



Thomson Reuters

2021 FIRST-QUARTER RESULTS

May 4, 2021

Agenda

- **Welcome / Introduction**

Frank Golden

- **First-Quarter 2021 Results**

Steve Hasker

- **Financial Review**

Mike Eastwood

First-Quarter 2021

Q2 2021 Outlook / Full-Year 2021 Update

- **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 regarding the potential or expected impact of the COVID-19 pandemic on Thomson Reuters, its customers and the general economy, statements about the company's outlook and other expectations regarding the future financial and operational performance of the company and its individual business segments, the company's strategic priorities, initiatives and opportunities and the company's expectations regarding its Change Program. 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 any of the events described in any forward-looking statement will materialize. Forward-looking statements, including those related to the COVID-19 pandemic, 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. In particular, the full extent of the impact of the COVID-19 pandemic on our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately 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 annual report and 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. Many of those risks are, and could be, exacerbated by the COVID-19 pandemic and any worsening of the global business and economic environment as a result.

Our company has provided a business outlook for the purpose of presenting information about current expectations for the periods presented. 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 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 earnings release dated May 4, 2021, which is available on www.tr.com, for a discussion of material assumptions and material risks 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 May 4, 2021, which is available on www.tr.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.

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First-Quarter 2021 Highlights

Steve Hasker
President & CEO

Encouraging Q1 2021 Results

Our Businesses are Well Positioned for a Post-COVID World

1. Robust & Growing Legal, Tax and Government (Risk, Fraud & Compliance “RF&C”) Businesses

- Big 3 – 5% organic growth – Best Q1 growth post-Refinitiv split in 2018
- Legal 5% organic revenue growth – Best growth since Q3 2018

2. Strong Prevailing Tailwinds Play to Our Strengths & Contribute to Growth – Markets are Healthy & Growing

- Strong Q1 sales momentum – “Big 3” best sales quarter since reporting new organization structure (Q4 2018)

Legal

- Large and mid-size law firm demand growth recovering after pandemic slump
- Small law firm sentiment about the future becoming increasingly positive

Tax & Accounting

- Customers extremely busy advising clients on stimulus funds, tax credits and preparing taxes
- New tax legislation embedded in American Jobs Plan (Infrastructure) will change tax code & increase complexity

Government

- Continued momentum in RF&C driving confidence (analyzing ~40% of all US unemployment claims for fraud)
- Governments in US (Federal, State & Local) and globally now acting and committed to modernizing

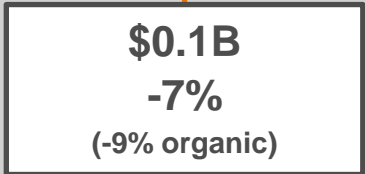
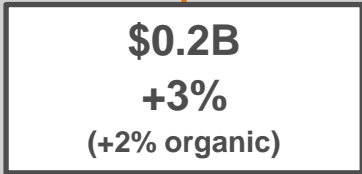
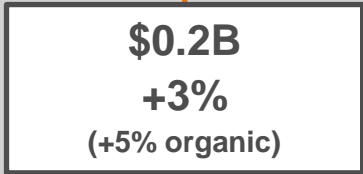
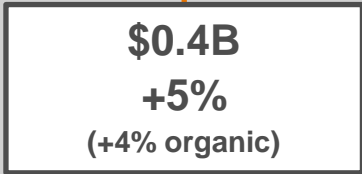
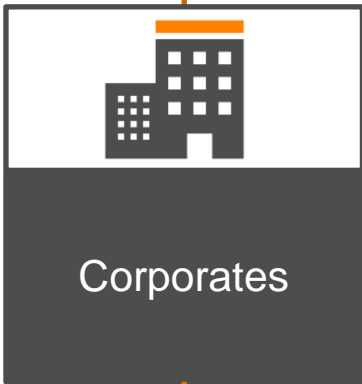
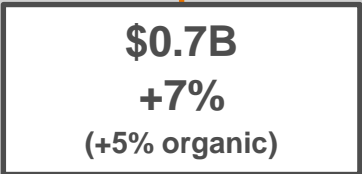
First-Quarter 2021 Consolidated Results

IFRS Financial Measures (\$ millions)	2021	2020	Change
Revenues	\$1,580	\$1,520	Up 4%
Operating profit	\$387	\$290	Up 34%
Diluted earnings per share (EPS)	\$10.13	\$0.39	n/m
Cash flow from operations	\$380	\$176	Up 115%

