



Thomson Reuters

2024 Second-Quarter Results

August 1, 2024

Agenda

- **Welcome / Introduction** **Gary Bisbee**
- **Second-Quarter 2024 Highlights** **Steve Hasker**
TR Ventures
- **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, 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, 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



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

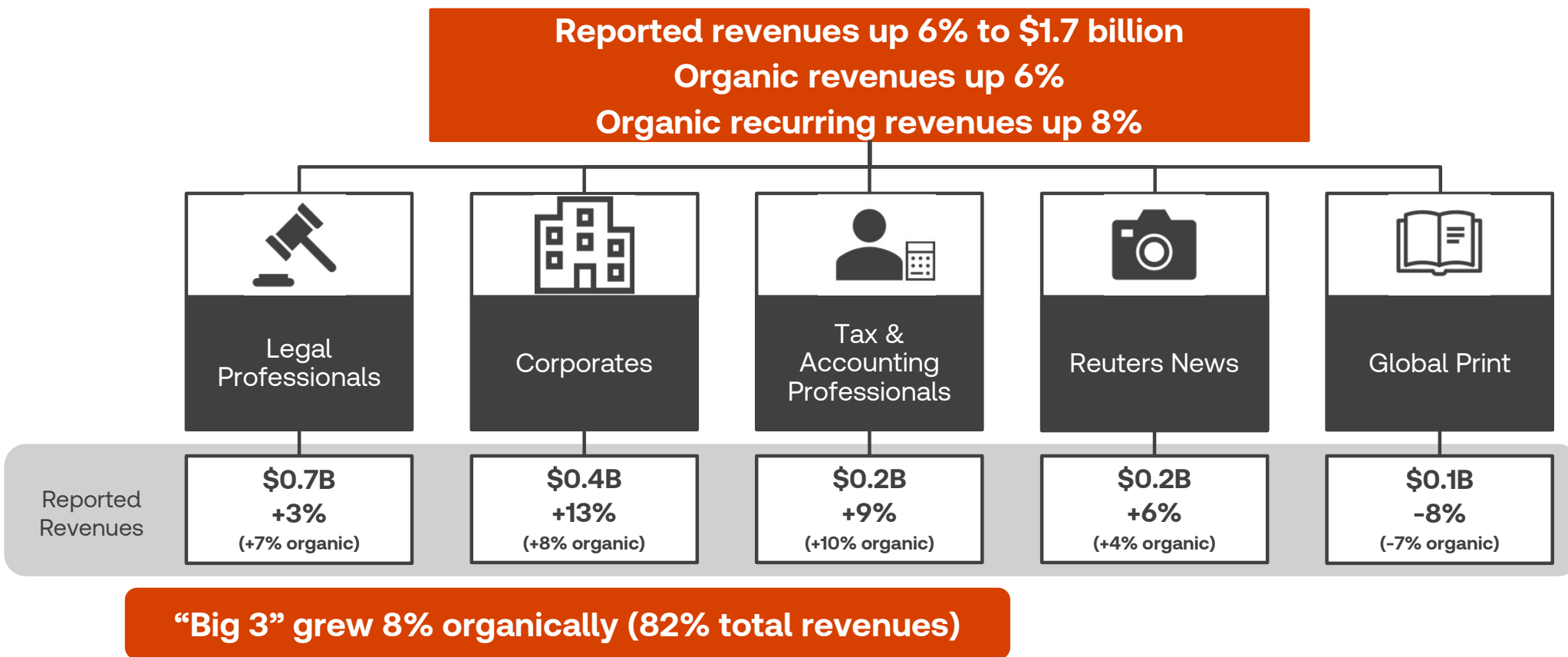
Second-Quarter 2024 Consolidated Results

IFRS Financial Measures (\$ millions)	2024	2023	Change
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%

Non-IFRS Financial Measures (\$ millions)	2024	2023	Change	Change at Constant Currency	Organic Growth
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 Down 330 bps</i>		
Adjusted EPS	\$0.85	\$0.88 ⁽¹⁾	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



