



THOMSON REUTERS

2019 FOURTH-QUARTER & FULL-YEAR RESULTS

February 25, 2020

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Agenda

Welcome / Introduction

Frank Golden

Fourth-Quarter & Full-Year 2019 Results & 2020 Outlook

Jim Smith

Financial Review

Stephane Bello & Mike Eastwood

Conclusion

Jim Smith

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 about the company's 2020 outlook, the expected impact of recently completed acquisitions and new products and solutions, expectations regarding the future financial performance of the company and its individual business segments, the company's value creation model, the company's strategic priorities and initiatives, the company's expected organic investments in its business and its ability to deploy the remaining amount of its investment fund on acquisitions, the company's intention to target a dividend payout ratio of between 50% to 60% of its free cash flow, the company's expectations regarding Corporate costs including those related to the F&R transaction, the company's ability to deliver returns to shareholders, statements regarding the proposed London Stock Exchange Group (LSEG)/Refinitiv transaction, and the company's expectations regarding free cash flow. 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 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. Some of the factors that could cause actual results to differ materially from current expectations are discussed in the "Risk Factors" section of our 2018 annual report as well 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.

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 2018 annual report and our earnings release dated February 25, 2020, which are available on www.thomsonreuters.com, for a discussion of material assumptions 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 and adjusted EPS, selected measures before the impact of currency and changes in revenues computed on an organic basis.

Please see our earnings release dated February 25, 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.

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Fourth-Quarter & Full-Year 2019 Highlights & 2020 Outlook

**JIM SMITH
PRESIDENT & CEO**

Fourth-Quarter 2019 Consolidated Results

IFRS Financial Measures (\$ millions)	2019	2018	Change
Revenues	\$1,583	\$1,527	Up 4%
Operating profit	\$216	\$135	Up 60%
Diluted earnings per share (EPS) ⁽¹⁾	\$2.64	\$6.13	-57%
Cash flow from operations ⁽¹⁾	\$355	\$(10)	n/m

Non-IFRS Financial Measures (\$ millions)	2019	2018	Change	Change at Constant Currency	Organic Growth
Revenues	\$1,583	\$1,527	Up 4%	Up 4%	Up 4%
Adjusted EBITDA	\$396	\$274	Up 44%	Up 44%	
<i>Adjusted EBITDA margin</i>	<i>25.0%</i>	<i>17.9%</i>	<i>Up 710 bps</i>	<i>Up 680 bps</i>	
Adjusted EPS	\$0.37	\$0.19	Up 95%	Up 89%	
Free cash flow ⁽¹⁾	\$209	\$(167)	n/m		


(1) Includes discontinued operations

Fourth-Quarter 2019 Revenue Growth by Segment

Reported Revenues up 4% to \$1.6 billion
Organic revenues up 4%
Organic recurring revenues up 6%



Legal Professionals



Corporates



Tax & Accounting Professionals



Reuters News



Global Print

\$0.6B
+3%
 (+4% organic)

\$0.3B
+5%
 (+5% organic)

\$0.3B
+9%
 (+12% organic)

\$0.2B
+5%
 (-1% organic)

\$0.2B
-5%
 (-4% organic)

“Big 3” grew 6% organically

Reported Revenues

A Successful Repositioning ... Momentum is Building

	2017 / 2018	2019	2020	2021+
Situation	<ul style="list-style-type: none"> Well-positioned Professional Information business Improved but 2nd place Financial business 	<ul style="list-style-type: none"> Launched New TR in customer segmentation Signed agreement to sell Refinitiv to LSEG 	<ul style="list-style-type: none"> Clean Reporting year ✓ No additional stranded or 1x costs expected related to Refinitiv separation Final year of separation 	<ul style="list-style-type: none"> Business Information Services (BIS) company Focused on Professional communities
Action / Focus	<ul style="list-style-type: none"> Entered into Refinitiv transaction Separate and reposition New TR 	<ul style="list-style-type: none"> Evolved platform strategy Four acquisitions Key talent recruited 	<ul style="list-style-type: none"> Focus on performance Accelerate platform Talent focus on product / technology 	<ul style="list-style-type: none"> Focus on performance Platform / Ecosystem / Marketplace
Financials	<ul style="list-style-type: none"> 1.2% Organic Revenue Growth \$2.32 FCF per Share Market Cap: \$31B Share Price: \$44 	<ul style="list-style-type: none"> 3.7% Organic Revenue Growth Market Cap: ~\$40B Share Price: \$80 	<p>Outlook</p> <ul style="list-style-type: none"> 4.0% - 4.5% Organic Revenue Growth \$2.40+ FCF per Share 	<ul style="list-style-type: none"> Targeting higher organic revenue growth, margins & FCF per Share
				

Full-Year 2019 Results vs 2019 Outlook

Achieved Each Full-Year 2019 Guidance Target

	2019 Outlook Before Currency	2019 Results Before Currency	2019 Reported
Revenue Growth	7% - 8.5% 3.5% - 4.0% Organic	8.5% ✓ 3.7% Organic ✓	7.4% 3.7% Organic
Adjusted EBITDA	\$1.45 - \$1.5 billion	\$1.48 billion ✓	\$1.49 billion
Corporate Costs	~\$570 million	\$575 million ✓	\$564 million ⁽¹⁾
Core Corporate costs	~\$140 million	\$131 million ✓	\$124 million
Stranded costs	~\$100 million	\$100 million ✓	\$100 million
One-Time costs	~\$330 million	\$344 million ✓	\$340 million
Free Cash Flow	\$0 - \$300 million	\$159 million ⁽²⁾ ✓	\$159 million
Capital Expenditures % of Revenue	~9%	8.6% ✓	8.6%
Depreciation & Amortization of computer software	\$600 - \$625 million	\$608 million ✓	\$603 million
Interest Expense (P&L)	\$150 - \$175 million	\$163 million ✓	\$163 million
Effective Tax Rate on Adjusted Earnings	16% - 19%	11% ✓	11%

(1) Includes \$70 million of capital expenditures that were associated with our program to reposition our company after the separation from the Financial & Risk business

