



THOMSON REUTERS

INVESTOR DAY 2018

December 4, 2018

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WELCOME

Frank Golden
Senior Vice President, Investor Relations

Investor Day 2018

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Thomson Reuters 2018 Investor Day Agenda

Welcome & Introduction

Frank Golden

SVP, Investor Relations

The “New” Thomson Reuters

Jim Smith

President & CEO

Go-To-Market & Growth Strategy

Brian Peccarelli

Co-Chief Operating Officer

**Enabling Sustainable &
Scalable Growth**

Neil Masterson

Co-Chief Operating Officer

Tax Professionals Segment

Charlotte Rushton

President, Tax Professionals

Corporates Segment

Piotr Marczewski

President, Corporates

**Legal Professionals Segment
Westlaw Edge Demo**

**Brian Peccarelli
Andy Martens**

**Co-Chief Operating Officer
Global Head Product & Editorial Legal**

Financial Perspective

**Stephane Bello
Mike Eastwood**

**Chief Financial Officer
SVP, Corporate Finance**

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.

Certain statements in this presentation and discussion are forward-looking, including, but not limited to, the company's 2020 goals; the anticipated benefits of the strategic Refinitiv partnership with Blackstone and the company's views about the potential future value of its interest in Refinitiv; future growth, profitability and efficiency expectations and opportunities for Thomson Reuters and its Legal Professionals, Corporates and Tax Professionals segments (including, without limitation, the estimated future growth of the market segments in which Thomson Reuters' businesses operate); the company's plans to target acquisitions using \$2 billion of the proceeds from the Financial & Risk transaction; and expectations for Corporate costs, headcount and office locations. These forward-looking statements are based on certain assumptions and reflect the company's current expectations. As a result, forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Some of the factors that could cause actual results to differ materially from current expectations are discussed in the "Risk Factors" section of our 2017 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. There is no assurance that any forward-looking statements will materialize. You are cautioned not to place undue reliance on forward-looking statements, which reflect expectations only as of this date. Except as may be required by applicable law, we disclaim any intention or obligation to update or revise any forward-looking statements. Our 2020 goals are provided for the purpose of providing information about current expectations. 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 free cash flow per share, net debt, adjusted EBITDA, organic revenue growth and selected measures before the impact of currency. Thomson Reuters views free cash flow per share as a performance measure. Free cash flow does not represent the residual cash flow available for discretionary expenditures and should be viewed as a supplement to our company's consolidated cash flow statement.

Please see the "Investor Relations" section of our website, www.thomsonreuters.com, for non-IFRS definitions and reconciliations to the most directly comparable IFRS financial measure.



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THE “NEW” THOMSON REUTERS

Jim Smith
President & CEO

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2018 - A Watershed Year for Thomson Reuters

We Completed Three Key Objectives This Year

1. **Closed the transaction with Blackstone & the related separation of F&R from TR**
 - Returned ~\$10 billion to shareholders
2. **Restructured Thomson Reuters into the new Customer-Focused Segment structure**
3. **Repositioned the “New” Thomson Reuters for growth**

The “New” Thomson Reuters - Investment Highlights

1

Attractive Industry

- Currently operate in an est. \$32B market segment growing at 3-4%
- Potential market segment of ~\$44B growing at 5-6% through multiple adjacent expansion opportunities

2

Balanced & Diversified Leadership

- #1 or #2 positions in key Legal, Corporates & Tax & Accounting market segments
- Products & services tailored for professionals / Deep, broad industry knowledge
- Distinct core customer group revenues & geographical diversity
 - No single customer greater than 1% of revenues

3

Attractive Business Model

- 75% of total revenue is recurring
- 87% of total revenue is delivered electronically or as software & services
- Strong & consistent cash generation capabilities

4

Strong Competitive Positioning

- Proprietary databases & deeply embedded workflow tools & analytics
- Technology & operating platforms built to address the global marketplace
- ~90%+ retention rates

5

Disciplined Financial Policies

- Focused on Free Cash Flow growth
- Balance investing in business & returning capital to shareholders
- Committed to maintaining investment grade rating with stable capital structure
- \$2B investment fund to bolster positions in key growth areas

TR Operates in Large Global Market Segments with Significant Growth Potential

Opportunity to expand our market segment reach by offering more software & solutions

Content & Software Solutions Market Segment

(2017, \$ billions / Estimated 5-yr forward CAGR, %)



Macro Factors Driving Changes in the Way our Customers Do Business

Our **customers** are responding to trends by...



**Increased
regulation**

Investing in regulatory & compliance processes with more technology & people resources



**Changing business
& profit models**

Cost pressures driving more automation and/or outsourcing of non-strategic functions



**Advances in
technology**

Demanding more services in the cloud & transacting more digitally

The “New” Thomson Reuters

Well Positioned to Help Our Customers Succeed

1. Our Businesses are Leaders in their Market Segments

- Unique, accurate, comprehensive, must have information
- Technology – our customers depend on us for solutions & software – we are a key partner
- Human Expertise – deep domain expertise across legal, tax & regulatory

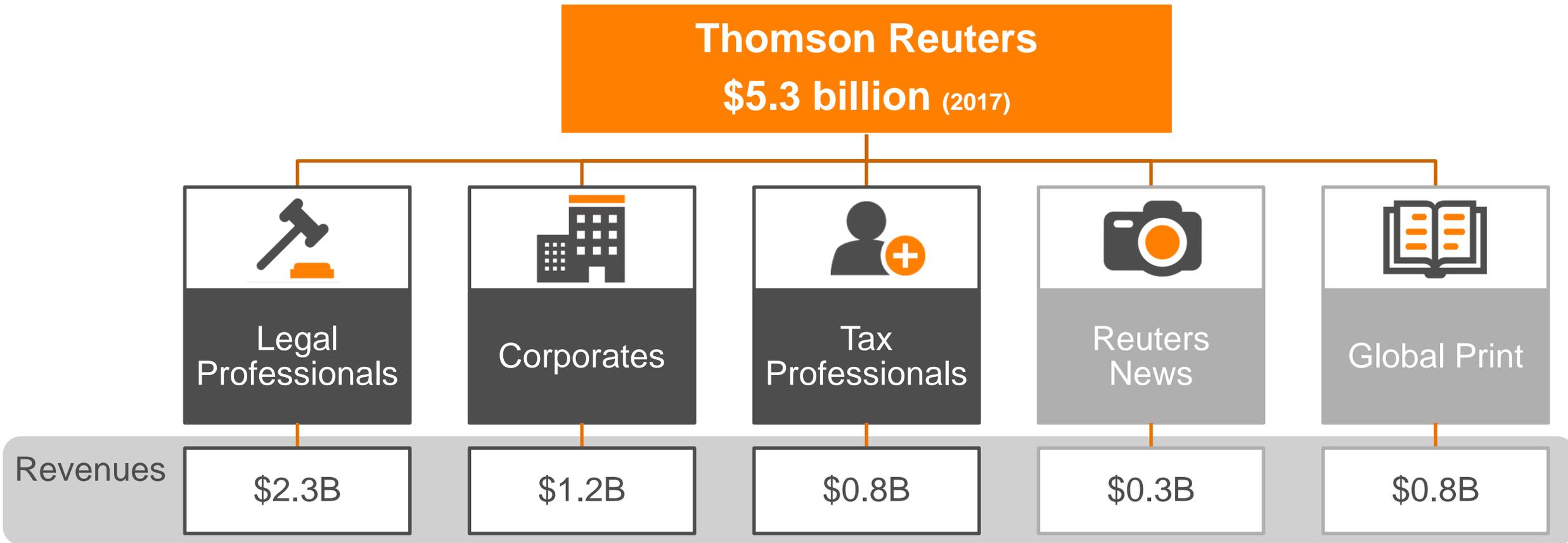
2. Our Customers Trust Us

- They operate in a complex world & look to us for trusted answers & solutions

3. We are Adapting & Changing to Better Serve Our Customers to Empower Their Success

- Aligning resources toward growth & closer to the customer
- Centering the company around customers not products
- Operating with greater speed

The “New” Thomson Reuters Operating Structure



80% of revenues grew 5% organically - Q3 2018

The “New” Thomson Reuters has 5 Key Priorities

1. Create a Customer Centric Organization

- Deliver an unmatched customer experience

2. Deliver Higher Revenue Growth

- Take a pan-TR programmatic approach to acquiring new customers, increase cross-selling, optimize pricing & improve retention

3. Drive Customers to Digital Channels

- Enhance the end-to-end digital customer experience & generate more leads through digital marketing

4. Simplify Our Company

- Increase sales effectiveness, deliver on productivity targets, sunset non-strategic products & divest non-strategic businesses

5. Create an Empowered & Flatter Organization to Better Serve the Customer

- Focus on talent, fewer management layers, less distance between leadership & our customers, more rapid innovation & reduce time to market



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GO-TO-MARKET & GROWTH STRATEGY

Brian Peccarelli
Co-Chief Operating Officer

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The “New” Thomson Reuters

Key Strengths & Highlights

Attractive End Markets

- ✓ Est. \$32B global market segment
Est. +\$12B adjacent opportunity
- ✓ Est. +3-4% market segment growth
Est. +5-6% growth adjacent market segments
- ✓ Historically stable, recession-resistant purchasing by customers
- ✓ Prime for innovation



Leadership Position

- ✓ #1 position in the US & Canada
- ✓ 75% recurring revenues
- ✓ ~90% retention
- ✓ Best-in-class products & services
- ✓ ~460,000 customers
Deep customer relationships
(no one customer >1% of revenues)

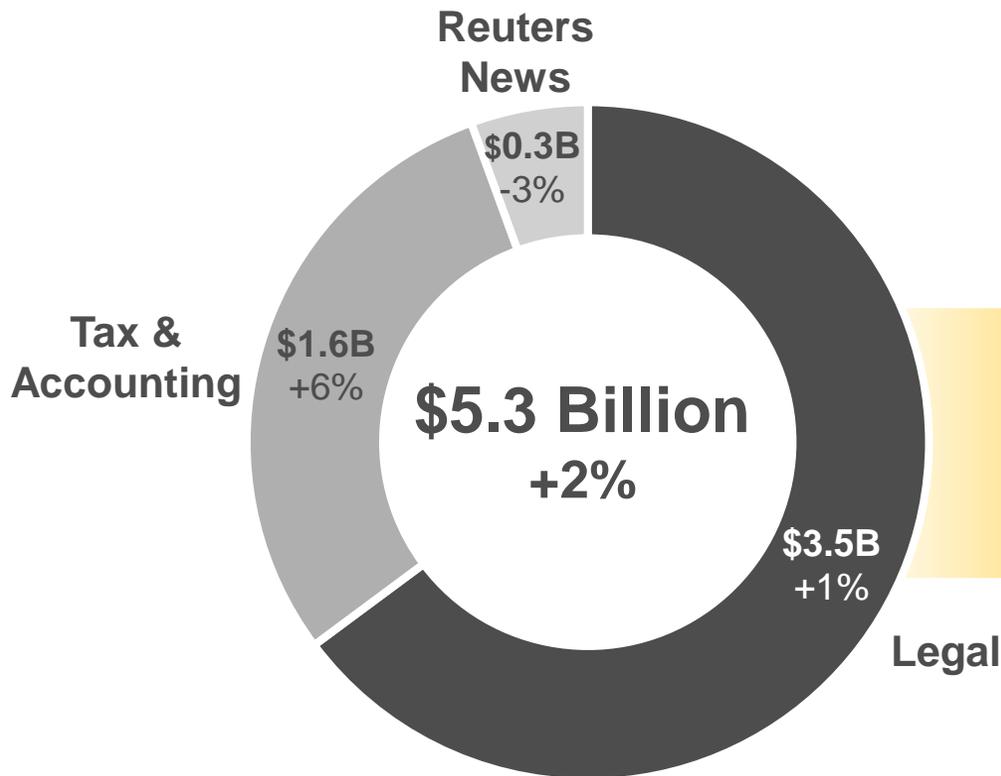


Focused on Accelerating Growth

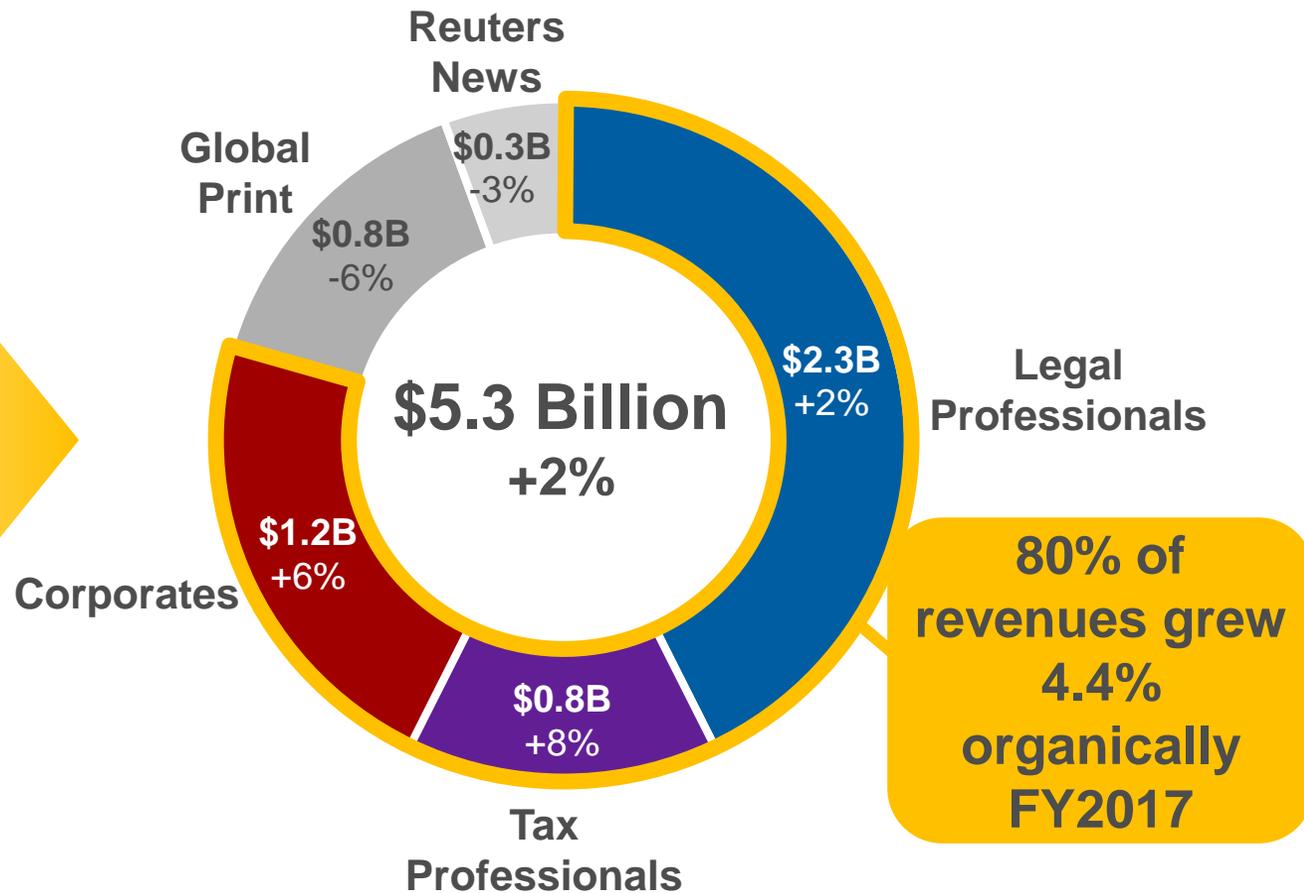
- ✓ Focused organic & selective inorganic investments to supplement growth
- ✓ AI enhanced products
- ✓ Non-jurisdictional software solutions in growth markets
- ✓ Reimagining & streamlining Corporate workflows

Thomson Reuters New Operating & Reporting Structure

2017 Revenue & Organic Growth by Historic Business Unit



2017 Revenue & Organic Growth by New Customer Segment



The “New” Thomson Reuters Customer Segment Highlights

\$5.3 Billion Revenues⁽¹⁾

Legal Professionals

\$2.3B – 43% of Revenue



- 2% revenue growth - 2017
- #1 position in global legal market segment
- 91% recurring revenue
- 97 of AmLaw 100 firms use TR legal research
- 88 of Global 100 firms use TR business management solutions
- ~250,000 customers

Corporates

\$1.2B – 23% of Revenue



- 6% revenue growth - 2017
- #1 provider of Corporate Legal & Corporate Tax solutions in US
- 78% recurring revenue
- 85% of Fortune 500 companies use TR Legal products
- ~93,000 customers

Tax Professionals

\$0.8B – 14% of Revenue



- 8% revenue growth - 2017
- #1 position in global tax market segment
- 82% recurring revenue
- 70% software revenue
- 99 of Fortune 100 firms use TR online tax research
- ~114,000 customers

~460,000 Total Customers

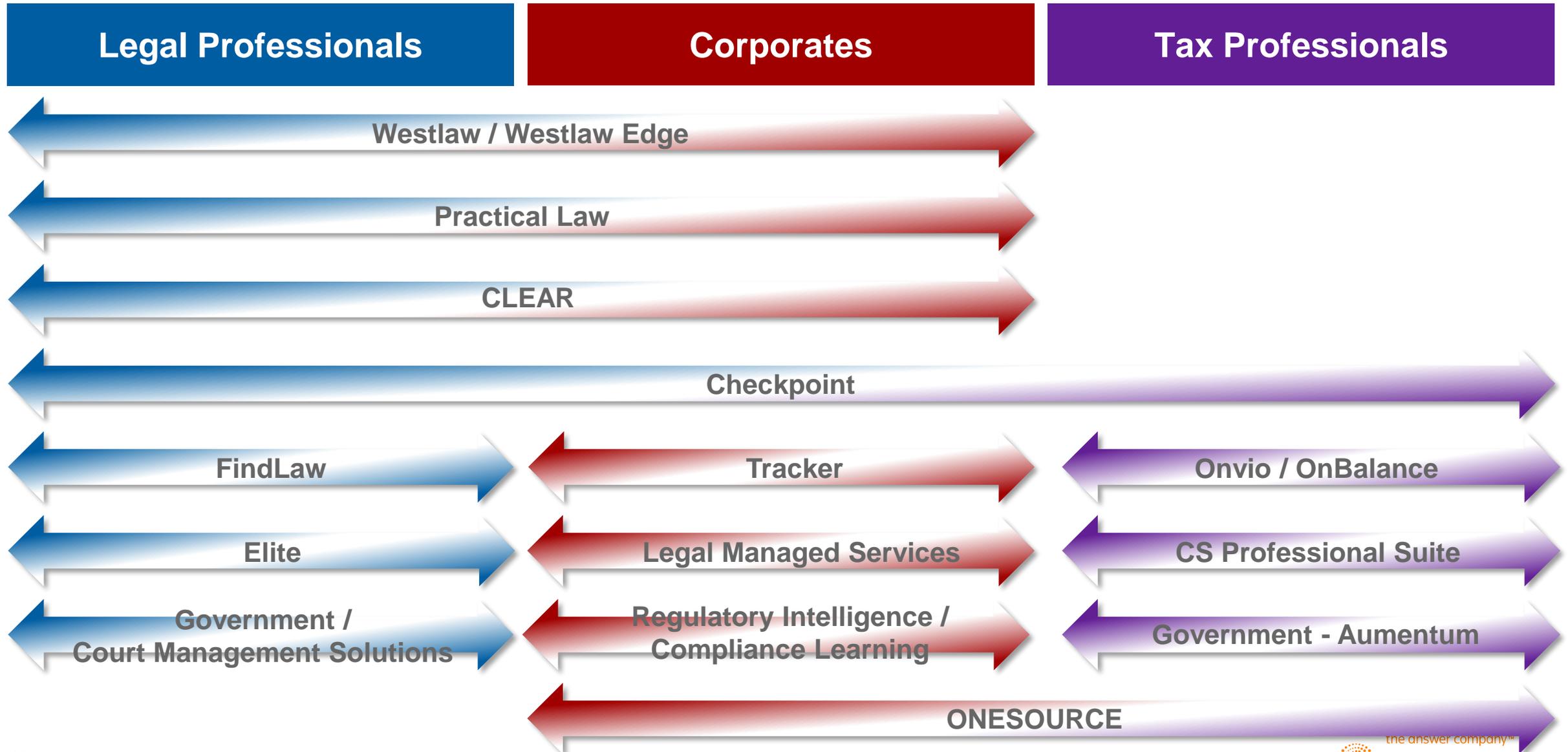
(1) Proforma 2017 revenues & does not include \$325M annual payment by Refinitiv to Reuters News

