
Clarivate
Analytics
Investor Presentation
June 2019

Disclaimer

Confidentiality and Disclosures

Forward-Looking Statements

The accompanying materials contain certain forward-looking statements regarding Clarivate Analytics Plc (the "Company" or "Clarivate"), its financial condition and its results of operations, anticipated synergies and other future expectations. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by which, if at all, such performance or results will be achieved. All of these statements are based on estimates and assumptions prepared by the Company's management as of the date of this presentation that, although the Company believes to be reasonable as of such date, are inherently uncertain. These statements involve risks and uncertainties, including, but not limited to, statements regarding our intentions, beliefs or current expectations concerning, among other things, the merger of the Company with Churchill Capital Corp and the related transactions (collectively, the "Transactions"), the benefits and synergies of the Transactions, including anticipated cost savings, results of operations, financial condition, liquidity, prospects, growth, strategies and the markets in which the Company operates. Forward-looking statements speak only as of the date the statements are made. The Company undertakes no obligation to update or revise any of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise. If the Company does update one or more forward-looking statements, no inference should be drawn that the Company will make any additional updates with respect thereto or with respect to any other forward-looking statements. The consolidated financial information presented herein was based on certain assumptions and estimates, and may not necessarily reflect the results of operations that would have occurred if the Company had been a separate, standalone entity during the periods presented or the Company's future results of operations. In addition, the estimated costs and anticipated cost savings presented herein, are based on management's expectations, beliefs and projections, are subject to change and there can be no assurance that such expectations, beliefs or projections will be achieved.

Non-GAAP Financial Measures

This presentation contains financial measures which have not been calculated in accordance with United States generally accepted accounting principles, consistently applied ("GAAP"), including Adjusted Revenues, Adjusted EBITDA and Adjusted EBITDA Margin, because they are a basis upon which our management assesses our performance and we believe they reflect the underlining trends and indicators of our business. Although we believe these measures are useful for investors for the same reasons, these financial measures should not be considered as an alternative to GAAP financial measures as a measure of the Company's financial condition, profitability and performance or liquidity. In addition, these financial measures may not be comparable to similar measures used by other companies. We urge you to review Clarivate's financial statements contained in the Form F-4 filed by Clarivate Analytics Plc with the SEC and in any subsequently filed 20-F or Form 6-K. At the end of this presentation, we provide further descriptions of these non-GAAP measures and reconciliations of these non-GAAP measures to the corresponding most closely related GAAP measure

Required Reported Data

We are required to report Standalone Adjusted EBITDA, which is identical to Consolidated EBITDA and EBITDA as such terms are defined under our credit agreement, dated as of October 3, 2016, governing the Company's term loan facility and revolving credit facility, as amended and/or supplemented from time to time (the "Credit Agreement") and the indenture (the "Indenture") governing the Company's 7.875% senior notes due 2024 (the "Notes"), respectively, pursuant to the reporting covenants contained in such agreements. In addition, management of the Company uses Standalone Adjusted EBITDA to assess compliance with various incurrence-based covenants in these agreements.

Management Overview



Jerre Stead

Executive Chairman



Richard Hanks

Chief Financial Officer



Annette Thomas

CEO, Academic & Scientific Research

- Served on Clarivate's Board prior to being named CEO of Academic & Scientific Research
- Prior to Clarivate, was Chief Scientific Officer at Springer Nature (2015-2016), CEO of Macmillan (2007-2015) and CEO of Digital Science (2010-2015)
- Trustee and board member of Yale University



Mukhtar Ahmed

President of Life Sciences

- Prior to Clarivate, was President of eHealth Solutions at Bioclinica (2015-2017), Global VP at Oracle (2011-2015) and held executive positions at Parexel and Kendle International
- Served on the Board of the UK's National Health Service (NHS)



Daniel Videtto

President of IP & Standards

- Prior to Clarivate, was MD and President of APAC at Interactive Data (IDC), based in Hong Kong (2011-2016)
- Prior to IDC, Dan was the President of the MicroPatent and Master Data Center businesses at Information Holdings, a Clarivate predecessor (2003-2006)

Clarivate: Vision / Mission / Values

Vision Statement

- Delivering trusted insights to the world's great innovators

Mission Statement

- We are on a bold, entrepreneurial mission to help the world's risk takers and trailblazers transform new ideas into life-changing innovations. We do that by providing insights through data, analytics, technology and subject matter expertise

Values

Customer Focus

- Ensure customer needs are at the center of every action you take
- Be proactive – anticipate customer needs and recommend innovative solutions
- Solve customer problems swiftly and efficiently

Performance

- Set clear goals and commit to delivering on deadlines with a winning attitude
- Strive for efficiency, speedy execution and to continually improve everything you do
- Collaborate with our colleagues to deliver the best outcomes and acknowledge great performance

Trust

- Act with integrity – do what you say and say what you do
- Work with everyone in a consistently fair and respectful manner
- Communicate regularly and transparently on expectations, timelines, feedback and results

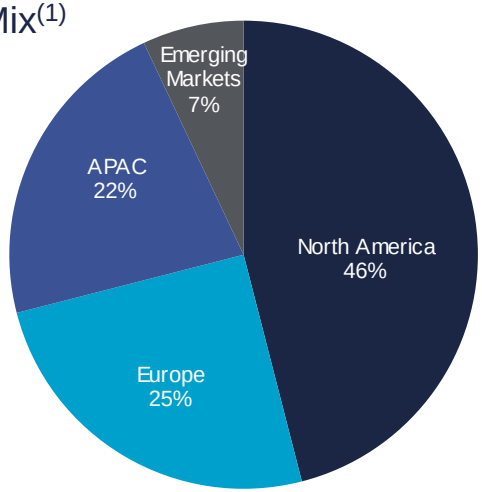
For more on how Clarivate impacts discovery, protection and commercialization, go to https://clarivate.com/thispill

Clarivate: Business Overview

Business Highlights

- **Leading global provider** of comprehensive intellectual property and scientific information, analytical tools and services
- Products support the critical decisions made by universities, businesses, governments and law firms in the discovery, protection and commercialization of new and existing ideas and brands
- Portfolio of curated **proprietary databases** that are **deeply embedded into customers' daily workflows**
- Experienced management team with a proven track record
- Onex and Baring Private Equity Asia ("BPEA") acquired Clarivate, formerly known as the Intellectual Property and Science assets of Thomson Reuters, in Oct. '16
  - Undertook three-year separation from Thomson Reuters
- ~4,500 employees across more than 30 countries (excl. contractors)

Geographic Mix(1)



Key Metrics

90%+
Annual revenue renewal rate(2)

82%
Subscription revenue

40,000+
Entities served

180+
Countries served

~6%
Revenues from top 10 customers

Products Overview

Product Groups	Key Products	Product Description
Science	Web of Science	Used to navigate scientific and academic research discoveries, conduct analysis and evaluate research impact
	Cortellis	Used by life sciences firms for drug research, market intelligence and regulatory compliance
Intellectual Property	Derwent Innovation	Used to search and analyze patents
	CompuMark Watch	Used to monitor trademarks on an ongoing basis
	MarkMonitor Domain Management	Used to register and manage portfolios of web domains

Note: Financials for 2018. Financials pro forma for divestiture of Intellectual Property Management ("IPM") product line in 2018.

1. APAC includes Japan, China, Korea, Australia, New Zealand and Southeast Asia region; Emerging Markets include Latin America, Middle East, Africa, select countries in East Europe, Russia and India.
2. Annual revenue renewal rate for a given period is calculated by dividing (a) the annualized dollar value of existing subscription product license agreements that are renewed during that period, including the value of any product downgrades, by (b) the annualized dollar value of existing subscription product license agreements.