(2) Amounts computed at actual currency rates

2020 Outlook

	2019 Reported	2020 Outlook⁽¹⁾ Before Currency
Total Revenue Growth	7.4% ⁽²⁾	4.5% - 5.5%
Organic Revenue Growth	3.7%	4.0% - 4.5%
Adjusted EBITDA Margin	25.3%	31.5% - 32.0%

(1) Before currency and excluding the impact of future acquisitions/disposals

(2) Includes first full-year contractual payment from Refinitiv

Positioned for Higher Growth & Profitability

Evolution of Key Financial Metrics since 2012

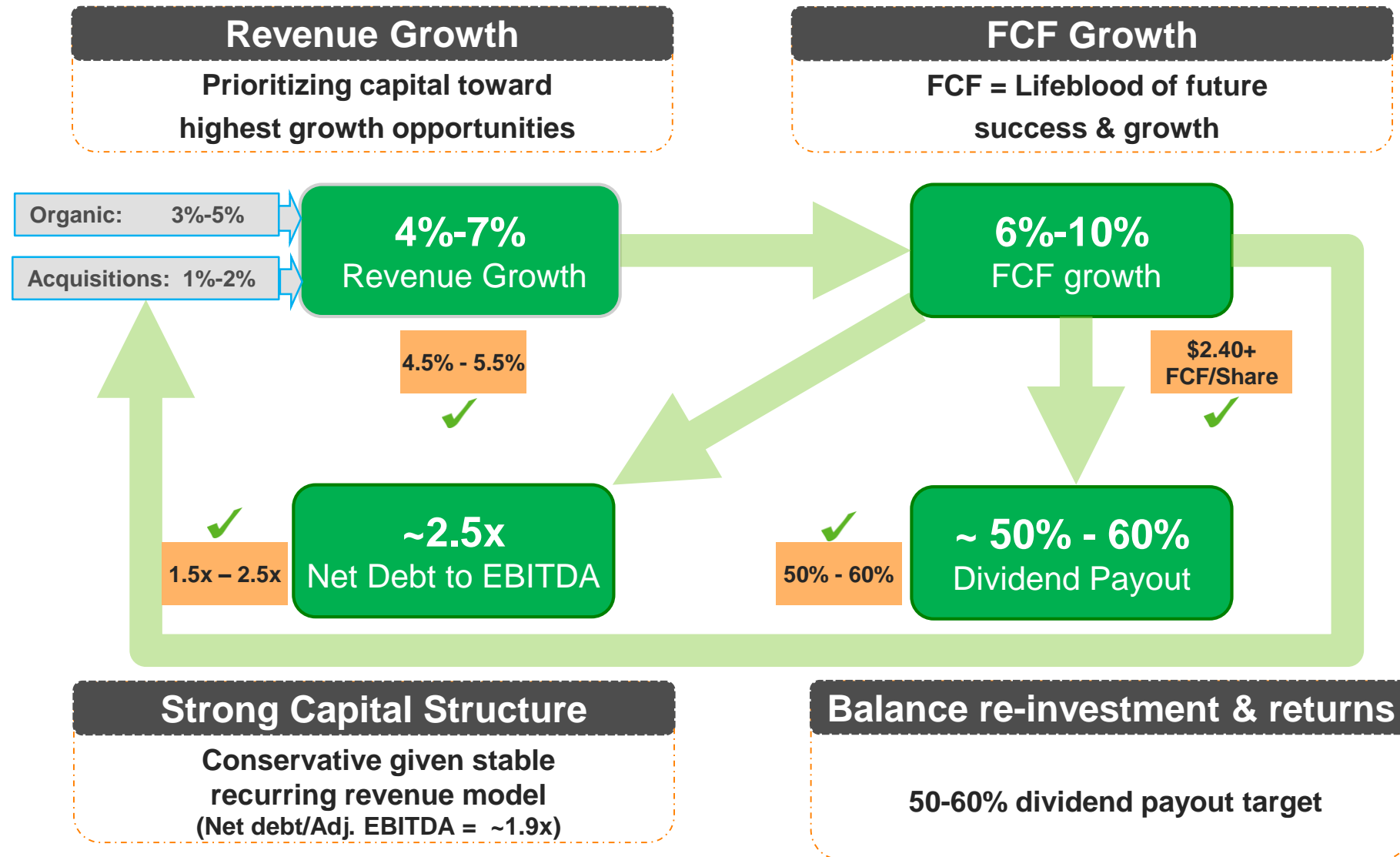
	2012	2020	Variance
Total Revenue Growth Organic Revenue Growth	- 4.0% 0.2%	4.5% - 5.5% * 4.0% - 4.5% *	+950 bps +400 bps
Adjusted EBITDA Margin	26.6%	31.5% - 32.0% *	+500 bps
Return on Invested Capital	6.7%	> 10.0%	+330 bps
Market Capitalization	\$22.1B **	\$40.2B **	+\$18.1B

