



REUTERS/Jo Yong Hak

THOMSON REUTERS

SECOND-QUARTER 2016 RESULTS



the answer company™

THOMSON REUTERS®

Agenda

- Welcome / Introduction Frank Golden
- Second-Quarter 2016 Highlights Jim Smith
- Financial Review – Q2 2016 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.
- Certain statements in this presentation and discussion, including, but not limited to, the company's 2016 outlook, are forward-looking. Forward-looking statements are those which are not historical facts and include the company's current expectations regarding adjusted earnings per share in 2017, the impact of foreign currency on the company's future results, growth and savings opportunities, net debt to EBITDA ratio, the timing and use of proceeds of the sale of the Intellectual Property & Science business and its stock buyback program. Forward-looking statements also include the company's expectations for 2016 regarding Financial & Risk's revenue growth and recoveries revenues, Legal's Solutions business and U.S. print revenue performance and Tax & Accounting's revenue growth and margins.
- 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 2016. 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 adjusted EBITDA and the related margin, underlying operating profit and the related margin, free cash flow, adjusted EPS and selected measures before the impact of currency.
- Please see our earnings release dated July 28, 2016, 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.



THOMSON REUTERS

SECOND-QUARTER 2016 HIGHLIGHTS

JIM SMITH
PRESIDENT & CEO

Consolidated Q2 2016 Results

Reported	Before Currency
Revenues down 1%	Unchanged
Adjusted EBITDA down 2%	Down 2%
Margin 27.3% vs. 27.5% Q2 2015	Down 60 bps
Underlying operating profit down 1%	Down 2%
Margin 18.2% vs. 18.2% Q2 2015	Down 30 bps
Adjusted EPS up 11%	Up 9%
\$0.50 vs. \$0.45 in Q2 2015	Up \$0.04

2016 Outlook Affirmed

Note: IP & Science is presented as a discontinued operation and is therefore excluded from our consolidated results

Q2 2016 Revenue Results by Business



Financial & Risk -1%

Financial

Risk



Legal 1%

U.S. Online Legal Information

Solutions Businesses

U.S. Print



Tax & Accounting 1%

Professional

Corporate

Knowledge Solutions

Government

Note: Revenue growth rates are before the impact of currency

IP & Science Sale Update

- Price = \$3.55 billion
- Expect closing later this year
- Use of Proceeds
 - ~\$1 billion of the net proceeds to buy back shares (part of the previously announced \$1.5 billion share buyback program)
 - Pay down debt (primarily commercial paper)
 - Reinvest in the business
- Focusing on operating at the intersection of global commerce and regulation

FINANCIAL REVIEW

STEPHANE BELLO
CHIEF FINANCIAL OFFICER

Consolidated Results

(\$ millions)	Second-Quarter				Six-Months			
	<u>2016</u>	<u>2015</u>	<u>Change</u>	Change Before Currency	<u>2016</u>	<u>2015</u>	<u>Change</u>	Change Before Currency
Revenues	2,769	2,802	-1%	0%	5,562	5,623	-1%	1%
Adjusted EBITDA	757	771	-2%	-2%	1,505	1,505	0%	0%
<i>Adjusted EBITDA Margin</i>	<i>27.3%</i>	<i>27.5%</i>		<i>-60 bp</i>	<i>27.1%</i>	<i>26.8%</i>		<i>-20bp</i>
Underlying Operating Profit	505	510	-1%	-2%	1,003	971	3%	2%
<i>Underlying Op. Profit Margin</i>	<i>18.2%</i>	<i>18.2%</i>		<i>-30bp</i>	<i>18.0%</i>	<i>17.3%</i>		<i>+30 bp</i>

Note: IP & Science is presented as a discontinued operation and is therefore excluded from our consolidated results

Legal

(\$ millions)

