

THOMSON REUTERS CORP /CAN/
Form SUPPL
May 02, 2016
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The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus do not constitute an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION

PRELIMINARY PROSPECTUS SUPPLEMENT DATED MAY 2, 2016

PROSPECTUS SUPPLEMENT

(To short form base shelf prospectus dated March 31, 2016)

US\$

Thomson Reuters Corporation

% Notes due 20

The % Notes due 20 (the notes) will mature on , 20 . We will pay interest on the notes on and of each year, beginning on , 2016. The notes will be direct, unsecured obligations of Thomson Reuters Corporation. The notes will be issued only in denominations of US\$2,000 and multiples of US\$1,000 in excess thereof. We may redeem all or a portion of the notes at any time at the applicable redemption price described in this prospectus supplement. We will also have the option to redeem the notes in whole and not in part at any time at a price equal to 100% of the aggregate principal amount of the notes plus accrued and unpaid interest to the date of redemption in the event of certain changes to Canadian withholding taxes. We will be required to make an offer to purchase the notes at a price equal to 101% of their aggregate principal amount, plus accrued and unpaid interest to the date of repurchase, upon the occurrence of a Change of Control Triggering Event (as defined herein). See the section of this prospectus supplement entitled Description of the Notes for more information, including a description of the ranking of the notes.

Investing in the notes involves risks that are described in some of the documents incorporated by reference herein and in the Risk Factors section on page S-3 of this prospectus supplement and page 5 of the accompanying short form base shelf prospectus.

	Per Note	Total
Public offering price ⁽¹⁾	%	US\$
Underwriting commission	%	US\$
Proceeds to Thomson Reuters (before expenses)	%	US\$

(1) Plus accrued interest from _____, 2016, if settlement occurs after that date.

The notes will not be listed on any securities exchange or quotation system and, consequently, there is no market through which the notes may be sold and purchasers may not be able to resell notes purchased under this prospectus supplement. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See Risk Factors .

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying short form base shelf prospectus. Any representation to the contrary is a criminal offense.

We are permitted to prepare this prospectus supplement and the accompanying short form base shelf prospectus in accordance with Canadian disclosure requirements, which are different from those of the United States. We prepare our financial statements in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, which we refer to as IFRS. Our financial statements are subject to Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board as well as Canadian and U.S. securities regulatory auditor independence standards. Our consolidated financial statements may not be comparable to the financial statements of U.S. companies.

Owning the notes may subject you to tax consequences in both the United States and Canada. This prospectus supplement and the accompanying short form base shelf prospectus may not describe these tax consequences fully. You should read the tax discussion contained in this prospectus supplement and the accompanying short form base shelf prospectus.

Your ability to enforce civil liabilities under U.S. federal securities laws may be affected adversely because our company is incorporated under the laws of the Province of Ontario, Canada, some of our officers and directors and some of the experts named in this prospectus supplement and the accompanying short form base shelf prospectus are non-U.S. residents, and some of our assets and some of the assets of those officers, directors and experts may be located outside of the United States.

The notes will be ready for delivery in book-entry form only through the facilities of The Depository Trust Company and its direct and indirect participants, including Euroclear and Clearstream, on or about _____, 2016 (which is the fifth business day following the date of this prospectus supplement; such settlement date being referred to as T+5).

See Underwriting .

Joint Book-Running Managers

BofA Merrill Lynch

Citigroup

**Goldman, Sachs & Co.
, 2016**

Wells Fargo Securities

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**IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT
AND THE ACCOMPANYING SHORT FORM BASE SHELF PROSPECTUS**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes. The second part, the accompanying short form base shelf prospectus, gives more general information, some of which may not apply to the notes. If the description of the notes varies between this prospectus supplement and the accompanying short form base shelf prospectus, you should rely on the information in this prospectus supplement.

We have not, and the underwriters have not, authorized anyone to provide you with information different from that contained in this prospectus supplement and the accompanying short form base shelf prospectus or in any free writing prospectus that we prepare. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters are not making an offer of notes in any jurisdiction where the offer is not permitted by law. You should not assume that the information contained in or incorporated by reference in this prospectus supplement or the accompanying short form base shelf prospectus is accurate as of any date other than the date on the front of this prospectus supplement. Our business, financial condition, results of operations and prospects may have changed since those dates.