(*) 2020 Outlook

(**) As of January 1, 2012 and February 24, 2020

The New Thomson Reuters

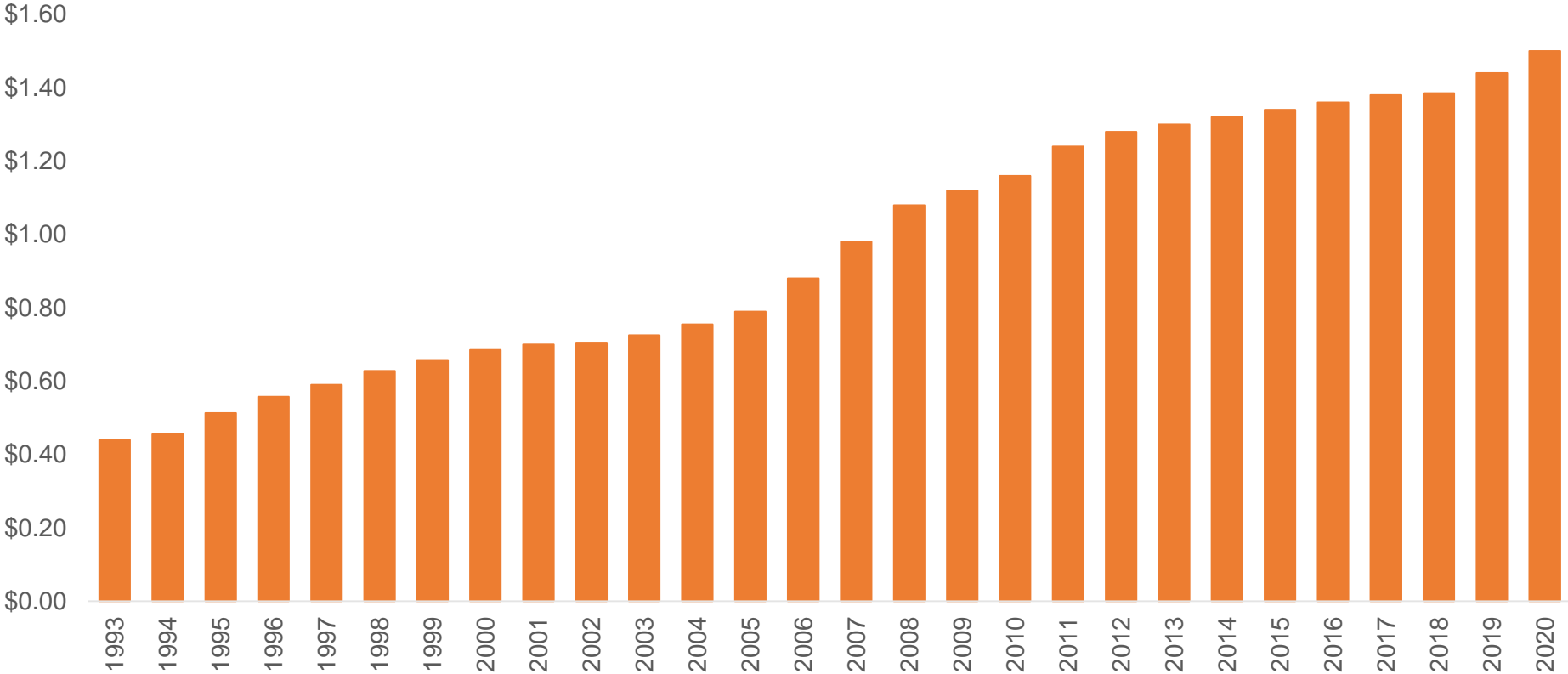
A Return to Our Value Creation Model



2020 Dividend Increase of \$0.08 Per Share to \$1.52

27 Consecutive Years of Annual Dividend Increases

Annualized Dividend per Common Share



2020 Key Priorities

1. Grow organic revenue at a sustainable mid-single digit level

2. Deploy remaining ~\$800 million reinvestment fund

- Targeting acquisitions that strengthen our value proposition, advance our platform strategy and extend to highly adjacent market segments

3. Build on our strengths by executing on key focus areas

- Continuing to embed AI and machine learning technology in our solutions to further strengthen our position
- Investing in our platform strategy by building a cloud-based integrated & open ecosystem
- Focusing on further improving sales performance & productivity
- Digital – building end-to-end capabilities to simplify the buying, renewal and upgrade processes

FINANCIAL REVIEW

STEPHANE BELLO
CHIEF FINANCIAL OFFICER

Fourth-Quarter & Full-Year 2019 Revenues - Legal, Corporates, Tax & Accounting

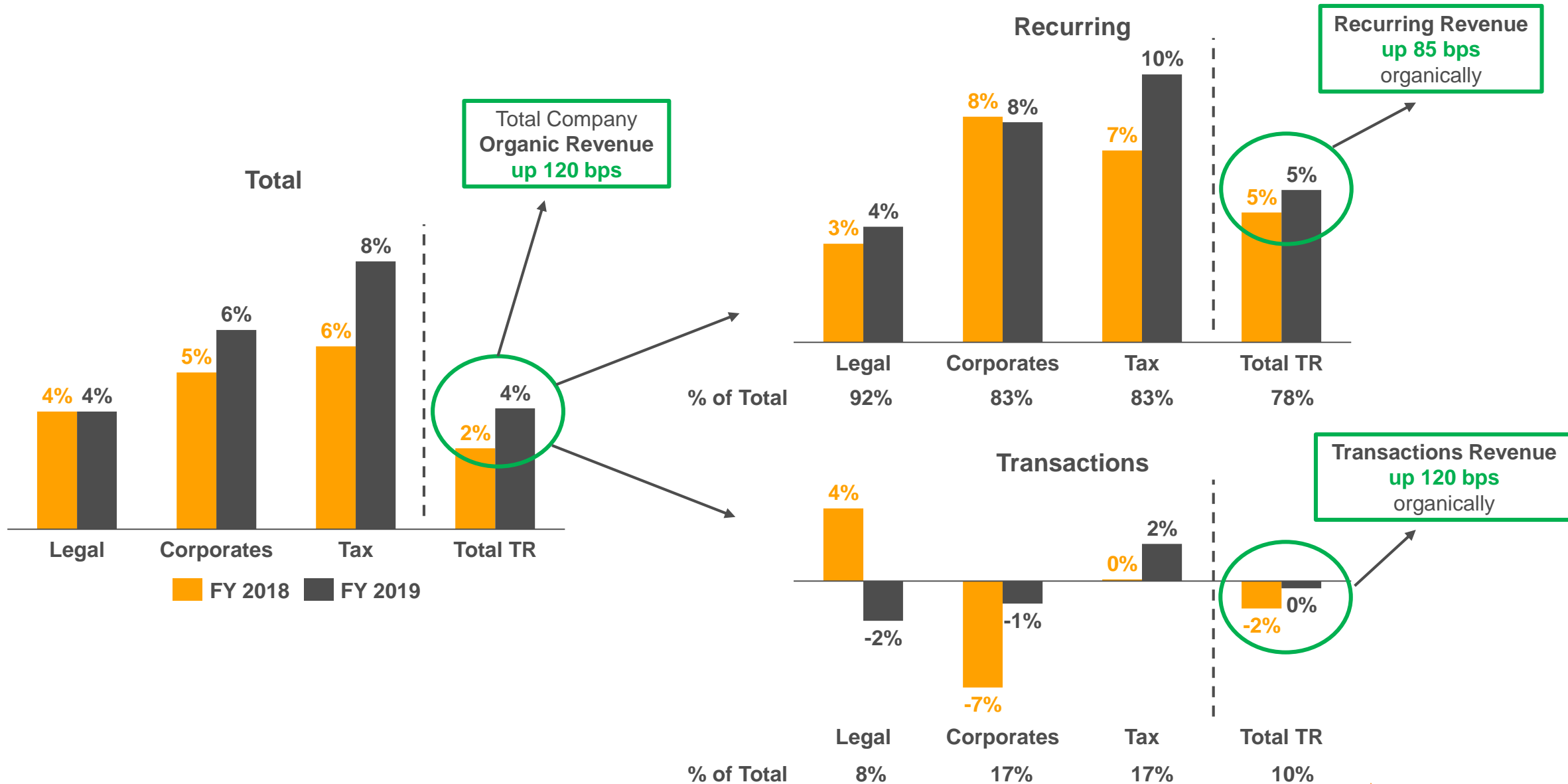
(\$ millions)