Second-Quarter

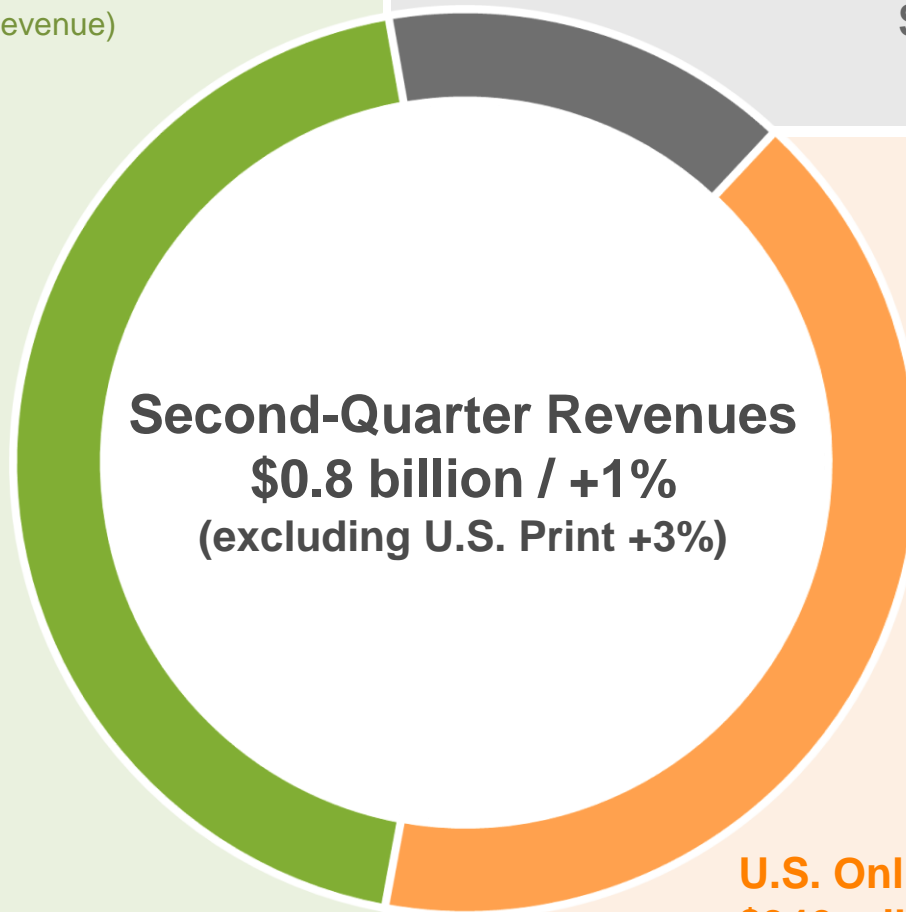
Six-Months

	<u>2016</u>	<u>2015</u>	<u>Change</u>	Before Currency	<u>2016</u>	<u>2015</u>	<u>Change</u>	Before Currency
Revenues	846	852	-1%	1%	1,668	1,676	0%	1%
EBITDA	310	321	-3%	-2%	608	607	0%	0%
<i>EBITDA Margin</i>	<i>36.6%</i>	<i>37.7%</i>		<i>-110 bp</i>	<i>36.5%</i>	<i>36.2%</i>		<i>-40 bp</i>
Operating Profit	247	259	-5%	-3%	485	478	1%	1%
<i>Op. Profit Margin</i>	<i>29.2%</i>	<i>30.4%</i>		<i>-120 bp</i>	<i>29.1%</i>	<i>28.5%</i>		<i>-10bp</i>

Legal Revenue by Segment

Solutions Businesses +3%
\$375 million (44% of Revenue)

U.S. Print -8%
\$125 million (15% of Revenue)