Non-IFRS Financial Measures (\$ millions)	2021	2020	Change	Change at Constant Currency	Organic Growth
Revenues	\$1,580	\$1,520	Up 4%	Up 3%	Up 3%
Adjusted EBITDA	\$558	\$480	Up 16%	Up 15%	
<i>Adjusted EBITDA margin</i>	<i>35.3%</i>	<i>31.6%</i>	<i>Up 370 bps</i>	<i>Up 360 bps</i>	
Adjusted EPS	\$0.58	\$0.48	Up 21%	Up 19%	
Free cash flow	\$239	\$35	Up 570%		

First-Quarter 2021 Revenue Growth by Segment

Reported Revenues up 4% to \$1.6 billion
Organic revenues up 3%
Organic recurring revenues up 3%



“Big 3” grew 5% organically (~81% total revenues)

Change Program – On Track & Continuing to Ramp Up

- **Executing on clearly defined operational & financial targets each quarter**
 - Four Key Focus Areas/Workstreams
 - 1) **Reimagine the Customer Experience** by making it easier for our customers to do business with us
 - 2) **Optimize & Modernize** by simplifying our product portfolio & product development
 - 3) **Simplify Operations & Leverage Technology** by reducing complexity & finish shift to Cloud in 2023
 - 4) **Create Culture of World Class Talent** by simplifying the organization & shift to a more innovative culture
- **New talent supplementing & strengthening teams across workstreams**
 - Adding highly experienced talent - product development, digital, technology, strategy, change management

Financial Review

Mike Eastwood
Chief Financial Officer

First-Quarter 2021 Legal, Corporates, Tax & Accounting Professionals Revenues

(\$ millions)

First Quarter

<u>Revenues</u>	<u>2021</u>	<u>2020</u>	<u>Total</u>	Constant Currency	Organic
Legal Professionals	668	626	+7%	+5%	+5%
Corporates	384	367	+5%	+4%	+4%
Tax & Accounting Professionals	225	218	+3%	+5%	+5%
Big 3 Revenues	1,277	1,211	+5%	+5%	+5%

First-Quarter 2021 Consolidated Revenues

(\$ millions)

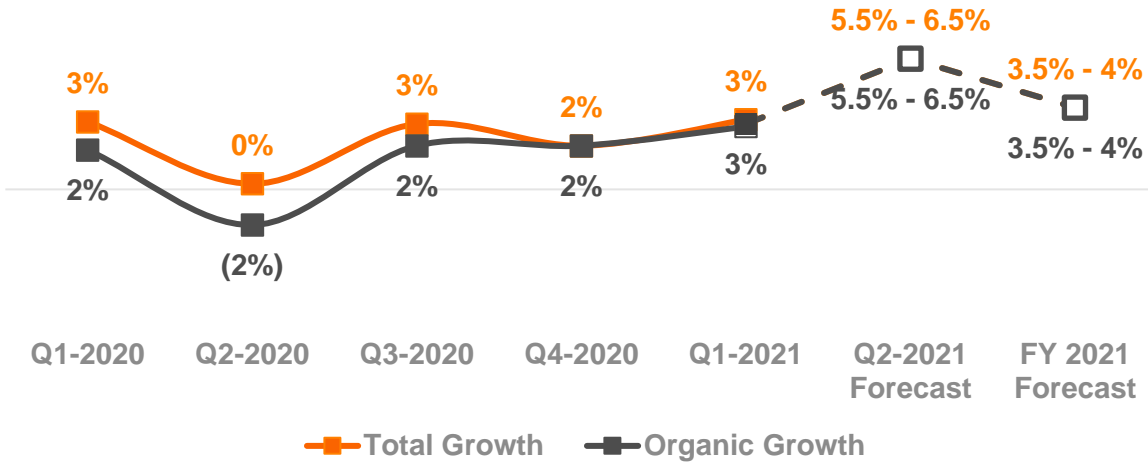
First Quarter

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Tax & Accounting Professionals	225	218	+3%	+5%	+5%
Big 3 Revenues	1,277	1,211	+5%	+5%	+5%
Reuters News	160	155	+3%	+2%	+2%
Global Print	143	155	-7%	-9%	-9%
Eliminations / Rounding		(1)			
Total Revenues	1,580	1,520	+4%	+3%	+3%

