%</i>	<i>22.9%</i>	

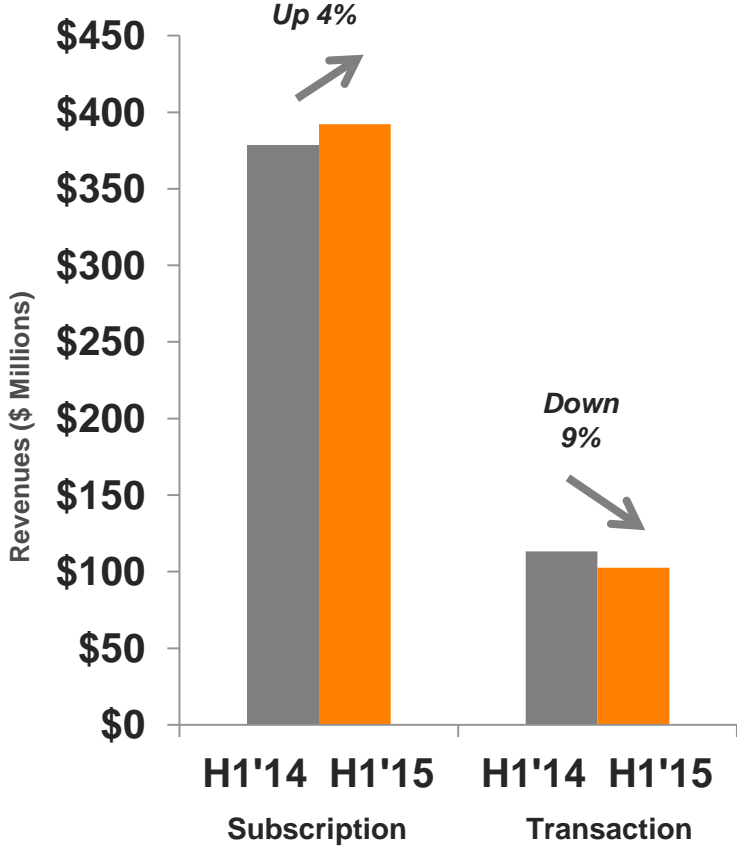
Results from ongoing businesses.