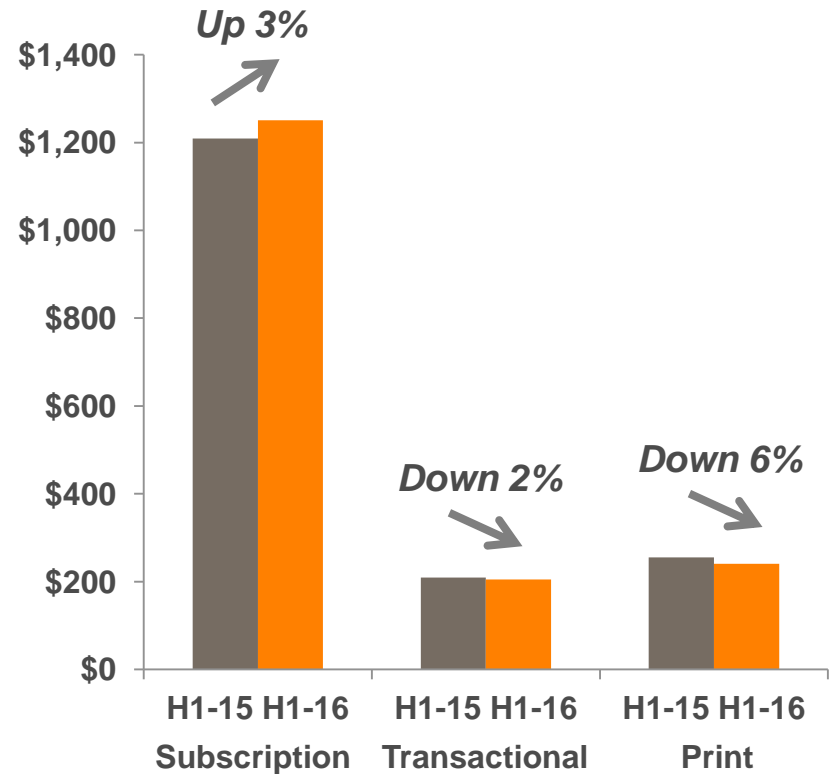
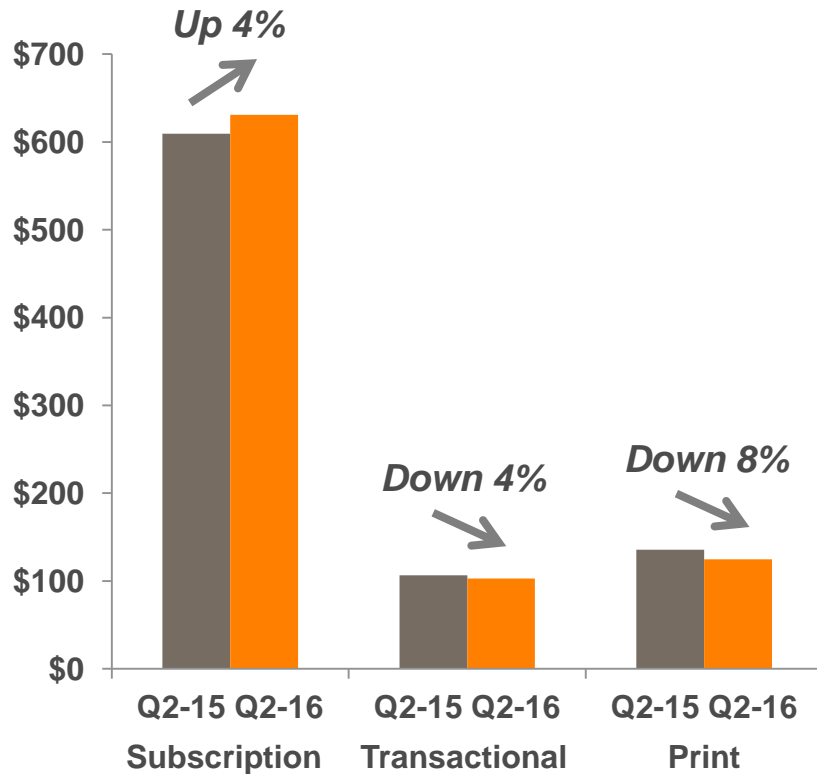


U.S. Online Legal Information +2%
\$346 million (41% of Revenue)