(2) Customer total includes 4,000 Reuters News customers



Organizing Around the Customer

Product Realignment – Cross-Sell Opportunities



Go-To-Market & Growth Strategy

Four Levers to Drive Organic Revenue Growth

1. Sell more to existing customers

- Grow by increasing cross-selling & up-selling to existing customers
- Drive additional sales by increasing penetration of Westlaw Edge / Practical Law & expanding software solutions for our Legal professional customers
- Selling software to our content customers in Tax Professionals & targeting cross-selling opportunities within tax departments for our Corporate customers while further enhancing partnerships with large global accounting firms

2. Acquire new customers

- Acquire new customers through digital go-to-market & commercial packaging
- Opportunity to acquire new customers by enhancing our marketing programs & leveraging advanced analytics to generate more & better leads
- Simplify pricing & packaging for core small law firms & expand our relationships with partners to gain new Corporate customers

3. Improve Retention

- New, simplified content packages
- Further remove friction from our renewals process through commercial simplification (reduce number of products, standardize & simplify contracts)
- Improve the overall digital customer experience, including customer support

4. Strategic approach to packaging & pricing

- We have industry leading functionality and highly sticky solutions that are a critical part of our customers' workflow, which should enable us to add more features and functionality for our customers
- New & simplified content packages & our investment in the digital customer experience expected to improve pricing flexibility and enhance the customer experience and increase customer demand



Go-To-Market & Growth Strategy Levers to Drive Organic Revenue Growth

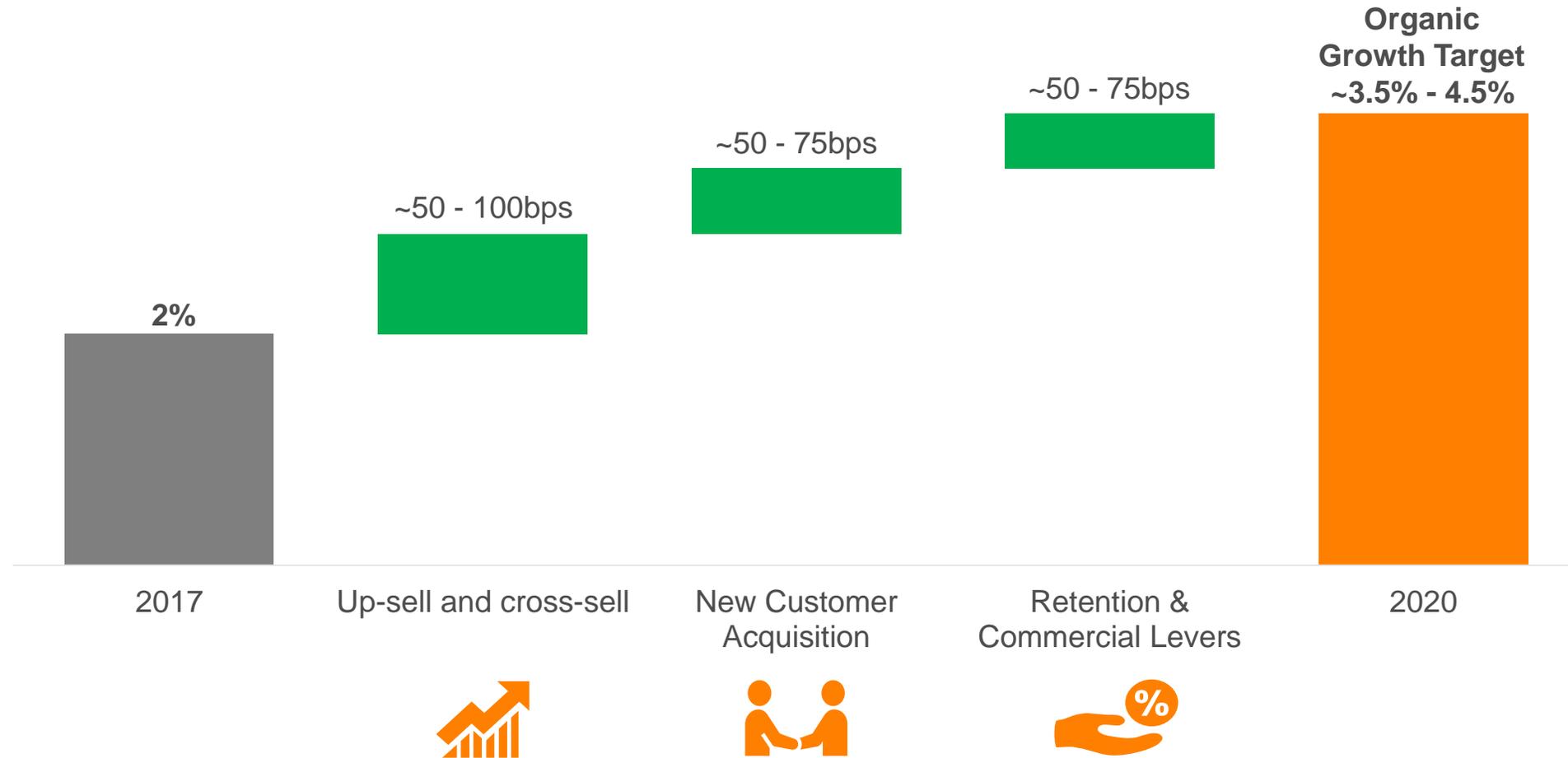
Reorienting around the customer with specific initiatives



Improve Retention & Commercial Levers

Go-To-Market & Growth Strategy

Levers to Drive Organic Revenue Growth



Go-To-Market & Growth Strategy

Key Takeaways

- 1 Our go-to-market channels have been organized to **better align with customers**, enabling us to better understand & serve them
- 2 While some products are targeted to particular customer segments, we have **assets that reach different customers**
- 3 This positions us to **accelerate organic growth** through three go-to-market priorities:
 - Increase cross-sell & up-sell
 - Increase retention & commercial levers
 - New customer acquisition
- 4 We have a path to **grow organic revenues 3.5% - 4.5% by 2020**



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ENABLING SUSTAINABLE & SCALABLE GROWTH

Neil Masterson
Co-Chief Operating Officer

Investor Day 2018

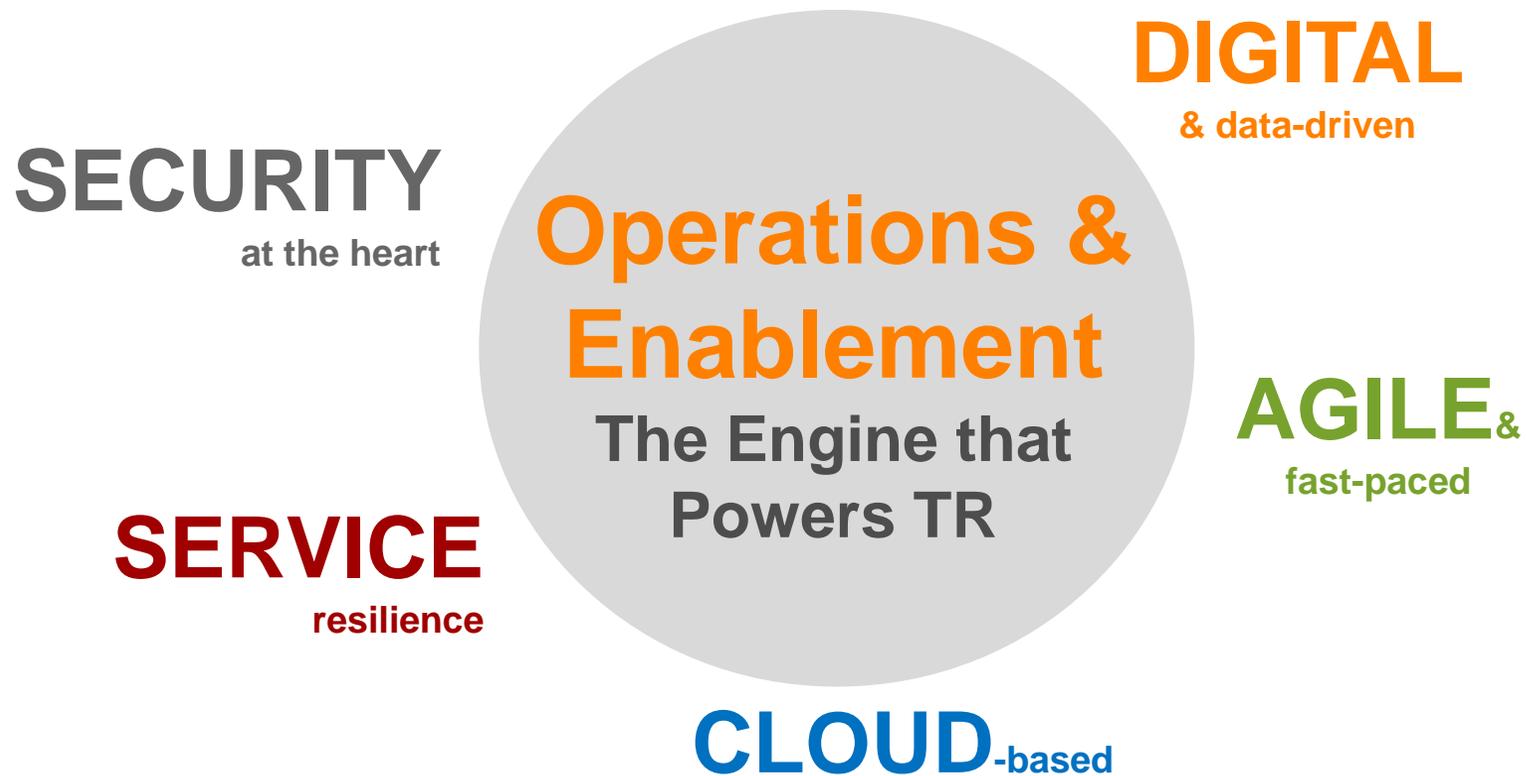
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The Operations & Enablement Organization



~7,200 employees | ~\$1.4 billion of total operating expense



The Mission for the New TR is to...



Reorient around the Customer



Shift from Content to Software



Run Leaner

Transforming Into A Leaner More Focused Enterprise

Achievements Over the Past 4 Years

✓ **Cost savings of more than \$500m from transformation**

- ✓ Reduced locations from 328 to 209
- ✓ Completed 77% of platform simplifications

✓ **Simplified technology base**

- ✓ Platform refreshment
- ✓ Closed 216 data centers since 2012

✓ **Improved technology talent**

- ✓ Established Toronto Technology Center
- ✓ Expanded TR Labs

✓ **Improved critical mass**

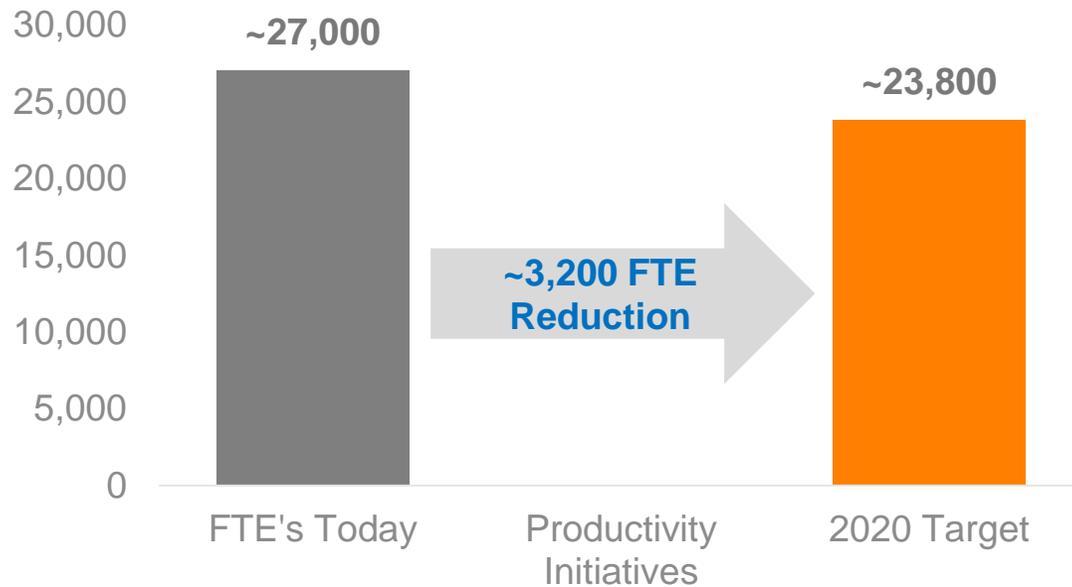
- ✓ Employees based in fewer locations
- ✓ Bring functions together by centralizing

Runway to Further Reduce Expenses by 2020

Fewer locations enables a more agile organization designed to drive productivity & organic growth

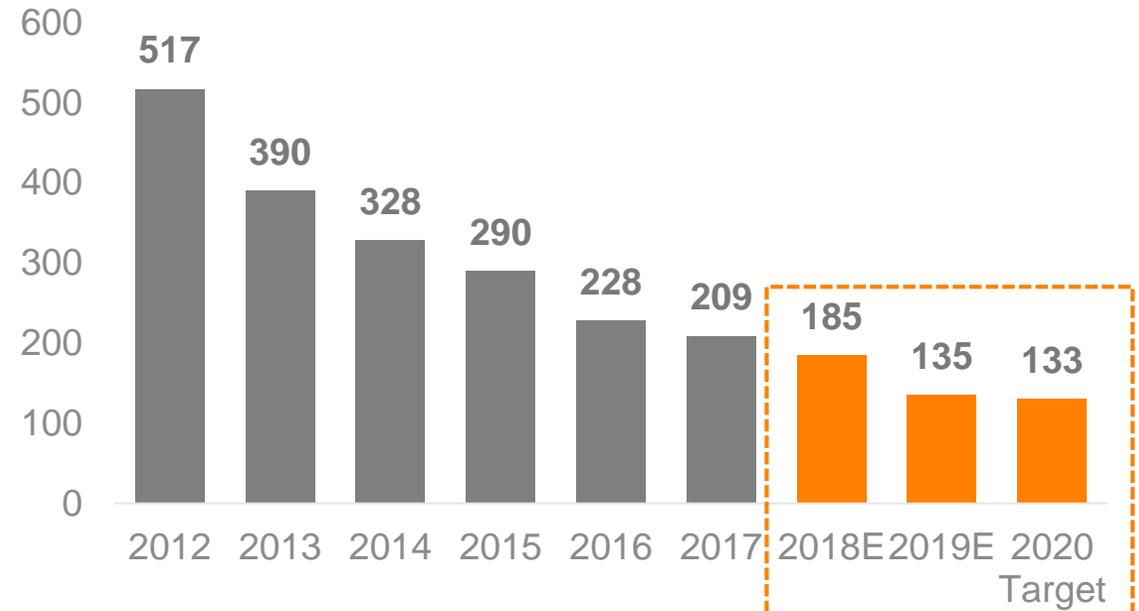
Flatter, simpler organization

FTE Reduction of ~12%



Fewer Locations

TR Offices Reduction of ~30%

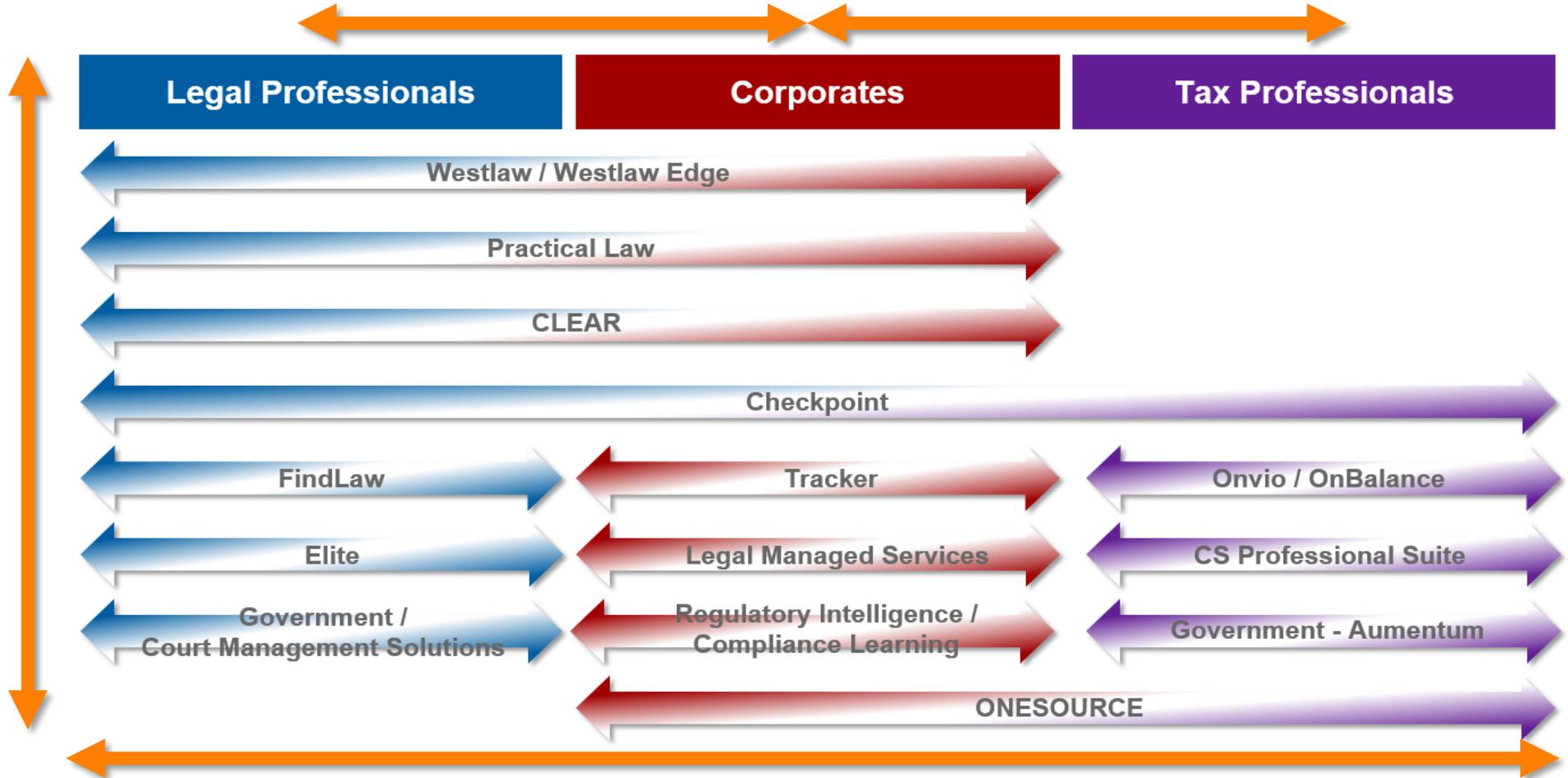


Fewer, more strategic platforms – product convergence & shifting to public cloud

Drive Efficiency & Growth with Shared Platforms & Integrated Products

1 Connect workflows of Professional firms with their Corporate Customers

2 Integrate products to drive cross-sell & retention



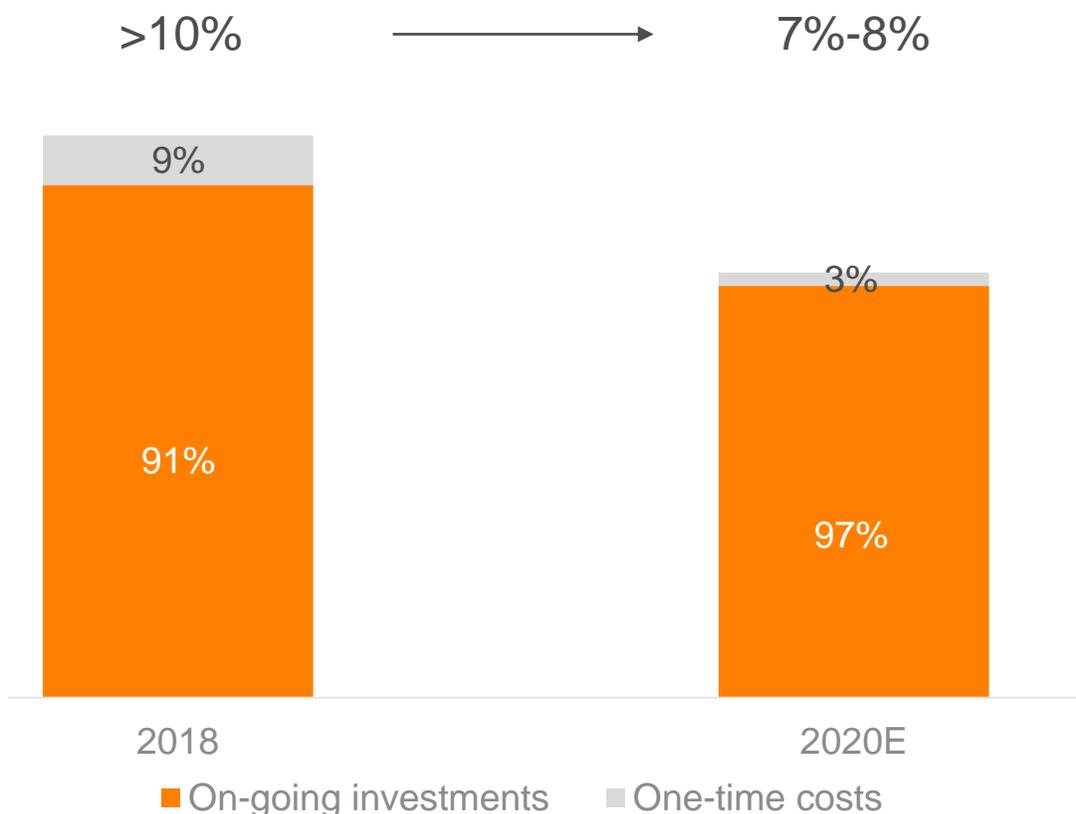
3 Leverage shared technology platforms to drive scale & cost efficiencies