Clarivate Analytics

Clarivate: Financial Overview

Financial Characteristics

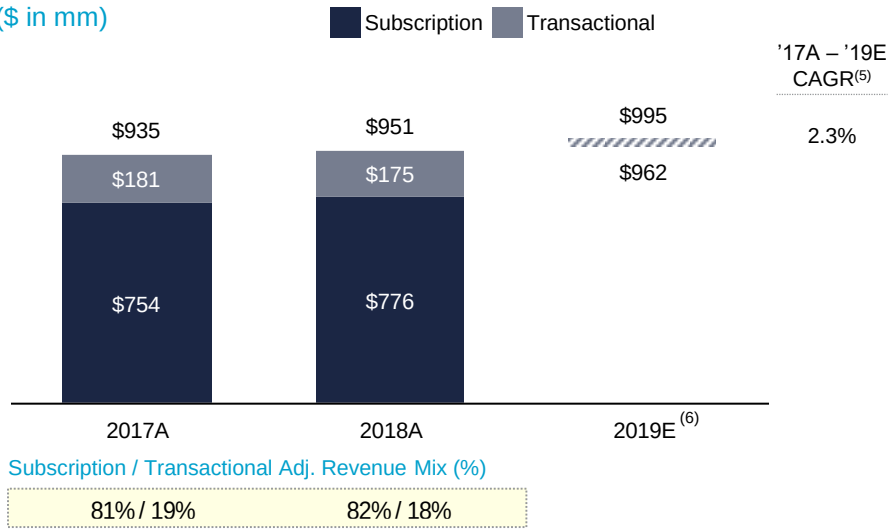
- Standalone company expected to **generate increased free cash flow** post-separation
- Final exit from Transition Service Agreement ("TSA") from Thomson Reuters will **end ~$70mm average annual cost** over 2017 and 2018
- **High level of recurring subscription revenues** with 90%+ renewals and ~4% annualized contract value ("ACV") subscription growth in 2018
- Newly focused company reinvigorating topline growth – **4% to 6% annual organic growth** expected 2020 exit rate
- Clarivate is valued at **a significant discount to info services sector leaders** on both a 2019E Standalone Adjusted EBITDA[1,2] and 2020E Illustrative Target Run-Rate Levered FCF[1,3] basis

Key Metrics

$978mm 2019E Revenue[4]	**$335mm** 2019E Standalone Adj. EBITDA[4]	**~$265mm** 2020E Illustrative Target Run-Rate Levered FCF[3]
4% to 6% 2020E Exit Rate Organic Revenue Growth	**35% to 38%** 2020E Exit Rate Adjusted EBITDA Margin	**60% to 65%** 2020E Exit Rate Levered FCF Conversion

Adj. Revenue[4]

($ in mm)

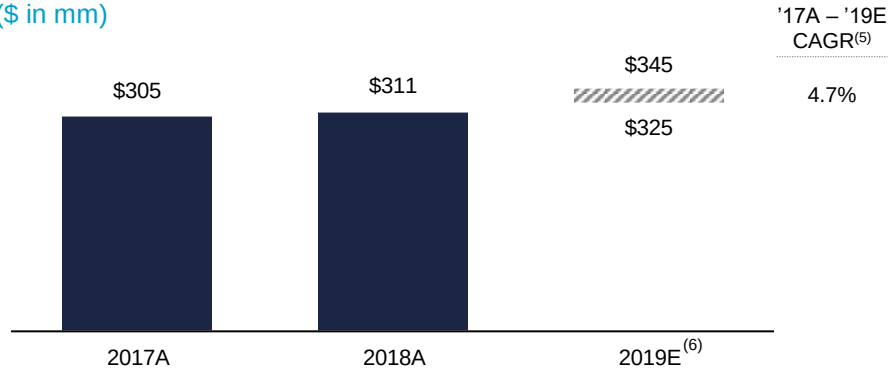


Subscription / Transactional Adj. Revenue Mix (%)

2017A	2018A	2019E[6]
81% / 19%	82% / 18%	

Standalone Adj. EBITDA[4]

($ in mm)



% Standalone Adj. EBITDA Margin[7]

2017A	2018A	2019E[6]
33%	33%	34% / 35%

Note: Financials pro forma for divestiture of IPM product line in 2018.

1. Based on 2019E Standalone Adj. EBITDA and 2020E illustrative target run-rate Levered Free Cash Flow multiples for Clarivate compared to 2019E Adj. EBITDA and 2020E Levered Free Cash Flow multiples for info services sector leaders (comprised of S&P Global, Moody's, IHS Markit, FactSet, Verisk, MSCI and Gartner).
2. Based on pro forma cash and debt balances expected at 3/31/2019 of $23mm and $1,325mm, respectively. Shares outstanding exclude impact of 10.6mm founder shares subject to time and/or performance vesting, 24.5mm outstanding management options, 34.5mm public warrants and 18.3mm private placement warrants.
3. For illustrative purposes only; not a forecast. Excludes any payment under the Tax Receivable Agreement ("TRA"). Refer to page 23 for supporting assumptions.
4. Refer to pages 33-35 for reconciliation of non-GAAP financial measures.
5. Represents 2017 to 2019 expected compound annual growth rate based on the midpoint of the 2019 forecasted range.
6. Forecasted range.
7. Calculated as Standalone Adj. EBITDA / Adj. Revenue.

Clarivate Analytics

Clarivate Delivers on the Jerre Stead Playbook

Playbook	Clarivate Analytics
1 Simplify Organizational Structure	☑ Ability to streamline operations and reduce excess costs ☑ Clarivate platform is optimized to integrate future add-on acquisitions
2 Generate Strong, Recurring Cash Flow	☑ Adjusted EBITDA(1) margins in excess of 30% and minimal capital expenditures ☑ Tuck-in acquisitions in existing verticals and transformative acquisitions to address whitespace opportunities
3 Leverage Technology and Predictive Analytics	☑ Additional upside in predictive analytics ☑ Ability to add value to proprietary data by increasing investment in analytics
4 Increase Financial Flexibility	☑ Significant debt reduction at close and over time
5 Evaluate and Optimize Portfolio	☑ Generate higher topline growth from improved pricing strategies / initiatives ☑ Ability to divest non-core assets to improve overall portfolio performance

1. Refer to pages 33-35 for reconciliation of non-GAAP financial measures.

Jerre Stead's Track Record

IHS Share Price Performance Under Jerre Stead's Leadership[1]

(Indexed Total Shareholder Return; Nov. '05 IPO – '17FYE)



An investment in IHS in Nov. '05 produced more than 3.5x return vs. the S&P 500 total shareholder return[2]

Source: Company filings, FactSet.

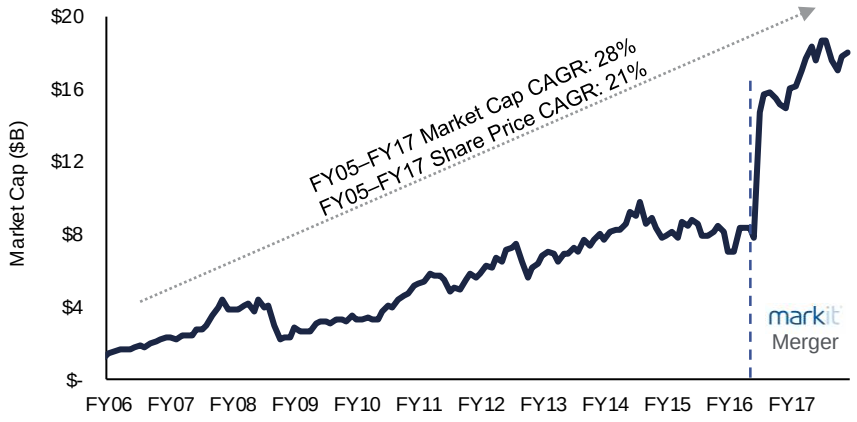
1. An investment in Churchill Capital Corp is not an investment in IHS Markit. Historical results of IHS Markit are not necessarily indicative of the future performance of Churchill Capital Corp or Clarivate.
2. Represents total shareholder return from Nov. 10, 2005, to Dec. 31, 2017.

Clarivate Analytics

Strong Operating Performance Drove Significant Value Creation at IHS

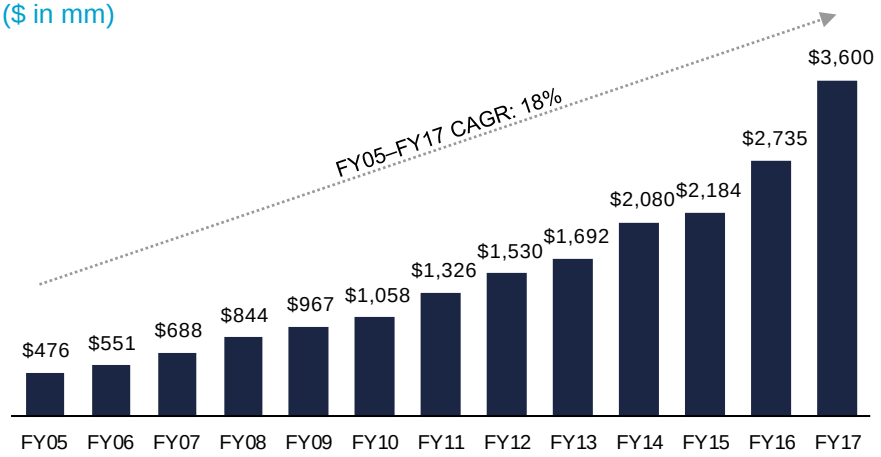
Jerre Stead has delivered significant shareholder value through strong operational performance, organic growth and margin expansion, resulting in strong cash flow generation to fuel business growth.