Legal Revenue Growth By Type

Q2 2016 vs. Q2 2015

H1 2016 vs. H1 2015



Prior Year Growth	Subscription	Transactional	Print	Subscription	Transactional	Print
	Up 2%	Up 10%	Down 5%	Up 2%	Up 13%	Down 6%

Tax & Accounting

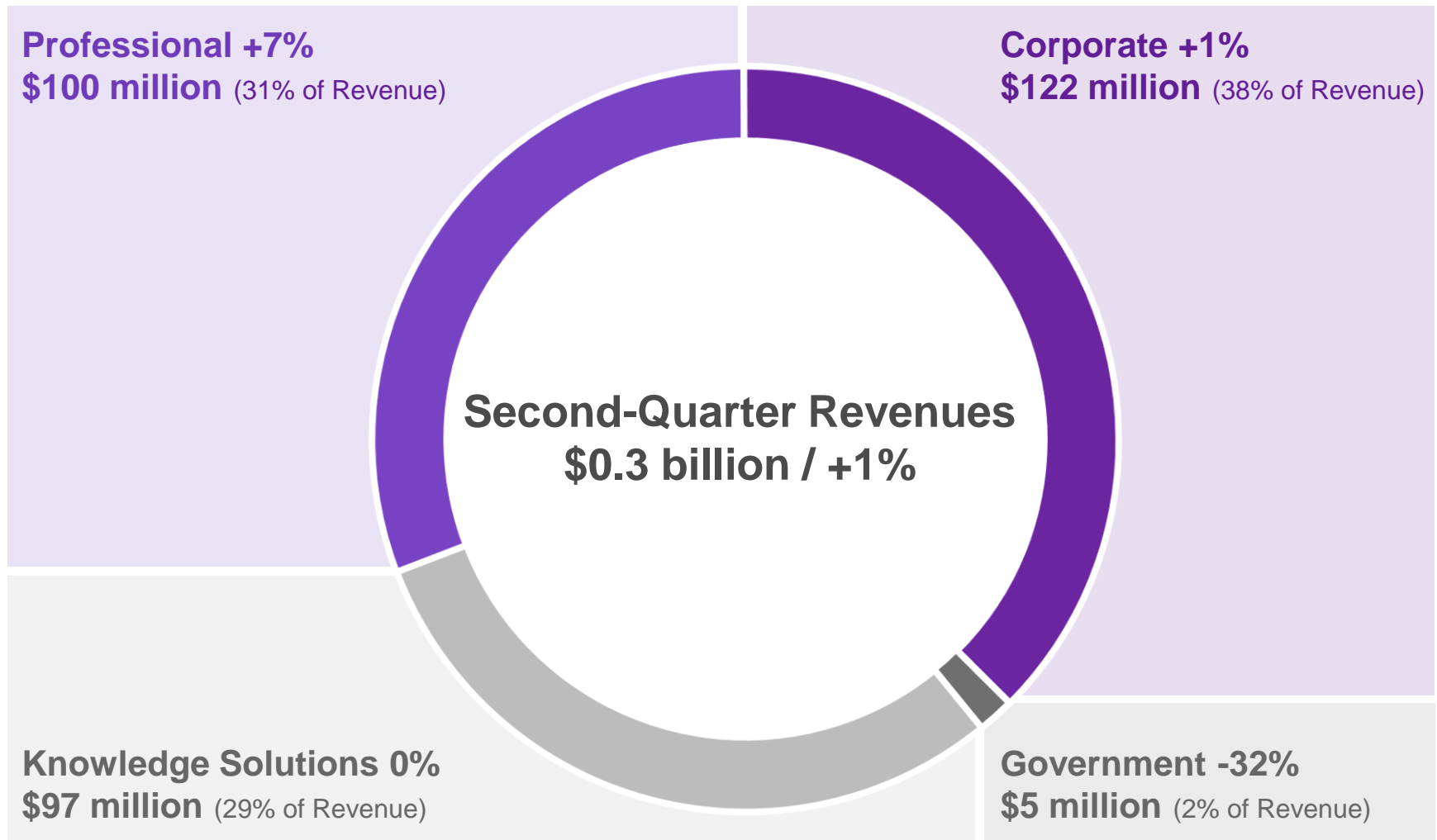
(\$ millions)