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

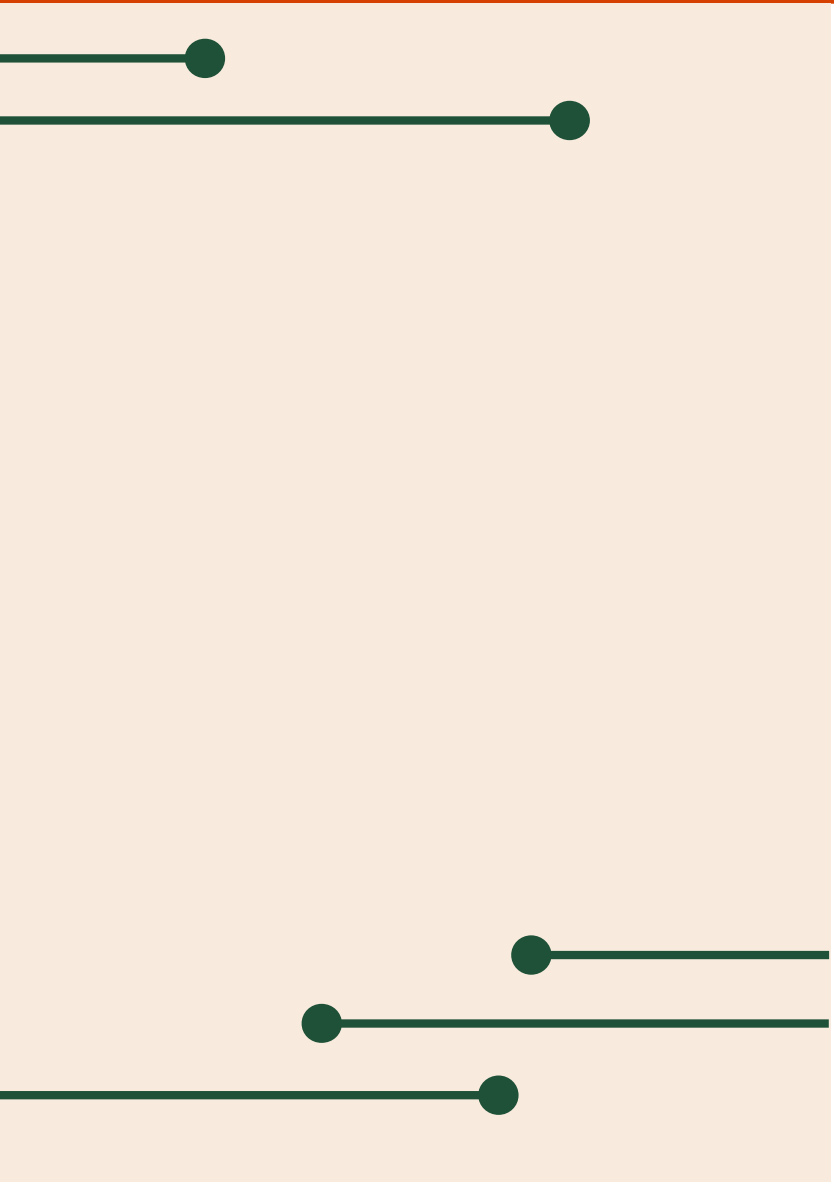
- Explore developing markets, emerging technologies and strategic adjacencies
- Develop partnerships to accelerate product & growth strategy and help TR implement new technology
- Provide a pipeline of potential future M&A candidates

Financial Return

- Achieve attractive financial returns

TR Ventures Portfolio Snapshot

 Legal Technology	 Tax & Accounting	 Risk, Fraud & Compliance and Fintech	 AI & Data Infrastructure, News/Media
 Spellbook			
 PRIORI			
 Wisedocs	 Materia		 Redbird
			
			



Financial Review Second-Quarter 2024 Results Updated 2024 Outlook

Mike Eastwood
Chief Financial Officer

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

(\$ millions)	Second Quarter					Six Months				
Revenues	2024	2023	Constant			2024	2023	Constant		
			Total	Currency	Organic			Total	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%
Big 3 Revenues	1,419	1,326	+7%	+8%	+8%	2,975	2,757	+8%	+8%	+9%

Second-Quarter 2024 Consolidated Revenues

(\$ millions)

	Second Quarter					Six Months				
			Constant					Constant		
Revenues	2024	2023	Total	Currency	Organic	2024	2023	Total	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%
Big 3 Revenues	1,419	1,326	+7%	+8%	+8%	2,975	2,757	+8%	+8%	+9%
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)			
Total Revenues	1,740	1,647	+6%	+6%	+6%	3,625	3,385	+7%	+7%	+8%

Second-Quarter 2024 Consolidated Adjusted EBITDA

(\$ millions)

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

Adjusted Earnings Per Share (EPS)