Fourth Quarter

Full Year

Revenues	Fourth Quarter					Full Year				
	2019	2018	Total	Constant Currency	Organic	2019	2018	Total	Constant Currency	Organic
Legal Professionals	617	600	+3%	+4%	+ 4%	2,419	2,373	+2%	+3%	+4%
Corporates	331	315	+5%	+5%	+5%	1,321	1,238	+7%	+8%	+6%
Tax & Accounting Professionals	274	252	+9%	+11%	+12%	844	794	+6%	+8%	+8%
Subtotal Revenues	1,222	1,167	+5%	+6%	+6%	4,584	4,405	+4%	+5%	+5%

Full-Year 2019 Organic Revenue Growth Details



Fourth-Quarter & Full-Year 2019 Consolidated Revenues

(\$ millions)

Revenues	Fourth Quarter					Full Year				
	2019	2018	Total	Constant Currency	Organic	2019	2018	Total	Constant Currency	Organic
Legal Professionals	617	600	+3%	+4%	+4%	2,419	2,373	+2%	+3%	+4%
Corporates	331	315	+5%	+5%	+5%	1,321	1,238	+7%	+8%	+6%
Tax & Accounting Professionals	274	252	+9%	+11%	+12%	844	794	+6%	+8%	+8%
Subtotal Revenues	1,222	1,167	+5%	+6%	+6%	4,584	4,405	+4%	+5%	+5%
Reuters News	164	155	+5%	+5%	-1%	630	370	+70%	+72%	+2%
Global Print	196	206	-5%	-4%	-4%	693	728	-5%	-3%	-3%
Eliminations / Rounding	1	(1)				(1)	(2)			
Total Revenues	1,583	1,527	+4%	+4%	+4%	5,906	5,501	+7%	+8%	+4%

Fourth-Quarter & Full-Year 2019

Adjusted EBITDA - Legal, Corporates, Tax & Accounting

(\$ millions)

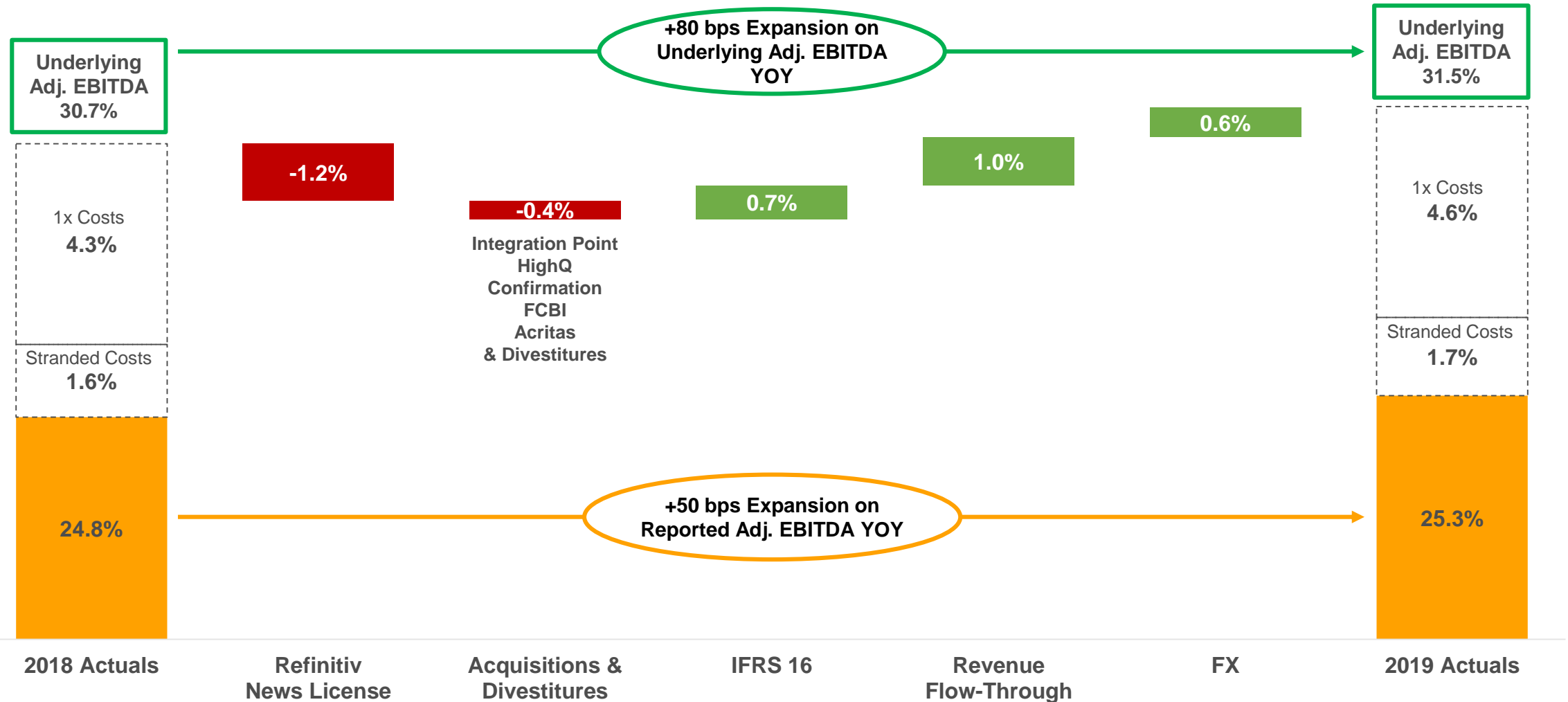
	Fourth Quarter				Full Year			
	2019	2018	Total	Constant Currency	2019	2018	Total	Constant Currency
Adjusted EBITDA								
Legal Professionals	215	221	-3%	-2%	901	816	+10%	+10%
<i>Margin</i>	<i>34.9%</i>	<i>36.8%</i>			<i>37.2%</i>	<i>34.4%</i>		
Corporates	103	84	+23%	+18%	433	395	+10%	+9%
<i>Margin</i>	<i>31.1%</i>	<i>26.5%</i>			<i>32.8%</i>	<i>31.9%</i>		
Tax & Accounting Professionals	135	120	+13%	+14%	323	273	+18%	+19%
<i>Margin</i>	<i>49.1%</i>	<i>47.4%</i>			<i>38.2%</i>	<i>34.3%</i>		
Subtotal Adjusted EBITDA	453	425	+7%	+7%	1,657	1,484	+12%	+11%
<i>Margin</i>	<i>37.0%</i>	<i>36.3%</i>			<i>36.1%</i>	<i>33.7%</i>		