Leaner Organization with More Efficient Capital Allocation

Targeting to reduce Capex as percent of revenue to 7%-8% in 2020

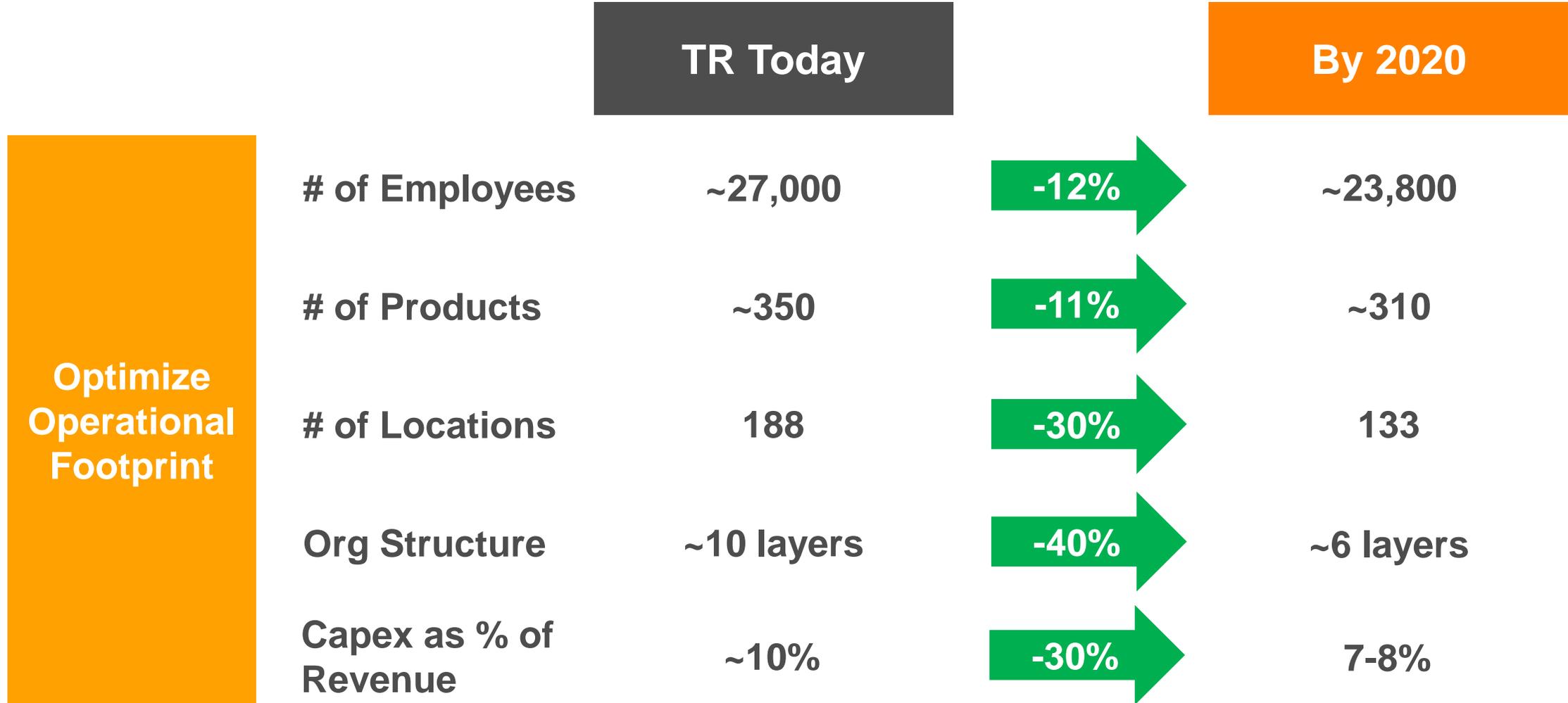
Capital Expenditures as Percent of Revenue

Composition across Ongoing vs. One-time Costs



- 1 Platform Consolidation**
 Putting multiple products in cloud-based, strategic platforms
- 2 Product Rationalization**
 Focusing investments on fewer, strategic products
- 3 One-time investments**
 Accelerating growth building blocks

2020 Operational Efficiency Targets



TR Operates in Large Global Market Segments with Significant Growth Potential

Opportunity to expand our market segment reach by offering more software & solutions

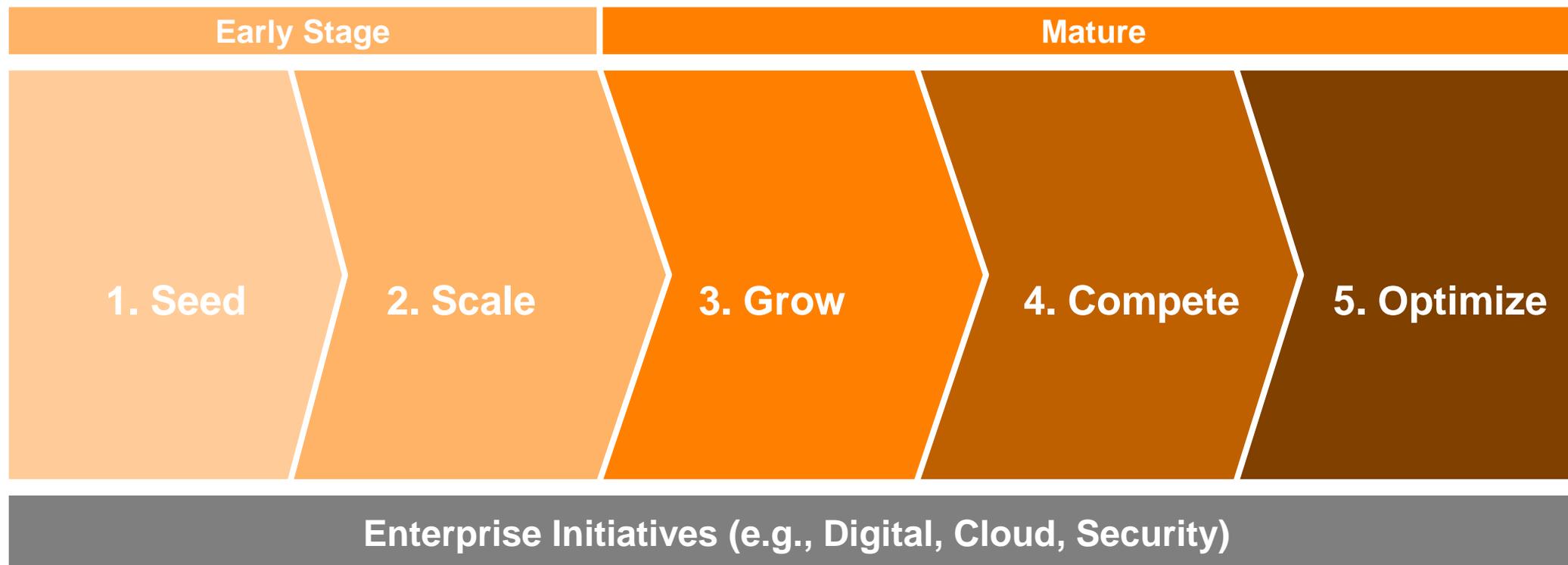
Content & Software Solutions Market Segment

(2017, \$ billions / Estimated 5-yr forward CAGR, %)





Organic Investment Based on Disciplined Capital Allocation





Supplementing Organic Growth with Inorganic Accelerators



Integration Point acquisition exemplifies type of acquisitions we are looking to make with \$2 billion investment fund



Complementary to existing products & geographies?

Significantly increases Global Trade Management presence in North America & APAC



High-growth market segment?

Global trade management market segment growing double-digit



Deployable across current distribution network?

Will be seamlessly incorporated into Corporates salesforce kitbag



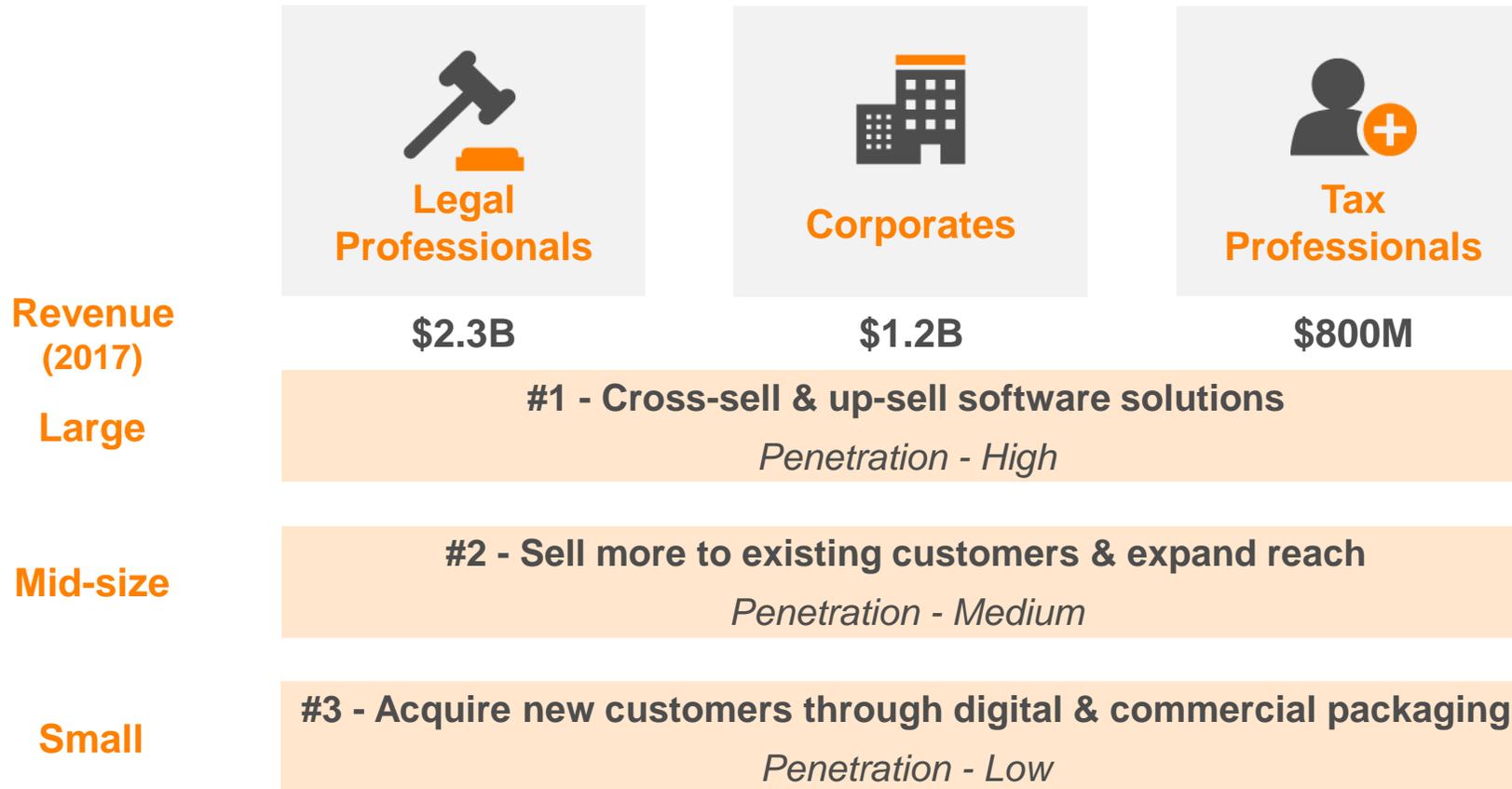
Closely fits core acquisition criteria?

A SaaS product that can be distributed on current platform



Go-To-Market & Growth Strategy Levers to Drive Organic Revenue Growth

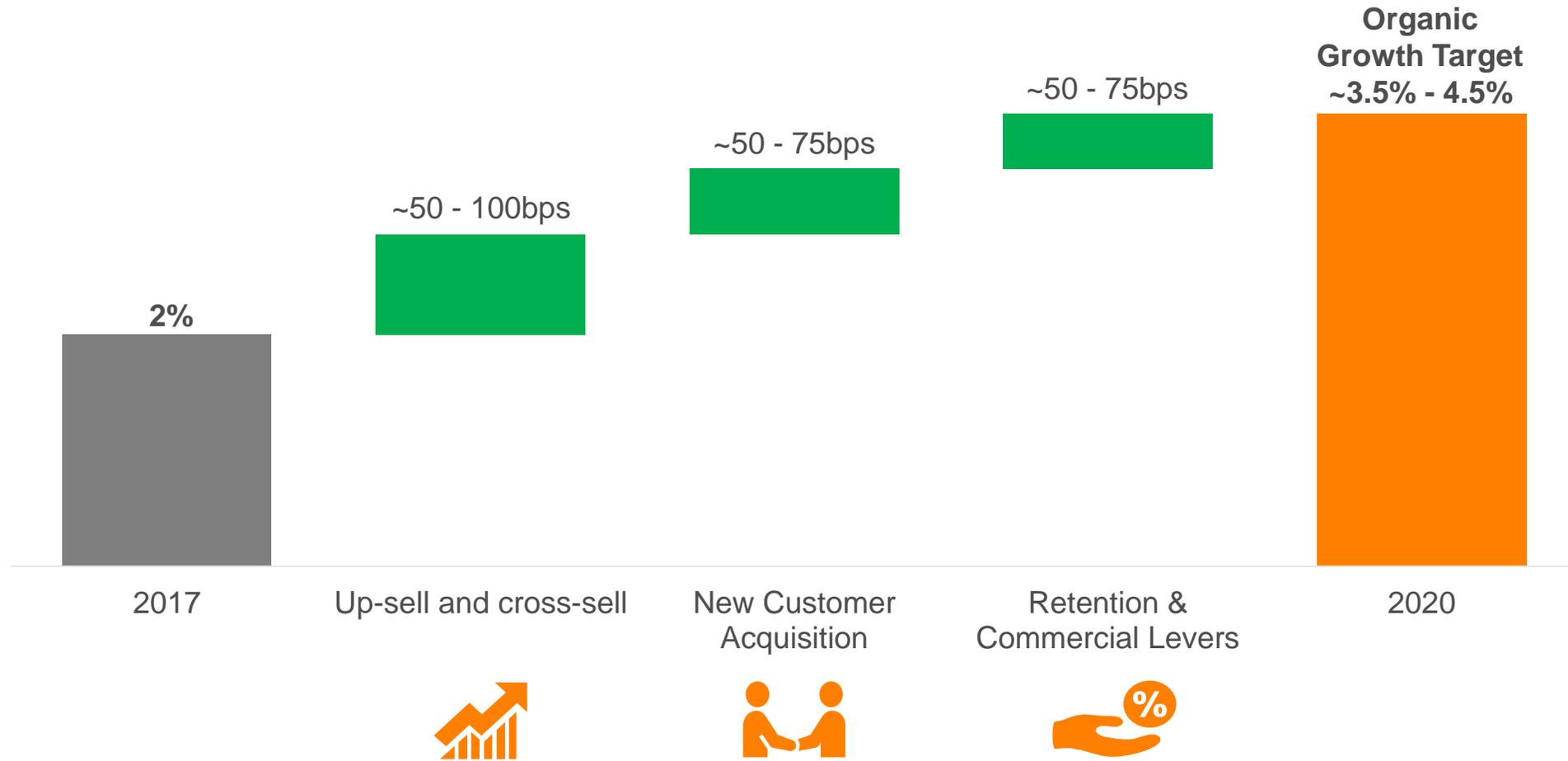
Reorienting around the customer with specific initiatives



Improve Retention & Commercial Levers

Go-To-Market & Growth Strategy

Levers to Drive Organic Revenue Growth





Digital will be a Critical Enabler to Increasing Organic Growth

Digital Go-to-Market Enablers

1 New Customer Acquisition

1



- Digital marketing & sales capabilities to reach long-tail of small customers

2 Cross-sell / Up-Sell

2



- Predictive cross-sell/up-sell lead generation, product recommendation engines & customer analytics

3 Retention & Commercial Levers

3



- Dynamic pricing optimization engine, digital self-service, automated renewals & product usage analytics

REORIENT TO
CUSTOMERS

Our Capabilities will Enable us to Provide More Value to More Customers



Easier to do business with

- Streamlined sales operations
- Commercial simplification
- End-to-End digital customer experience



Understand & target customers better

- Advanced customer analytics
- Enhanced lead generation
- Operationalized market map & resource allocation



More customers who buy more products

- Increased cross-sell across large segments
- Increased retention
- Better price realization
- Acquire new customers