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

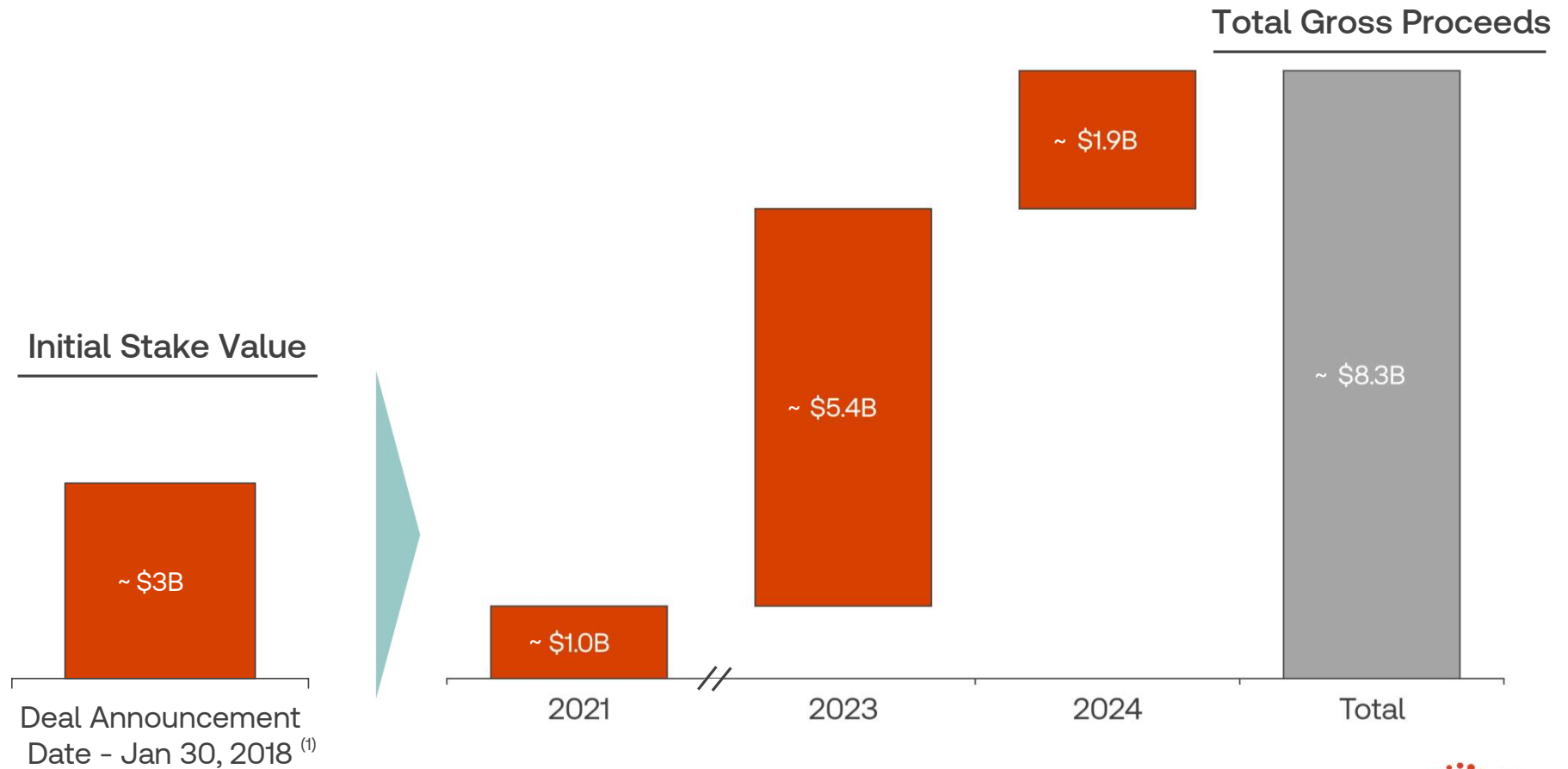
	Second Quarter			Six Months		
	2024	2023	% Change	2024	2023	% Change
Adjusted EBITDA	646	662	-2%	1,452	1,339	+8%
Depreciation & Amortization of Computer Software	(183)	(156)		(364)	(304)	
Add back: Acquired Software Amortization	37	20		75	27	
Interest Expense	(36)	(34)		(76)	(89)	
Income Tax	(77)	(78)		(196)	(162)	
Dividend declared on preference shares	(2)	(2)		(3)	(3)	
Adjusted Earnings	385	412		888	808	
Adjusted EPS	\$0.85	\$0.88⁽¹⁾	-3%	\$1.97	\$1.71⁽¹⁾	+15%
<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
Net Cash Provided by Operating Activities	705	695	10	1,137	962	175
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)	-
Free Cash Flow	\$541	\$596	\$(55)	\$812	\$729	\$83

London Stock Exchange Group Monetization Success



2024 Outlook Update

2024 Updated Outlook

Total Thomson Reuters	FY 2023 Reported	FY 2024 Outlook ⁽³⁾ 2/8/24	FY 2024 Outlook ⁽³⁾ 5/2/24	FY 2024 Outlook ⁽³⁾ 8/1/24
Total Revenue Growth	3%	~ 6.5%	6.5% - 7.0%	~ 7.0%
Organic Revenue Growth ⁽¹⁾	6%	~ 6%	6.0% - 6.5%	~ 6.5%
Adjusted EBITDA Margin ⁽¹⁾	39.3%	~ 38%	Unchanged	Unchanged
Corporate Costs	\$115 million	\$120 - \$130 million	Unchanged	Unchanged
Free Cash Flow ⁽¹⁾	\$1.9 billion	~ \$1.8 billion	Unchanged	Unchanged
Accrued Capex as % of Revenue ⁽¹⁾	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) ⁽²⁾	\$164 million	\$150 - \$170 million	Unchanged	\$125 - \$145 million
Effective Tax Rate on Adjusted Earnings ⁽¹⁾	16.5%	~ 18%	Unchanged	Unchanged
Big 3 ⁽¹⁾	FY 2023 Reported	FY 2024 Outlook ⁽³⁾ 2/8/24	FY 2024 Outlook ⁽³⁾ 5/2/24	FY 2024 Outlook ⁽³⁾ 8/1/24
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