In this prospectus supplement, unless otherwise indicated, capitalized terms which are defined in the accompanying short form base shelf prospectus are used herein with the meanings defined in the short form base shelf prospectus. The words we, us, our, our company and Thomson Reuters refer to Thomson Reuters Corporation and its consolidated subsidiaries, unless the context requires otherwise. Unless otherwise indicated, references in this prospectus supplement to \$, US\$ or dollars are to U.S. dollars.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have been filed with the securities regulatory authorities in Canada and filed with, or furnished to, the Securities and Exchange Commission, or SEC, are specifically incorporated by reference in this prospectus supplement:

our audited consolidated financial statements for the year ended December 31, 2015 and the accompanying auditor's report thereon;

our management's discussion and analysis for the year ended December 31, 2015;

our annual report for the year ended December 31, 2015 (which also constitutes an annual information form);

our unaudited consolidated interim financial statements for the three months ended March 31, 2016;

our management's discussion and analysis for the three months ended March 31, 2016; and

our management proxy circular dated March 24, 2016, related to our annual meeting of shareholders to be held on May 11, 2016.

Our 2015 annual financial statements, annual management's discussion and analysis and annual information form referred to above are contained in our 2015 annual report, which is included in our annual report on Form 40-F for the year ended December 31, 2015.

Any statement contained in this prospectus supplement, the accompanying short form base shelf prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement, the accompanying short form base shelf prospectus or in any other subsequently filed or furnished document which also is or is deemed to be incorporated by reference herein, modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any information set forth in the document that it modifies or supersedes. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

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CAUTIONARY NOTE CONCERNING FACTORS THAT MAY AFFECT FUTURE RESULTS

Certain statements included and incorporated by reference in this prospectus supplement are forward-looking. When used in this prospectus supplement or in the documents incorporated by reference herein, the words “anticipate,” “believe,” “plan,” “estimate,” “expect,” “intend,” “will,” “may” and “should” and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on certain assumptions and reflect our company’s current expectations. As a result, forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. These risks include, but are not limited to:

uncertainty, downturns and changes in the markets that we serve, in particular in the financial services and legal industries;

actions of competitors;

failure to develop new products, services, applications and functionalities to meet customers’ needs, attract new customers and retain existing ones, expand into new geographic markets or identify areas of higher growth;

fraudulent or unpermitted data access or other cyber-security or privacy breaches;

failures or disruptions of telecommunications, data centers, network systems or the Internet;

increased accessibility to free or relatively inexpensive information sources;

failure to meet the challenges involved in operating globally;

failure to maintain a high renewal rate for our subscription-based services;

dependency on third parties for data, information and other services;

changes to law and regulations, including the impact of Dodd-Frank legislation;

tax matters, including changes to tax laws, regulations and treaties;

fluctuations in foreign currency exchange and interest rates;

failure to adapt to organizational changes and effectively implement strategic initiatives;

failure to attract, motivate and retain high quality management and key employees;

failure to derive fully the anticipated benefits from existing or future acquisitions, joint ventures, investments or dispositions;

failure to protect the brands and reputation of Thomson Reuters;

inadequate protection of intellectual property rights;

threat of legal actions and claims;

risk of antitrust/competition-related claims or investigations;

impairment of goodwill and identifiable intangible assets;

downgrading of credit ratings and adverse conditions in the credit markets;

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the effect of factors outside of the control of Thomson Reuters on funding obligations in respect of pension and post-retirement benefit arrangements;

actions or potential actions that could be taken by our controlling shareholder, The Woodbridge Company Limited; and

a change in the tax residence of our company.

These factors and other risk factors described under the section of the accompanying short form base shelf prospectus entitled **Risk Factors** and in some of the documents incorporated by reference herein represent risks that our management believes are material. There is no assurance that any forward-looking statements will materialize. You are cautioned not to place undue reliance on forward-looking statements, which reflect expectations only as of the date of this prospectus supplement. Except as may be required by applicable law, we disclaim any intention or obligation to update or revise any forward-looking statements.

RISK FACTORS

Investing in the notes is subject to certain risks. Before purchasing notes, you should consider carefully the risk factors set forth under the heading **Risk Factors** in the accompanying short form base shelf prospectus and those under the heading **Risk Factors** in our annual report for the year ended December 31, 2015 (which contains our annual information form for the year ended December 31, 2015 and is included in our annual report on Form 40-F for the year ended December 31, 2015), as well as the other information contained in and incorporated by reference in this prospectus supplement. If any of the events or developments discussed in these risks actually occur, our business, financial condition or results of operations or the value of the notes could be adversely affected.

BUSINESS

We are the world's leading source of news and information for professional markets. Our customers rely on us to deliver the intelligence, technology and expertise they need to find trusted answers. The business has operated in more than 100 countries for more than 100 years.

We are organized in three business units:

Financial & Risk, a leading provider of critical news, information and analytics, enabling transactions and connecting communities of trading, investment, financial and corporate professionals. Financial & Risk also provides leading regulatory and operational risk management solutions;

Legal, a leading provider of critical online and print information, decision tools, software and services that support legal, investigation, business and government professionals around the world; and

Tax & Accounting, a leading provider of integrated tax compliance and accounting information, software and services for professionals in accounting firms, corporations, law firms and government.