Enabling Sustainable & Scalable Growth

Key Takeaways

RUN LEANER

A clear pathway to drive down Corporate costs by 2020

SHIFT FROM CONTENT TO SOFTWARE

Accelerating shift from content to content-enabled software

REORIENT AROUND THE CUSTOMER

Building capabilities to provide more value to more customers





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TAX PROFESSIONALS

Charlotte Rushton
President, Tax Professionals

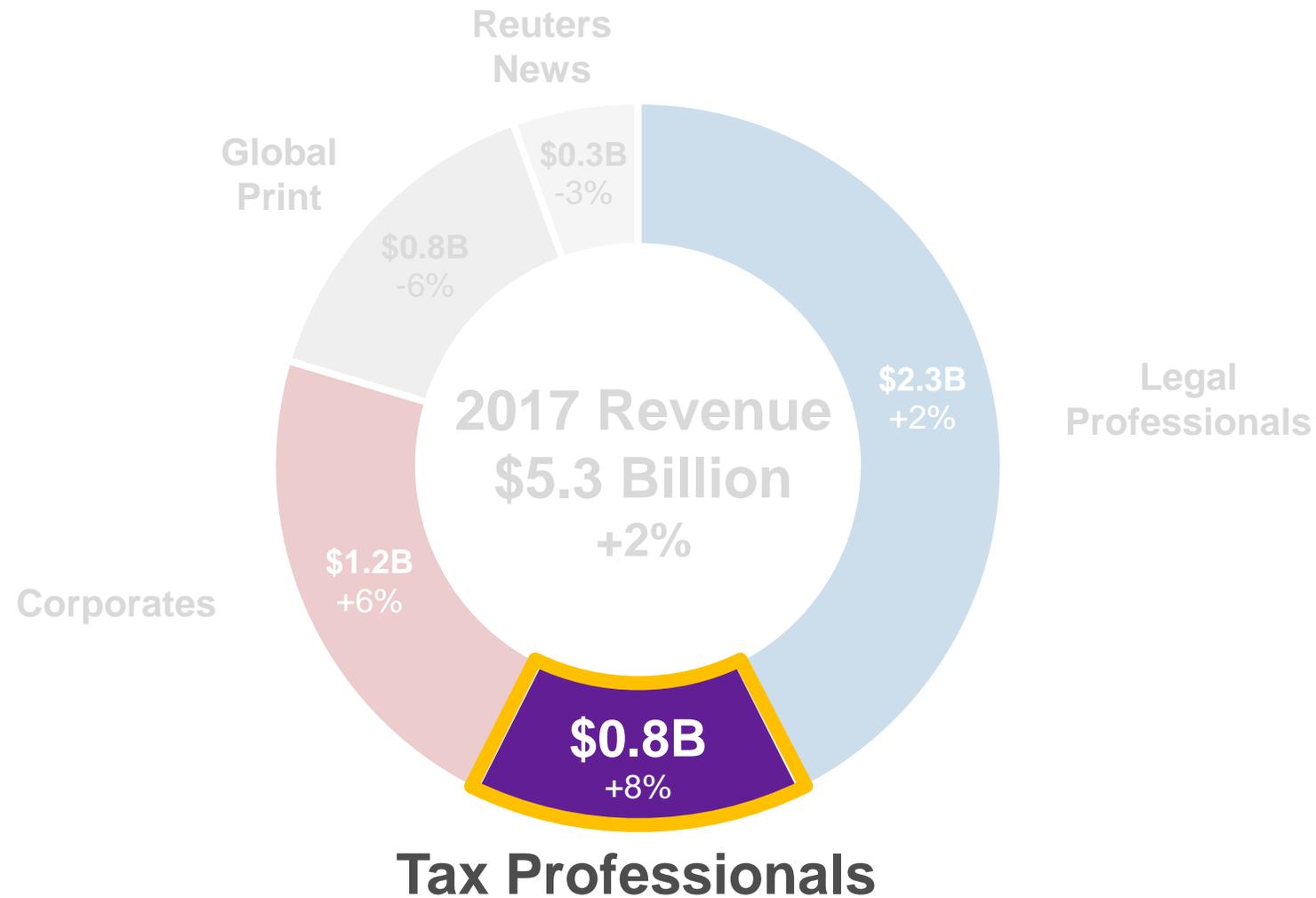
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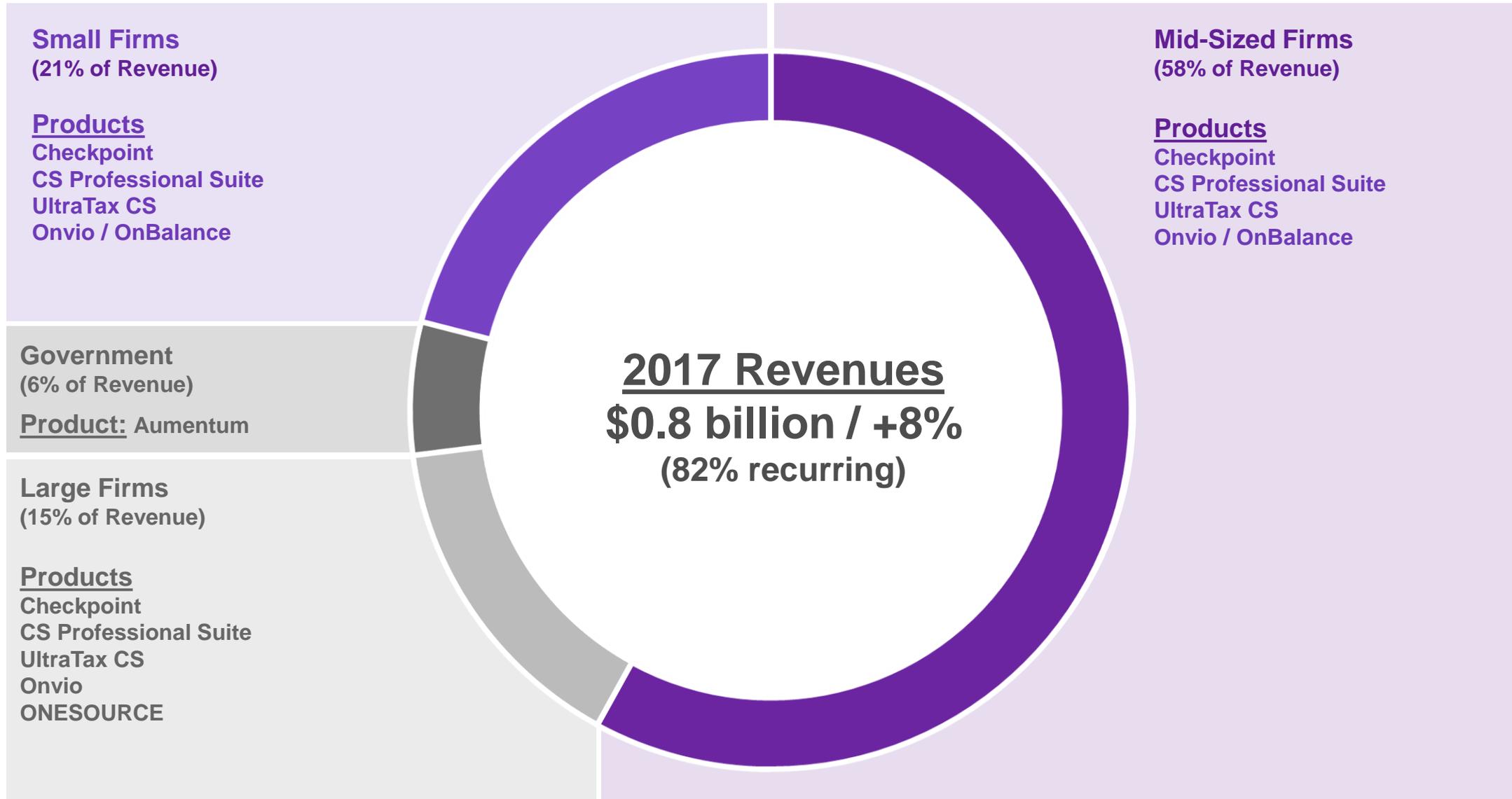


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Tax Professionals Segment



Tax Professionals Segment Revenues



Tax Professionals Segment

Products, Position & Business Strengths

Our solutions simplify the lives of tax & accounting professionals
Our research & software solutions help tax & accounting practitioners deliver tax compliance, accounting, audit & payroll services to individuals & organizations

Checkpoint

Onvio / CS Professional Suite

Aumentum

Description

- Integrated tax, accounting & audit online research solution
- Streamlines customer workflow with integrated research, editorial insight, productivity tools, online learning & news updates

- Most comprehensive line of tax, accounting & audit solutions available
- Includes UltraTax CS, the leading tax preparation & compliance software relied on by tax professionals
- Our next generation cloud solution, Onvio, brings cloud benefits to our customers, improving efficiency with advanced client collaboration and centralized data

- Integrated software solution for governments to manage property rights and land use taxation

Position

#1

#2

#7

Target Customer

Accounting firms, corporations, international trade professionals, law firms & governments

Accounting firms

Government

Pricing Model

Subscription

Subscription

Subscription

2017 Retention

87%

90%

94%

Tax Professionals Segment

Key Highlights

Attractive End Markets

-  Est. \$6B global market segment
-  Est. 4-5% market segment growth
-  Historically stable, recession-resistant
-  Customer workflows prime for innovation



Leadership Position

-  #1 position in the US & Latin America market segment
-  82% recurring revenue
-  89% retention
-  Best in class solutions essential to our customers' workflow
-  Strength in depth with ~114,000 customers



Focused on Accelerating Growth

-  70% software concentrated business focused on improving customer productivity & moving to cloud
-  Targeted organic & selective inorganic investment to supplement growth
-  Innovation initiatives integrating AI & data analytics into our tax focused solutions
-  Digital investments to reach broader customer base, especially the long tail

Tax Professionals Segment

Market Segment & Top Competitors

Operate in an est. \$6B global market segment serving Tax, Audit & Accounting Professionals & Government Customers challenged to keep up with a changing regulatory environment & new technologies

Global Addressable Market Segment

Est. \$6B Market Segment
Growing 4-5%



Key Trends & Customer Implications

Changing Regulatory Environment

Changing regulations, tax simplification initiatives and digitization of tax filing

Advanced Technologies

Artificial Intelligence automating core compliance & audit work

New Business Models

Customers shifting to more business advisory services work

Top Competitors

Combined Content & Software



Software-focused

intuit

DrakeSoftware



sage



Content-focused

Bloomberg
BNA

Software disruptors



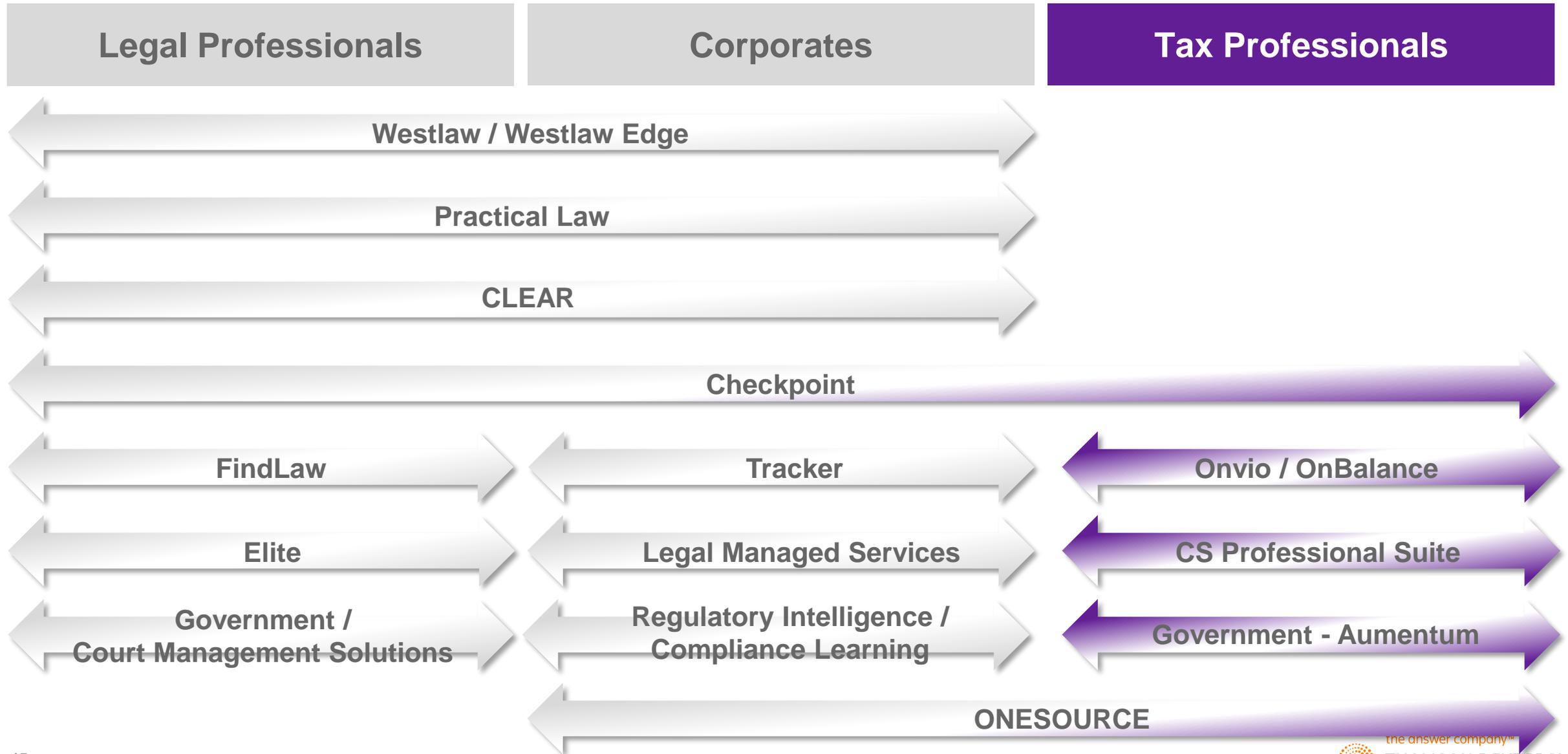
canopy



Tax Professionals Segment Customers

Segments	Top Customers	Customer Dynamics
Large Firms (30+ professionals)		<ul style="list-style-type: none"> • Offer breadth of premium accounting services to diverse client base • Need solutions that can deal with more complex customer scenarios • Need help innovating to keep up with the Big 4
Mid-Sized Firms (4-29 professionals)		<ul style="list-style-type: none"> • Dependent on software to do their tax, accounting & audit work • As automation continues, looking to diversify their service offerings • Increasingly interested in the benefits of the cloud & other new technologies
Small Firms (1-3 professionals)		<ul style="list-style-type: none"> • Little time or resources to think strategically about firm growth • Majority of client base is consumers / individuals • Challenged with busy season compression
Government	<ul style="list-style-type: none"> • Riverside Co. • Gwinnett Co. • Tarrant Co. 	<ul style="list-style-type: none"> • Government tax professionals who assess & collect property taxes • Customer need is to track land registration, ownership & property value

Organizing Around the Customer Product Realignment



Tax Professionals Segment

Levers to Drive Organic Revenue Growth



Onvio Cloud Software

- Deliver next gen cloud-based tax, accounting & firm management solution
- Significant customer benefits in security, mobility, collaboration & cost



Digital Channels

- Investing to increase digital sales and renewals
- Expands our reach & scale
- Increases customer options for how they transact and interact



Cross-sell / Up-Sell

- Significant % of customers buy 1 or 2 solutions – opportunity
- Expanded view of customer enables us to identify opportunity & bring greater value to customer through cross sell



Geographic Expansion

- Expand Onvio & digital channel capabilities outside US
- Tax professionals needs & cloud readiness similar across geographic boundaries

Working to Integrate Artificial Intelligence into Tax Products

Strategy to Further Improve Retention & Commercial Levers

Targeting Revenue Growth of 6% - 8% by 2020 with Gradual Margin Expansion

Tax Professionals Segment

Key Takeaways

- 1 We are the **leading solutions provider** in the US & Latin American Tax Professionals market segment
- 2 We are harmonizing our approach & knowledge of the customer is **unlocking additional opportunity**
- 3 Change is on the horizon in this industry
 - Keeping up with regulatory change & new technologies are key **customer challenges where we can help**
- 4 We have **attractive growth opportunities** to expand our solutions footprint & grow in underpenetrated market segments
- 5 We see a path to drive **mid-single digit organic revenue growth by 2020 with gradual margin expansion**



THOMSON REUTERS CORPORATES

Piotr Marczewski
President, Corporates

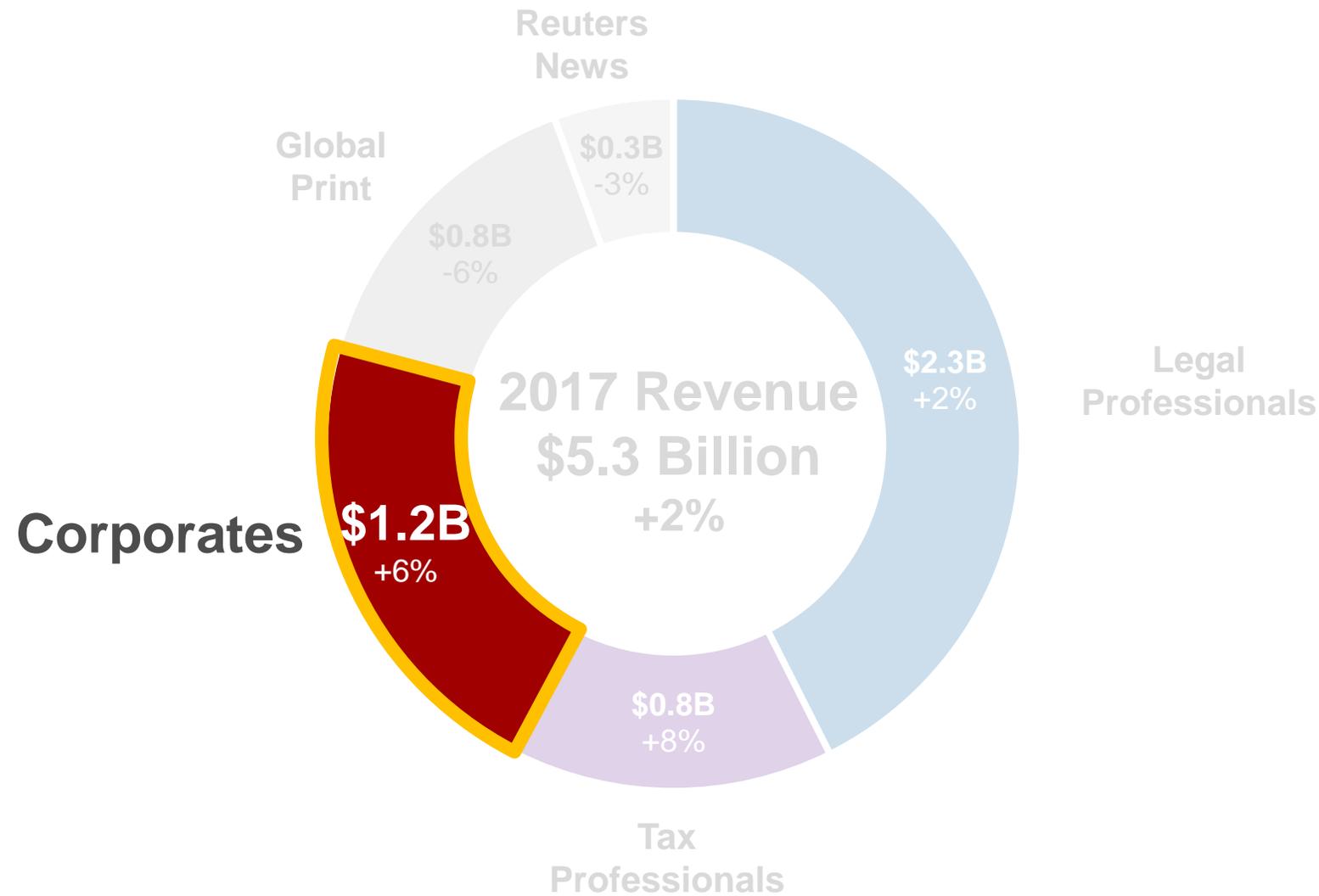
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Corporates Segment



Corporates Segment Market Segment & Top Competitors

We help our customers succeed in a fast growing global market segment

Global Addressable Market Segment

Est. \$14B Market Segment
Growing 5-6%



Key Trends & Customer Implications

Greater Regulatory Complexity → Electronic compliance
e.g., tax filing, e-invoicing

Technology Advancement → Cloud computing, data
analytics, AI

Changing Business Models → Integrated platforms,
legal operations

Evolving Global Dynamics → Supply chain pressures

Top Competitors

Traditional Competitors

 Wolters Kluwer  RELX Group

Focused Software Providers

 Avalara  MITRATECH

Large Technology Companies

 SAP  ORACLE

Big 4

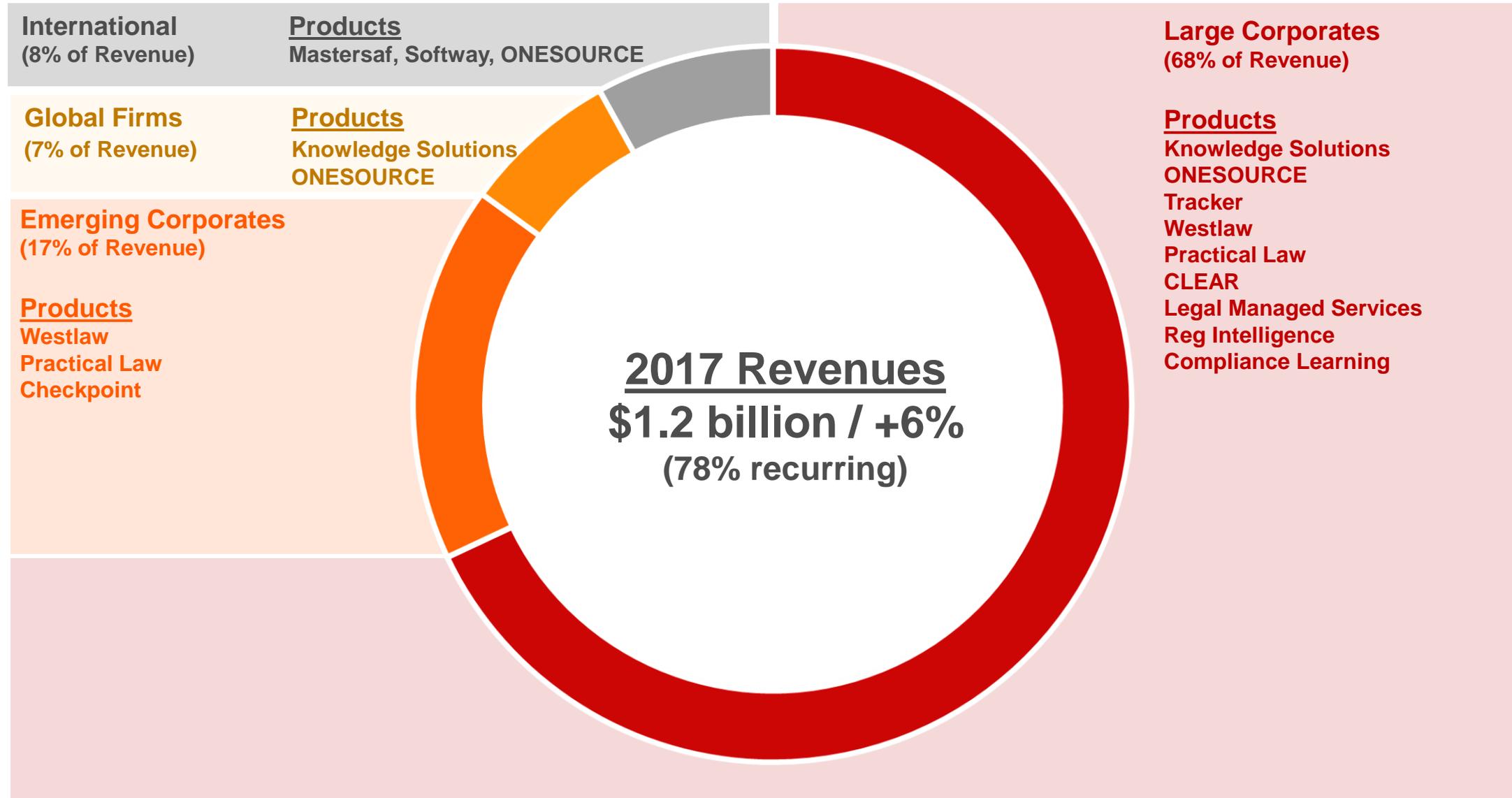
 Deloitte.  EY Building a better
working world

