



# Thomson Reuters

## 2024 Second-Quarter Results

August 1, 2024

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## Agenda

- **Welcome / Introduction** **Gary Bisbee**
- **Second-Quarter 2024 Highlights**  
**TR Ventures** **Steve Hasker**
- **Financial Review** **Mike Eastwood**  
**Second-Quarter 2024 Results**  
**2024 Full-Year Outlook Update**
- **Q & A**

# Special Note

## Special Note Regarding Forward-Looking Statements, Material Assumptions and Material Risks

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 company's full-year 2024 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, the company's expectations regarding TR Ventures and the company's expectations regarding its liquidity and capital resources. 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 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 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.

Our company has provided a business outlook for the purpose of presenting information about current expectations for full-year 2024. 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 the first quarter management's discussion and analysis and our earnings release dated August 1, 2024, each of which is available on [www.tr.com](http://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 (other than at the customer segment level), free cash flow, adjusted earnings, adjusted EPS, effective tax rate on adjusted earnings, accrued capital expenditures expressed as a percentage of revenues, net debt to adjusted EBITDA leverage ratio, selected measures excluding the impact of foreign currency, changes in revenues computed on an organic basis as well as all financial measures for the "Big 3".

Please see our earnings release dated August 1, 2024 and our leverage ratio calculation, which are available on [www.tr.com](http://www.tr.com), for a reconciliation of each of Thomson Reuters' measures to the most directly comparable IFRS financial measure.



## Thomson Reuters

### Second-Quarter 2024 Highlights

Steve Hasker  
President & CEO

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## Second-Quarter 2024 Highlights

### 1. Good Q2 results met expectations

- Q2 organic revenue growth of 6%, driven by 8% recurring revenue growth
  - “Big 3” (Legal, Corporates, and Tax & Accounting) organic revenue growth of 8%
- Modest Q2 adjusted EBITDA margin upside vs. expectations; expect pace of investment to increase in H2

### 2. Raised FY 2024 total and organic revenue guidance to high end of ranges

- Total Revenue growth outlook of ~7.0%; Organic Revenue growth of ~6.5%
- Big 3 Total Revenue growth raised to ~8.5%; Big 3 Organic Revenue growth to ~8.0%
- Depreciation & Amortization and Interest Expense (P&L) outlooks also adjusted; all other metrics are unchanged

### 3. 2024 investments on track, positioning TR for 2025-2026 revenue acceleration

- Product roadmap updates: CoCounsel Drafting and Checkpoint with CoCounsel both successfully launched in July
- Pagero integration underway; TR Ventures brings important market insights to innovation process

### 4. Robust liquidity and capital capacity to support additional M&A and shareholder returns

- Completed LSEG monetization and \$1 billion NCIB (launched last November) in the second quarter
- Robust capital position with net leverage of 0.6x at June 30; we continue to estimate ~\$8B of capital capacity by 2026