Market Capitalization Expansion[1]



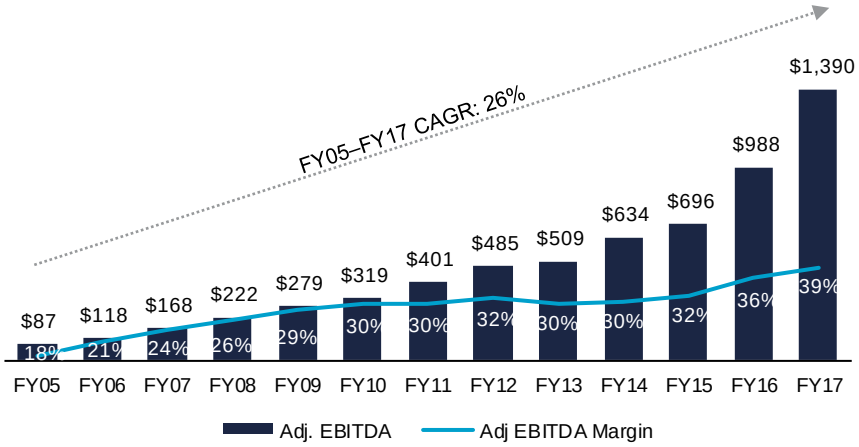
Consistent Sales Growth

($ in mm)



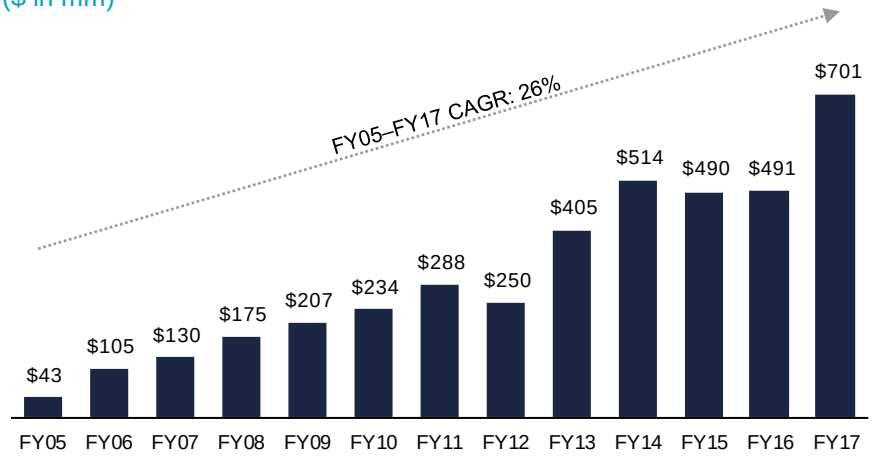
Improving Cost Efficiency

($ in mm)



Strong Free Cash Flow[2]

($ in mm)



Source: Company filings, FactSet.

Note: Data reflects performance from IPO in Nov. 2005 through Jerre Stead's retirement in Dec. 2017.

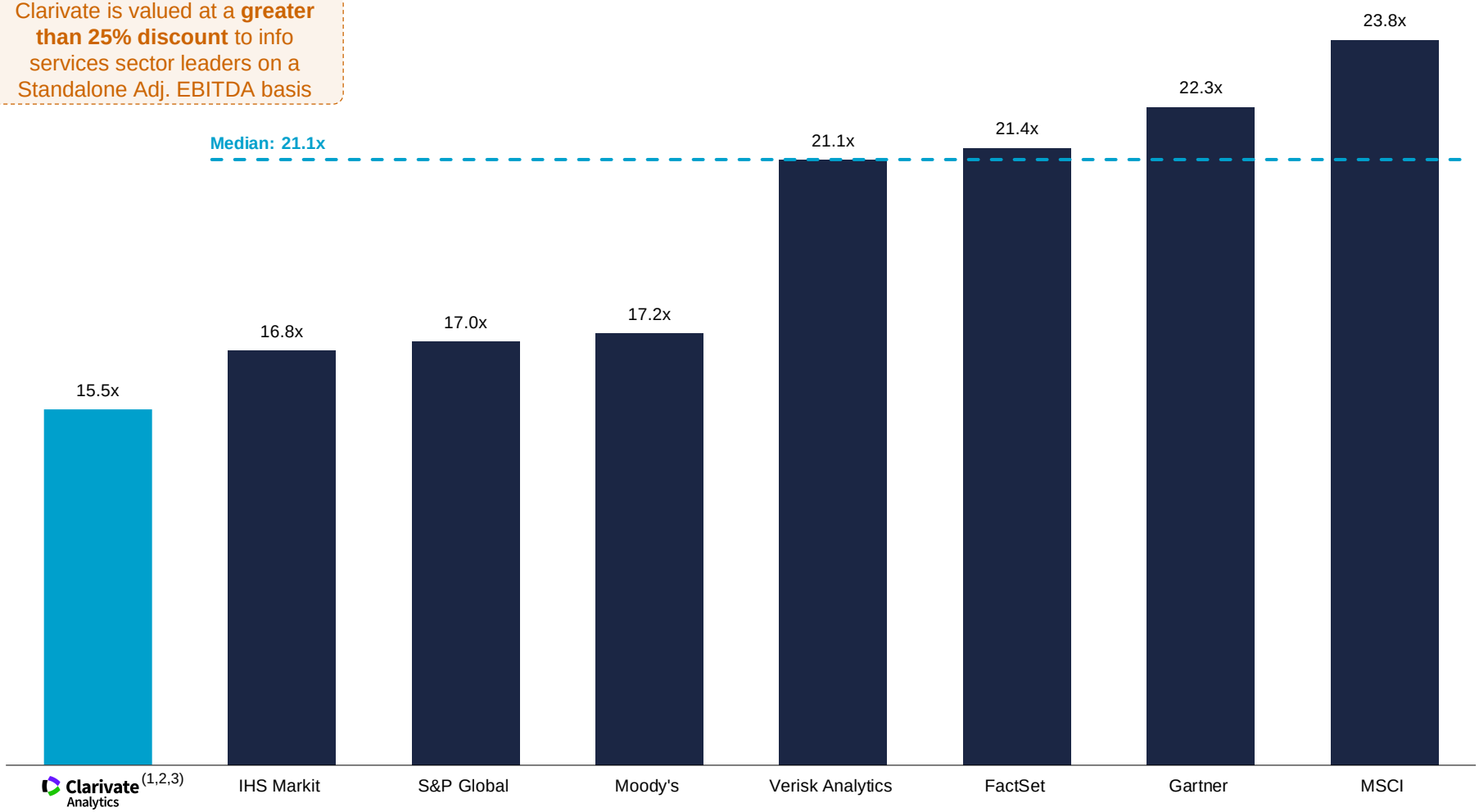
1. Market capitalization based on basic shares outstanding.
2. Free Cash Flow calculated as Cash Flow from Operations – CapEx.

Clarivate Analytics

Clarivate Initial Valuation at a Discount to Info Services Sector Leaders

TEV / 2019E Adj. EBITDA(1)

Clarivate is valued at a **greater than 25% discount** to info services sector leaders on a Standalone Adj. EBITDA basis



Source: Wall Street research, FactSet. Market data as of May 22, 2019.
Note: Calendarized to Dec. YE. EBITDA figures include add-back of stock-based compensation. Chart not shown to scale.