Corporates Segment Customers

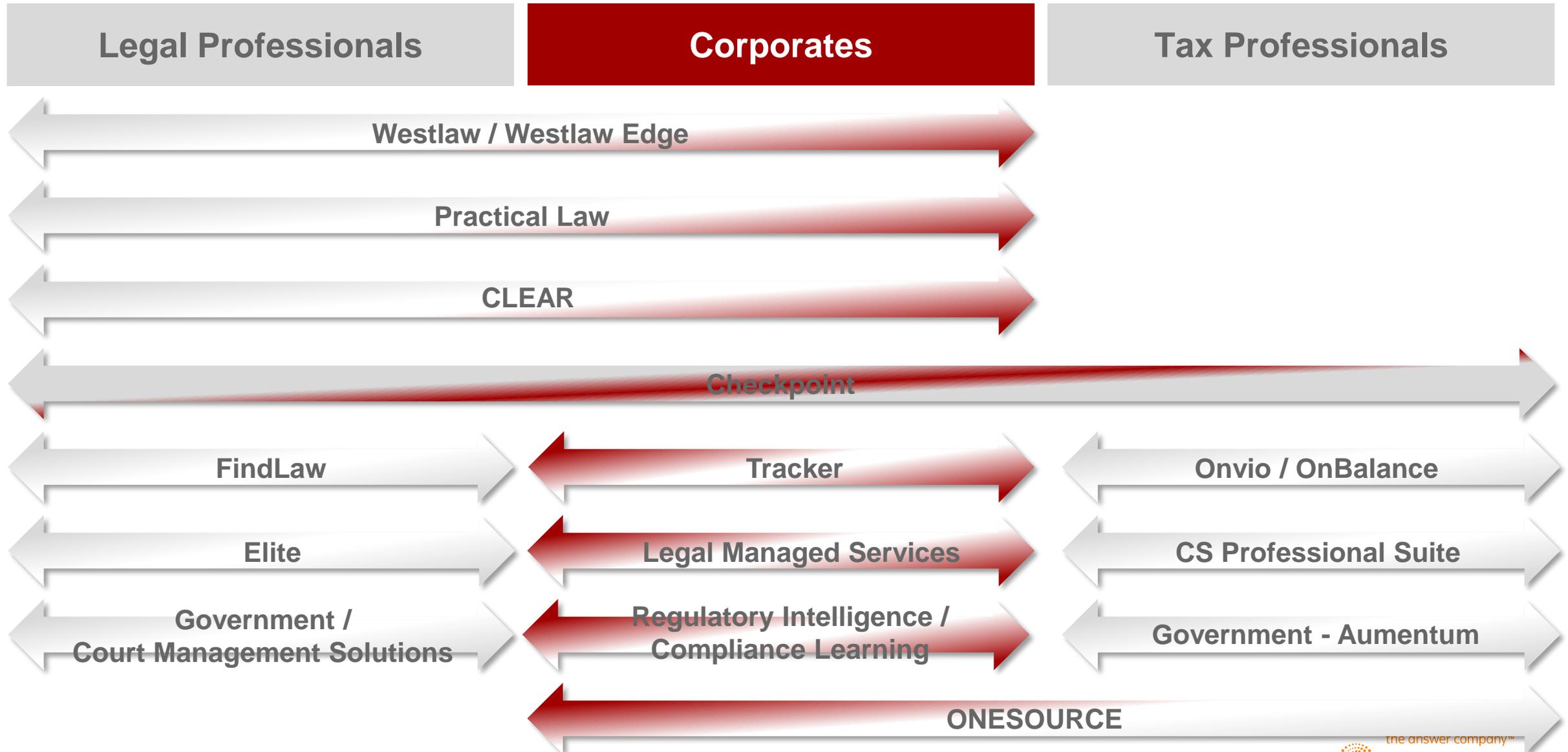
We serve diverse customer needs through segmented coverage

Segment	Top customers	Customer Dynamics
Global Firms (G7)	The Big Four	<ul style="list-style-type: none"> Investing in new technology for automation, exploring new growth verticals Utilize tax software to serve their clients Also partners, vendors & competitors
Large Corporates >\$750M of revenue		<ul style="list-style-type: none"> Need to monitor & comply with a wide range of ever-changing regulations Complex tax filings require specialized software for efficiency & accuracy Looking to better manage external legal spend, strengthen in-house capability
Emerging Accounts <\$750M of revenue		<ul style="list-style-type: none"> Legal & tax staff need to be generalists, not specialists Increasingly using software to simplify their work

Corporates Segment Revenues



Organizing Around the Customer Product Realignment



Corporates Segment

Products, Position & Model Strengths

Our products simplify the work of professionals in Corporate Tax, Legal, and Compliance

	THOMSON REUTERS ONESOURCE™	THOMSON REUTERS CHECKPOINT™	THOMSON REUTERS LEGAL TRACKER	THOMSON REUTERS Practical Law Connect
Description	<ul style="list-style-type: none"> • Global tax solution for: <ul style="list-style-type: none"> – Tax compliance – Tax provision – Transfer pricing – Trade compliance – Information reporting 	<ul style="list-style-type: none"> • Integrated information solution <ul style="list-style-type: none"> – Tax research – Editorial insight – Workflow productivity tools – Online learning – News updates 	<ul style="list-style-type: none"> • Solution for Corp Legal Ops: <ul style="list-style-type: none"> – Ext counsel spend, performance – Matter intake – Document storage, search, retrieval 	<ul style="list-style-type: none"> • Legal know-how solution: <ul style="list-style-type: none"> – Practical guidance – Primary, secondary sources – Checklists – Practice areas: Antitrust, M&A, Labor, Employment, IP, etc.
Position	#1	#1	#2	#1
Target Customer	<ul style="list-style-type: none"> • Corporate Tax Departments • Global Accounting Firms 	<ul style="list-style-type: none"> • Corporate Tax Departments 	<ul style="list-style-type: none"> • General Counsels • Legal Operations 	<ul style="list-style-type: none"> • General Counsels • Legal Operations
Pricing Model	Subscription	Subscription	Subscription	Subscription
2017 Retention	92%	87%	91%	90%

Corporates Segment Key Highlights

Attractive End Markets



Leadership Position



Focused on Accelerating Growth

 Est. \$14 billion global market segment

 Deep relationships with 93,000 customers

 Bringing more value to customers across workflows

 Est. 5-6% market segment growth

 Content-enabled software for corporate legal, tax, compliance

 Innovative solutions: Practical Law Connect, Data Privacy Advisor

 Historically stable, recession-resistant

 #1 position in US and Canada

 Targeted investment to supplement growth

 Primed for innovation

 78% recurring revenue
89% retention

 Extend reach through Partner and Digital channel

Corporates Segment

Path to Sustainable High Single Digit Growth



Grow Within Departments

- Optimize Tax workflows with ONESOURCE suite
- Enhance legal research workflow with Practical Law Connect
- Accelerate Tracker adoption to manage external legal spend



Grow Across Departments

- Corporates procuring only Tax solutions have unmet needs in Legal departments
- Empower go-to-market teams with holistic proposition for Tax, Legal, and Compliance needs



Partners & New Customers

- Tax & trade compliance is linked to data in ERP systems
- Compliance and legal departments utilizing Global 7
- Partner with ERPs, Global 7 Firms to reach new customers

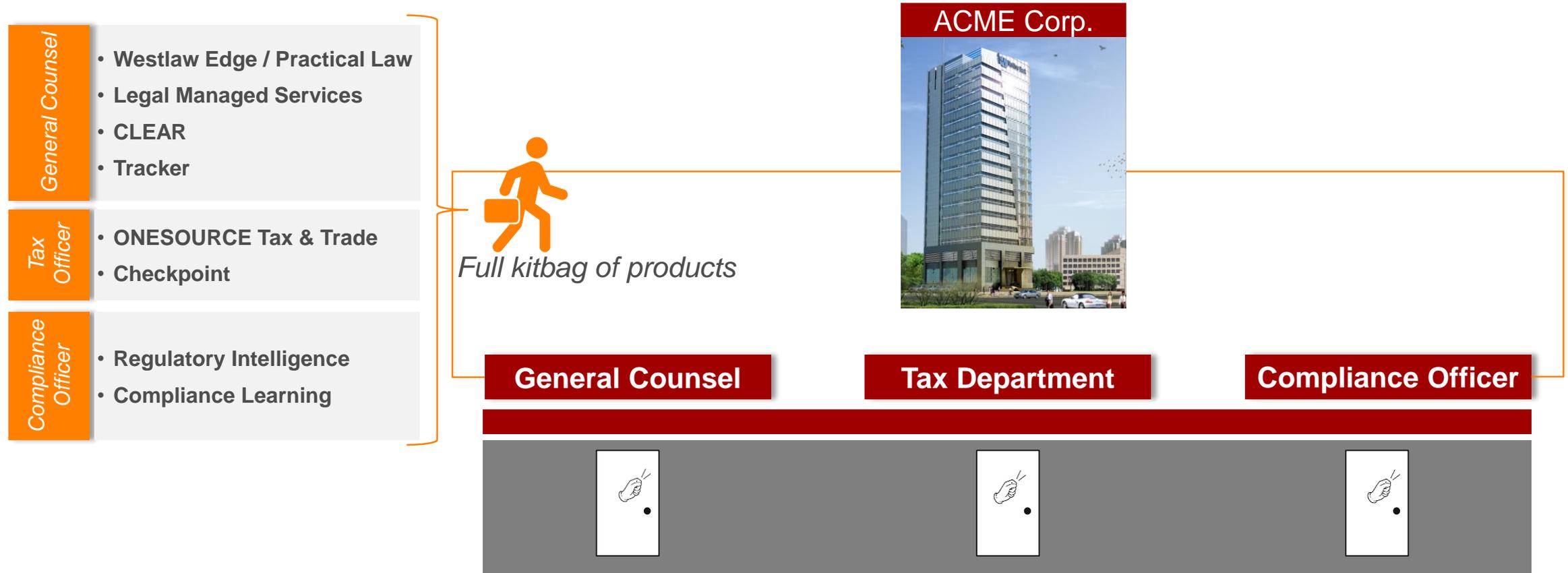
Further Improve Retention & Commercial Levers

Deliver in the Cloud and through Digital Channels

Targeting Revenue Growth of 6% - 8% by 2020 While Growing Margins

Corporates Segment

Cross-selling Opportunities with Corporate Customers



- 1** Account executive individually contacts all Corporate departments that would benefit from TR products
- 2** TR product specialists follow up with interested departments

Corporates Segment

Key Takeaways

- 1 Continued **enforcement** and **changes to regulatory frameworks** drive continued growth in our markets
- 2 We are the **leading provider of Tax, Legal & Compliance** technology solutions to a broad base of Corporate customers, with a **compelling value proposition**
- 3 We see **growth opportunities** by providing more value to our current customers across professional workflows & acquiring new customers
- 4 We are driving toward **mid-single digit organic growth** by executing on cross-sell, new customer acquisition & customer retention



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LEGAL PROFESSIONALS

Brian Peccarelli
Co-Chief Operating Officer

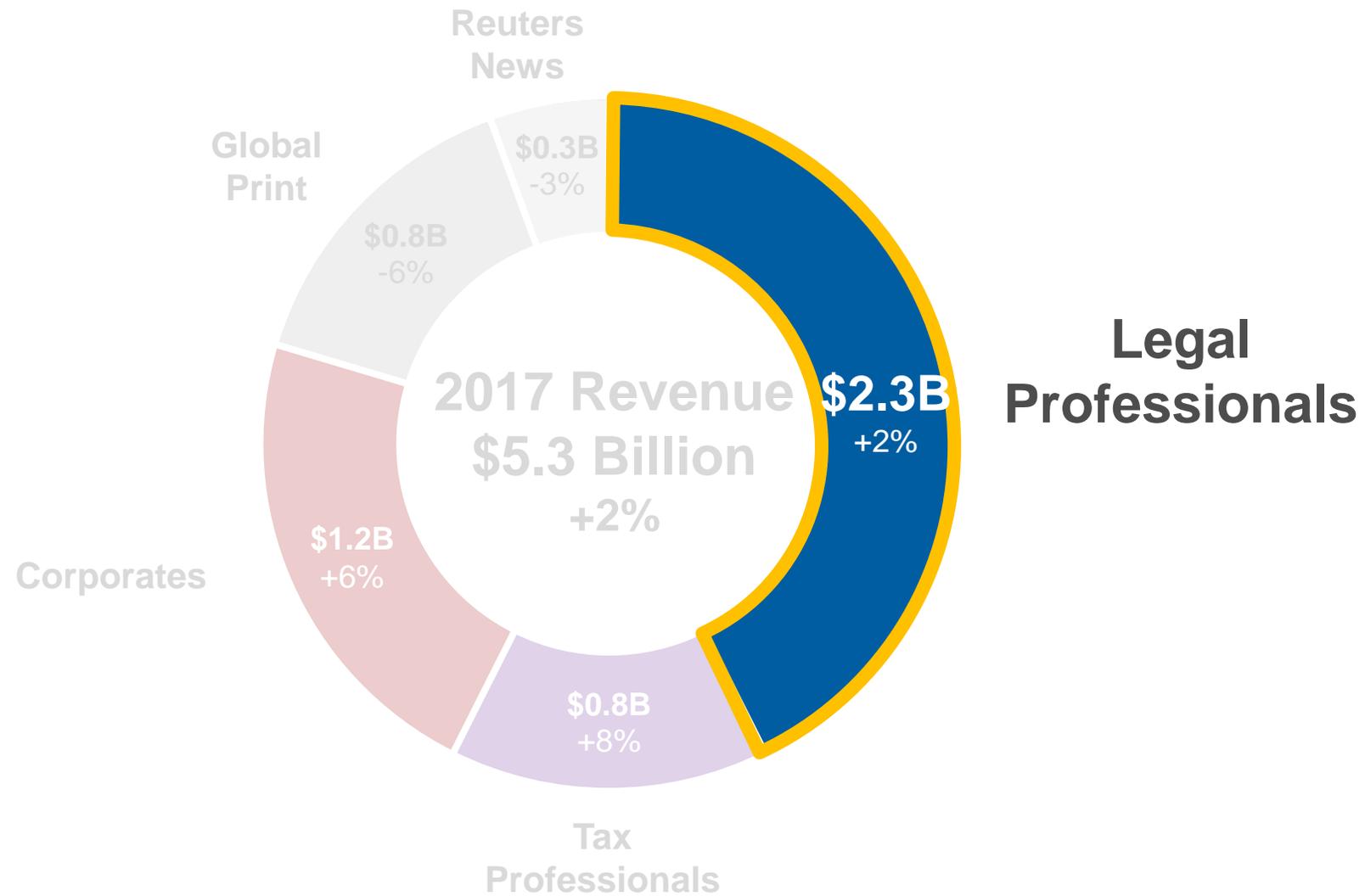
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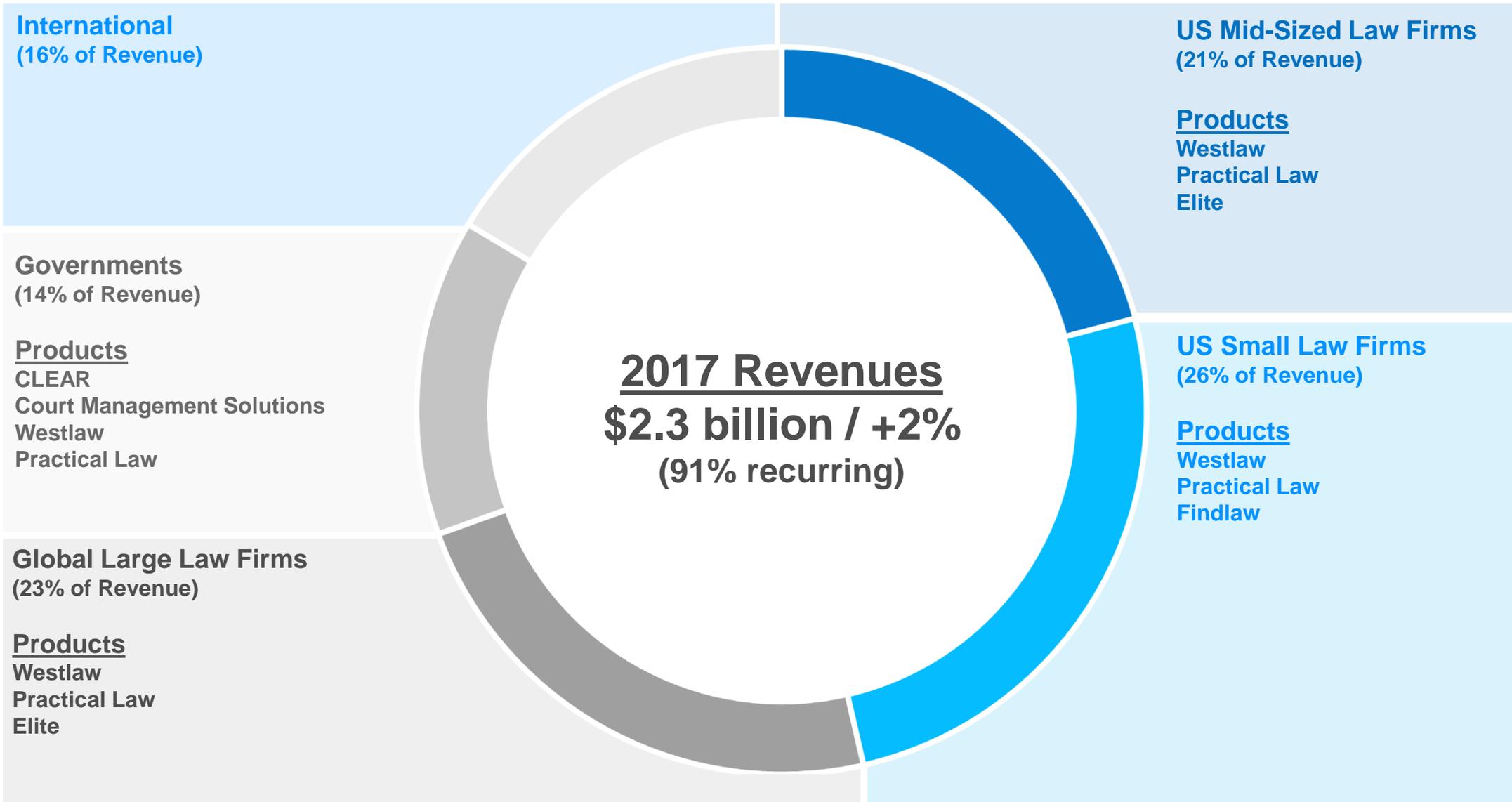