Thomson Reuters Second-Quarter 2021 Forecast

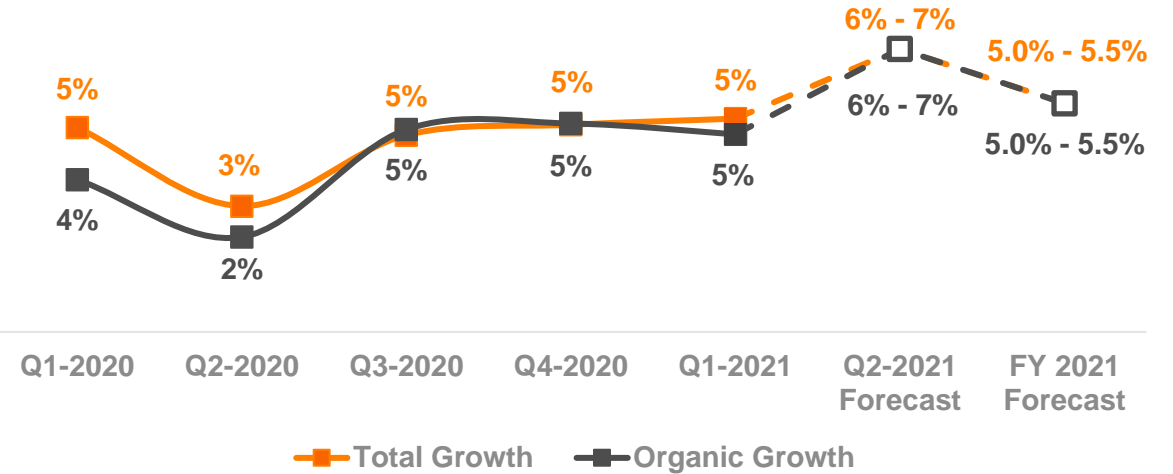
Total Thomson Reuters

2020 FY
Organic = 1.2%



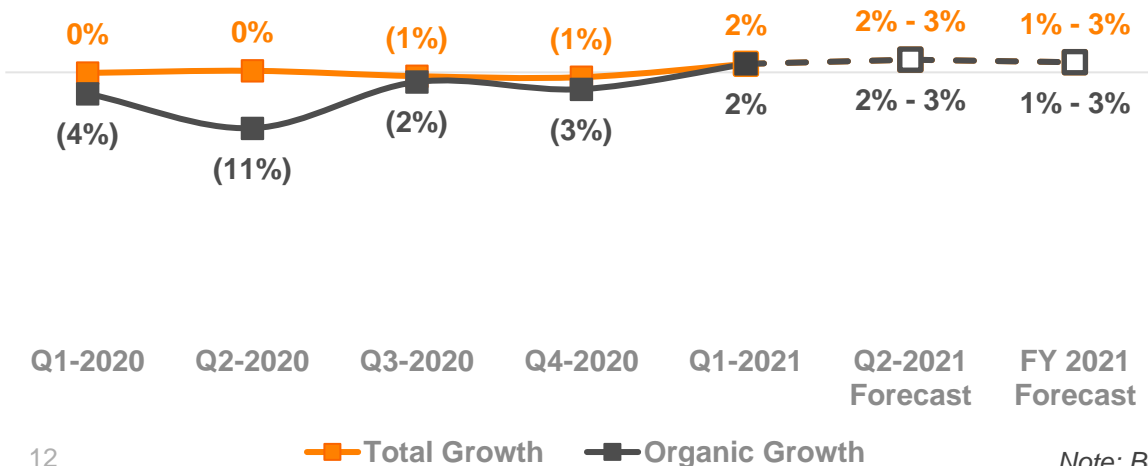
Big 3 Segments

2020 FY
Organic = 3.8%



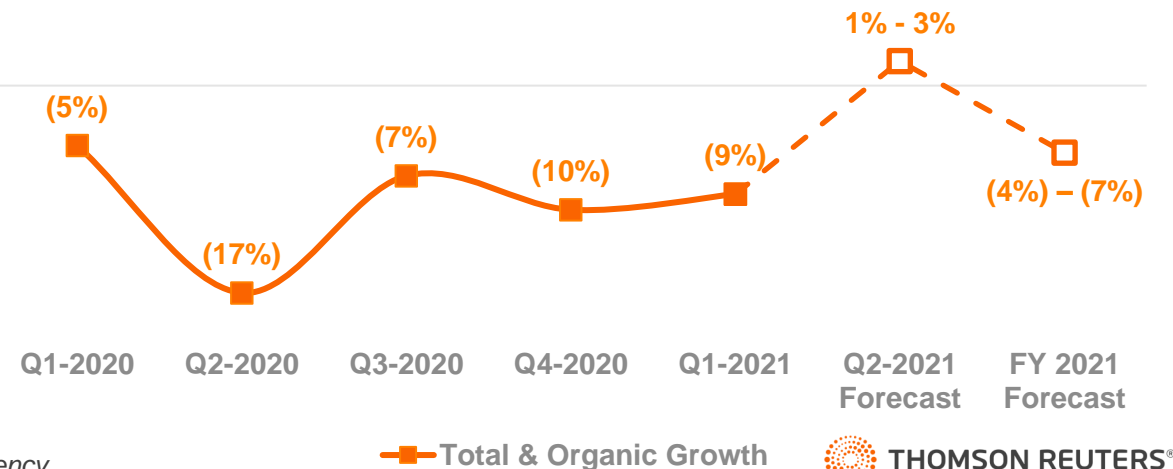
Reuters News

2020 FY
Organic = (5%)



Global Print

2020 FY
Organic = (10%)



First-Quarter 2021

Legal, Corporates, Tax & Accounting Professionals Adjusted EBITDA

(\$ millions)