1. Based on Standalone Adjusted EBITDA for Clarivate compared to Adjusted EBITDA for info services sector leaders.
2. Represents pro forma cash and debt balances expected at 3/31/2019 of $23mm and $1,325mm, respectively. Refer to pages 33-35 for reconciliation of non-GAAP financial measures.
3. Shares outstanding exclude impact of 10.6mm founder shares subject to time and/or performance vesting, 24.5mm outstanding management options, 34.5mm public warrants and 18.3mm private placement warrants.

Clarivate Analytics

Investment Highlights

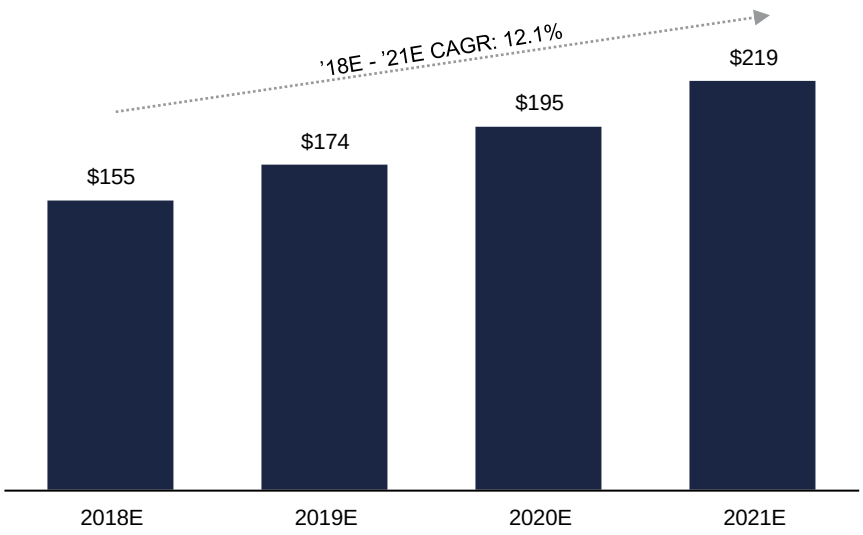
Investment Highlights

1. Tailwinds in Information Services Sector
2. Collection of High Quality Assets Embedded in Customer Workflows
3. Highly Recurring Subscription Revenue Model and High Retention Rates and Subscription Revenue Mix
4. Business Model Creates Cycle of Profitable Growth and Reinvestment Capacity
5. Foundation for Attractive Growth: Topline, Savings and Acquisitions
6. Strong Management Team Aligned with Shareholders

1 Tailwinds in Information Services Sector

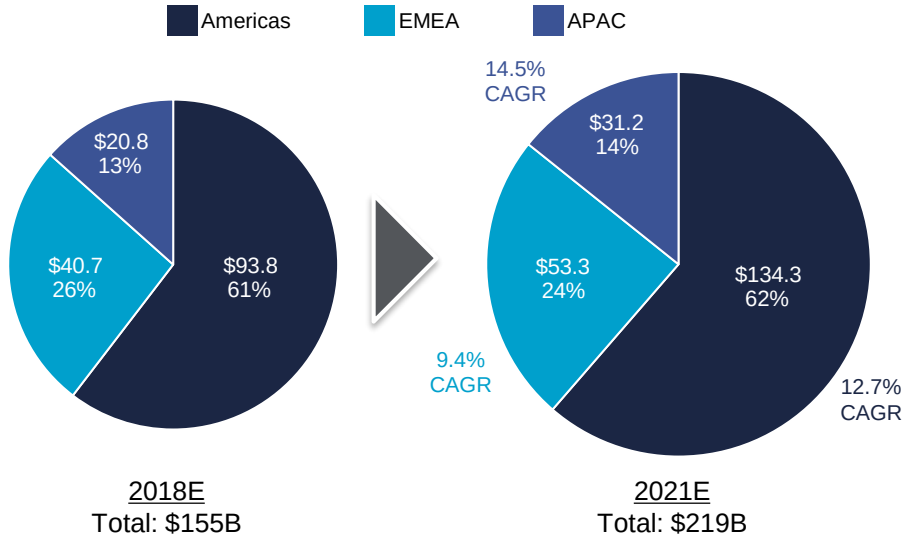
Large and Growing Predictive Analytics and Data Market[1]

(2018E-2021E Predictive Analytics and Data Market Revenue; $ in B)



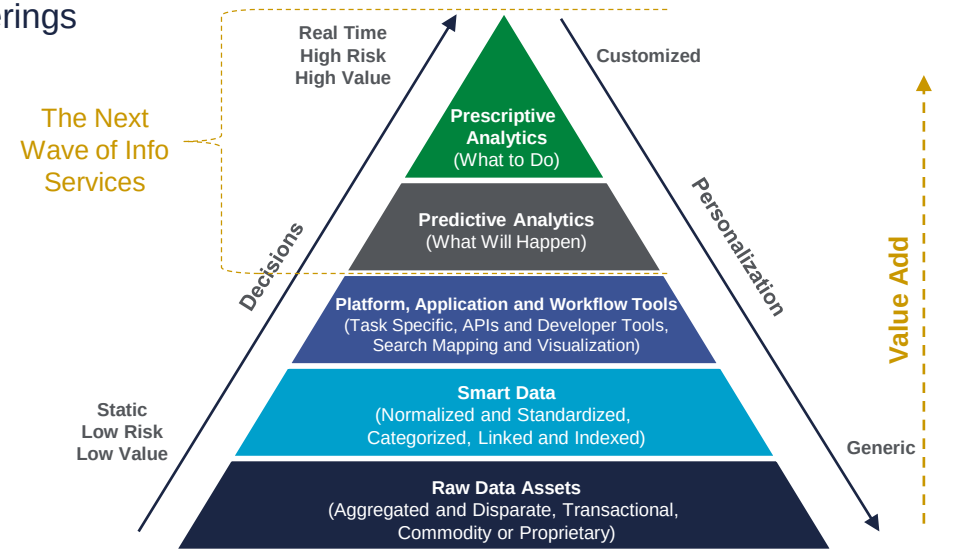
Substantial Growth To Continue Internationally

(2018E-2021E Predictive Analytics and Data Market Revenue; $ in B)



Significant Move Up the Value Chain with Smart Data Offerings

- Integration into workflow tools of clients to provide **predictive and prescriptive analytics,** allowing for stronger growth and new addressable markets
- Increased investments in critical products and solutions, **driving opportunity for annual price increases**
- Diversification into new verticals and broader industries, enabling **ability to weather cyclical headwinds**



Source: IDC, Outsell, Inc. all rights reserved.

1. The Predictive Analytics and Data Markets is defined as the combined Worldwide Business Analytics Services, Worldwide Big Data and Analytics Software and Worldwide Organizational Data as a Service markets per IDC.

2 Collection of High Quality Assets Embedded in Customer Workflows

	Key Products	Product Description	Curated Information Set	Customers	Other Offerings in Product Group
Science	**Web of Science**	Used to navigate scientific and academic research discoveries, conduct analysis and evaluate research impact	Database of **1B+ citations, 3,000 journal titles reviewed annually**	**7,000+** leading **academic institutions** and **governments** and research intensive corporations use Web of Science and its Journal Impact Factor	**InCites** **EndNote** **ScholarOne**
Science	**Cortellis**	Used by life sciences firms for drug research, market intelligence and regulatory compliance	**70,000+ drug program records, 300,000 clinical trial records**	Trusted by the **top 30 pharma companies** and hundreds of research groups	**MetaCore** **Integrity** **Newport**
Intellectual Property	**Derwent Innovation**	Used to search and analyze patents	Database of **80mm+ patent filings across 50 patent offices**	Derwent Innovation is used by **40 patent offices, large R&D organizations** of Fortune 1000 companies and various universities and research institutions	**TechStreet**
Intellectual Property	**CompuMark Watch**	Used to monitor trademarks on an ongoing basis	**180+ patent and trademark offices**	**15 industrial databases, 70 Pharma In-use databases**	**Screen** **Search**
Intellectual Property	**MarkMonitor Domain Management**	Used to register and manage portfolios of web domains	Database of **1.3mm corporate domain names**	MarkMonitor manages the **10 most trafficked corporate website domains portfolios**	**Brand Protection** **Anti-Piracy** **Anti-Fraud**

Clarivate Analytics

3 Recurring Subscription Revenue Model with High Renewal Rates

- Large Recurring Revenue Base
- High Revenue Visibility
- Favorable Customer Dynamics
- Embedded Solutions