Intellectual Property & Science Subscription & Transaction Revenues

Q2 '15 vs. Q2 '14



H1 '15 vs. H1 '14



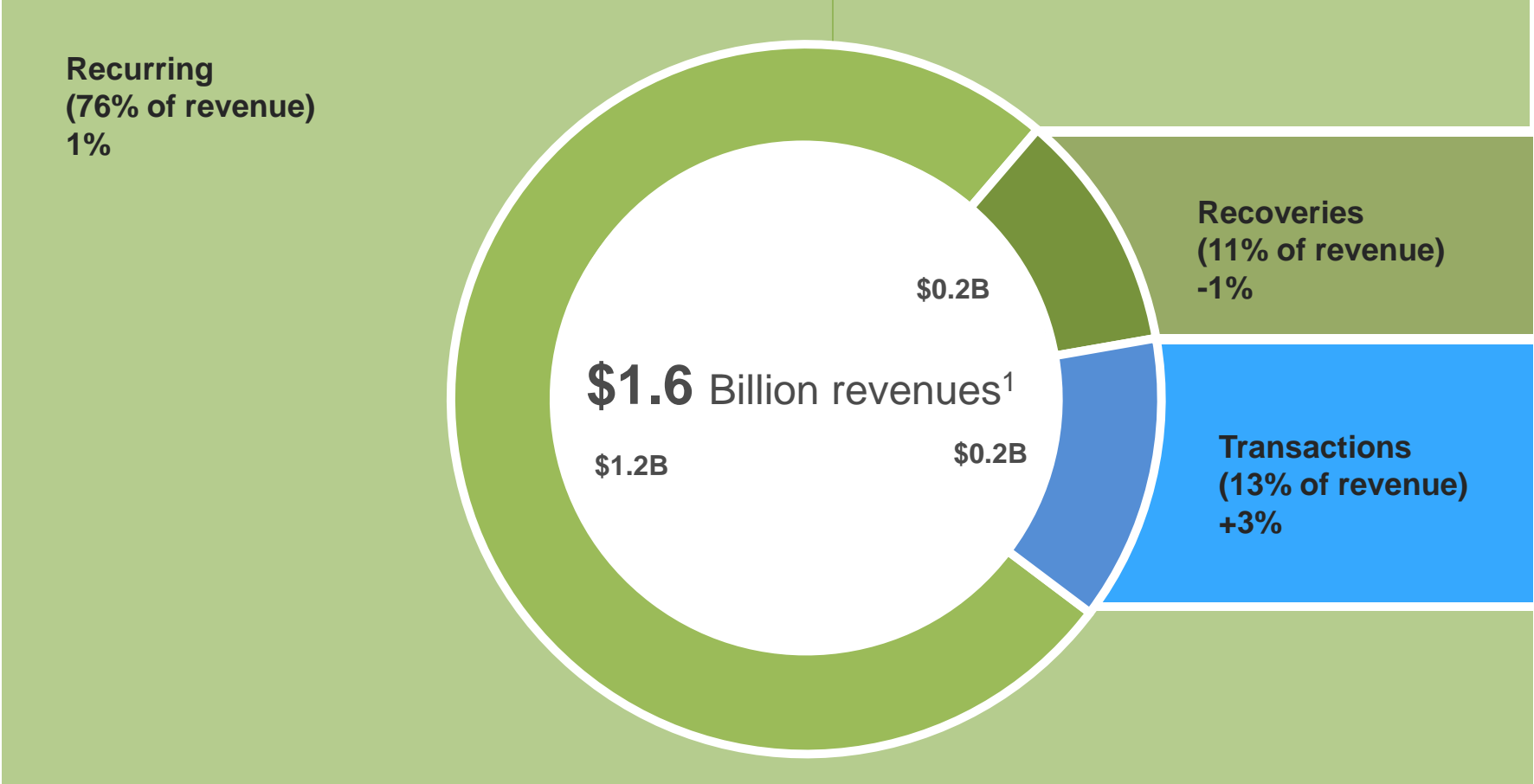
Financial & Risk

(\$ Millions)	Second Quarter			Six Months		
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>2015</u>	<u>2014</u>	<u>Change</u>
Revenues	\$1,552	\$1,655	-6%	\$3,104	\$3,313	-6%
<i>Before Currency</i>			<i>1%</i>			<i>0%</i>
EBITDA	\$430	\$426	1%	\$831	\$825	1%
<i>EBITDA Margin</i>	<i>27.7%</i>	<i>25.7%</i>		<i>26.8%</i>	<i>24.9%</i>	
Operating Profit	\$274	\$266	3%	\$515	\$506	2%
<i>Operating Profit Margin</i>	<i>17.7%</i>	<i>16.1%</i>		<i>16.6%</i>	<i>15.3%</i>	

Results from ongoing businesses.

Financial & Risk

Q2 2015



¹ Results from ongoing businesses.