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Legal Professionals Segment



Legal Professionals Segment Revenues



Legal Professionals Segment

Products, Position & Model Strengths

We help customers practice law & manage their practice with leading solutions powered by content, software & domain expertise leading to high retention due to deep & broad industry knowledge, proprietary databases & deeply embedded workflow tools & analytics

	Westlaw	Practical Law	CLEAR	FindLaw®	THOMSON REUTERS ELITE
Description	<ul style="list-style-type: none"> Primary online legal research delivery platform Offers authoritative content, search, research organization & team collaboration Finds & shares specific points of law & analytical commentary 	<ul style="list-style-type: none"> Practice notes, standard documents, checklists & What's Market tools Areas include commercial, corporate, labor, employment, IP, finance & litigation 	<ul style="list-style-type: none"> Public & proprietary records about individuals & companies Tools for immediately usable results 	<ul style="list-style-type: none"> Online legal directory, website creation & hosting services Law firm marketing solutions & peer rating services 	<ul style="list-style-type: none"> Integrated software applications that assist with business management Covers financial, practice, matter, document & email, accounting, billing, timekeeping & records
Position	#1	#1	#2	#1	#1
Target Customer	Law firms, students, law librarians, government agencies, trademark professionals	Law firms, government agencies	Government, law enforcement & law firms	Law firm professionals, marketers & consumers	Law firm & professional services, legal, finance & technology professionals
Pricing Model	Subscription	Subscription	Subscription	Subscription	Software License + Maintenance Subscription for cloud versions
2017 Retention	93%	91%	85%	74%	96%

Legal Professionals Segment

Key Highlights

Attractive End Markets

- Est. \$12B global market segment
- Est. 3-4% market segment growth (lower growth legal research & higher growth software)
- Historically stable, recession-resistant
- Prime for innovation



Leadership Position

- #1 position in the US, UK, Canada & Australia, New Zealand
- 91% recurring revenues
- 90% retention
- Unmatched reputation & credibility with customers
- Strength in depth with ~250,000 customers



Focused on Accelerating Growth

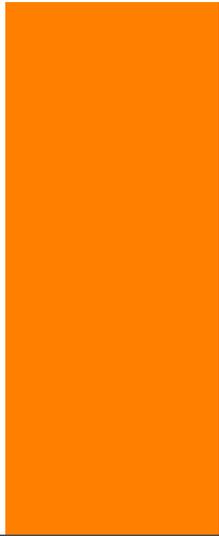
- Targeted organic investment & selective inorganic to pursue growth
- AI enhanced products
- Non-jurisdictional software solutions in growth markets
- Reimagining & streamlining Legal workflows

Legal Professionals Segment Market Segment & Top Competitors

Operate in large market segment helping customers operate efficiently despite significant transformation

Global Addressable Market Segment

Est. \$12B Market Segment
Growing 3-4%



Key Trends & Customer Implications

Advanced Technologies

AI, data analytics, blockchain, cloud computing – interest & adoption rising

Changing Regulatory Environment

Deregulation of legal market / ownership, increased privacy regulations & Brexit

New business models

Pressure to lower prices, adopt alternative pricing structures, new emerging competitors

Top Competitors

Traditional Competitors

 LexisNexis®

 Bloomberg
BNA

 Aderant

 Wolters Kluwer

Start-ups

 kira

 eBREVIA
Intelligent contract analytics

 Avvo
Legal. Easier.

 Luminance

 ROCKETLAWYER

 Clio®

*Hundreds of legal tech start-ups
addressing narrow productivity niches*

We have the broadest & most complete set of solutions for legal professionals
Unparalleled legal content - access to law firms - at the forefront of rolling out new generation technologies

Legal Professionals Segment Customers



Organizing Around the Customer Product Realignment



Legal Professionals Segment

Levers to Drive Organic Revenue Growth



Expand Digital Capabilities

- Reach new customers in a cost-effective manner with tailored propositions (small law)
- Improved customer experience through digitally-facilitated renewals & self-service options



Cross-sell / Up-sell Existing Customers

- Large majority of customers buys 1-2 products
- Provide more value with expanded suite of solutions
- Up-sell customers to new solutions (Westlaw Edge, Elite 3E)



Grow Government Business

- Expand presence in high-growth market segments - Investigative & Fraud, Waste & Abuse
- Further expand in government legal market segment with AI-powered Westlaw Edge & government-specific content



Further Enhance Customer Relationships

- Traditional sales channels aligned to customer segments
- Improved customer experience with centralized point of contact
- Co-innovation with larger customers

Continue expanding product offering to productivity-enhancing solutions (workflow, automation, etc.)

Further Improve Retention & Commercial Levers

Targeting Revenue Growth of 4% - 5% by 2020 with Gradual Margin Expansion

Legal Professionals Segment

Key Takeaways

- 1 We have the **leading position** in the Legal Professionals market segment with **industry-leading margins**
- 2 We are **leading the way in introducing AI & other new technologies** & expanding our product offerings in areas that enable greater productivity by our customers
- 3 Our **customers are looking to adopt technology solutions** to enable more productivity & quality of service to their clients
 - We are well positioned to help our customers navigate the industry transformation
- 4 Our new organization opens up **growth prospects** by expanding our customer base & strengthening relationships with our customers

Westlaw Edge

Andy Martens
Global Head of Product & Editorial - Legal



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FINANCIAL PERSPECTIVE

Stephane Bello - Chief Financial Officer
Mike Eastwood – SVP Corporate Finance

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Financial & Risk Recap – An Eventful Decade...

April 17, 2008
Reuters
Acquisition



~\$17B
50% cash
50% stock

2008 – 2011 Numerous Challenges

- Macro**
- Global financial crisis of 2008
 - Bank closures and downsizings pressure revenue
 - Asset Management under pressure

- Company-Specific**
- Significant transformation efforts:
 - Restructured sales force
 - Began move towards unified platform
 - Began reducing number of products
 - Complex Dual Listed share structure

2011 Organic Revenue Growth: +1%
2011 Adj. EBITDA Margin: 27.0%

'08 – '11
FCF: ~ \$3.6 billion

2012 - 2017 Turnaround Years

- Company-Specific**
- Fixed Eikon & began migrations off legacy platforms
 - Migrated Reuters 3000extra
 - Closed Bridge platform
 - Closed MPLS/BON network
 - Built new FX platform
 - Migrated Asset Mgmt clients to Eikon
 - Significantly reduced costs
 - Raised margin from <25% in 2013 to >30% in 2017
 - Ramped up investment in Risk assets
 - Filled product gaps with acquisitions of FXall, Clariant & Avox

2018 Organic Revenue Growth: +3%*
2018 Adj. EBITDA Margin: 33.4%**

'12 – '17
FCF: ~ \$5.2 billion

Oct 1, 2018
REFINITIV

Blackstone
Partnership



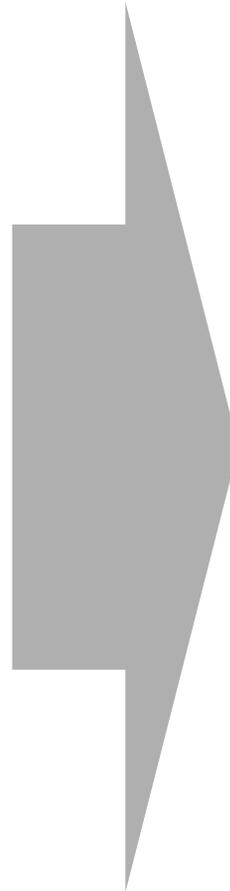
~\$17B cash
45% equity stake in
Refinitiv

* Organic Growth: 2018 represent YTD results (first 3 quarters)
** Margin excludes separation costs

The Refinitiv Partnership with Blackstone

What we said

1. Blackstone is a strategic partner – with deep understanding of financial services ecosystem
2. Strong relationships in Financial Services industry
3. Can drive further cost efficiencies
4. A platform to build upon –
Repositions the financial business for growth in a consolidating industry



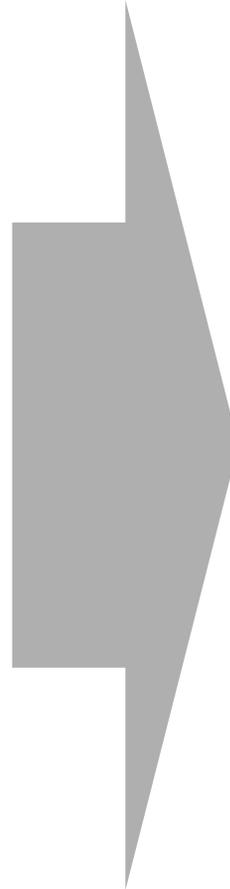
Where Refinitiv is today

1. **Goal: Accelerate revenue growth by**
 - Improving retention
 - Driving commercial price discipline
 - Investing in key growth areas
2. **3% organic revenue growth YTD 9/30/18**
3. **Refinitiv believes it can achieve a cost savings run rate of up to \$650 million by the end of 2020**
4. **Anticipate further industry consolidation**
 - Blackstone has capacity and flexibility to invest for the long-term – organically and inorganically

The “New” Thomson Reuters

What we said

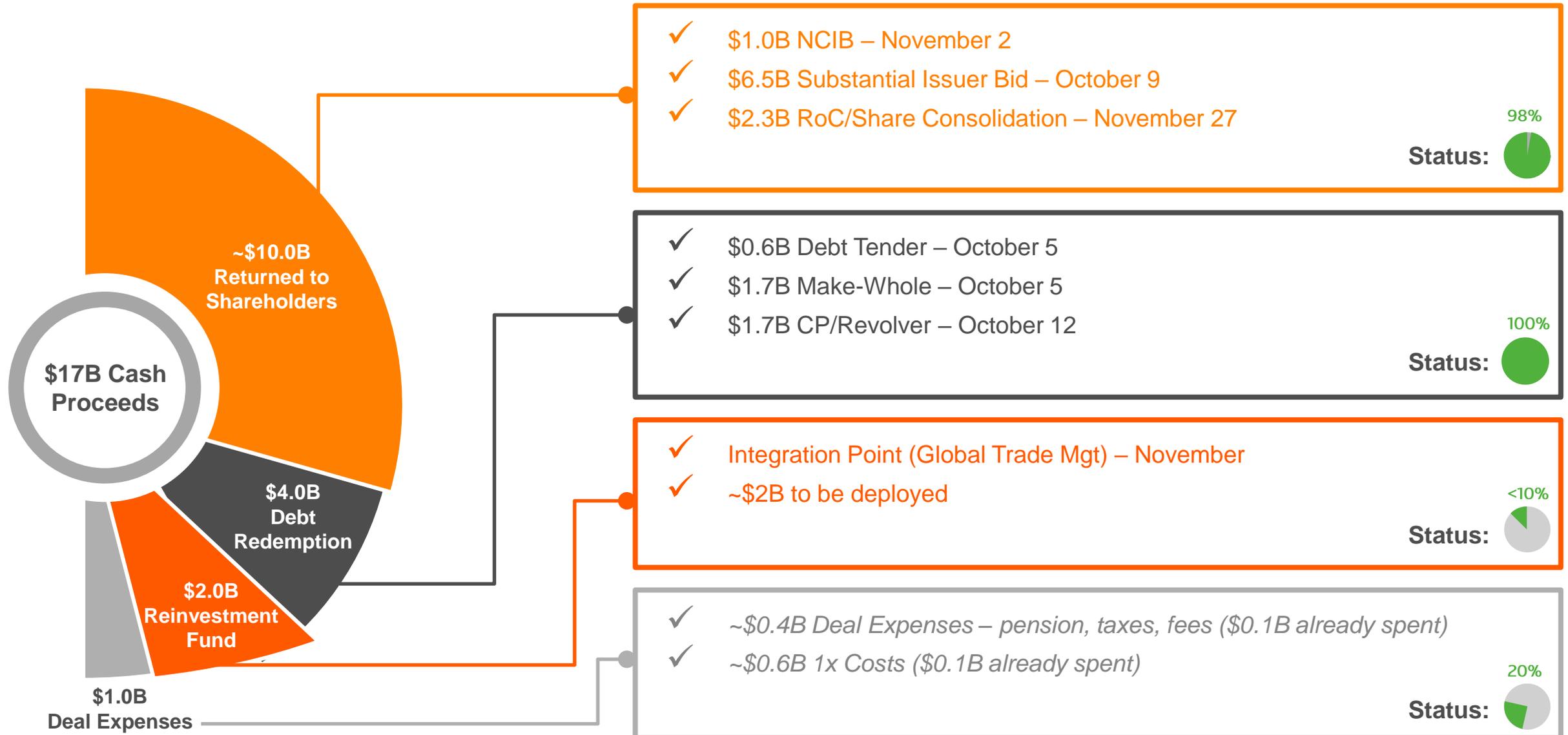
- 1. Greater focus on leading positions we have in Legal and Tax businesses**
- 2. Accelerate organic revenue growth:**
 - Exploit digital channels to improve access of small law & accounting firms
 - Further target the fast growing corporate customer segment
- 3. Reduce “stranded costs” to \$50M and further accelerate operational improvements in Business Units**
- 4. Well capitalized with significant capacity for organic and inorganic investment**



Where we are today

- 1. New structure – 3 core customer segments**
- 2. 3% organic revenue growth in Q3 (strongest level since Q1 '16)**
 - Corporate segment established
- 3. On track to achieve “stranded costs” target**
- 4. Evaluating acquisitions in core businesses**
 - \$2 billion investment fund
 - Net debt to Adj. EBITDA ratio of ~ 1.9x

Allocation of \$17 Billion Cash Proceeds



Capital Strategy Principles

Thomson Reuters approaches capital management and balance sheet strength in a consistent and disciplined manner

- Capital Strategy is as critical as the business strategy
- Key element in supporting and growing our businesses
- Disciplined approach is consistent with how we drive and operate the business

Maintain a Strong / Stable Capital Structure with Ample Liquidity

Target Solid Investment Grade Credit Rating

Balance Investing in Business and Returning Capital to Shareholders

Maintain Financial Flexibility

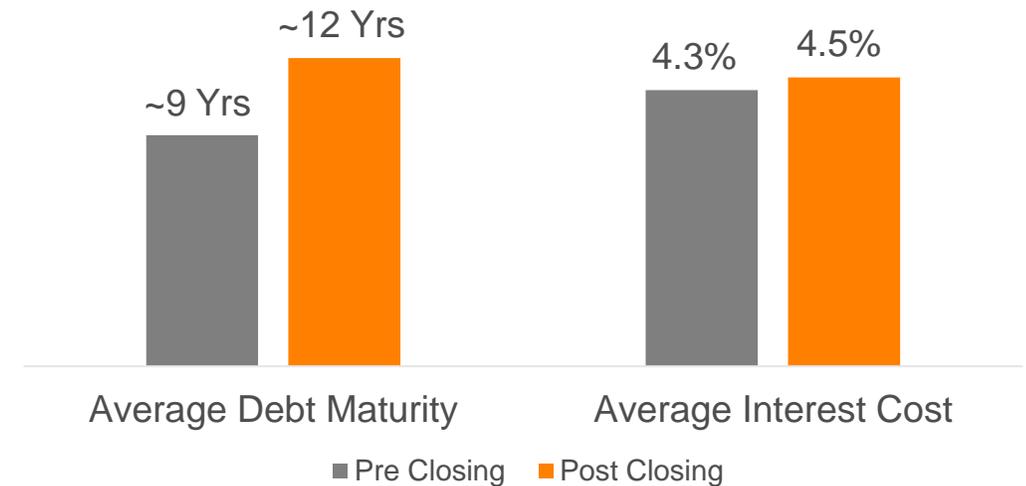
Relentless Focus on FCF Per Share

Strong Capital Structure

\$4 Billion of Debt Repaid
Leverage Ratio 1.9x (Net Debt / Adjusted EBITDA) - below 2.5x target
~\$2 Billion of Cash on Balance Sheet

Debt Repayments:

Repaid CP/revolver	\$1.7B
Redeemed 2019 & 2020 bonds	\$1.7B
Tender for bonds	\$0.6B
Total:	\$4.0B

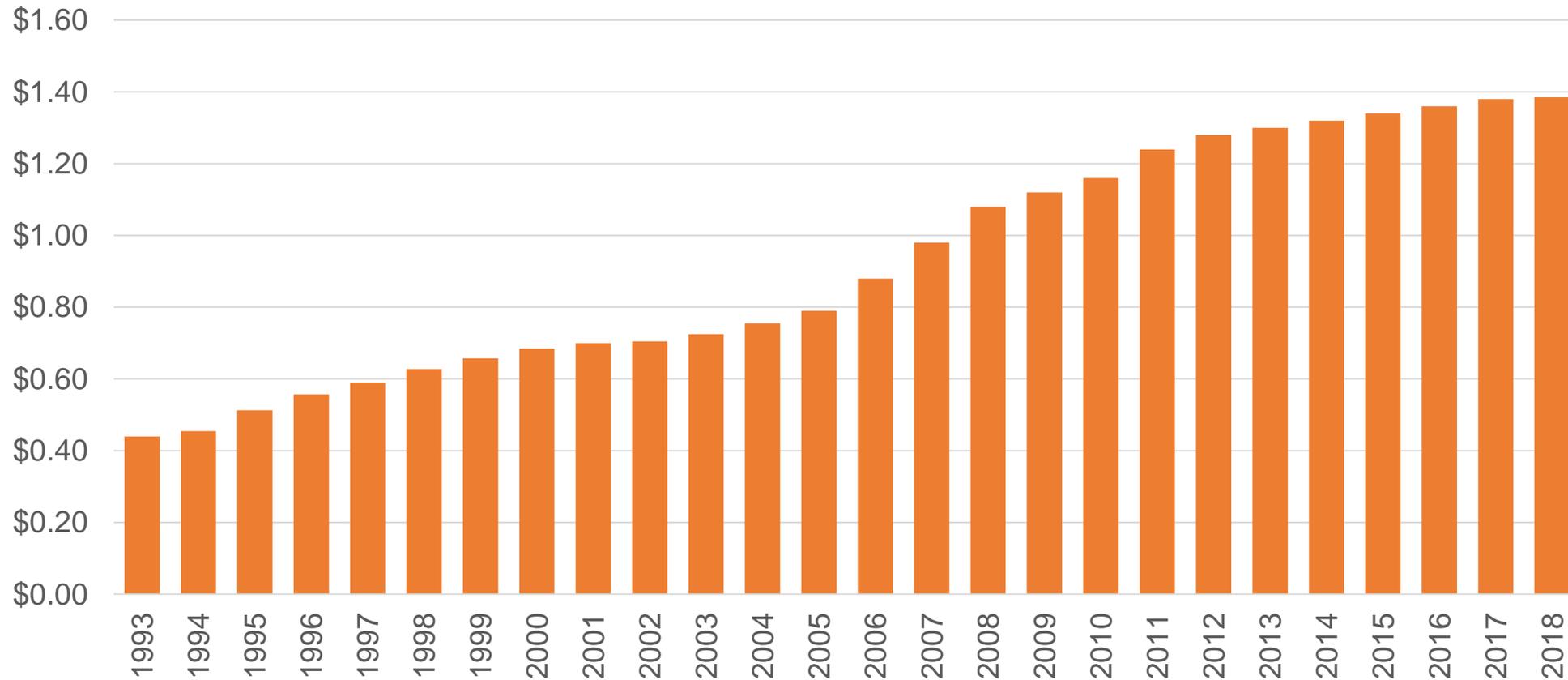


- **Conservative debt portfolio profile**
 - Annual maturities < \$700 million
 - No maturities until 2021

Long Standing History of Returning Cash to Shareholders

25 Consecutive Years of Annual Dividend Increases

Annualized Dividend per common share



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3. 2020 Targets

“New” TRI vs. “Old” TRI

3 Key Questions

1 How fast can TRI overcome the loss of FCF/share resulting from the Refinitiv partnership with Blackstone?

2 What is the value of our 45% stake in Refinitiv?

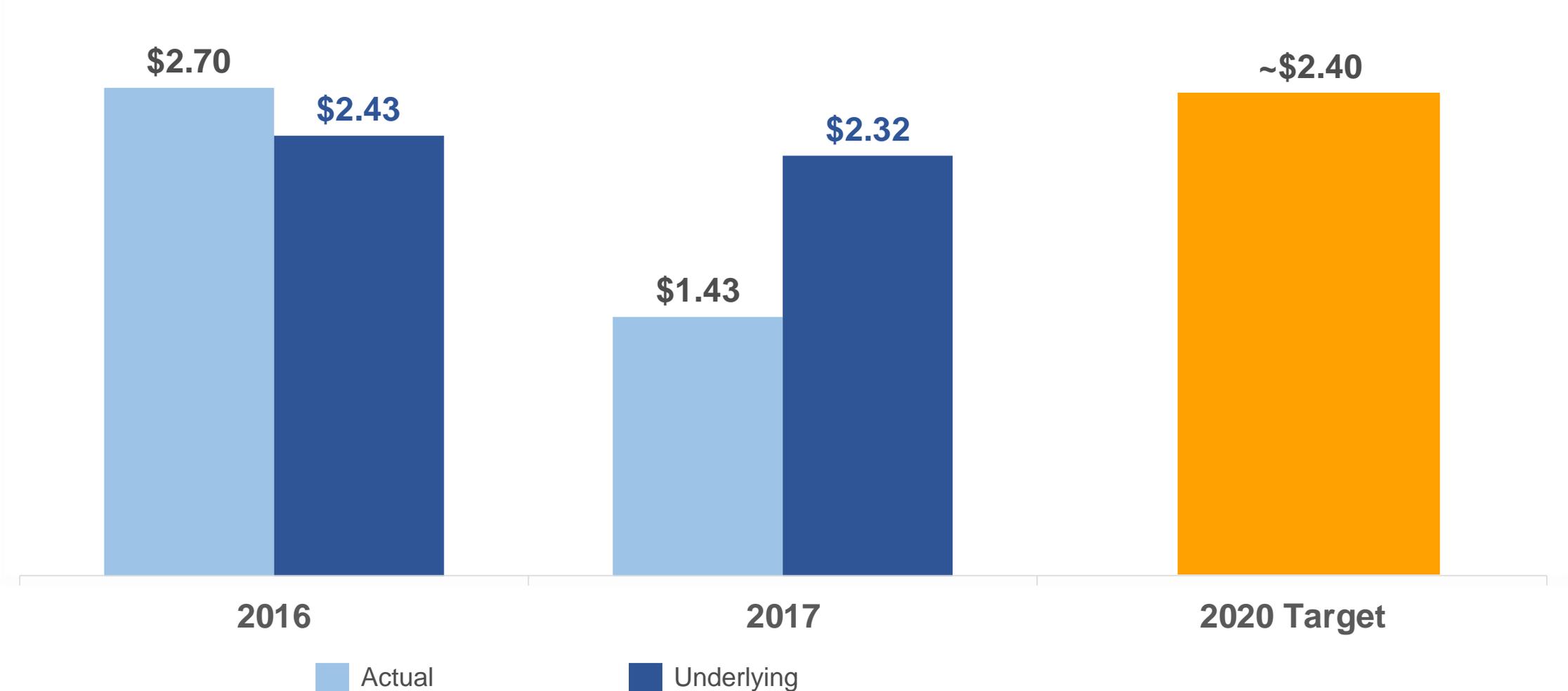
3 Can we accelerate the growth profile of “New” TRI?