We are currently pursuing the sale of our Intellectual Property & Science business, with a closing expected in the second half of the year. Intellectual Property & Science is a leading provider of comprehensive intellectual property and scientific information, decision support tools and services that enable the lifecycle of innovation for governments, academia, publishers, corporations and law firms to discover, protect and commercialize new ideas and brands.

We also operate Reuters, which is a leading provider of real-time, high-impact, multimedia news and information services to newspapers, television and cable networks, radio stations and websites around the globe.

Thomson Reuters Corporation is incorporated under the Business Corporations Act (Ontario), or the OBCA. Our registered office is located at Suite 400, 333 Bay Street, Toronto, Ontario M5H 2R2, Canada. Our principal executive office is located at 3 Times Square, New York, New York 10036, United States.

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USE OF PROCEEDS

We estimate that the net proceeds from the offering, after deducting the underwriting commission of US\$ and expenses of the offering of approximately US\$, will be approximately US\$. We intend to use funds in an amount equal to the net proceeds from the offering to repay our US\$500 million principal amount of 0.875% notes upon their maturity later this month.

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The following tables set forth selected consolidated financial information which was extracted from, and should be read in conjunction with, our unaudited consolidated interim financial statements for the three months ended March 31, 2016 and our audited consolidated financial statements for the year ended December 31, 2015, each of which is incorporated by reference in this prospectus supplement.

We are pursuing the sale of our Intellectual Property & Science business and have reported its results as a discontinued operation for the three months ended March 31, 2016 and 2015. The business did not qualify as a discontinued operation at December 31, 2015 and its results for the year then ended are reflected within continuing operations in the following table, as reported in our audited consolidated financial statements for the year ended December 31, 2015.

Unaudited

(millions of U.S. dollars, except as otherwise indicated and except per share amounts)

	Three months ended		Year ended December 31, 2015
	March 31,		
Consolidated Income Statement Data:	2016	2015	
Revenues	\$ 2,793	\$ 2,821	\$ 12,209
Operating expenses	(2,109)	(2,034)	(8,810)
Depreciation	(81)	(93)	(347)
Amortization of computer software	(169)	(180)	(752)
Amortization of other identifiable intangible assets	(128)	(140)	(581)
Other operating gains (losses), net	4	(12)	15
Operating profit	310	362	1,734
Finance costs, net:			
Net interest expense	(93)	(105)	(416)
Other finance (costs) income	(34)	44	39
Income before tax and equity method investments	183	301	1,357
Share of post-tax earnings in equity method investments	1	4	10
Tax benefit (expense)	26	(25)	(56)
Earnings from continuing operations	210	280	1,311
Earnings from discontinued operations, net of tax	62	40	-
Net earnings	272	320	1,311
Earnings attributable to:			
Common shareholders	\$ 262	\$ 305	\$ 1,255
Non-controlling interests	10	15	56
Earnings per share:			

Basic and diluted earnings per share:

From continuing operations	\$	0.26	\$	0.33	\$	1.60
From discontinued operations		0.08		0.05		-

Basic and diluted earnings per share	\$	0.34	\$	0.38	\$	1.60
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Weighted-average number of common shares outstanding (millions)

Basic	760.7	794.2	781.3
Diluted	762.2	797.6	784.1

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	March 31,	December 31,
	2016	2015
Consolidated Statement of Financial Position Data:		
Cash and cash equivalents	\$ 869	\$ 926
Assets held for sale ⁽¹⁾	1,723	-
Current assets	4,841	3,540
Other identifiable intangible assets, net	6,140	6,417
Goodwill	14,957	15,878
Total assets	29,048	29,095
Liabilities associated with assets held for sale ⁽¹⁾	607	-
Current liabilities	6,221	5,390
Long-term indebtedness	6,379	6,829
Total equity	12,836	13,100

(1) Represents amounts relating to our Intellectual Property & Science business that were classified as held for sale in the first quarter of 2016, including Goodwill of \$1,059 million within Assets held for sale . This business did not qualify as held for sale at December 31, 2015.

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The following table sets forth our capitalization and indebtedness at March 31, 2016 on an actual basis and on an as adjusted basis to give effect to (a) the sale of the notes offered hereby and the application of funds in an amount equal to the estimated net proceeds of the offering as described in the Use of Proceeds section of this prospectus supplement and (b) activity under our commercial paper programs and share repurchases from April 1, 2016 through April 29, 2016.

This table should be read in conjunction with our unaudited consolidated interim financial statements for the three months ended March 31, 2016 and other information included in the documents incorporated by reference in this prospectus supplement.