## Second-Quarter 2024 Consolidated Results

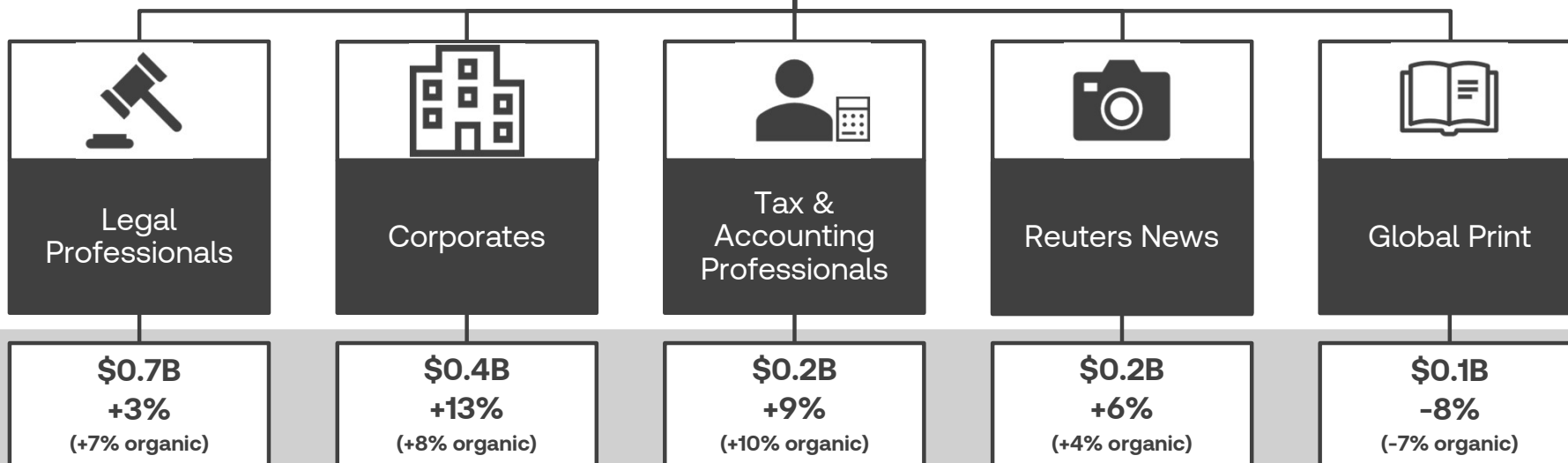
<b>IFRS Financial Measures</b> (\$ millions)	<b>2024</b>	<b>2023</b>	<b>Change</b>
Revenues	\$1,740	\$1,647	Up 6%
Operating profit	\$415	\$825	Down 50%
Diluted earnings per share (EPS)	\$1.86	\$1.90	Down 2%
Cash flow from operations	\$705	\$695	Up 2%

<b>Non-IFRS Financial Measures</b> (\$ millions)	<b>2024</b>	<b>2023</b>	<b>Change</b>	<b>Change at Constant Currency</b>	<b>Organic Growth</b>
Revenues	\$1,740	\$1,647	Up 6%	Up 6%	Up 6%
Adjusted EBITDA	\$646	\$662	Down 2%	Down 2%	
<i>Adjusted EBITDA margin</i>	<i>37.1%</i>	<i>40.1%</i>	<i>Down 300 bps</i>	<i>Down 330 bps</i>	
Adjusted EPS	\$0.85	\$0.88 <sup>(1)</sup>	Down 3%	Down 5%	
Free cash flow	\$541	\$596	Down 9%		

(1) Revised to reflect current period presentation

## Second-Quarter 2024 Revenue Growth by Segment

Reported revenues up 6% to \$1.7 billion  
Organic revenues up 6%  
Organic recurring revenues up 8%



“Big 3” grew 8% organically (82% total revenues)

# Thomson Reuters Ventures



# Thomson Reuters Ventures Overview

TR Ventures invests in emerging enterprise technology companies aligned with Thomson Reuters strategic priorities, bringing important insight and relationships that accelerate our innovation

## Key Facts and Highlights

### Fund Key Facts:

- \$100 million venture fund founded in October 2021
- ~\$50 million invested to date in 18 companies

### Activity Metrics (since inception):

- Met with >1,500 start ups
- Met with >200 institutional investors
- >300 internal stakeholder meetings

## What we Invest In

### End-Market / Geographic Focus:

- End-markets: Legal Technology; Tax & Accounting; Risk, Fraud & Compliance and Fintech; AI & Infrastructure, News & Media
- Global focus: North America, LatAm, Europe and APAC

### Technology that impacts the future of Professionals:

- AI and Machine Learning informed
- Software/SaaS that automates routine repeatable tasks
- Building differentiated technology valuable to Thomson Reuters and our customers

### Investment Criteria:

- Key criteria: strength of team, market opportunity, product/technology, business model and traction, strategic alignment with TR
- Focus on Series A investment
- Target 5%-10% ownership

## TR Ventures Brings “Signal” that Accelerates our Innovation



### Market Insight

- Track startup market and surface insights broadly across TR (what’s new, what’s getting funded, where is there unmet need, etc.)
- Work across TR functions to introduce new companies, discuss market trends and developments, and contribute to strategy