Financial & Risk

Positive Evolving Business Mix

FY 2013

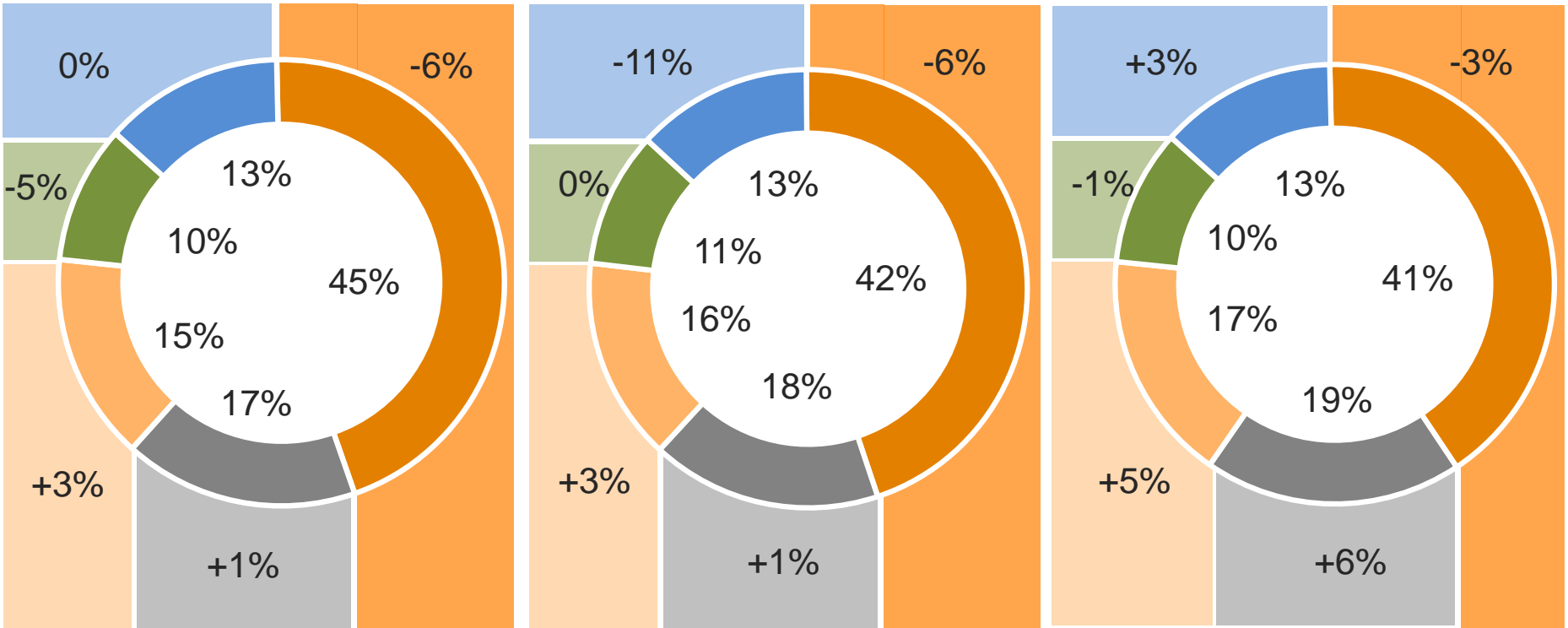
-3%

Q2 2014

-3%

Q2 2015

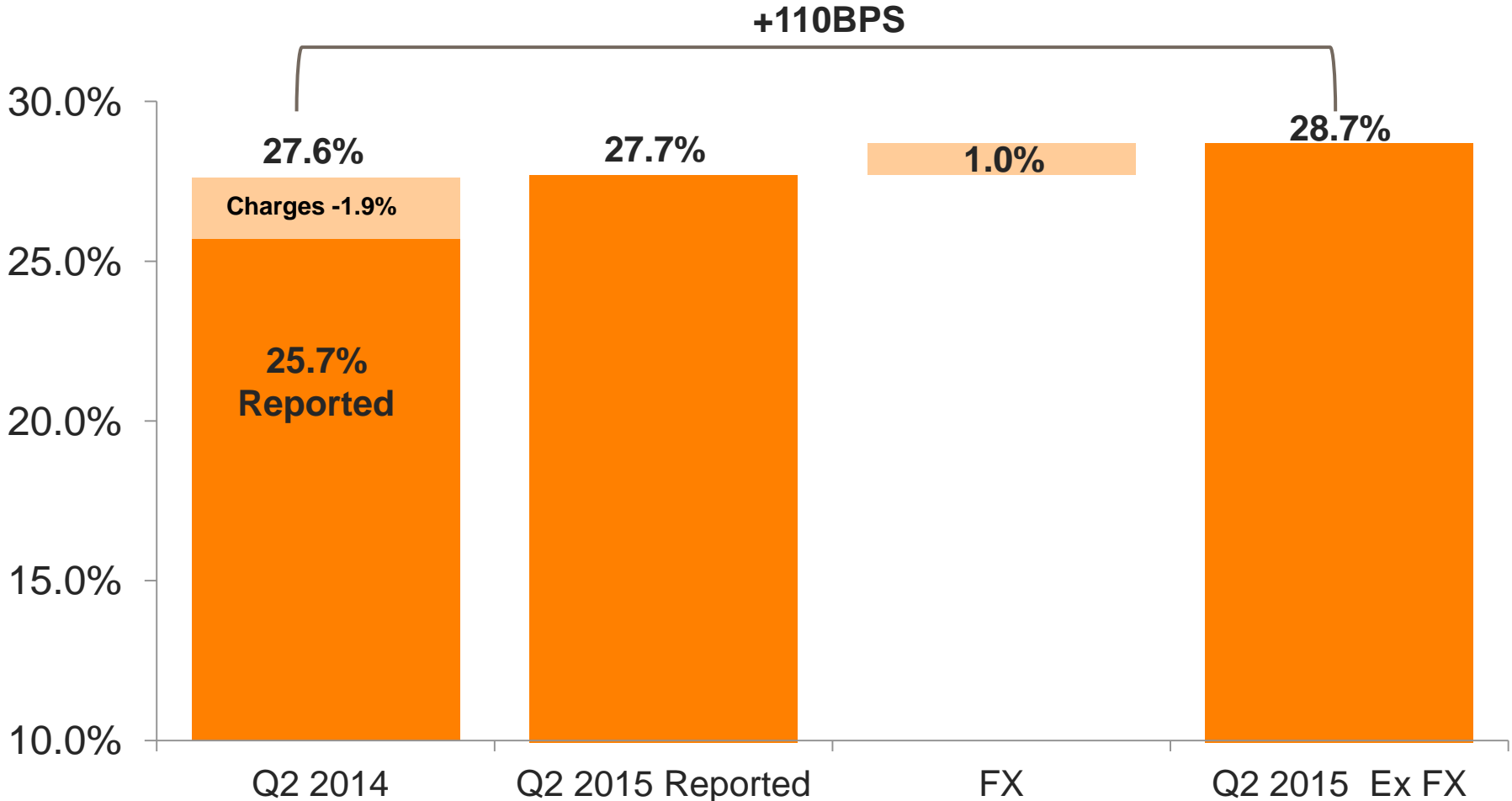
+1%



- Desktop
- Feeds
- Non-Desktop
- Recoveries
- Transactions

Financial & Risk

EBITDA Margin Continues to Improve



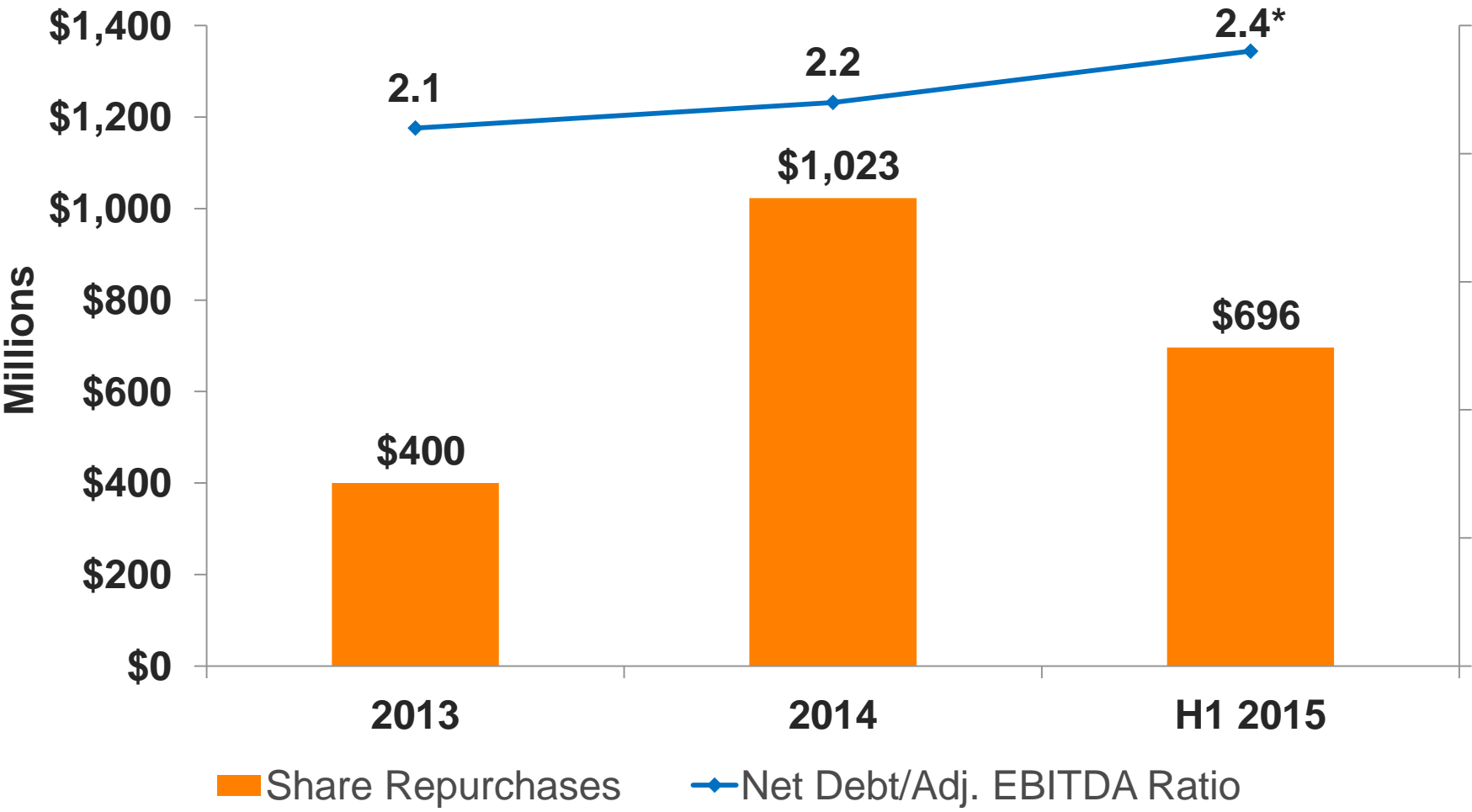
CONSOLIDATED RESULTS



Free Cash Flow

(\$ Millions)	Six Months			
	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
Free Cash Flow excluding cash charges	\$698	\$676	\$22	3%
Cash Charges	(\$54)	(\$159)	\$105	-
Free Cash Flow	\$644	\$517	\$127	25%

Share Buybacks & Leverage Ratio