Second-Quarter

Six-Months

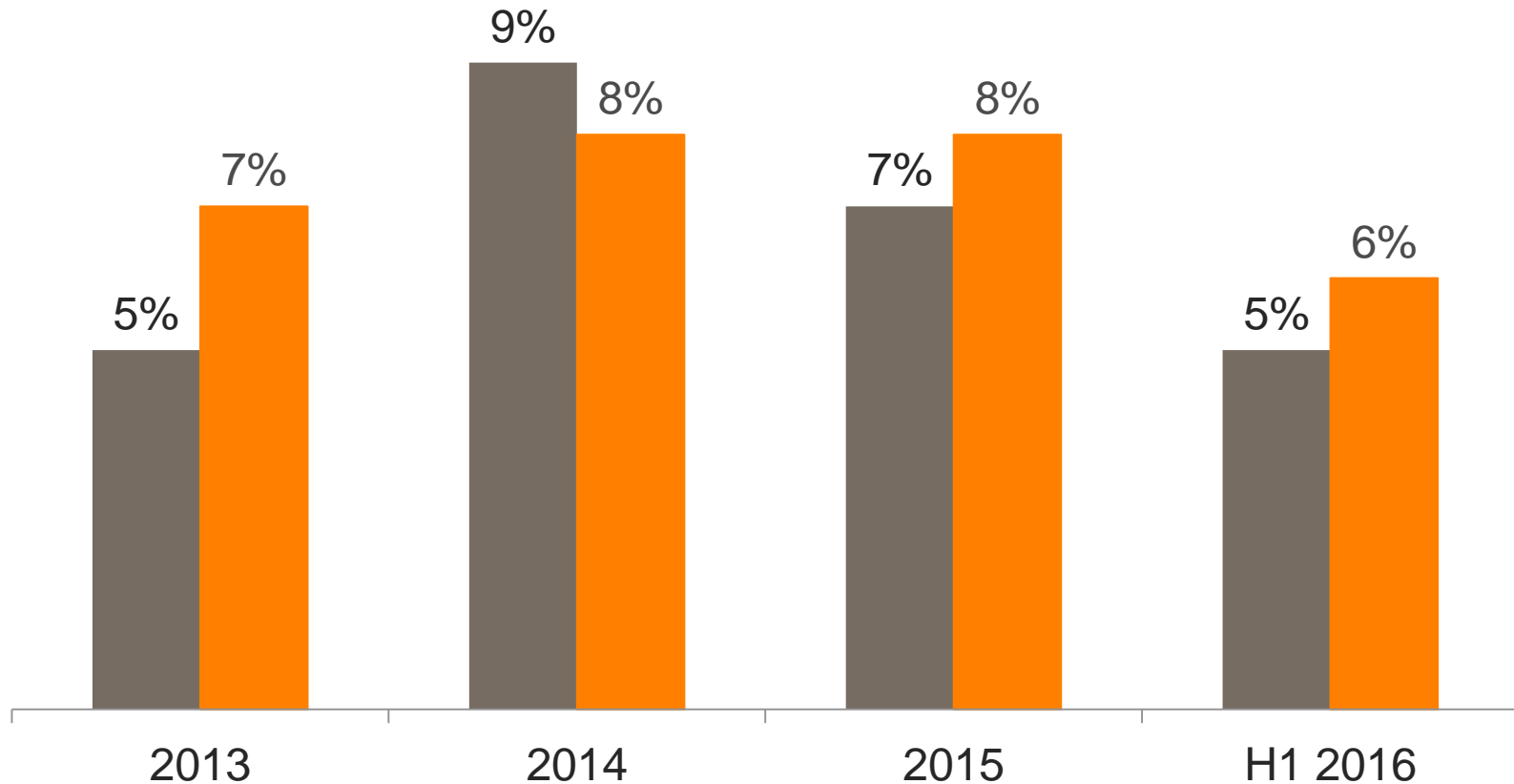
	<u>2016</u>	<u>2015</u>	<u>Change</u>	Before Currency	<u>2016</u>	<u>2015</u>	<u>Change</u>	Before Currency
Revenues	324	327	-1%	1%	713	700	2%	5%
EBITDA	82	90	-9%	-11%	196	216	-9%	-11%
<i>EBITDA Margin</i>	<i>25.3%</i>	<i>27.5%</i>		<i>-340 bp</i>	<i>27.5%</i>	<i>30.9%</i>		<i>-460 bp</i>
Operating Profit	55	63	-13%	-14%	138	161	-14%	-16%
<i>Op. Profit Margin</i>	<i>17.0%</i>	<i>19.3%</i>		<i>-290 bp</i>	<i>19.4%</i>	<i>23.0%</i>		<i>-470 bp</i>