Fourth-Quarter & Full-Year 2019 Consolidated Adjusted EBITDA

(\$ millions)

	Fourth Quarter				Full Year			
	2019	2018	Total	Constant Currency	2019	2018	Total	Constant Currency
Adjusted EBITDA								
Legal Professionals <i>Margin</i>	215 34.9%	221 36.8%	-3%	-2%	901 37.2%	816 34.4%	+10%	+10%
Corporates <i>Margin</i>	103 31.1%	84 26.5%	+23%	+18%	433 32.8%	395 31.9%	+10%	+9%
Tax & Accounting Professionals <i>Margin</i>	135 49.1%	120 47.4%	+13%	+14%	323 38.2%	273 34.3%	+18%	+19%
Subtotal Adjusted EBITDA <i>Margin</i>	453 37.0%	425 36.3%	+7%	+7%	1,657 36.1%	1,484 33.7%	+12%	+11%
Reuters News <i>Margin</i>	4 2.4%	6 3.3%	-23%	-86%	35 5.6%	27 7.2%	+32%	-6%
Global Print <i>Margin</i>	77 39.5%	87 42.6%	-12%	-13%	295 42.6%	320 44.0%	-8%	-7%
Corporate Costs	(138)	(244)			(494)	(466)		
Total Adjusted EBITDA <i>Margin</i>	396 25.0%	274 17.9%	+44%	+44%	1,493 25.3%	1,365 24.8%	+9%	+8%

Full-Year 2019 Adjusted EBITDA Margin Performance



ADJUSTED EARNINGS PER SHARE

FREE CASH FLOW

CORPORATE COSTS

CAPITAL STRUCTURE

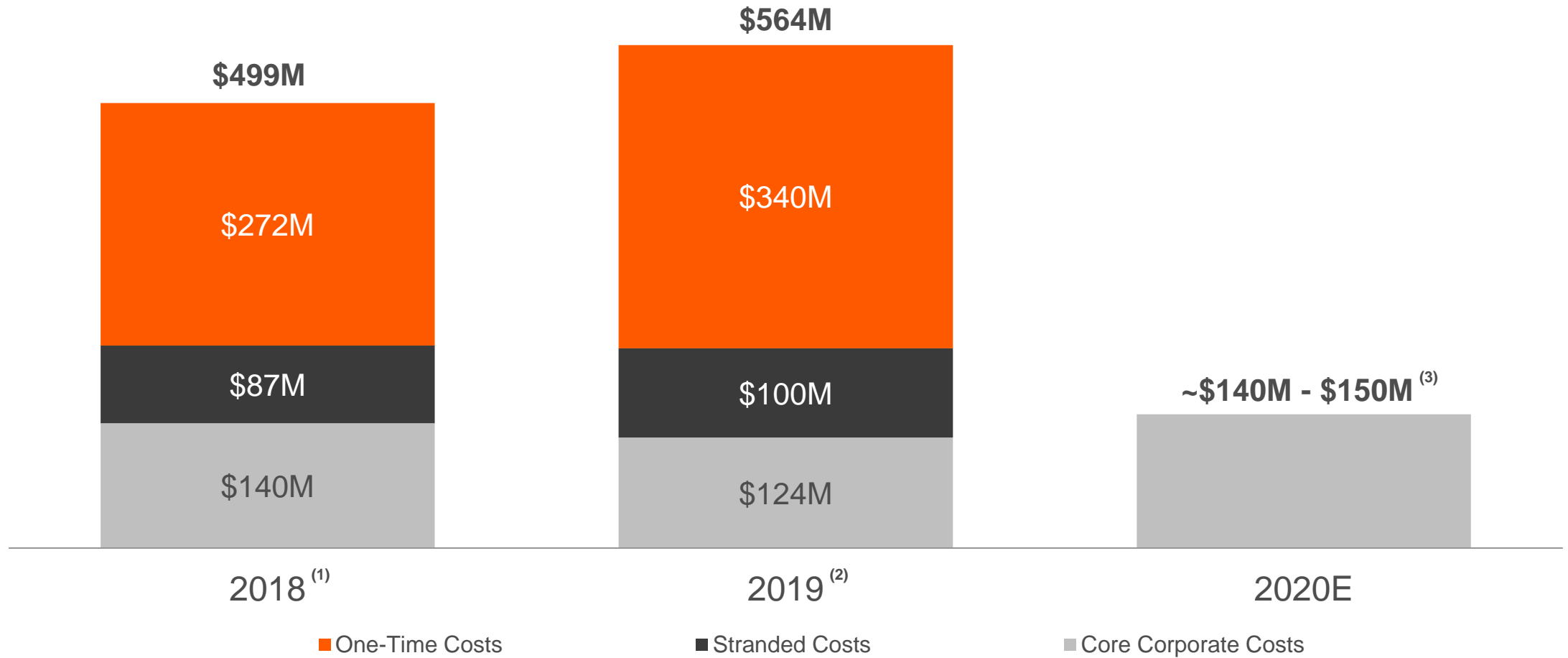
Adjusted Earnings Per Share (EPS)