	% Subscription Revenue	Revenue Renewal Rates %[1]
Clarivate Analytics	**82%**	**90%+**[2]
S&P Global	71%[3]	95%[3]
Moody's	56%	N/A
IHS Markit	84%	Mid-90s[4]
Verisk Analytics	80%	N/A
MSCI	74%	94%
Gartner	80%	83%[5]
FactSet	N/A	N/A
Sector Leaders' Average	**74%**	**~Mid-90s**

Clarivate Subscription Revenue Mix and Revenue Retention Rates in Line with Sector Leaders'

- **82% subscription revenue in 2018**, +4% versus 2016[6]
- Favorable customer dynamics help drive high retention rates, supported by **90%+ average revenue renewal rates**
- Customers typically pay **upfront** for 1-year subscriptions, reducing collection risk and enhancing cash flow characteristics

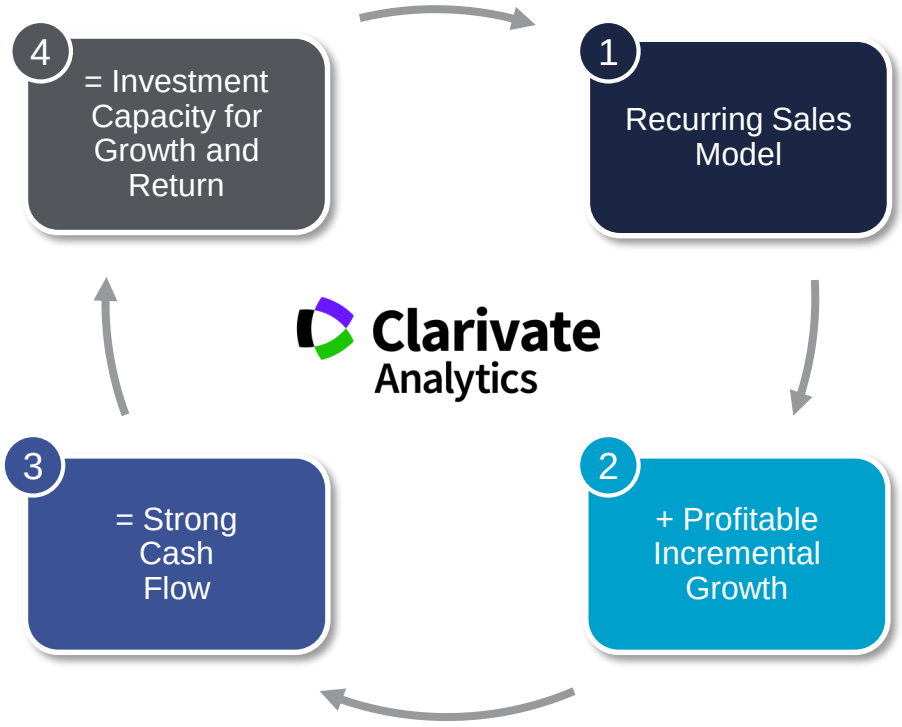
Note: Based solely on public disclosures of info services sector leaders; calculation methodologies may vary. Percent subscription revenue and revenue renewal rates based on FY'18 for all info services sector leaders, unless noted otherwise.

1. Represents Clarivate revenue renewal rate or info services sector leader comparable metric, unless noted otherwise.
2. Annual revenue renewal rate for a given period is calculated by dividing (a) the annualized dollar value of existing subscription product license agreements that are renewed during that period, including the value of any product downgrades, by (b) the annualized dollar value of existing subscription product license agreements.
3. S&P Global revenue retention rates and subscription revenue based on S&P Global Investor Day on May 24, 2018.
4. IHS Markit revenue retention rates based on IHS Markit Q4'16 earnings call.
5. Weighted average of client retention for Global Technology Sales and Global Business Sales divisions based on contract value.
6. 2016 financials represent the aggregated results of Clarivate Analytics and its predecessor, Thomson Reuters' Intellectual Property & Standards business, acquired in Oct. 2016.

Clarivate Analytics

4 Business Model Creates Cycle of Profitable Growth and Reinvestment Capacity

- **Predictable** and highly resilient recurring revenue streams
- Proprietary **"must-have" offerings**
- **Incremental margin growth** from "build once, sell many times" model
- **Strong cash conversion** creates continuous cash flow and investment capacity for growth and return



5 Strong Operating Leverage and Margin Expansion Opportunity

Core operating leverage plus synergies drives incrementally higher margin expansion while also allowing for investment.

Estimated Standalone Adjusted EBITDA Margin Expansion Sensitivity (bps)[1]

Base Cost Inflation	Organic Revenue Growth %					
	1%	**2%**	**3%**	**4%**	**5%**	**6%**
+0%	+55	+105	+160	+210	+260	+310
+1%	-	+55	+105	+160	+210	+260
+2%	(55)	-	+55	+105	+155	+205
+3%	(110)	(55)	-	+55	+105	+155

Favorable Expense Profile with Potential Upside

- Low cost to deliver incremental revenue
- Best-cost shared services / facilities
- Optimize sales commission plan to increase cross-sell and up-sell opportunities
- Utilize AI and new technologies to increase efficiency of data ingestion and content creation
- Improve human resource management by converting consultants to full-time employees and leveraging large footprint in low-cost locations

1. Estimated figures based on ~85% flow through on incremental revenue growth.

5 Foundation Set for Attractive Growth: Organic Topline and Acquisitions

With most of the carve-out work completed, Clarivate has established the platform to support further expansion of its footprint with existing customers, new customer additions and expansion into new markets and geographies.

Powerful Standalone Platform Post-Separation	☑ Invested in best-in-class, cloud-based platforms for operational and business workflow backbone
	☑ Built out independent operating functions including Accounting, Treasury, HR, Payroll and Technology
Implementing Product and Pricing Enhancement Strategy	☑ Optimizing pricing model and service levels to match customer needs
	☑ Integrating additional content and capabilities into existing products and launching new products
Building Strength in Asia	☑ Investing in APAC to accelerate revenue growth from mid-single digits (5.1% annual growth from 2016 to 2018)
	☑ BPEA partnership provides access to experience and resources across Asia
Portfolio Optimization	☑ Completed three tuck-in acquisitions since 2017
	☑ Sold the Intellectual Property Management business

5 Illustrative Acquisition Opportunities

Opportunities exist to expand footprint further with existing customers, add new customers and strategically expand into new markets and geographies.

M&A Framework

Strategic Fit

- Business model alignment
- Enhances competitive position
- Provides future growth opportunities within existing verticals

Financial Criteria

- Immediately accretive to revenue growth
- Neutral to positive free cash flow contribution by end of second full year

Opportunities with Strategic Fit Alignment

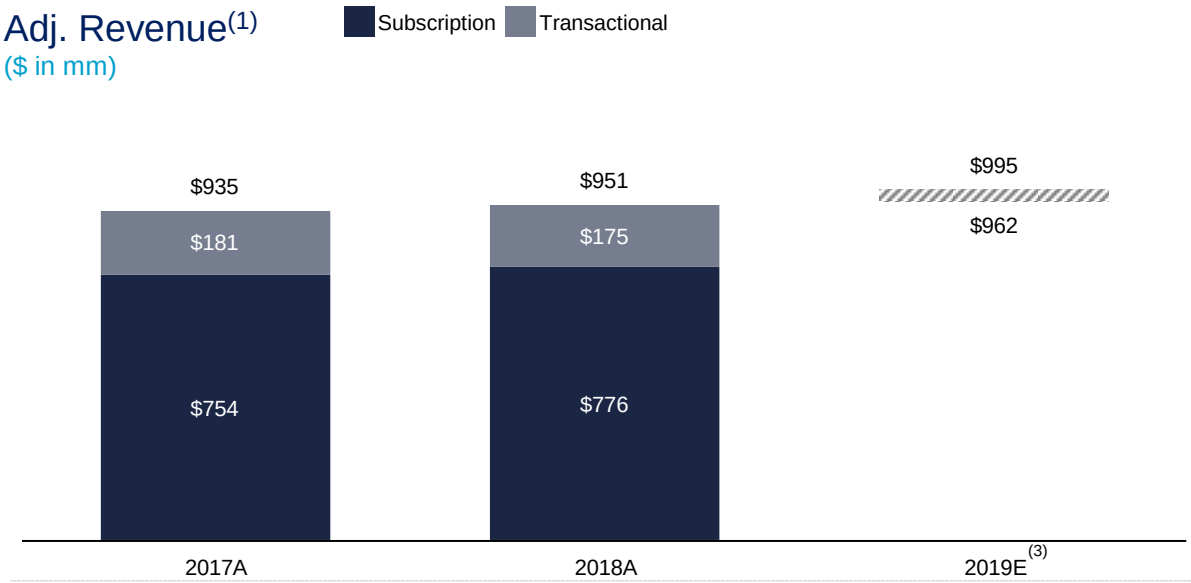
- APAC / China
- Biopharma Market Intelligence
- Academic Research Workflow Management
- Academic Research Analytics
- Domain Name Management
- Industry Standards Management
- Patent Research and Protection
- Trademark Research and Protection