Tax & Accounting Revenue by Segment



Tax & Accounting

Organic Revenue Growth & Excluding Government



■ Organic Growth

■ Organic Growth Exc. Government

Financial & Risk

(\$ millions)

Second-Quarter

Six-Months

	<u>2016</u>	<u>2015</u>	<u>Change</u>	Before Currency	<u>2016</u>	<u>2015</u>	<u>Change</u>	Before Currency
Revenues	1,524	1,552	-2%	-1%	3,033	3,104	-2%	-1%
EBITDA	443	430	3%	2%	880	831	6%	6%
<i>EBITDA Margin</i>	<i>29.1%</i>	<i>27.7%</i>		<i>+90 bp</i>	<i>29.0%</i>	<i>26.8%</i>		<i>+170 bp</i>
Operating Profit	297	274	8%	6%	592	515	15%	14%
<i>Op. Profit Margin</i>	<i>19.5%</i>	<i>17.7%</i>		<i>+130 bp</i>	<i>19.5%</i>	<i>16.6%</i>		<i>+260 bp</i>

Financial & Risk Revenue by Segment

Desktop -3%
\$0.6 billion (39% of Revenue)

Feeds, Risk & Other +4%
\$0.6 billion (38% of Revenue)

Second-Quarter Revenues
\$1.5 billion / -1%
(excluding Recoveries +1%)

Transactions +1%
\$0.2 billion (14% of Revenue)

Recoveries -17%
\$0.1 billion (9% of Revenue)