Note: Free Cash Flow per Share is a performance metric used in Thomson Reuters Long Term Incentive Plan

**How Fast can TRI Overcome the Loss of
FCF/share Resulting from the Refinitiv Partnership with
Blackstone?**

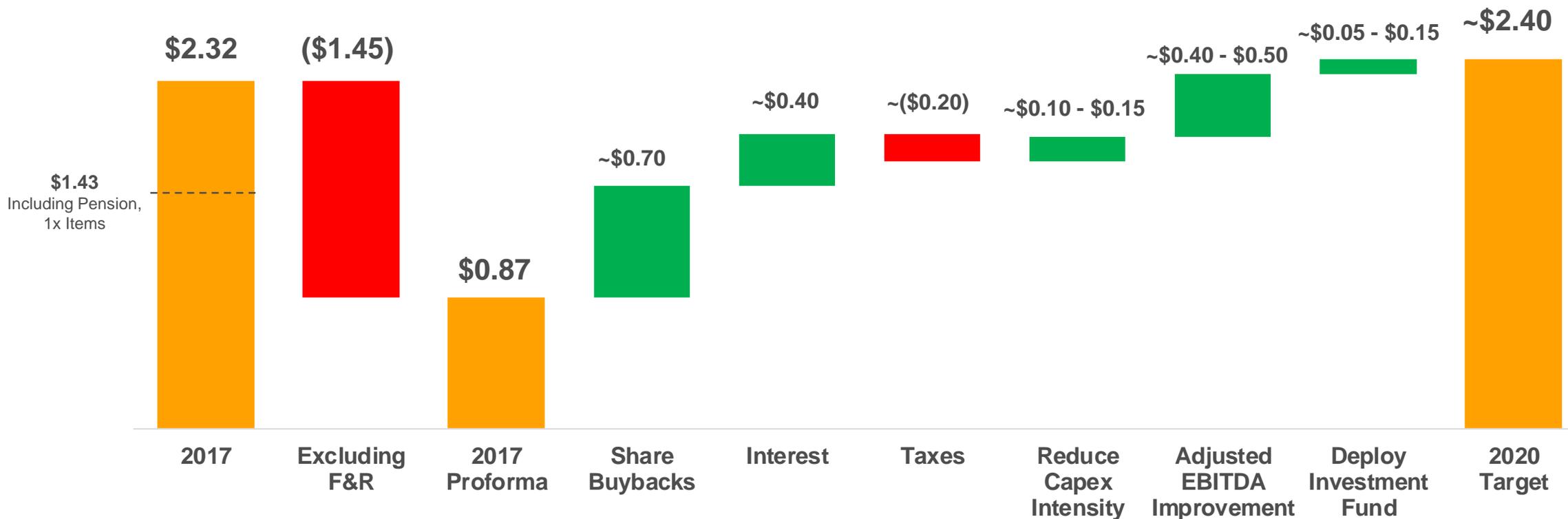
Underlying FCF Per Share - 2016 to 2020

Can “New” TR achieve record FCF / Share by 2020?



Drivers of Target FCF Per Share Growth - 2017 to 2020

Completion of F&R Transaction is expected to add an additional ~ \$1.10
 Reducing Capital Intensity (10% => 7.5%) is expected to generate ~ \$0.10 - \$0.15
 Adj. EBITDA improvement from Revenue growth is expected to generate ~ \$0.40 - \$0.50
 Deployment of \$2B Investment Fund is expected to add ~ \$0.05 - \$0.15



Drivers of Variance Between FCF & Adjusted Earnings

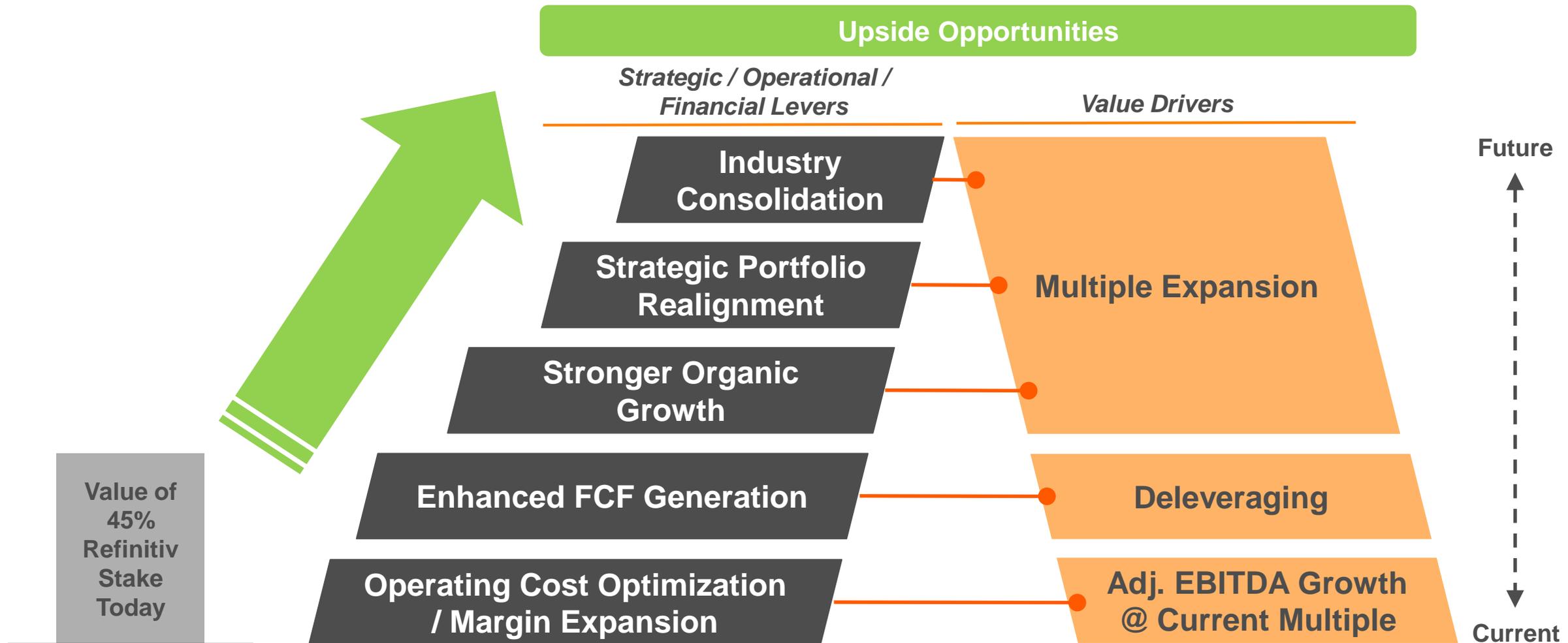
2020 FCF is expected to exceed Adjusted Earnings due to Taxes, Non-Cash Charges & Capital vs. D&A

	\$ Millions	Factors
Capital vs. D&A	~ \$130M - \$160M	<ul style="list-style-type: none"> Reduction in Capital Intensity has immediate impact on FCF (vs. Depreciation run-off) IFRS 16 changes add \$60M+ to D&A (offset by higher Adj. EBITDA)
Income Taxes	~ \$50M - \$100M	<ul style="list-style-type: none"> Effective Tax Rate projected to be ~ 20% Cash Taxes estimated at \$175M - \$200M
Non-Cash Charges	~ \$25M - \$50M	<ul style="list-style-type: none"> Pension Plan Contributions vs. Expense Employee Stock Purchase Program & Stock Incentive Plans

What is the Value of TRI's 45% Stake in Refinitiv?

Significant Value Creation Opportunity for TRI Stake in Refinitiv

We estimate that every \$1B of value attributed to the 45% stake in Refinitiv is worth ~\$2 per share to TRI



Value of 45% Stake in Refinitiv Based on Constant Multiple of 11x Adj. EBITDA

We estimate that every \$1B of value attributed to Refinitiv stake is worth ~\$2 / Share for TRI

		<i>Adj. EBITDA (\$B)</i>			
		\$1.9	\$2.1	\$2.3	\$2.5
Net Leverage	7.0x	\$7 <i>Approx. value today</i>	\$8	\$8	\$9
	6.0x	\$9	\$9	\$10	\$11
	5.0x	\$10	\$11	\$12	\$13
	4.0x	\$12	\$13	\$14	\$16
	3.0x	\$14	\$15	\$16	\$18

Assumes constant Adj. EBITDA multiple of 11x

Does the Growth Profile of “New” TRI Warrant a Higher Valuation Multiple?

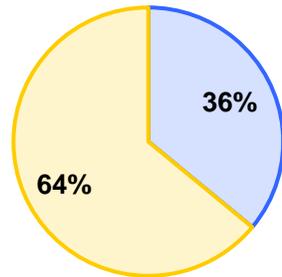
Revenue Portfolio – TRI vs Peer Group in 2010

2010 TRI, RELX and WK all had a significant portion of their total revenues in “Legal & Regulatory”

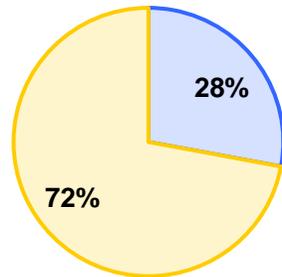
2010: % of Total Revenue

Legal and Tax & Accounting Other

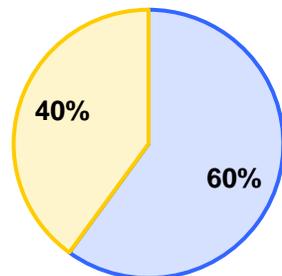
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RELX Group



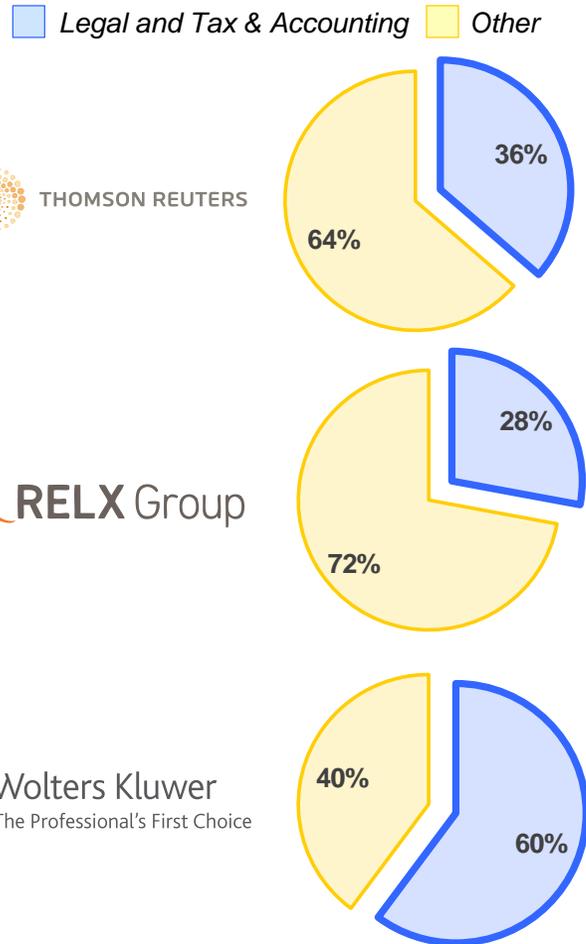
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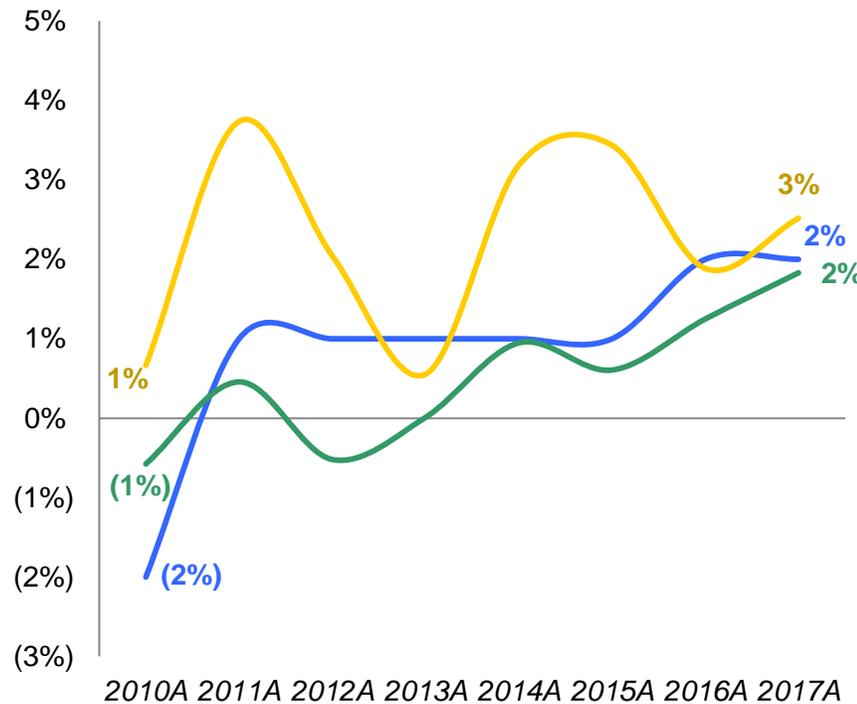
Organic Revenue Growth & Margin Comparison – Legal & Tax Segments

TRI has outperformed both RELX and WK in Legal and Tax & Accounting segments

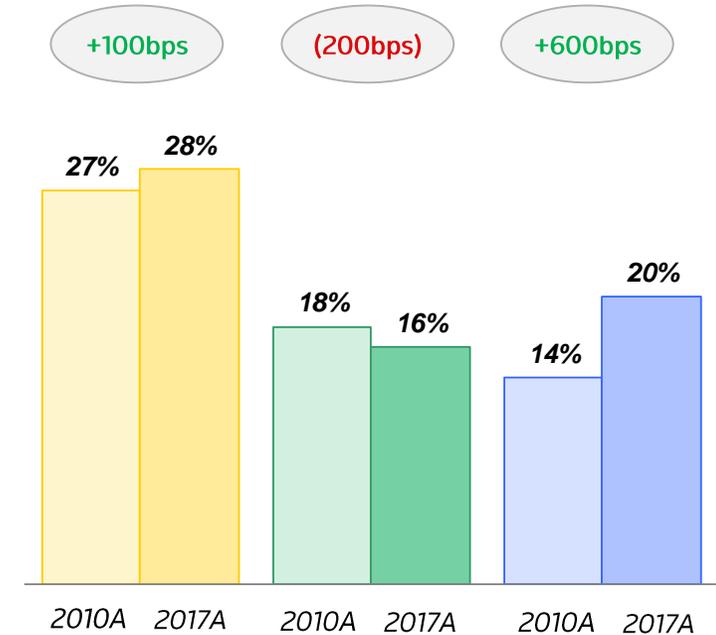
2010: % of Total Revenue



Organic Revenue Growth (Legal and Tax & Accounting)



Adj. EBIT Margins (Legal and Tax & Accounting)

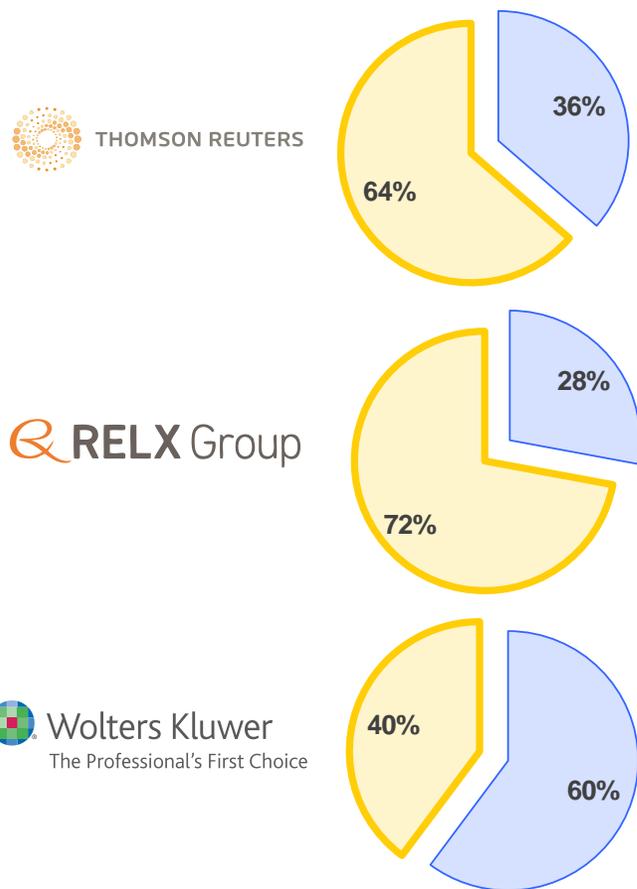


Organic Revenue Growth & Margin Comparison – Other Segments

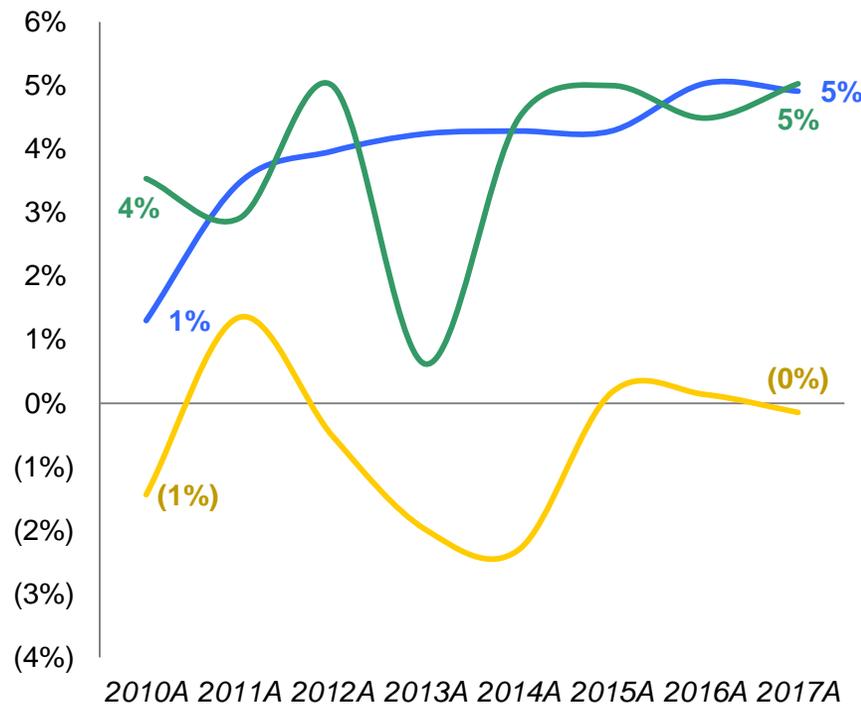
TRI's "Other Segments" underperformed RELX's and Wolters Kluwer's "Other Segments"