Clarivate Analytics

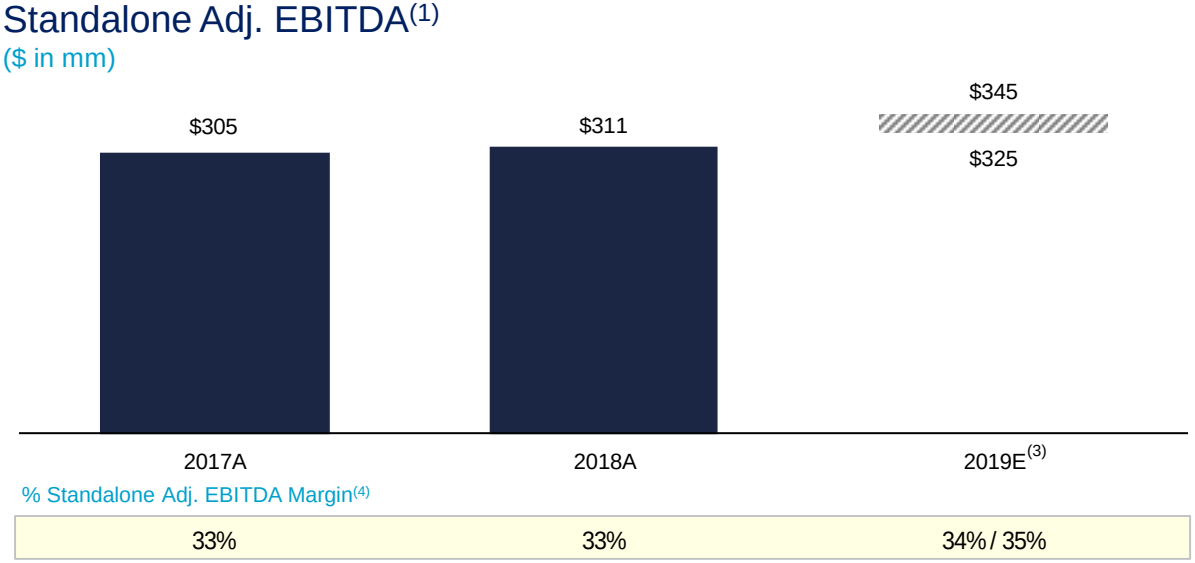
Financial Highlights

Clarivate Historical and Projected Financial Performance

Adj. Revenue[1]
($ in mm)



Standalone Adj. EBITDA[1]
($ in mm)



Expected 2020E Exit Rate[5]

4.0% – 6.0%
Organic Revenue Growth
IHS Markit: 6.0% – 7.0%[6]

35% – 38%
Adjusted EBITDA Margin
IHS Markit: ~40%[6]

60% – 65%
Levered FCF Conversion
IHS Markit: Mid 60s[6]

Note: Financials pro forma for divestiture of IPM product line in 2018.
1. Refer to pages 33-35 for reconciliation of non-GAAP financial measures.
2. Represents 2017 to 2019 expected compound annual growth rate based on the midpoint of the 2019 forecasted range.
3. Forecasted range.
4. Calculated as Standalone Adj. EBITDA / Adj. Revenue.
5. Refers to run-rate targeted to be achieved by end of 2020.
6. Per IHS Markit 2019 guidance provided on Jan. 14, 2019.

Clarivate Analytics

Pathway to Unwinding Transition Costs and Potential of Transformation

Clarivate is expected to be highly cash flow generative following the completion of the transition and implementation of the transformative strategy.

Illustrative 2020E Target Run-Rate Levered Free Cash Flow Build

($ in mm)

For Illustrative Purposes Only; Not a Forecast

	2019E	Illustrative Target Run-Rate 2020E		
Total Standalone Adj. EBITDA	$335	$375	$400	$425
1 (-) Pro Forma Cost Savings	(11)	-	-	-
2 (-) Excess Standalone Costs	(23)	-	-	-
Adjusted EBITDA	$301	$375	$400	$425
3 (-) Total Cash Interest Expense, Net [1]	(100)	(68)	(67)	(66)
4 (-) Recurring Cash Taxes	(20)	(21)	(22)	(23)
5 (-) TSA Costs	(11)	-	-	-
6 (-) Transition and Integration Expenses	(11)	-	-	-
7 (+/-) Δ Net Working Capital	-	-	-	-
8 (-) Run-Rate CapEx	(44)	(46)	(46)	(46)
9 (-) Costs to Achieve Optimization Plan	(25)	-	-	-
Illustrative Levered Free Cash Flow [2]	$90	$240	$265	$290
% Conversion		*64%*	*66%*	*68%*

Commentary

1. Initial announced cost savings plans completed by YE 2019
2. Elimination of all excess standalone costs relative to the steady-state standalone cost estimate that the company expects to achieve by 2021
3. Interest expense assumes ~3.8x net leverage at YE 2019; 2020 target run-rate assumes refinancing of the 7.875% Notes with incremental term loan B subject to capital market conditions and other factors; illustrative target run-rate free cash flow excludes transaction costs related to refinancing
4. Expected cash taxes after the effects of tax shield created by an intangible asset write-up and NOL balance associated with the 2016 carve-out transaction
5. TSA with Thomson Reuters terminates Q3'19; 2019E expense largely duplicative with existing business functions
6. Management expects to complete all transition-related expenditures, including consulting expenses, temporary technology infrastructure and other transformation expenses, by YE 2019
7. Improved working capital management expected to be implemented in 2019
8. Assumes normalized capex levels of ~4.5% of revenue
9. Management expects incremental costs to achieve transformation strategy; does not include one-time transformation expenditures

Source: Wall Street research.

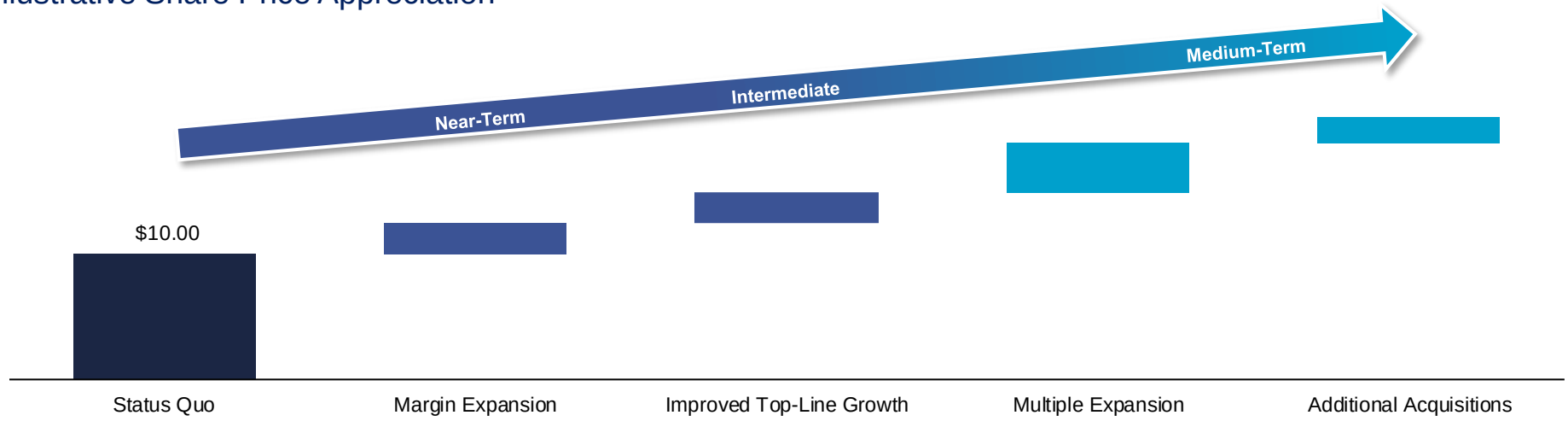
Note: Illustrative target run-rate Levered Free Cash Flow for 2019 and 2020 excludes any payments under the TRA. In each of 2021 and 2022, Clarivate will be required to make cash payments of up to $30mm in connection with the TRA. Subsequent to 2022, those payments will not be subject to a $30mm cap and will be pursuant to the terms of the TRA.