(\$ millions except per share amounts & share count)	Fourth Quarter			Full Year		
	<u>2019</u>	<u>Change</u>	<u>% Change</u>	<u>2019</u>	<u>Change</u>	<u>% Change</u>
Adjusted EBITDA	\$396	\$122		\$1,493	\$128	
Depreciation & Amortization	(\$167)	(\$34)		(\$603)	(\$93)	
Interest Expense	(\$51)	(\$32)		(\$163)	\$97	
Income Tax	\$8	\$27		(\$78)	\$11	
Dividend declared on preference shares	(\$1)	-		(\$3)	-	
Adjusted Earnings	\$185	\$83		\$646	\$143	
Adjusted EPS	\$0.37	\$0.18	+95%	\$1.29	\$0.54	+72%
<i>Foreign Currency Impact</i>	<i>\$0.01</i>			<i>\$0.05</i>		
<i>Diluted Weighted Average Common Shares</i>	<i>501.1M</i>			<i>502.5M</i>		

Consolidated Free Cash Flow

(\$ millions)	Fourth Quarter			Full Year		
	<u>2019</u>	<u>2018</u>	<u>Change</u>	<u>2019</u>	<u>2018</u>	<u>Change</u>
Comparable Free Cash Flow (Continuing Operations)	\$419	\$197	\$222	\$1,069	\$685	\$384
Other Items (Q1-19 pension contribution & F&R separation costs)	\$204	\$291	\$87	\$746	\$327	(\$419)
Free Cash Flow (Continuing Operations)	\$215	(\$94)	\$309	\$323	\$358	(\$35)
Free Cash Flow – Refinitiv related/F&R	(\$6)	(\$73)	\$67	(\$164)	\$749	(\$913)
Free Cash Flow	\$209	(\$167)	\$376	\$159	\$1,107	(\$948)

Corporate Costs

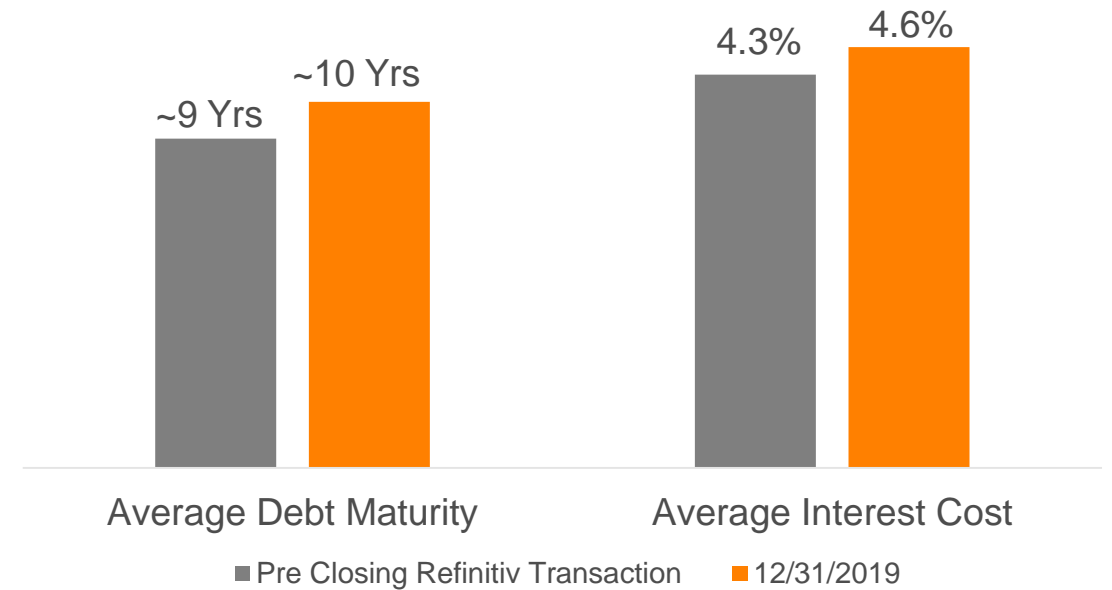


(1) Includes \$33 million of Capital Expenditures
 (2) Includes \$70 million of Capital Expenditures
 (3) All operating expense/excludes Capital Expenditures

Year-End 2019 Capital Structure

- 1) Debt Outstanding = \$3.4 billion
- 2) Cash on Balance Sheet = \$0.8 billion
- 3) Leverage Ratio 1.9x (net of cash on balance sheet)

- **Conservative debt portfolio profile**
 - Average maturity ~10 years
 - Redeemed ~\$640 million of debt maturing 2021 in Jan. 2020
 - No principal/debt maturities due until 2023
- **Weighted avg common shares outstanding = 502.5 million**
- **Actual common shares outstanding = 497.5 million**