Unaudited (millions of U.S. dollars)	As at March 31, 2016		
	Actual	Adjustments	As adjusted
Current indebtedness	\$ 2,543	(320) ⁽¹⁾	\$ 2,223
Long-term indebtedness	6,379	-	6,379
Notes offered hereby	-		
Total debt ⁽²⁾	8,922		
Equity:			
Series II preference shares, no nominal value (authorized, issued and outstanding 6,000,000)	110	-	110
Common shares, no nominal value (752,295,724 ⁽³⁾ issued and outstanding; authorized unlimited)	9,505	1 ⁽³⁾	9,506
Contributed surplus	157	-	157
Accumulated other comprehensive loss	(3,594)	-	(3,594)
Retained earnings	6,168	2 ⁽³⁾	6,170
Total shareholders equity	12,346	3	12,349
Non-controlling interests	490	-	490
Total equity	12,836	3	12,839
Total capitalization	\$ 21,758		\$

(1) Represents a \$180 million increase in borrowings under our commercial paper programs after March 31, 2016 to a balance of \$1,660 million (March 31, 2016 \$1,480 million) and a \$500 million decrease for the carrying value of our 0.875% notes due May 2016 that we expect to repay upon their maturity using funds from available resources, including, but not limited to the estimated net proceeds from the notes offered hereby.

(2) Excludes the effect of related debt swaps, which are included within Other financial liabilities non-current in our consolidated statement of financial position as at March 31, 2016. If this effect had been included, total debt and

total capitalization as at March 31, 2016 would have been higher by \$290 million.

- (3) The number of common shares issued and outstanding reflects share repurchases (and related cancellations) after March 31, 2016. The cost of these repurchases was approximately \$87 million and has been reflected as reductions to the carrying values of common share capital and retained earnings. This amount is less than the \$90 million reflected as reductions to equity as at March 31, 2016, as required under IFRS, in connection with a pre-defined plan with our broker to repurchase shares during our internal blackout from April 1, 2016 to April 26, 2016, the date we announced our first-quarter 2016 results. The adjustment of \$3 million represents the difference between actual share repurchases (and related cancellations) after March 31, 2016 and the \$90 million maximum commitment.

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The following interest coverage ratios have been prepared in accordance with Canadian securities law requirements and are included in this prospectus supplement in accordance with Canadian disclosure requirements.

The information contained in this section was derived from our unaudited consolidated interim financial statements for the three months ended March 31, 2016, our audited consolidated financial statements for the year ended December 31, 2015 and the related management's discussion and analysis to each of those financial statements. The following information should be read in conjunction with those documents, each of which is incorporated by reference in this prospectus supplement.

The following ratios are for the 12 months ended March 31, 2016 and December 31, 2015 and give effect to the issuance and sale of the notes offered hereby, the application of funds in an amount equal to the estimated net proceeds from this offering and other offerings and repayments of debt securities, as if these transactions occurred at the beginning of each period. These ratios do not purport to reflect actual ratios that would have resulted if the transactions had actually occurred on that date, nor are they indicative of ratios for any future periods.

	12 Months Ended	
	March 31, 2016	December 31, 2015
Net earnings attributable to common shareholders before deducting interest expense (which includes the effect of related debt swaps) and before tax expense ⁽¹⁾	\$ 1,614 million	\$ 1,732 million
Adjusted annualized interest on total debt ⁽¹⁾	\$ million	\$ million
Interest coverage ratio	x	x

Below, we have also provided a supplemental calculation of our interest coverage ratios based on adjusted earnings from continuing operations (Adjusted EBITDA), which is a non-IFRS financial measure. We exclude our Intellectual Property & Science business from these measures as it is classified as a discontinued operation commencing with the first quarter of 2016, with prior periods restated. We describe Adjusted EBITDA and provide a reconciliation to the most directly comparable IFRS financial measure in our management's discussion and analysis for the three months ended March 31, 2016. See Appendix C in our management's discussion and analysis for the year ended December 31, 2015 for supplemental information on adjustments to restate Adjusted EBITDA to exclude our Intellectual Property & Science business for the 12 months ended December 31, 2015.

	12 Months Ended	
	March 31, 2016	December 31, 2015
Adjusted EBITDA ⁽¹⁾	\$ 3,085 million	\$ 3,071 million
Adjusted annualized interest on total debt ⁽¹⁾	\$ million	\$ million
Interest coverage ratio	x	x

(1) Excludes non-cash interest expense on pension and other post-employment benefit plans that we report in finance costs within our consolidated income statement.

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DESCRIPTION OF THE NOTES

The following description of the notes offered hereby supplements the description of the general terms of the provisions of the Debt Securities in the accompanying short form base shelf prospectus under the section entitled Description of Debt Securities and should be read in conjunction with that description. The description of the notes herein shall prevail over the description in the accompanying short form base shelf prospectus to the extent