### Product & Technology

- Introduce and facilitate product demos of top technology companies
- Include Product teams in investment diligence process
- Provide feedback on internal development initiatives



### Growth Strategy

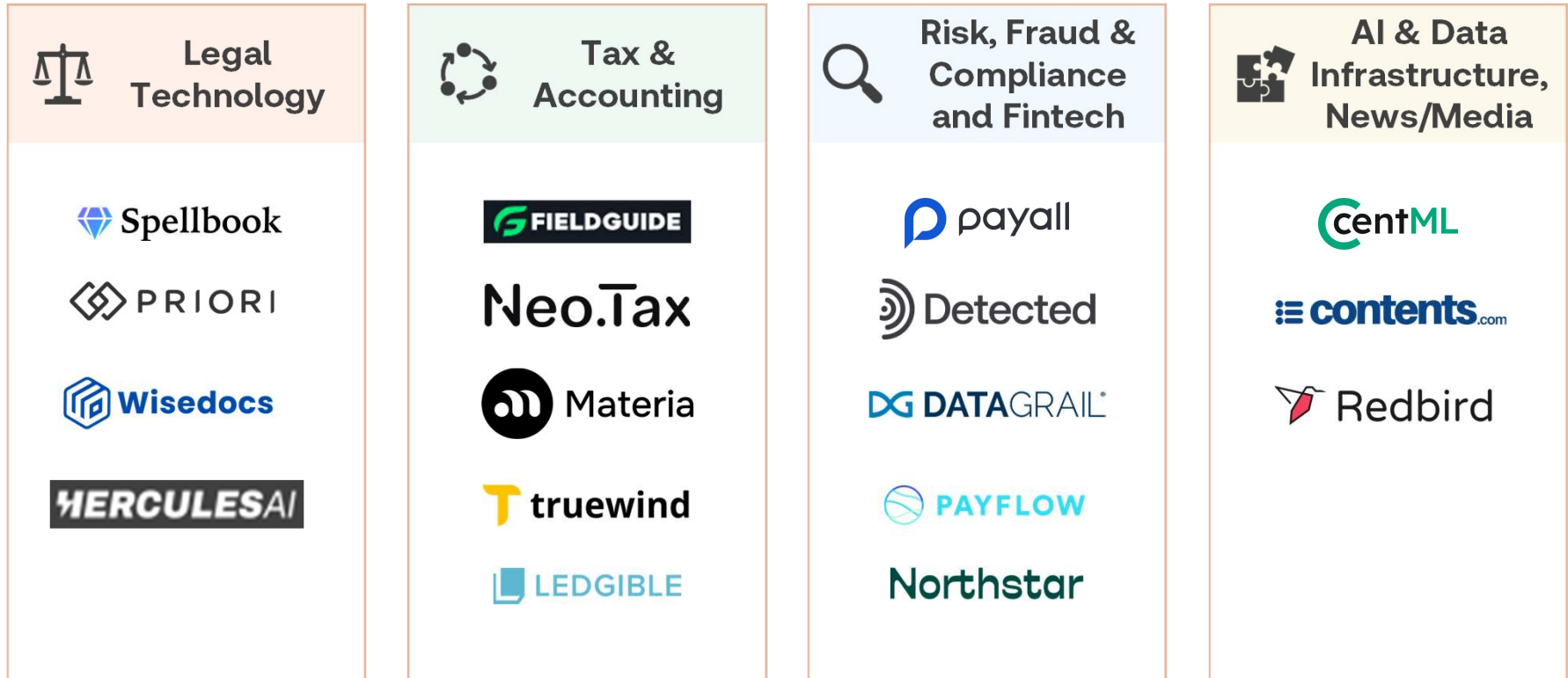
- Explore developing markets, emerging technologies and strategic adjacencies
- Develop partnerships to accelerate product & growth strategy and help TR implement new technology
- Provide a pipeline of potential future M&A candidates