Proposed Sale of Refinitiv to London Stock Exchange Group

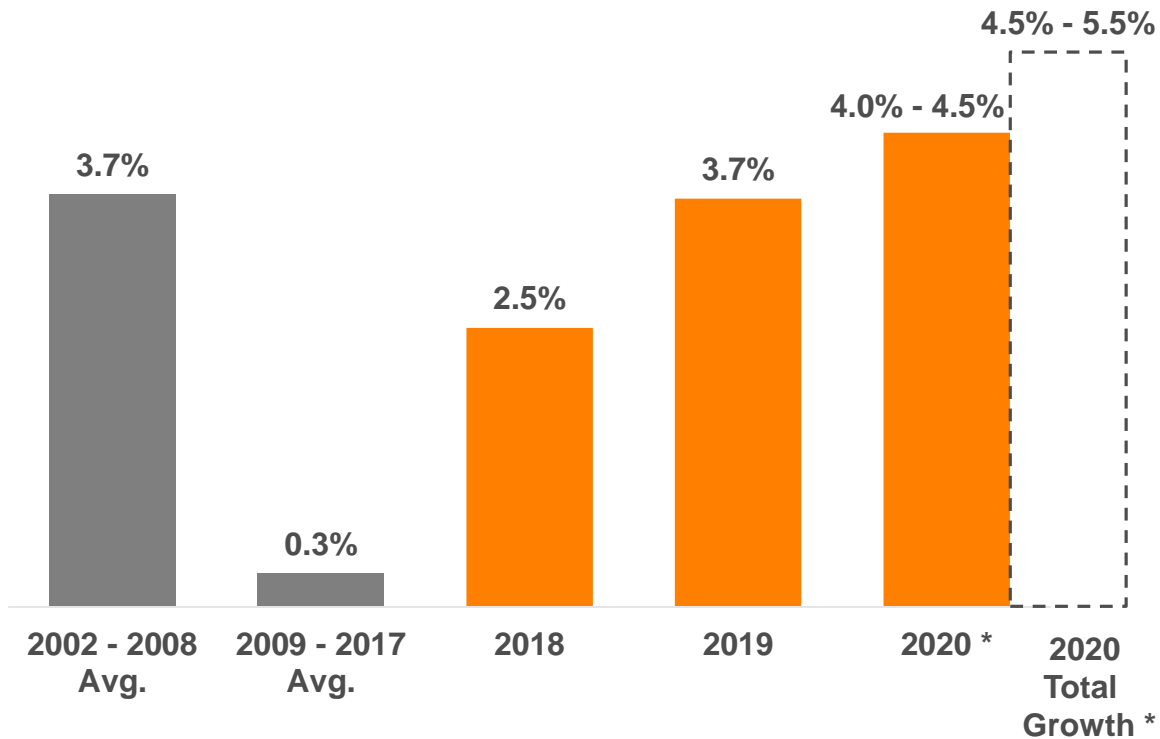
- **TRI expected ownership interest in LSEG upon transaction closing = ~82.5M shares**
 - Value = ~\$8.9B / ~\$17.70 value within TRI stock price [based on LSEG 2/24/20 closing price]
 - Transaction expected to close in the second half of 2020
- **LSEG currently expected to only issue shares as consideration 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
- **One-third of LSEG shares held by TRI / Blackstone can be sold in years 3 & 4 after closing**
 - The lock-up terminates on the fourth anniversary of closing

