

FT PARTNERS FINTECH INDUSTRY RESEARCH

February 1, 2018

The Blackstone logo, featuring the word "Blackstone" in a white serif font centered within a solid black rectangular box.

**Blackstone Acquires Majority Stake in Thomson Reuters
(TSX:TRI) Financial & Risk (F&R) Business for an Implied
Business Value of ~\$20 billion**

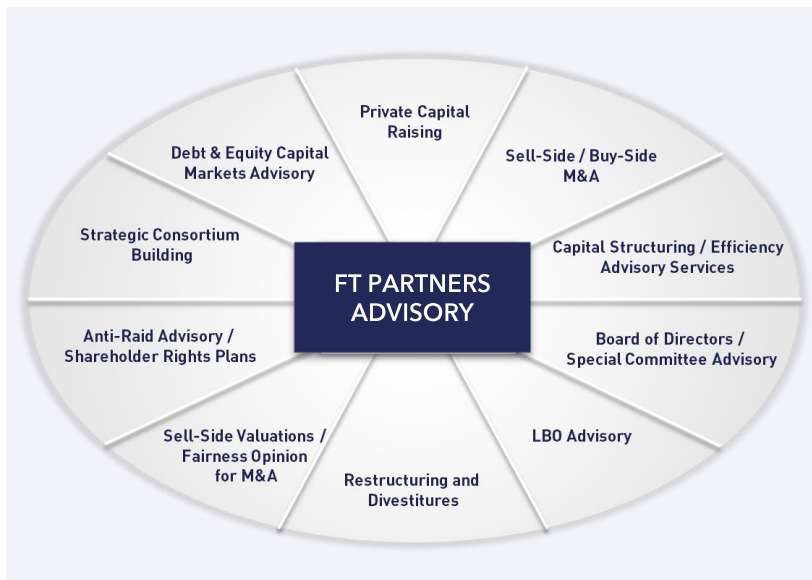


THOMSON REUTERS

FT Partners Overview

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 15 years of exclusive focus on Financial Technology

FT Partners' Advisory Capabilities



FT Partners' FinTech Industry Research

FINTECH RESEARCH & INSIGHTS

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



The Information

Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by *The Information*



Ranked #1 Most Influential Person in all of FinTech in *Institutional Investors* "FinTech Finance 40"



THE M&A ADVISOR

Numerous Awards for Transaction Excellence including "Deal of the Decade"

Transaction Summary



Transaction Summary

- On January 30, 2018, Blackstone announced it entered into a definitive agreement to acquire a 55% majority stake in Thomson Reuters' (TSX:TRI) Financial & Risk (F&R) Business; the transaction values the F&R business at approximately \$20 billion
 - Canada Pension Plan Investment Board (CPPIB) and GIC invested alongside Blackstone
 - The sale is subject to regulatory approvals, including the Hart-Scott-Rodino Act and customary closing conditions
- Thomson Reuters will retain a 45% interest in the F&R Business, as well as keep full interest of its Legal, Tax & Accounting and Reuters News businesses
- Thomson Reuters plans on using the estimated \$17 billion of gross proceeds from the transaction to:
 - Pay off debt to remain below a net debt-to-EBITDA leverage ratio of 2.5x
 - Pay cash taxes and other associated transactional expenses
 - Pursue organic and inorganic opportunities
 - Repurchase shares through bid / tender offer to all shareholders

Transaction Multiples

(\$ in mm)

Enterprise Value: \$20,000

3.3x

EV / LTM Revenue

LTM Revenue⁽¹⁾: \$6,069

11.6x

EV / LTM EBITDA

LTM Adjusted EBITDA⁽¹⁾: \$1,724

Transaction Commentary

"This deal strengthens F&R and should accelerate its growth and benefit its customers across the sellside, buy-side and trading venues. Blackstone's strong relationships in the financial services industry and long and successful history of corporate partnerships will help F&R provide new and innovative products and services, drive further efficiencies and navigate ongoing industry consolidation ... I am proud of the F&R organization and all of the hard work that has gone into turning around the business over the last six years. Today's announcement reflects the strength of the F&R business and its future potential. We believe F&R will be even stronger with Blackstone as a partner. The transaction will provide immediate value to Thomson Reuters shareholders and our ownership interest in F&R will enable Thomson Reuters to participate in the future upside of the business."



THOMSON REUTERS

Jim Smith
CEO & President



"We are excited to partner with Thomson Reuters – one of the most trusted companies in financial technology. The F&R division has tremendous assets, including a world-leading data business, essential risk and compliance solutions, OTC trading venues, wealth management software, and a strong desktop business. The partnership with Blackstone provides an opportunity to increase efficiency and accelerate revenue growth through innovation and focus on creating uniquely compelling products for F&R's customers."