First Quarter

<u>Adjusted EBITDA</u>	<u>2021</u>	<u>2020</u>	<u>Total</u>	<u>Constant Currency</u>
Legal Professionals <i>Margin</i>	279 41.8%	230 36.7%	+21%	+18%
Corporates <i>Margin</i>	146 38.1%	117 31.9%	+25%	+25%
Tax & Accounting Professionals <i>Margin</i>	98 43.7%	84 38.7%	+17%	+17%
Big 3 Adjusted EBITDA <i>Margin</i>	523 41.0%	431 35.6%	+21%	+20%

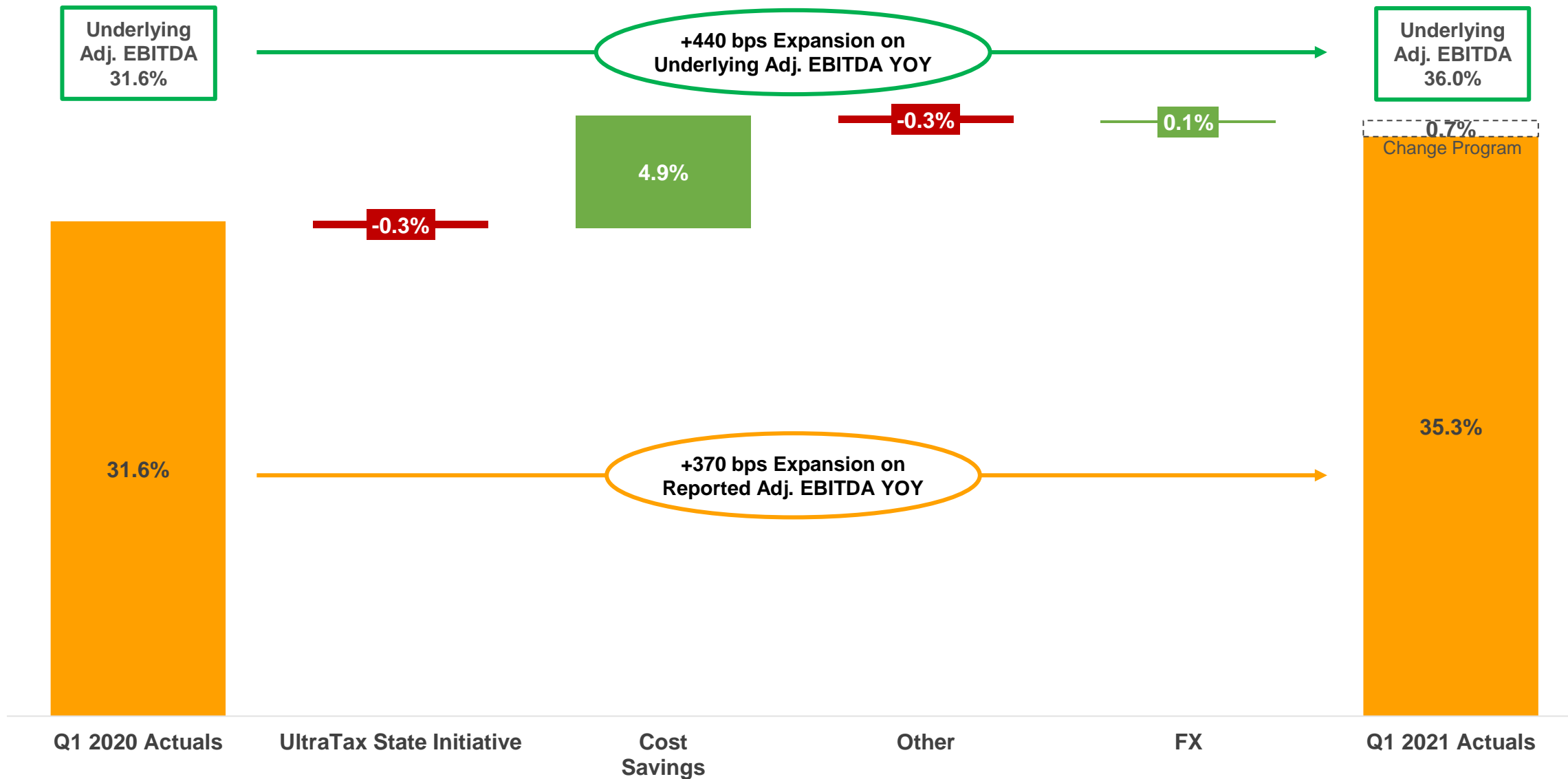
First-Quarter 2021 Consolidated Adjusted EBITDA