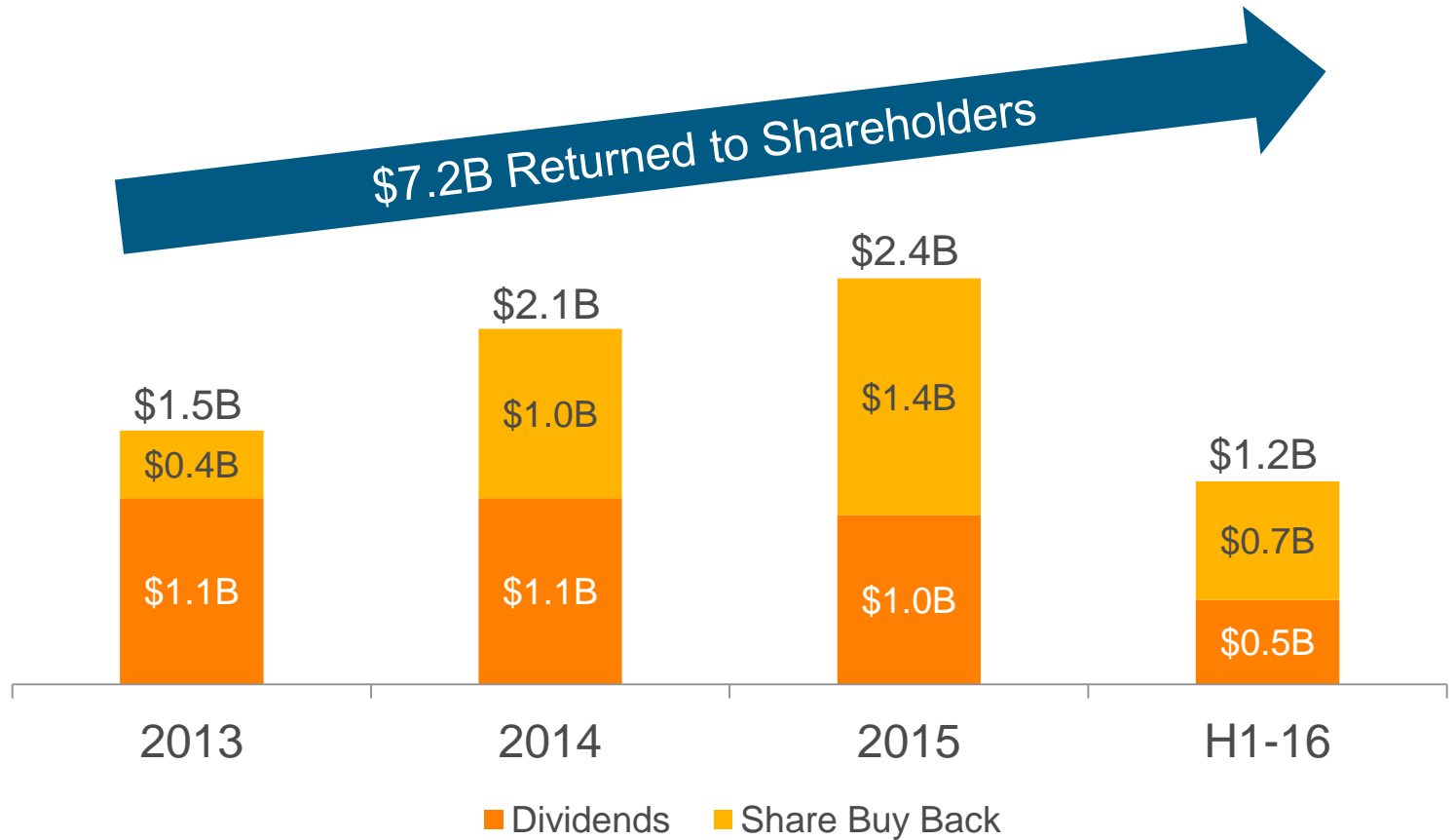


FREE CASH FLOW
EARNINGS PER SHARE

Consolidated Free Cash Flow

(\$ millions)	Six-Months			
	<u>2016</u>	<u>2015</u>	<u>Change</u>	<u>% Change</u>
Free Cash Flow (excluding IP & Science)	\$579	\$435	\$144	33%
Free Cash Flow - IP & Science	\$169	\$209	(\$40)	-19%
Free Cash Flow	\$748	\$644	\$104	16%

Returning Capital to Shareholders



Shares Repurchased (millions)	2013	2014	2015	H1-16
	10.9	28.3	35.9	18.0

Adjusted Earnings Per Share (EPS)

(\$ millions except per share amounts)