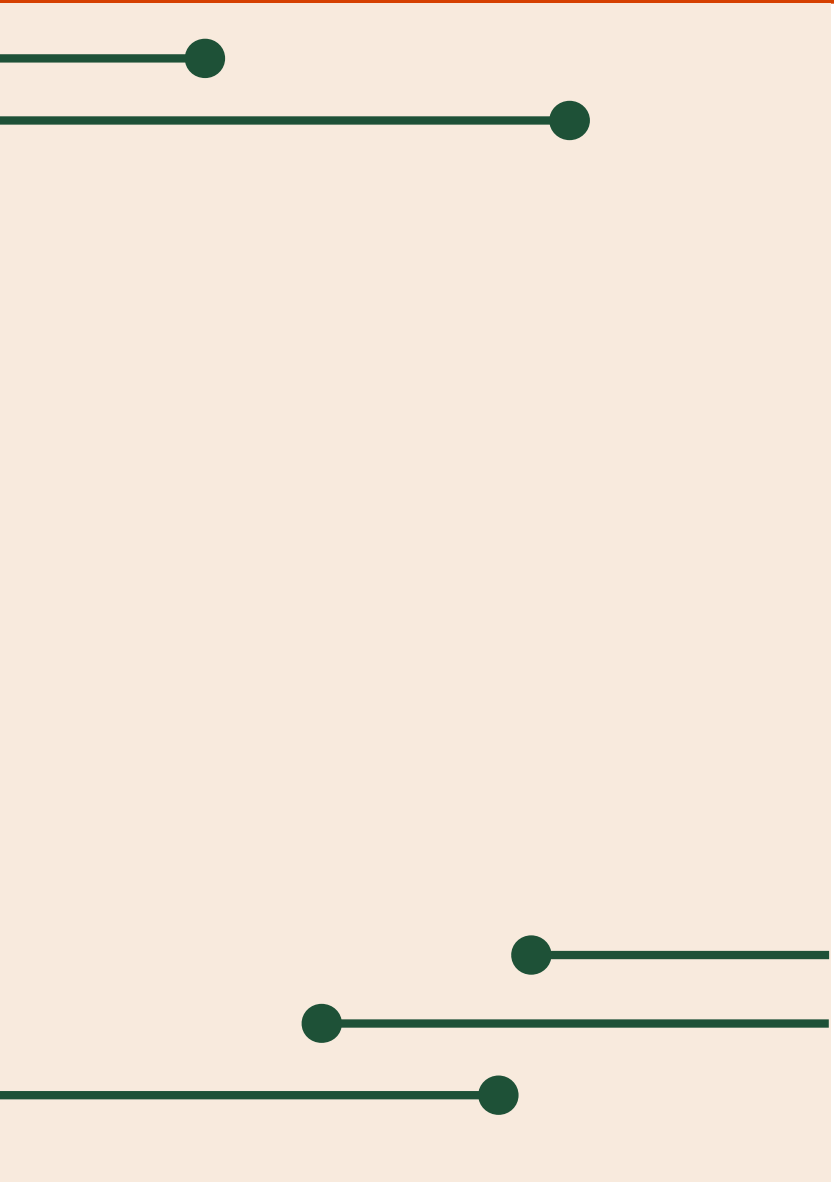


### Financial Return

- Achieve attractive financial returns

## TR Ventures Portfolio Snapshot





# Financial Review Second-Quarter 2024 Results Updated 2024 Outlook

Mike Eastwood  
Chief Financial Officer

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## Second-Quarter 2024 Legal, Corporates, Tax & Accounting Professionals Revenue

(\$ millions)

	Second Quarter					Six Months				
	2024	2023	Total	Constant Currency	Organic	2024	2023	Total	Constant Currency	Organic
<b>Revenues</b>										
Legal Professionals	727	705	+3%	+3%	+7%	1,448	1,419	+2%	+2%	+7%
Corporates	442	392	+13%	+13%	+8%	949	827	+15%	+15%	+10%
Tax & Accounting Professionals	250	229	+9%	+12%	+10%	578	511	+13%	+15%	+12%
<b>Big 3 Revenues</b>	<b>1,419</b>	<b>1,326</b>	<b>+7%</b>	<b>+8%</b>	<b>+8%</b>	<b>2,975</b>	<b>2,757</b>	<b>+8%</b>	<b>+8%</b>	<b>+9%</b>