* Net Debt/Adj. EBITDA Ratio as of June 30, 2015 TTM

Adjusted Earnings Per Share

(\$ Millions except per share amounts)	Second Quarter		
	<u>2015</u>	<u>2014</u>	<u>Change</u>
Underlying Operating Profit	\$576	\$581	(\$5)
Interest Expense	(\$107)	(\$111)	\$4
Income Tax	(\$40)	(\$44)	\$4
Other ⁽¹⁾	(\$19)	(\$11)	(\$8)
Adjusted Earnings	\$410	\$415	(\$5)
Adjusted EPS	\$0.52	\$0.51	\$0.01
Currency Impact	\$0.06		



⁽¹⁾ Other includes earnings attributable to non-controlling interests and dividends on preference shares

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2015 Outlook - Affirmed

	2014 Actual ⁽¹⁾	2015 Outlook ⁽²⁾ Before Currency
Revenues	\$12.6 billion	Positive Organic Growth
Adjusted EBITDA Margin	26.3%	27.5% - 28.5%
Underlying Operating Profit Margin	17.0%	18.5% - 19.5%
Capital Expenditures % of Revenues	7.7%	~8.0%
Free Cash Flow	\$1,445 million	\$1,550 - \$1,750 million
Interest Expense (P&L)	\$442 million	\$435 - \$465 million
Effective Tax Rate	13.9%	14.5% - 16.5%

(1) 2014 includes the impact of \$135 million of simplification program charges. The free cash flow for 2014 includes \$306 million cash impact related to simplification program charges in 2013 and 2014.

(2) 2015 outlook (excluding Free Cash Flow) is for ongoing businesses before currency

Q&A