(\$ millions)

First Quarter

Adjusted EBITDA	2021	2020	Total	Constant Currency
Legal Professionals <i>Margin</i>	279 41.8%	230 36.7%	+21%	+18%
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Big 3 Adjusted EBITDA <i>Margin</i>	523 41.0%	431 35.6%	+21%	+20%
Reuters News <i>Margin</i>	28 17.6%	19 12.6%	+45%	+65%
Global Print <i>Margin</i>	57 39.9%	63 40.5%	-9%	-11%
Corporate Costs	(50)	(33)		
Total Adjusted EBITDA <i>Margin</i>	558 35.3%	480 31.6%	+16%	+15%

First-Quarter 2021 Adjusted EBITDA Margin Performance



Adjusted Earnings Per Share

Free Cash Flow

Change Program Costs

Adjusted Earnings Per Share (EPS)

(\$ millions except per share amounts & share count)	First Quarter		
	<u>2021</u>	<u>Change</u>	<u>% Change</u>
Adjusted EBITDA	\$558	\$78	
Depreciation & Amortization	(\$161)	(\$10)	
Interest Expense	(\$51)	(\$6)	
Income Tax	(\$57)	(\$13)	
Dividend declared on preference shares	(\$1)	-	
Adjusted Earnings	\$288	\$49	
Adjusted EPS	\$0.58	\$0.10	+21%
<i>Foreign Currency Impact</i>	<i>\$0.01</i>		
<i>Diluted Weighted Average Common Shares</i>	<i>496.9M</i>		

Consolidated Free Cash Flow

(\$ millions)	First Quarter		
	<u>2021</u>	<u>2020</u>	<u>Change</u>
Comparable Free Cash Flow (Continuing Operations)	\$288	\$113	\$175
Other Items (Refinitiv separation costs & Change Program Costs)	(\$12)	(\$63)	\$51
Free Cash Flow (Continuing Operations)	\$276	\$50	\$226
Free Cash Flow – Discontinued Operations	(\$37)	(\$15)	(\$22)
Free Cash Flow	\$239	\$35	\$204