## Second-Quarter 2024 Consolidated Revenues

(\$ millions)

Revenues	Second Quarter					Six Months				
	2024	2023	Total	Constant Currency	Organic	2024	2023	Total	Constant Currency	Organic
Legal Professionals	727	705	+3%	+3%	+7%	1,448	1,419	+2%	+2%	+7%
Corporates	442	392	+13%	+13%	+8%	949	827	+15%	+15%	+10%
Tax & Accounting Professionals	250	229	+9%	+12%	+10%	578	511	+13%	+15%	+12%
<b>Big 3 Revenues</b>	<b>1,419</b>	<b>1,326</b>	<b>+7%</b>	<b>+8%</b>	<b>+8%</b>	<b>2,975</b>	<b>2,757</b>	<b>+8%</b>	<b>+8%</b>	<b>+9%</b>
Reuters News	205	194	+6%	+7%	+4%	415	369	+13%	+13%	+10%
Global Print	123	133	-8%	-7%	-7%	247	271	-9%	-9%	-9%
Eliminations / Rounding	(7)	(6)				(12)	(12)			
<b>Total Revenues</b>	<b>1,740</b>	<b>1,647</b>	<b>+6%</b>	<b>+6%</b>	<b>+6%</b>	<b>3,625</b>	<b>3,385</b>	<b>+7%</b>	<b>+7%</b>	<b>+8%</b>

## Second-Quarter 2024 Consolidated Adjusted EBITDA

(\$ millions)

	Second Quarter				Six Months			
	2024	2023	Total	Constant Currency	2024	2023	Total	Constant Currency
<b>Adjusted EBITDA</b>								
<b>Legal Professionals</b> <i>Margin</i>	<b>327</b> <i>45.0%</i>	<b>345</b> <i>48.9%</i>	<b>-5%</b>	<b>-6%</b>	<b>669</b> <i>46.2%</i>	<b>663</b> <i>46.7%</i>	<b>+1%</b>	<b>+1%</b>
<b>Corporates</b> <i>Margin</i>	<b>163</b> <i>36.8%</i>	<b>163</b> <i>41.6%</i>	<b>-</b>	<b>-</b>	<b>356</b> <i>37.3%</i>	<b>317</b> <i>38.2%</i>	<b>+12%</b>	<b>+12%</b>
<b>Tax &amp; Accounting Professionals</b> <i>Margin</i>	<b>91</b> <i>36.8%</i>	<b>89</b> <i>38.5%</i>	<b>+3%</b>	<b>+5%</b>	<b>272</b> <i>47.1%</i>	<b>238</b> <i>45.7%</i>	<b>+14%</b>	<b>+16%</b>
<b>Big 3 Adjusted EBITDA</b> <i>Margin</i>	<b>581</b> <i>41.0%</i>	<b>597</b> <i>44.9%</i>	<b>-3%</b>	<b>-3%</b>	<b>1,297</b> <i>43.5%</i>	<b>1,218</b> <i>44.0%</i>	<b>+7%</b>	<b>+7%</b>
<b>Reuters News</b> <i>Margin</i>	<b>51</b> <i>24.8%</i>	<b>45</b> <i>23.1%</i>	<b>+13%</b>	<b>+14%</b>	<b>111</b> <i>26.6%</i>	<b>74</b> <i>20.0%</i>	<b>+50%</b>	<b>+51%</b>
<b>Global Print</b> <i>Margin</i>	<b>43</b> <i>35.2%</i>	<b>53</b> <i>39.7%</i>	<b>-18%</b>	<b>-18%</b>	<b>90</b> <i>36.7%</i>	<b>103</b> <i>38.1%</i>	<b>-12%</b>	<b>-12%</b>
<b>Corporate Costs</b>	<b>(29)</b>	<b>(33)</b>			<b>(46)</b>	<b>(56)</b>		
<b>Total Adjusted EBITDA</b> <i>Margin</i>	<b>646</b> <i>37.1%</i>	<b>662</b> <i>40.1%</i>	<b>-2%</b>	<b>-2%</b>	<b>1,452</b> <i>40.0%</i>	<b>1,339</b> <i>39.4%</i>	<b>+8%</b>	<b>+8%</b>