Blackstone

Martin Brand
Senior Managing Director



Thomson Reuters Overview



Company Overview



THOMSON REUTERS

CEO: Jim Smith

Headquarters: Toronto, Canada

Founded: 1799

Employees: 45,700

- Thomson Reuters Corporation provides news and information for professional markets worldwide through its three business segments: Financial & Risk, Legal, and Tax & Accounting
 - The Financial & Risk (F&R) Business provides financial market professionals with global media content, such as market fundamentals, estimates, primary research and secondary research
 - The businesses that will make up the new F&R partnership between Thomson Reuters and Blackstone had 2017 revenues of approximately \$6 billion

Management Team



Jim Smith
President, Chief Executive Officer



Stephane Bello
Chief Financial Officer, Executive Vice President



Gus Carlson
Chief Communications Officer, Executive Vice President

LTM Company Financials (as of 09/30/17)

Market Cap ⁽¹⁾ \$32,979 million

Revenue \$11,249 million

Adjusted EBITDA \$3,198 million

Net Income \$3,045 million

Diluted EPS \$1.48

Stock Performance (TSX:TRI)



Blackstone Overview

Blackstone



Overview

Blackstone



Joseph Baratta
Global Head of
Private Equity



Prakash Melwani
Senior Managing
Director & CIO



Martin Brand
Senior Managing
Director



David Blitzter
Senior Managing
Director, Head of
Tactical Ops



Greg Blank
Managing
Director



Nadim El Gabbani
Senior Managing
Director

Locations

- New York, NY (HQ)
- Los Angeles, CA
- Boston, MA
- Atlanta, GA
- Beijing, China
- Hong Kong
- Dubai, UAE
- London, UK

About

- The Blackstone Group is a publicly-traded asset manager with various invest strategies including: private equity, hedge funds, real estate and credit
- Pursues transactions in a wide variety of industries, including LBO's of mature companies and occasional early-stage minority investments
- Invests on a global basis, but primarily focuses on North America, Europe and Asia

Investment Preferences

Investment Criteria

Fund Size:	\$7,500 mm
Fund Raised:	2017
Investment Range:	<\$1,000 mm
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Majority, Minority
Geography:	Global
Transaction Type:	Growth, MBO, Buyout / LBO, Recapitalization, Bankruptcy / Distressed
Industry Focus:	Sector Agnostic

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
01/18	Thomson Reuters F&R (Buyout)	\$11,000	NA	CapMkts
08/17	Paysafe (Secondary)	3,890	NA	Pymts
02/17	Aon Hewitt's Benefits Outsourcing Business (Buyout)	4,800	NA	BPO
12/16	BTIG (PE Growth)	NA	NA	CapMkts
09/16	MphasiS (Buyout)	818	NA	BPO
08/16	JDA Software Group (PE Growth)	575	NA	FMS
07/16	Black Swan Data (Series B)	8	NA	BPO
06/16	Verodin (Series A)	10	Jay Leek	BPO
03/16	Future Finance (Series B)	27	NA	Bankg
12/15	Serco BPO (Buyout)	375	NA	BPO
11/15	NCR (PIPE)	820	Chinh Chu, Greg Blank	Pymts
10/15	Agasti (Secondary)	NA	James Seppala	CapMkts
10/15	Bit9 (Series F)	54	NA	BPO
09/15	PMI (PE Growth)	NA	Naveen Bhatia	Ins
08/15	Stearns (Buyout)	NA	Chinh Chu	Bankg
07/15	RedOwl (Forcepoint)*	17	Jay Leek	FMS
07/15	Excel Trust (Buyout)	1,006	NA	CapMkts
07/15	Obligo BX (Secondary)	NA	Andrew Dowler	CapMkts

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

2) * denotes M&A exit; ** denotes IPO exit

3) Deal Amount in mm

Selected FT Partners Research – *Click to View*



Research Report: Innovations in Capital Markets Technology



Moneyfarm Acquires the Technology Assets of Ernest



Addepar's \$140 million Series D Financing



TCA's \$275 million sale to E*TRADE



SS&C Acquires DST Systems for an Implied Enterprise Value of \$5.4 billion



Euronext Acquires Irish Stock Exchange for \$160 million



Itiviti Acquires Ullink



Wealthfront Raises \$75 million in Financing

VIEW MORE FT PARTNERS RESEARCH

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Selected FT Partners Securities and Capital Markets Technology Transactions

M&A Transactions

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as advisor to

BLACKROCK

in its 100% acquisition of

FutureAdvisor

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The Only Investment Bank
Focused Exclusively on Financial Technology

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

PENSIO
TRUST COMPANY

in its sale to

OpusBank
"BUILD YOUR MASTERPIECE"

for total consideration of

\$ 104,000,000

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is pleased to announce its exclusive role as strategic and financial advisor to