1. Assumes existing $500mm 7.875% Notes called at ~104% of par on 1/1/2020 and refinanced with an incremental term loan B at L+325. Illustrative target run-rate Levered Free Cash Flow excludes call premium and other transaction costs related to refinancing. Note that Clarivate does not have a commitment for a refinancing; actual refinancing terms will depend on a variety of factors including Clarivate's financial condition and market conditions at the time. There can be no assurance that a refinancing would be consummated within a specific timeframe.
2. Excludes impact of transaction costs related to the business combination and the assumed refinancing of the 7.875% Notes.

Clarivate Analytics

Opportunity for Significant Value Creation

Illustrative Share Price Appreciation



Margin Expansion *35% – 38% Adjusted EBITDA Margin*	Improved Topline Growth *4.0% – 6.0% Organic Revenue Growth*	Value-Add Acquisitions and Divestitures
• Reduce Layers and Costs	• New Analytics Offerings	• Adjacent Opportunities
• Convert Consultants to Full-Time Employees	• Pricing, Cross-Selling and Up-Selling	• New Market Opportunities
• Automate Data Ingestion	• Stabilize Transaction Business	• Strategic Divestitures
• Optimize and Rethink Locations	• Align Incentive Systems and Empower Sales Force	

Clarivate Analytics

Clarivate Transformation: The Next Phase

Clarivate has the potential to achieve margin expansion and significantly reinvigorate revenue growth.

Cost-Saving Initiatives

1. Decreasing costs by simplifying organization structures and trimming G&A functions to enhance customer-centric focus
2. Using artificial intelligence and the latest technologies to reduce costs and increase efficiencies for content sourcing and curation
3. Moving work performed by contractors in-house to best-cost geographic locations
4. Achieving headcount productivity benchmarks and operational efficiency metrics in line with those of info services sector leaders
5. Expanding existing operations in best-cost geographic locations, aligning with business objectives
6. Minimizing real estate footprint by reducing facility locations substantially over the next three years
7. Completing the TSA with Thomson Reuters (completed Q1 2019)
8. Divesting non-core assets

Revenue Growth Initiatives

9. Developing new value-added products and services
10. Offering additional analytics that enhance existing products and services
11. Expanding footprint with new and existing customers, with significant opportunity for growth in APAC and Emerging Markets
12. Optimizing product pricing and packaging based on customer needs
13. Increasing salesforce's focus on large accounts
14. Restructuring incentive plans to drive new business and cross-selling among similar products and overlapping buying centers

Additional Information

Example Product Use Cases

Customers use Clarivate's products in a variety of ways, including in the following "real world" examples:

Key Products	Use Cases
Web of Science	A physics professor planning a research program and making a grant proposal accesses Web of Science ("WOS") to **evaluate the current state of research** in her discipline, identifying emerging trends within **highly regarded and relevant academic journals** and select a research topic**,** while the grant-making institutions will use WOS's analytic tools to **measure the professor's credentials** A university provost interested in evaluating her university's chemistry department accesses WOS and the analytical tool InCites to **measure the strength of the university's research output** and **benchmark it against comparable institutions** and find the best researchers to bolster the university's ranking and improve the caliber of research and find highly-cited researchers, departments and laboratories
Cortellis	An analyst at a pharmaceutical firm who is evaluating several potential R&D programs will access the Cortellis database to **assess competitive products** in the drug development pipeline, **review clinical trial data and summarize regulatory information**
Derwent Innovation	An employee developing a new product or idea (e.g., a chemical engineer or a product designer) will access the Derwent Innovation database of patents to **evaluate the novelty and determine the patentability of the new product or idea**
CompuMark	An attorney for a large law firm helps clear a trademark for use by its corporate customer; first, the lawyer conducts a curated report by CompuMark Search to **ensure the availability of the proposed trademark** in the markets the customer will be operating in; the lawyer will then subscribe to CompuMark Watch's trademark watching services to continually **ensure that none of her customers' valuable trademarks are being infringed upon**
MarkMonitor Domain Management	An in-house counsel uses MarkMonitor Domain Management to **ensure that his company's domains are protected** from security threats such as domain hijacking and to **ensure the timeliness of payments** to registries around the world

Product Example: Web of Science

Web of Science

- 150mm records
- 34,000+ journals indexed
- 1B+ citations
- 3.5mm peer review records
- 2.0mm+ unique monthly visitors

Industry-Leading Data and Analytics Platform

- **Objective, independent, balanced selection**
  - 3,000 journals reviewed annually, only 10% selected by in-house subject specialists, using standardized criteria
  - WOS' data is balanced across geographies and subject areas to ensure normalized distribution of content
- **Complete indexation**
  - WOS indexes content from the universe of journals meeting stringent selection criteria to create a map of the world's most influential research literature
- **Enhanced data**
  - Data is enriched through categorization of content, institutional disambiguation, funding sources, links to related data such as patents and the correct citation metrics for research context by age, field and location
- **Industry-leading metric**
  - Owner of proprietary Journal Impact Factor ("JIF"), a trusted metric that has ranked scientific journals since 1964

High Stakes Use Cases

- **Researchers**
  - Monitor existing state of research within disciplines
  - Prepare definitive summaries of research areas when applying for grant funding
  - Select appropriate journals in which to publish
- **Universities**
  - Identify highest potential research talent and areas for investment
  - Assess past research output and return on investment
- **Governments**
  - Establish frameworks for assessing research outcomes and return on investment
  - Plan future research strategies and investment
- **Funding organizations**
  - Identify qualified and unbiased peer reviewers and map out future funding priorities
- **Publishers**
  - Organize peer review

Product Example: Cortellis

Cortellis

Life Sciences firms turn to Clarivate for offerings across our portfolio – beyond just Cortellis

Competitive Intelligence

- Leading drug pipeline database valued by customers for its breadth and depth of content
  - Curated database of over 70,000 drug program records with accompanying suite of analytical tools
- Provides scientific intelligence on all major therapeutic areas



70,000+
Drug Program Records

Clinical Trials Intelligence

- Broadest source of clinical trials intelligence
  - Curated database of over 300,000 clinical trial records



300,000+
Clinical Trial Records

Regulatory Intelligence

- Most comprehensive regulatory research and analytics offering
  - Curated database of over 200,000 regulatory documents with expert summaries and analysis



200,000+
Regulatory Documents

Cortellis is the leading drug development and commercialization database

Clarivate Analytics

Product Example: Derwent Innovation

Derwent Innovation

- Ranked #1 comprehensive patent research and analysis solution by Outsell
- Sold globally into over 50 countries
- Over 80mm patent publications from 50 patent offices, which represent 98% of all patents published globally

Search Proprietary Content

- Derwent database provides patent content sourced from more than 50 patent offices
- Expert curators process over 4mm new patent publications per year in over 25 languages for inclusion in the Derwent database
- Platforms enable complete and accurate searches across more than 80mm total patent publications
- Helps customers efficiently navigate large volumes of convoluted patent data through curated patent abstracts and proprietary indexing conventions

Drive Analytical insights

- Analytics and visualization tools used to enable decision making:
  - Allows for large scale text analysis to explore patent records
  - Consolidates large volumes of data and produces intuitive visualizations to drive decision making
  - Allows customers to evaluate IP opportunities and risks across existing and prospective technologies

IP experts and translators process over four million new patent publications per year

Summary of Shares Outstanding at Various Prices

	Illustrative Stock Price	Public IPO Shares[2] (mm)	Total Shares Outstanding (mm)	Public Shares as % of Total Shares Outstanding[3]
Day 1[1]	$10.00	69.0	294.6	23.4% / 23.4%
Fully Vested	$10.00	69.0	308.4	22.4% / 22.4%
	$12.00	70.4	312.1	22.6% / 22.1%
	$14.00	75.2	320.0	23.5% / 21.6%
	$16.00	78.7	326.5	24.1% / 21.1%
	$18.00	81.5	333.9	24.4% / 20.7%
	$20.00	81.5	341.5	23.9% / 20.2%