2020 Outlook

Organic Revenue Growth Rate & Adjusted EBITDA Margin

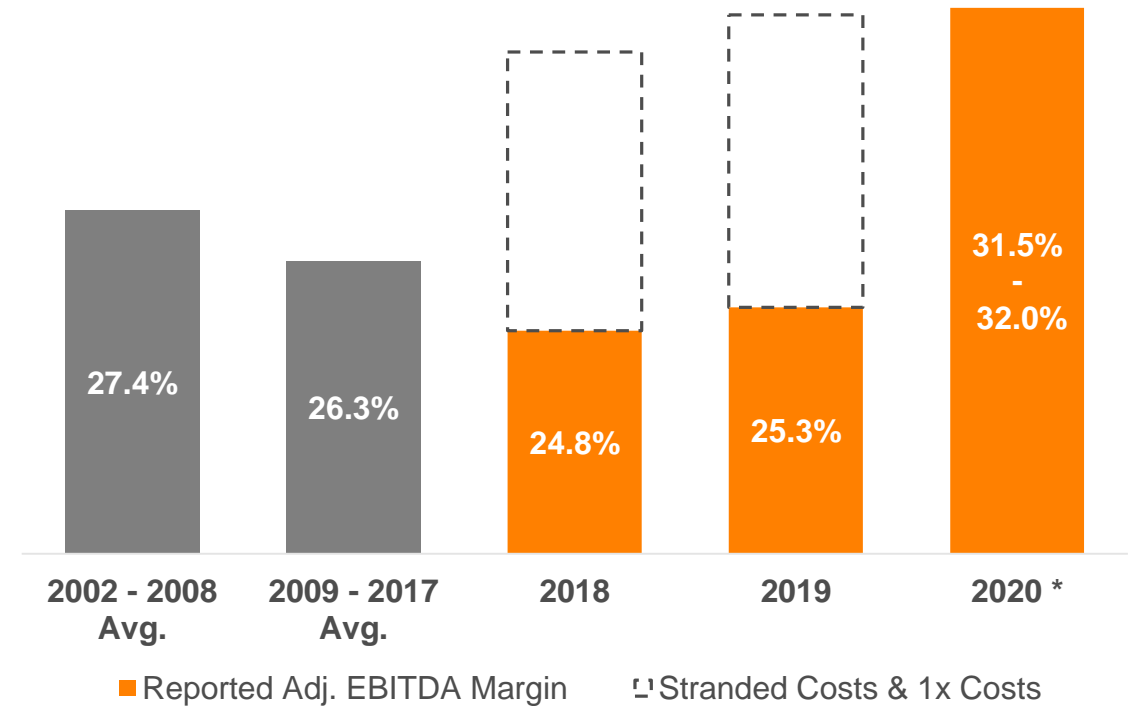
Organic Revenue Growth Rate

Improving Trajectory Expected to Continue



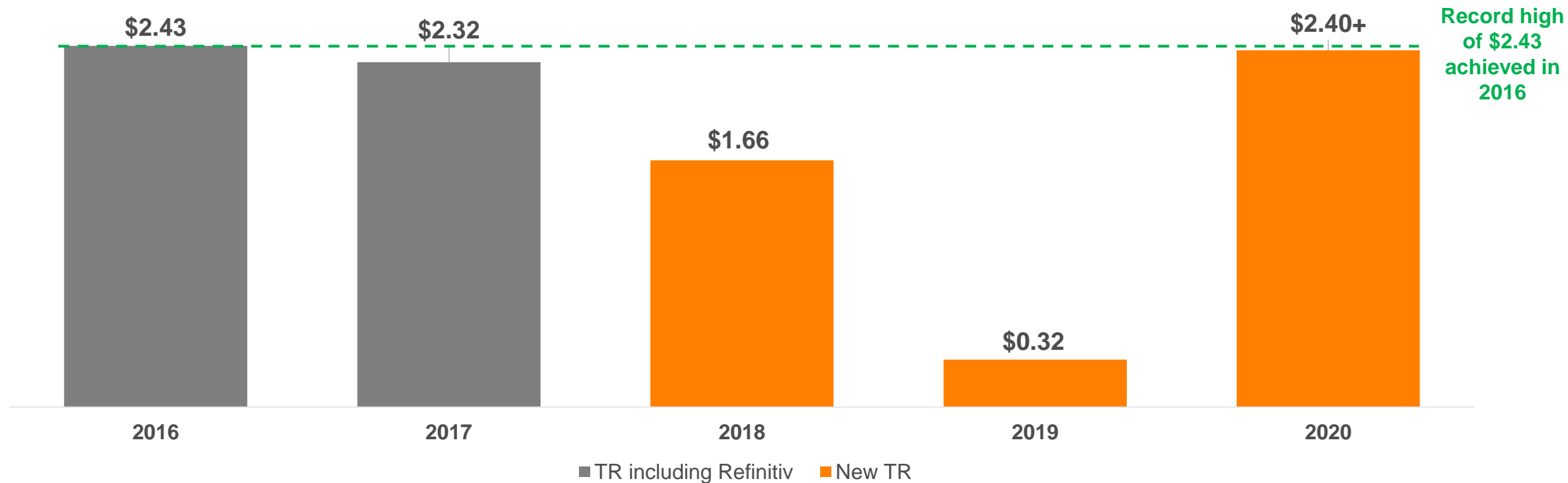
Adjusted EBITDA Margin

No Additional Stranded or 1x Costs Expected in 2020 Related to Refinitiv Transaction



Targeting to Return to Record Free Cash Flow per Share in 2020

- 2020 forecast FCF per share of \$2.40+ would represent record high
- Increase in 2020 Free Cash Flow is driven primarily by improvements in underlying adjusted EBITDA and capital efficiency

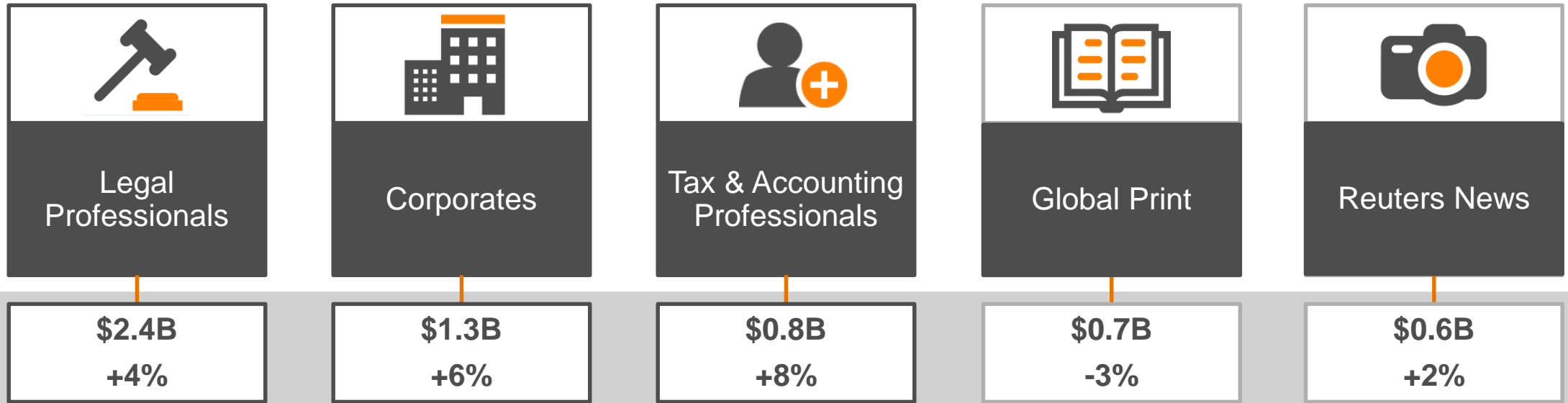


Note: 2016 - 2017 FCF per share exclude the impact of one-time charges and one-time pension contribution & associated tax benefit

Delivering on our Expectations (IR Day – Dec. 2018)

Five Customer-Focused Segments -- “Big 3” grew 5% organically in 2019

FY 2019 - 78% of revenues grew 5% organically

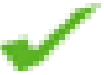


Dec 2018 IR Day
Target Growth by 2020

4% - 5%



6% - 8%



6% - 8%



Drivers of Variance Between FCF and Adjusted Earnings in 2020

2020 FCF expected to exceed Adjusted Earnings due to Taxes, Non-Cash Charges & Capital vs. D&A

	\$ Millions	Factors
Capital vs. D&A	~ \$150M - \$175M	<ul style="list-style-type: none"> Reduction in Capital Intensity has immediate impact on FCF (vs. Depreciation run-off) IFRS 16 changes add ~ \$50M to D&A (offset by higher adjusted EBITDA)
Income Taxes	~ \$100M - \$125M	<ul style="list-style-type: none"> Effective Tax Rate est. to be ~17% - 19%
Non-Cash Charges	~ \$25M - \$50M	<ul style="list-style-type: none"> Pension Plan Contributions vs. Expense Employee Stock Purchase Program & Stock Incentive Plans

2020 Outlook

	2019 Reported	2020 Outlook ⁽¹⁾ Before Currency
Total Revenue Growth	7.4%	4.5% - 5.5%
Organic Revenue Growth	3.7%	4.0% - 4.5%
Adjusted EBITDA Margin	25.3%	31.5% - 32.0%
Corporate Costs	\$564 million ⁽²⁾	\$140 - \$150 million
Core Corporate costs	\$124 million	
Stranded costs	\$100 million	
One-Time costs	\$340 million	
Free Cash Flow	\$159 million	\$1.2+ billion ⁽³⁾
Capital Expenditures % of Revenue	8.6%	7.5% - 8.0%
Depreciation & Amortization of computer software	\$603 million	\$625 - \$650 million
Interest Expense (P&L)	\$163 million	\$175 - \$200 million
Effective Tax Rate on Adjusted Earnings	11%	~ 17% - 19%

(1) Before currency and excluding the impact of future acquisitions / dispositions

(2) Includes \$70 million of capital expenditures that were associated with our program to reposition our company after the separation from the Financial & Risk business

(3) 2020 FCF per share guidance increased from previous target of \$2.40 per share to \$2.40+ per share

Conclusion

- CEO/CFO announcement is the culmination of the implementation of a deliberate succession plan
- Beginning of the next chapter for the company
- Thomson Reuters on firmest footing in many years
- Foundation has been laid for continued success

Q&A