TRUST COMPANY OF AMERICA

in its sale to

EXTRADE

for total consideration of

\$ 275,000,000

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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as strategic and financial advisor to

riskalyze

in its growth strategy investment led by

FTV CAPITAL

for total consideration of

\$ 20,000,000

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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

alphasense

in its growth strategy from

Quantum Strategic Partners

in private investment vehicle management by **DELTA**

Triangle Peak TVP

for total consideration of

\$ 33,000,000+

FINANCIAL TECHNOLOGY PARTNERS
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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as strategic and financial advisor to

ADDEPAR

in its Series D financing co-led by

VALOR 8VC
EQUITY PARTNERS

Harald McPike

for total consideration of

\$ 140,000,000

FINANCIAL TECHNOLOGY PARTNERS
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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

ATD
Assessment Training Devs, LLC

in its sale to

citi

for cash and stock consideration of approximately

\$ 680,000,000

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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

INSTINET

in the sale of its stake in

CHIX EUROPE

to

BATS

for total consideration of approximately

\$ 305,000,000

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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

THE MARKETS.COM

in its sale to

Capital IQ
A Division of Standard & Poor's

for total consideration of approximately

\$ 300,000,000

FINANCIAL TECHNOLOGY PARTNERS
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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as Capital Markets & IPO Advisor to

ENVESTNET

in its

\$69,000,000
Initial Public Offering

valuing the equity at approximately

\$ 300,000,000

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Focused Exclusively on Financial Technology

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

liquidnet

in its financing for approximately

\$ 250,000,000

valued at approximately

\$ 1,800,000,000

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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

AXIAL

in its financing led by

Edison PARTNERS

for total consideration of approximately

\$ 14,000,000

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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

WOMBAT
FINANCIAL SOFTWARE

in its sale to

NYSE Euronext

for total consideration of approximately

\$ 225,000,000

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FTP Securities LLC

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Alpha

in its acquisition by

CHIX EUROPE

TMX Maple Group

valued at approximately

\$ 175,000,000

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ITC
INVESTMENT TECHNOLOGY

in the acquisition of

macgregor

for cash consideration of approximately

\$ 230,000,000

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FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

TradingScreen
SIMPLIFYING GLOBAL MARKETS

in its minority recapitalization for

\$ 110,000,000

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FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

ITC
INVESTMENT TECHNOLOGY

in its debt financing

Senior Revolving Credit Facility
Senior Term Loan

of approximately

\$ 205,000,000

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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to

MarketAxxess

in its minority capital raise with

TCV
TECHNOLOGY CREDIT VENTURES

for approximately

\$ 35,000,000

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The Only Investment Bank
Focused Exclusively on Financial Technology

FT Partners has advised on some of the most prominent and groundbreaking transactions in the Securities / Capital Markets / Wealth Technology sectors

Award-Winning Investment Banking Franchise Focused on Superior Client Results

Institutional Investor
Institutional Investor
Annual Ranking

2017
2015 - 2016
2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 40 List
- Steve McLaughlin Ranked Top 5 on Institutional Investor's FinTech 35 List
- Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"

I The Information

2016

- Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"



M&A Advisor
Awards

2015 - 2017

2010 - 2014

2004 - 2007

- Investment Banker of the Year – 2017
- Investment Banking Firm of the Year – 2016
- Cross Border Deal of the Year - 2016
- Dealmaker of the Year – 2015
- Technology Deal of the Year – 2015
- Equity Financing Deal of the Year - 2014
- Professional Services Deal of the Year, Above \$100 mm – 2014
- Dealmaker of the Year – 2012
- Professional Services Deal of the Year, Above \$100 mm – 2012
- Boutique Investment Bank of the Year – 2011
- Deal of the Decade – 2011
- Upper Middle Market Deal of the Year, Above \$500 mm – 2010
- IT Services Deal of the Year, Below \$500 mm – 2010
- Cross-Border Deal of the Year, Below \$500 mm – 2010
- Dealmaker of the Year – Steve McLaughlin – 2007
- Business to Business Services Deal of the Year - 2007
- Computer and Information Technology Deal of the Year, Above \$100 mm – 2007
- Financial Services Deal of the Year, Above \$100 mm – 2007
- Investment Bank of the Year – 2004



Middle Market
Financing Awards

2006 - 2008

- Equity Financing Dealmaker of the Year – Steve McLaughlin – 2008
- Information Technology Deal of the Year – 2008
- Financial Services Deal of the Year – 2008
- Financing Professional of the Year – Steve McLaughlin – 2006

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York and San Francisco from 1995-2002 Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	23
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	22
Osman Khan <i>Managing Director</i>		<ul style="list-style-type: none"> Former Managing Director / Head of FIG M&A at Alvarez & Marsal 15+ years FIG deal, consulting and assurance experience at PwC 40 Under 40 M&A Advisor Award Winner in 2013 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	21
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Former Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank 	20
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	16
Timm Schipporeit <i>Managing Director</i>		<ul style="list-style-type: none"> 11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	15
Andrew McLaughlin <i>Managing Director</i>		<ul style="list-style-type: none"> 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting 	12