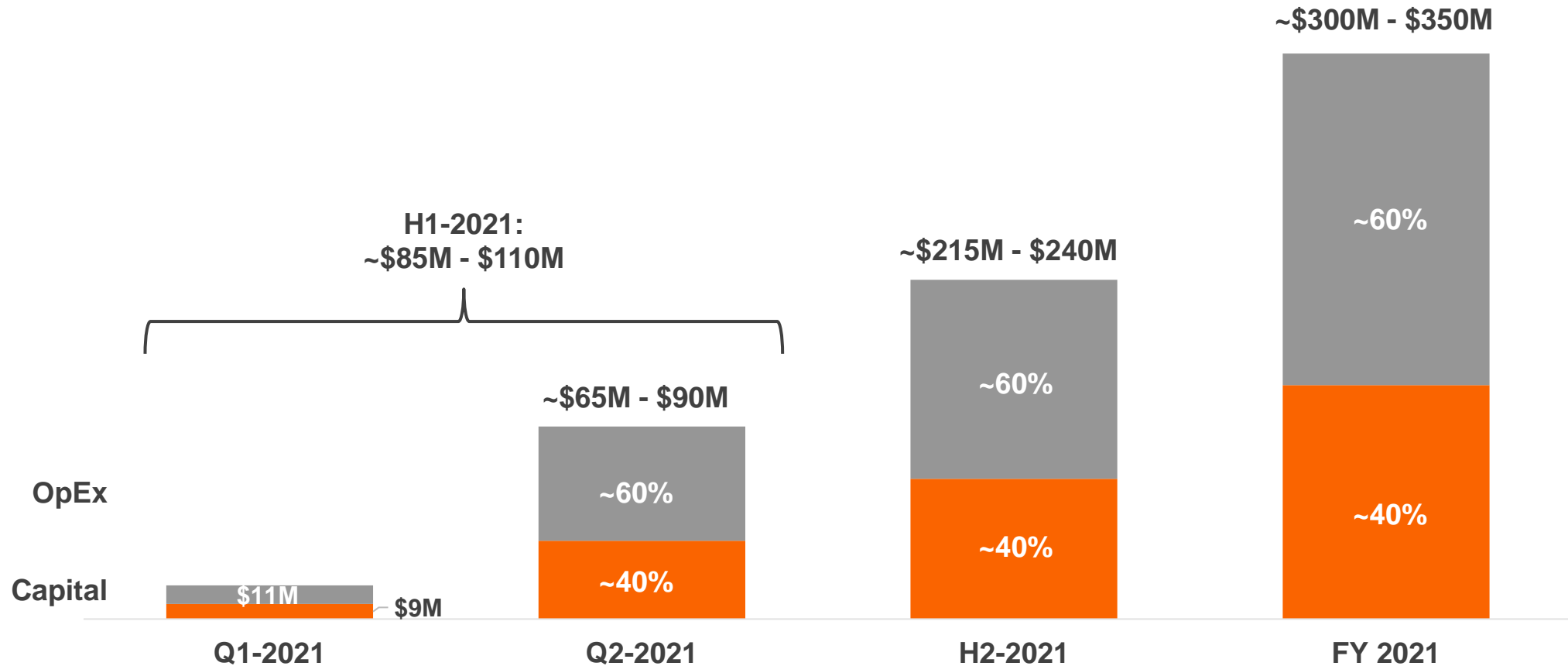
Thomson Reuters Change Program Update – Q1 2021

- 1. Estimated investment of \$500 million - \$600 million (2021 & 2022)**
 - Q1 2021 investment = \$20 million (OpEx + Capital)
- 2. Estimated annual Operating Expense savings of \$600 million by 2023**
 - Q1 2021 run rate Operating Expense savings = \$19 million
- 3. Estimated 2023 Adjusted EBITDA Margin = 38.0% - 40.0%**
 - Q1 2021 EBITDA margin excluding Change Program Costs = 36.0%

Change Program Investments

Forecast More Than 50% of Change Program Costs Will Be Incurred in 2021

2021 Phasing



Updating FY 2021 Outlook

Total Thomson Reuters	Q2 2021 Outlook	Original 2021 Outlook⁽¹⁾	Updated 2021 Outlook⁽¹⁾
Total Revenue Growth	5.5% - 6.5%	3.0% - 4.0%	3.5% - 4.0%
Organic Revenue Growth	5.5% - 6.5%	3.0% - 4.0%	3.5% - 4.0%
Adjusted EBITDA Margin		30% - 31%	Unchanged
Corporate Costs		\$305 - \$340 million	
Core Corporate Costs		\$130 - \$140 million	Unchanged
Change Program OpEx		\$175 - \$200 million	
Free Cash Flow		\$1.0 - \$1.1 billion	Unchanged
Capital Expenditures as % of Revenue		9.0% - 9.5%	Unchanged
Change Program Capex		\$125 - \$150 million	
Depreciation & Amortization of computer software		\$650 - \$675 million	Unchanged
Interest Expense (P&L)		\$190 - \$210 million	Unchanged
Effective Tax Rate on Adjusted Earnings		16% - 18%	Unchanged
Big 3	Q2 2021 Outlook	Original 2021 Outlook⁽¹⁾	Updated 2021 Outlook⁽¹⁾
Total Revenue Growth	6.0% - 7.0%	4.5% - 5.5%	5.0% - 5.5%
Organic Revenue Growth	6.0% - 7.0%	4.5% - 5.5%	5.0% - 5.5%
Adjusted EBITDA Margin		38% - 39%	Unchanged

(1) Before currency, includes Change Program impact and excludes the impact of future acquisitions / dispositions

Q&A