2010: % of Total Revenue

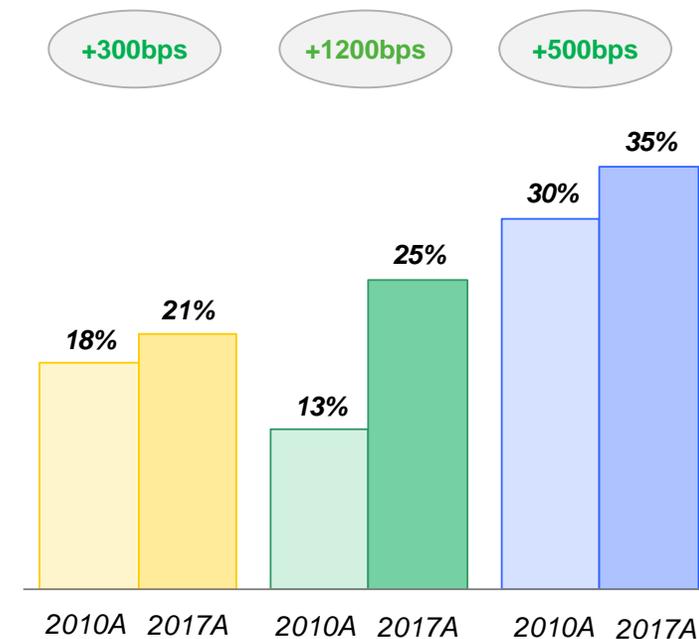
Legal and Tax & Accounting Other



Organic Revenue Growth (Other Segments)



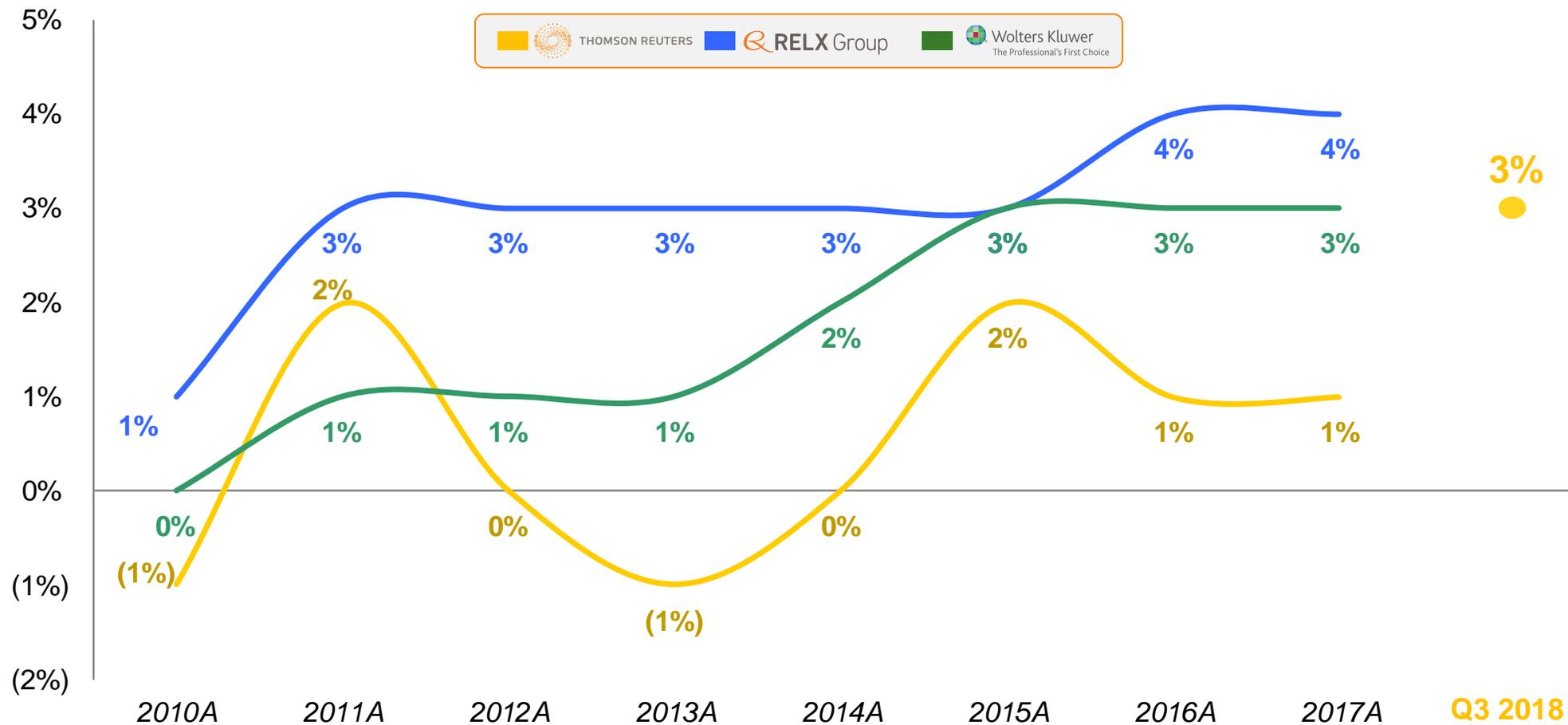
Adj. EBIT Margins (Other Segments)



Organic Revenue Growth Comparison – Total Company

As a result, RELX and WK have outperformed TRI's organic revenue growth on average from 2010 – 2017 by ~250bps & ~125bps, respectively

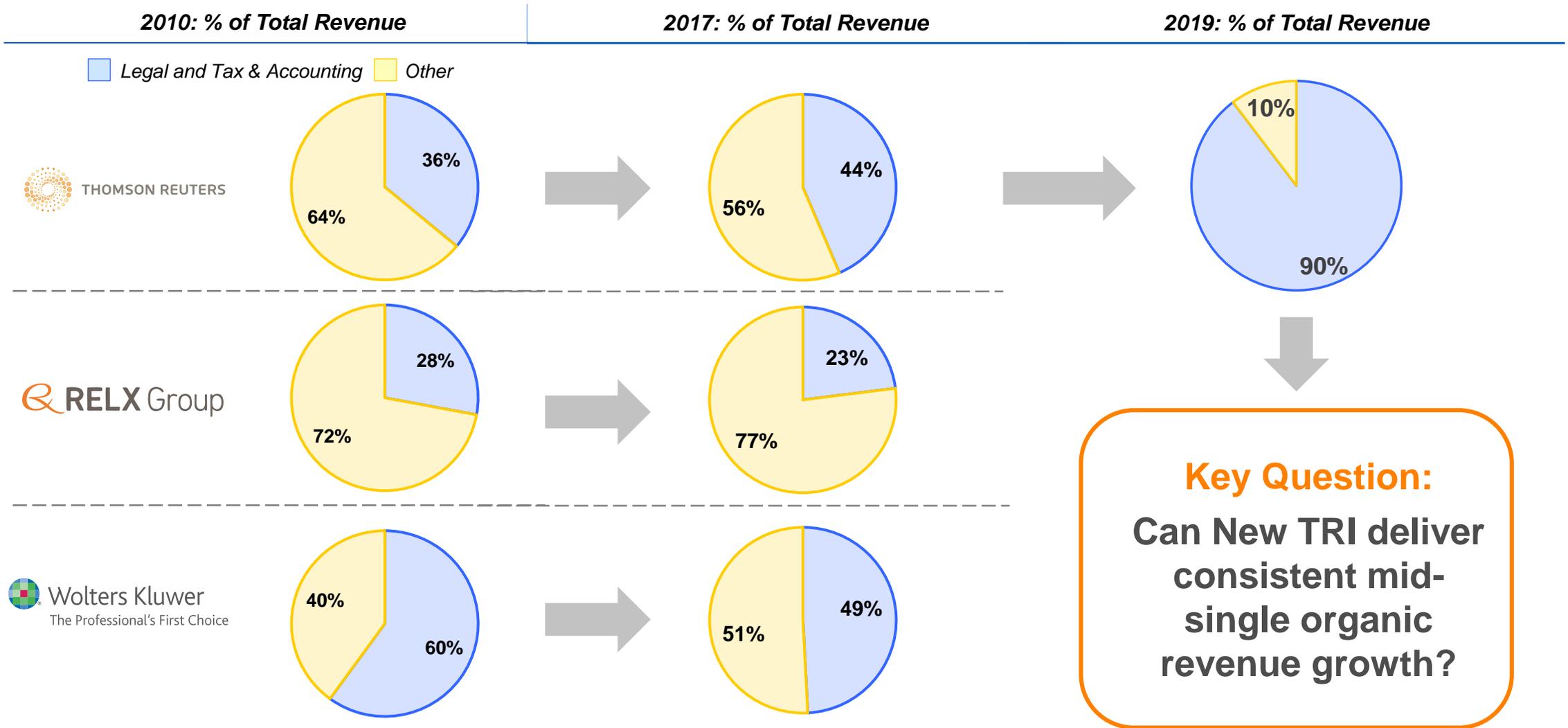
Organic Revenue Growth



Equity Performance in Context



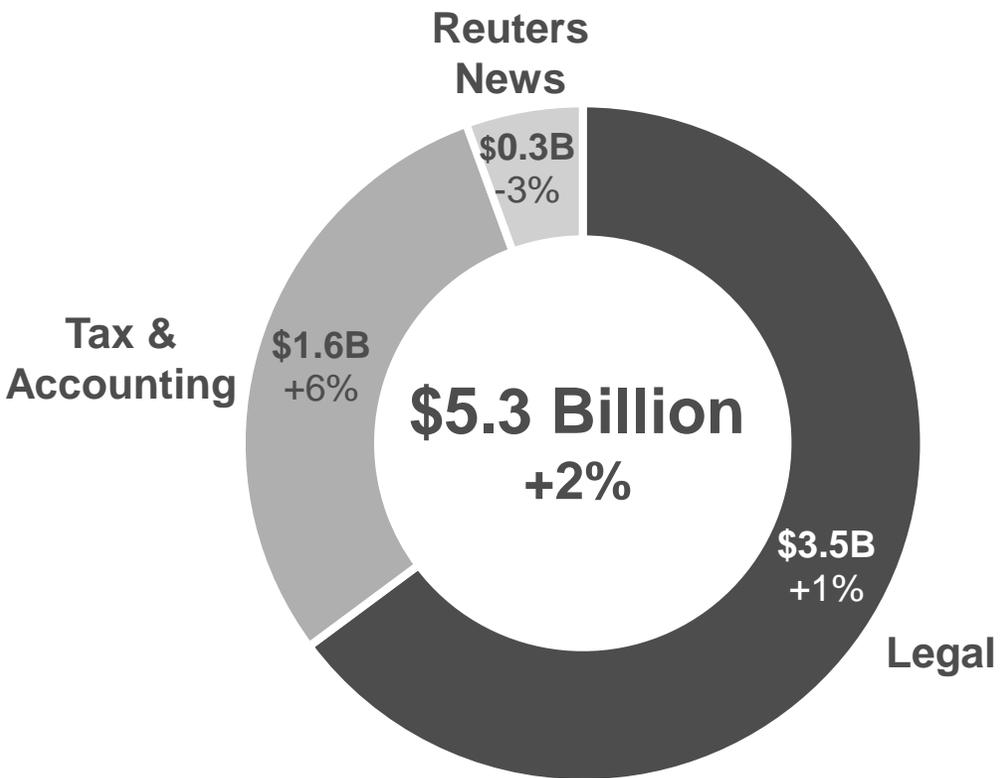
Revenue Portfolio – TRI vs Peer Group



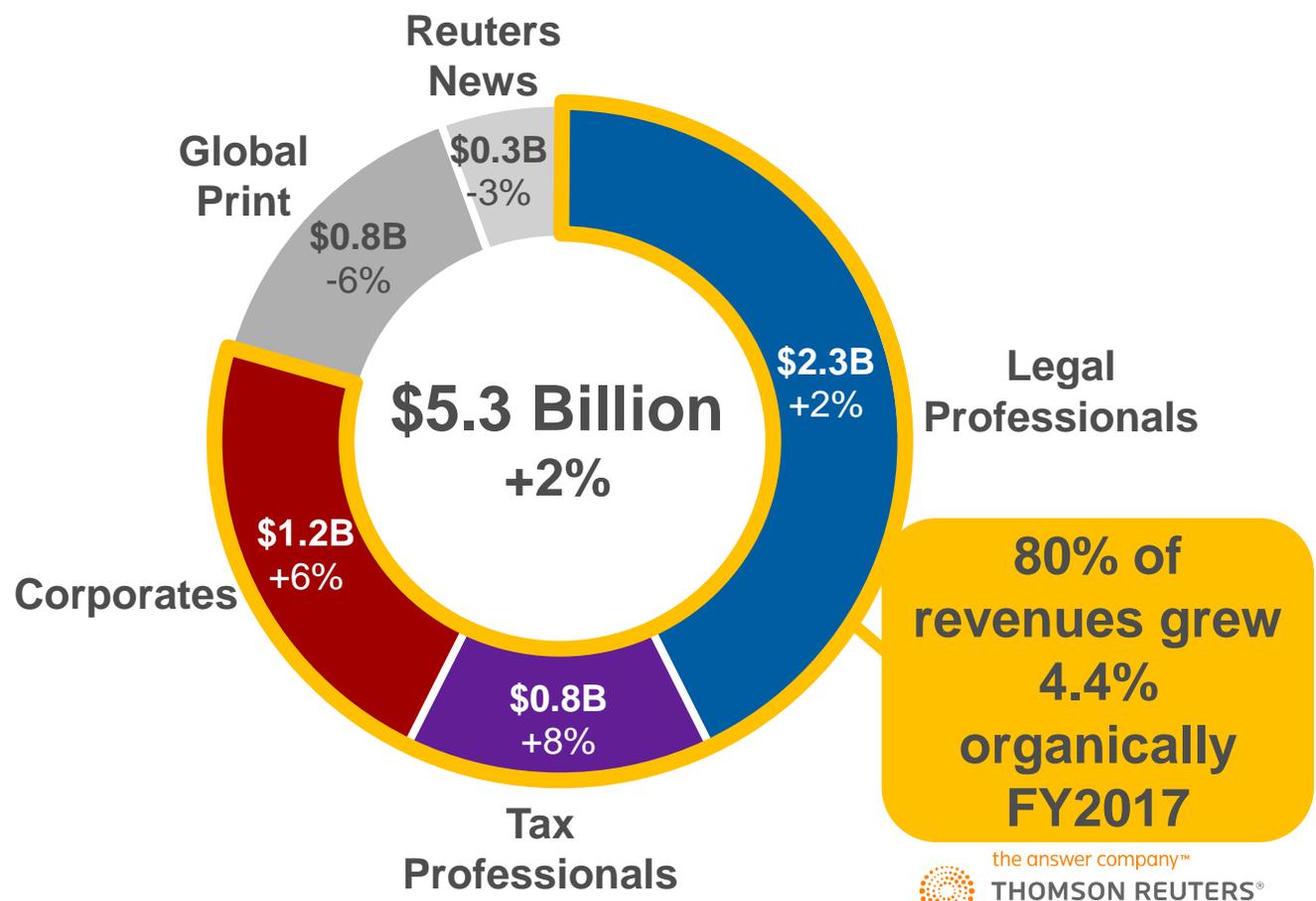
FY 2017 Revenue by Segment

2017 Organic Revenue Growth of 2% driven by Tax & Accounting (6%) & Legal (1%)
 3 largest business segments grew 4.4% organically under new organizational structure

2017 Revenue & Organic Growth by Historic BU

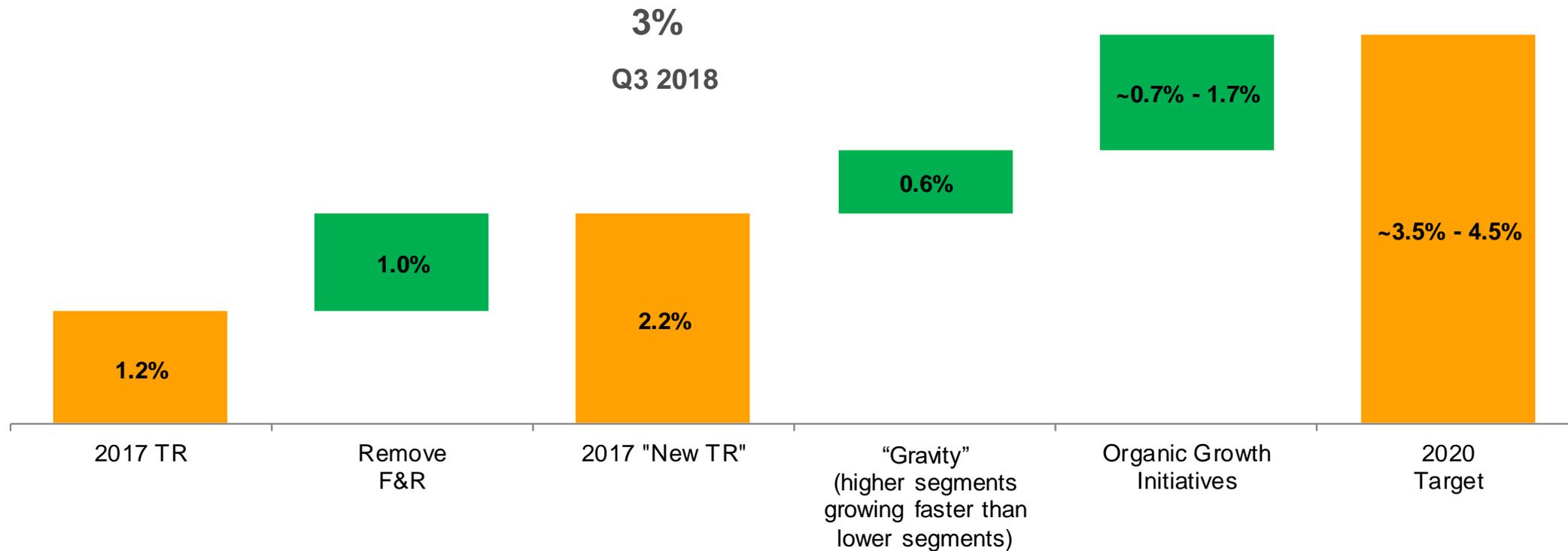


2017 Revenue & Organic Growth by New Customer Segment



“New” Thomson Reuters Aspirational Revenue Growth Target

Accelerated, sustained Organic Revenue Growth is a key priority for “New” TRI



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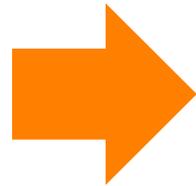
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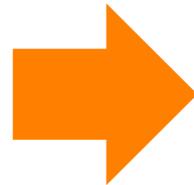
“New” TRI – 2020 Goals

How fast can TRI overcome the loss of FCF/share resulting from Refinitiv transaction?



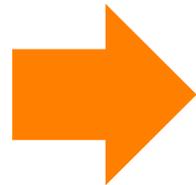
Goal: FCF/share of ~**\$2.40 in 2020**

Does the growth profile of “New” TRI warrant a higher valuation multiple?



Goal: Organic revenue growth of **3.5% to 4.5% in 2020**

What is the value of TRI’s 45% stake in Refinitiv?



45% interest in Refinitiv expected to appreciate under Blackstone partnership

Q & A