## Adjusted Earnings Per Share (EPS)

(\$ millions except per share amounts & share count)

	Second Quarter			Six Months		
	2024	2023	% Change	2024	2023	% Change
<b>Adjusted EBITDA</b>	<b>646</b>	<b>662</b>	<b>-2%</b>	<b>1,452</b>	<b>1,339</b>	<b>+8%</b>
Depreciation & Amortization of Computer Software	(183)	(156)		(364)	(304)	
Add back: Acquired Software Amortization	37	20		75	27	
Interest Expense	(36)	(34)		(76)	(89)	
Income Tax	(77)	(78)		(196)	(162)	
Dividend declared on preference shares	(2)	(2)		(3)	(3)	
<b>Adjusted Earnings</b>	<b>385</b>	<b>412</b>		<b>888</b>	<b>808</b>	
<b>Adjusted EPS</b>	<b>\$0.85</b>	<b>\$0.88<sup>(1)</sup></b>	<b>-3%</b>	<b>\$1.97</b>	<b>\$1.71<sup>(1)</sup></b>	<b>+15%</b>
<i>Foreign Currency Impact</i>	<i>0.01</i>			<i>0.01</i>		
<i>Diluted Weighted Average Common Shares</i>	<i>450.9M</i>			<i>451.9M</i>		