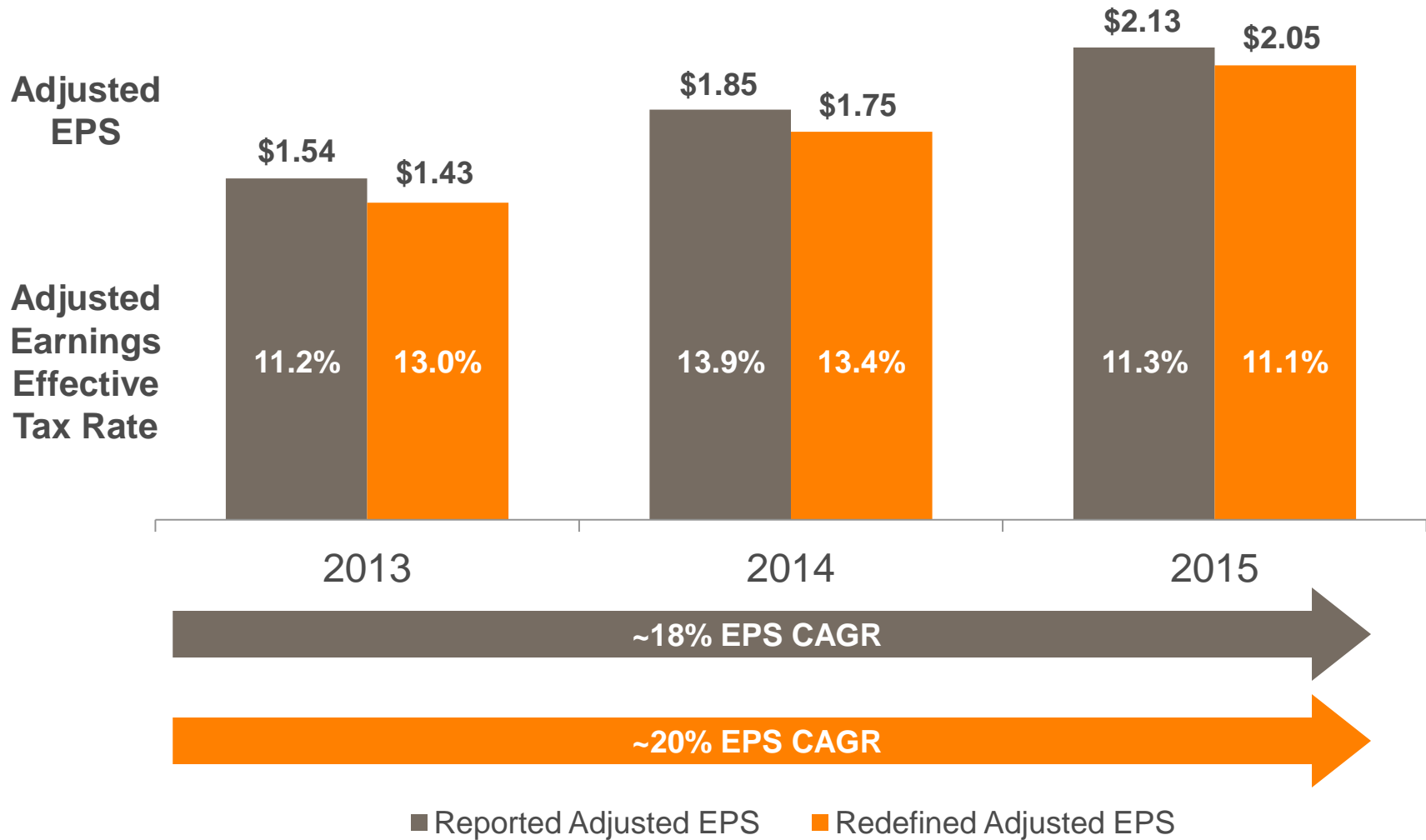
Second-Quarter

Six-Months

	<u>2016</u>	<u>Change</u>	<u>% Change</u>	<u>2016</u>	<u>Change</u>	<u>% Change</u>
Underlying Operating Profit	\$505	(\$5)		\$1,003	\$32	
Interest Expense	(\$103)	\$4		(\$196)	\$16	
Income Tax	(\$15)	\$14		(\$42)	\$19	
Other ⁽¹⁾	(\$13)	\$6		(\$24)	\$11	
Adjusted Earnings	\$374	\$19		\$741	\$78	
Adjusted EPS	\$0.50	\$0.05	+11%	\$0.98	\$0.14	+17%
Currency Impact	\$0.01			\$0.02		

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

Adjusted EPS – *Redefined Basis* Growth Trajectory Unaffected



Conclusion

- Reaffirm 2016 outlook
- Continuing to prioritize investments toward growth initiatives
- Focused on delivering on our near-term commitments

Q&A