(1) Revised to reflect current period presentation

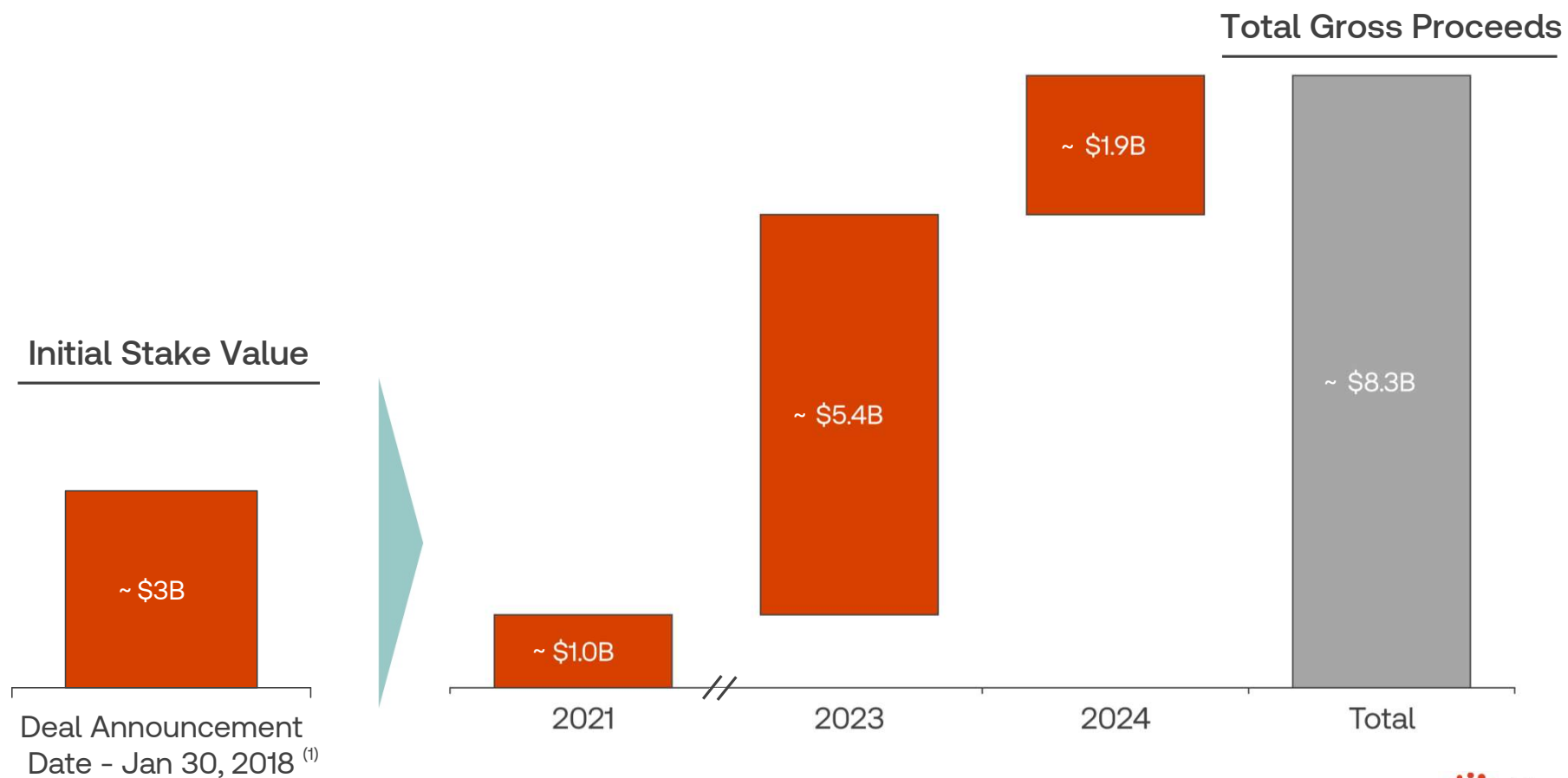




## Consolidated Free Cash Flow

(\$ millions)	Second Quarter			Six Months		
	2024	2023	Change	2024	2023	Change
<b>Net Cash Provided by Operating Activities</b>	<b>705</b>	<b>695</b>	<b>10</b>	<b>1,137</b>	<b>962</b>	<b>175</b>
Capital Expenditures	(152)	(127)	(25)	(297)	(267)	(30)
Other Investing Activities	6	45	(39)	6	68	(62)
Payments of Lease Principal	(16)	(15)	(1)	(31)	(31)	-
Dividends Paid on Preference Shares	(2)	(2)	-	(3)	(3)	-
<b>Free Cash Flow</b>	<b>\$541</b>	<b>\$596</b>	<b>\$(55)</b>	<b>\$812</b>	<b>\$729</b>	<b>\$83</b>

## London Stock Exchange Group Monetization Success



(1) Date on which Thomson Reuters announced an agreement to sell a majority stake in its former Finance & Risk business to Blackstone

# 2024 Outlook Update

## 2024 Updated Outlook

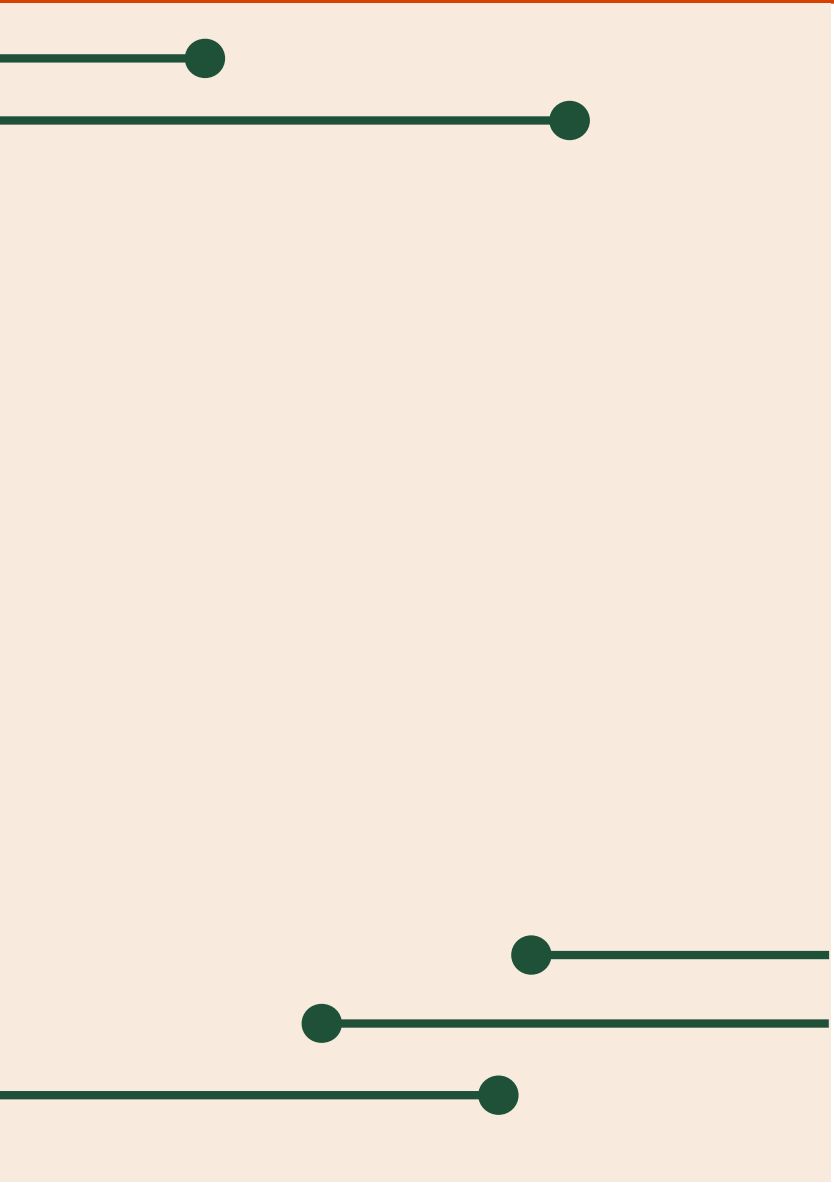
<b>Total Thomson Reuters</b>	<b>FY 2023 Reported</b>	<b>FY 2024 Outlook <sup>(3)</sup> 2/8/24</b>	<b>FY 2024 Outlook <sup>(3)</sup> 5/2/24</b>	<b>FY 2024 Outlook <sup>(3)</sup> 8/1/24</b>
Total Revenue Growth	3%	~ 6.5%	6.5% - 7.0%	~ 7.0%
Organic Revenue Growth <sup>(1)</sup>	6%	~ 6%	6.0% - 6.5%	~ 6.5%
Adjusted EBITDA Margin <sup>(1)</sup>	39.3%	~ 38%	Unchanged	Unchanged
Corporate Costs	\$115 million	\$120 - \$130 million	Unchanged	Unchanged
Free Cash Flow <sup>(1)</sup>	\$1.9 billion	~ \$1.8 billion	Unchanged	Unchanged
Accrued Capex as % of Revenue <sup>(1)</sup>	7.8%	~ 8.5%	Unchanged	Unchanged
Depreciation & Amortization of Computer Software	\$628 million	\$730 - \$750 million	Unchanged	Unchanged
Depreciation & Amortization of Internally Developed Software	\$556 million	\$595 - \$615 million	Unchanged	\$580 - \$600 million
Amortization of Acquired Software	\$72 million	~ \$135 million	Unchanged	~ \$150 million
Interest Expense (P&L) <sup>(2)</sup>	\$164 million	\$150 - \$170 million	Unchanged	\$125 - \$145 million
Effective Tax Rate on Adjusted Earnings <sup>(1)</sup>	16.5%	~ 18%	Unchanged	Unchanged
<b>Big 3 <sup>(1)</sup></b>	<b>FY 2023 Reported</b>	<b>FY 2024 Outlook <sup>(3)</sup> 2/8/24</b>	<b>FY 2024 Outlook <sup>(3)</sup> 5/2/24</b>	<b>FY 2024 Outlook <sup>(3)</sup> 8/1/24</b>
Total Revenue Growth	3%	~ 8%	8.0% - 8.5%	~ 8.5%
Organic Revenue Growth	7%	~ 7.5%	7.5% - 8.0%	~ 8.0%
Adjusted EBITDA Margin	43.8%	~ 43%	Unchanged	Unchanged

(1) Non-IFRS financial measures. All measures reported for the "Big 3" segments are non-IFRS

(2) Full-year 2023 interest expense excludes a \$12 million benefit from the release of a tax reserve that is removed from adjusted earnings

(3) Before currency and excludes the impact of future acquisitions / dispositions





## Q&A