Commentary

Public Shares

- Includes 69mm public IPO shares
- Includes 34.5mm public warrants issued in connection with the IPO
  - Strike price of $11.50 / share and forced redemption price of $18.00 / share

Total Shares Outstanding

- Includes 217.5mm shares issued to target shareholders
- Includes 24.5mm management options, of which 6.7mm are vested and 17.9mm are unvested and have weighted average strike prices of $10.85 and $11.08, respectively
- Includes 17.3mm founder shares
  - 10.6mm founder shares subject to time vesting ratably over 3 years and performance vesting thresholds, consisting of:
    - 5.3mm shares received ratably over 3 years after close, and
    - Performance vesting thresholds of $15.25 / share (2.7mm shares) and $17.50 / share (2.7mm shares)
      - Performance founder shares are transferred to target shareholders if performance thresholds are not achieved
- Includes 18.3mm private placement warrants purchased by the sponsor simultaneously with the consummation of Churchill's IPO terms
  - 17.3mm subject to time and performance vesting ratably over 3 years with a performance vesting threshold of $17.50 / share and strike price for conversion into shares remains $11.50 / share; no forced redemption
    - 6.0mm private placement warrants are transferred to the company if $17.50 performance threshold not achieved
    - 11.3mm private placement warrants are transferred to the target shareholders if $17.50 performance threshold not achieved
  - Remaining 1.0mm private placement warrants maintain IPO terms ($11.50 strike price; no forced redemption)
- Includes 1.5mm shares to be purchased by Michael Klein and Jerre Stead at $10.00 / share
- Includes 5mm newly issued shares at performance threshold of $20.00 / share

Note: 18.3mm private placement warrants, 34.5mm public warrants and 24.5mm management options net for Treasury Stock Method ("TSM").

1. Day 1 shares outstanding and ownership exclude impact of 10.6mm founder shares subject to time and/or performance vesting, 24.5mm outstanding management options, 34.5mm public warrants and 18.3mm private placement warrants.
2. Includes 69.0mm public IPO shares and 34.5mm public warrants.
3. Public shares including public warrants (on a TSM basis) as % of total shares outstanding / public shares excluding public warrants (on a TSM basis) as % of total shares outstanding.

Reconciliation of Non-GAAP Financials Measures

($ in mm)

Reconciliation

	As of December 31,		
	2017A	2018A	
Revenue, Net	**$918**	**$969**	
(+) Deferred Revenue Adjustment	50	3	1
(-) IPM Divested Revenue	(32)	(21)	2
Adjusted Revenue	**$935**	**$951**	
Net Income / (Loss)	**($264)**	**($242)**	
(-) (Benefit) Provision for Income Taxes	(21)	6	
(+) Depreciation and Amortization	229	237	3
(+) Interest Expense, Net	138	131	
(+) TSA Costs	90	56	4
(+) Transition and Integration Expenses	87	69	5
(+) Deferred Revenue Adjustment	50	3	1
(+) Transaction Related Costs	2	3	6
(+) Stock-Based Compensation Expense	18	14	
(-) IPM Divested Adj. Operating Margin	(7)	(6)	2
(+) Other	(1)	3	7
Adjusted EBITDA	**$320**	**$273**	
Required Reported Data			
Adjusted EBITDA	**$320**	**$273**	
(+) Excess Standalone Costs	(25)	25	8
(+) Pro Forma Cost Savings	10	13	9
Standalone Adjusted EBITDA	**$305**	**$311**	

Descriptions

Carve-Out Related and Operational / Miscellaneous Adjustments

1. Deferred revenue fair value accounting adjustment arising from purchase price allocation in connection with the carve-out
2. Clarivate divested its non-core IPM product line in Oct. ’18
3. Includes depreciation and amortization related to the step-up in connection with the 2016 transaction with Thomson Reuters
4. Payments made to the former parent as part of the TSA; these payments are expected to decrease substantially in 2019 given Clarivate is in the final stages of the carve-out
5. Transition costs incurred to separate Clarivate from the former parent to enable operation on a standalone basis; these costs include transition consulting, technology infrastructure, full-time employee compensation and severance payments to former employees as part of reorganizing the business and the ongoing cost savings initiative
6. Consulting and accounting costs associated with tuck-in acquisitions and the sale of Clarivate’s non-core IPM product line
7. Primarily includes the net impact of foreign exchange gains and losses related to the re-measurement of monetary balances and other one-time adjustments; 2018 also includes the gain from the IPM divestiture and the write down of a tax indemnity asset

Standalone Adjustments

8. Reflects the difference in Clarivate’s actual standalone costs incurred relative to the steady state standalone cost estimate that the company expects to achieve by 2021 after completing the carve-out and optimizing standalone functions; 2017 negative standalone adjustment is due to lower standalone incurred costs offset by higher TSA costs during that year
9. Cost savings reflect the difference between annualized run-rate savings and savings realized during that same twelve-month period

Note: Reconciliations of Revenue, Net to Adjusted Revenues and Net Income / (Loss) to Standalone Adjusted EBITDA are not available for 2019E and would likely be significant to an investor.

Clarivate Analytics

Appendix: Q1’19 Earnings Update

Q1 2019 Financial Summary

($ in millions, except percentages)	Q1 2019	Q1 2018	% Change
Revenue	$ 234.0	$ 237.0	(1%)
Adjusted Revenue[1]	$ 234.2	$ 231.8	1%
Net Loss	($ 59.3)	($ 77.0)	23%
Adjusted EBITDA[2]	$ 59.3	$ 63.3	(6%)
Cash Flow from Operating Activities	$ 42.5	$ 38.2	11%
Capital Expenditures	$ 6.0	$ 13.1	(54%)
Required Reporting Data			
LTM Standalone Adjusted EBITDA[3]	$ 312.0	$ 305.9	2%

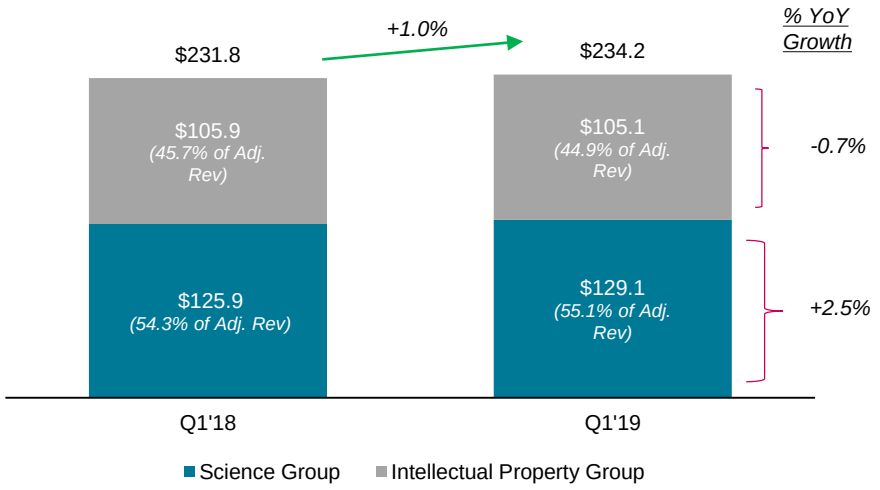
1. Adjusted Revenue excludes the divested IPM business revenues for all years and adds back $0.2 million of deferred revenue purchase accounting adjustment for Q1'19 and $1.5 million for Q2'18 excluding IPM. Deferred revenue adjustment Is expected to be fully recognized by Q4'19 and also excludes IPM.
2. See the appendix for a reconciliation of Net Income (loss) to Adjusted EBITDA.
3. The Company is required to report Standalone Adjusted EBITDA, which is identical to Consolidated EBITDA and EBITDA as such terms are defined under our Credit Agreement and the Indenture governing our Notes, respectively, pursuant to the reporting covenants contained in such agreements. In addition, management of the Company uses Standalone Adjusted EBITDA to assess compliance with various incurrence-based covenants in these agreements.

Q1 2019 Performance Highlights

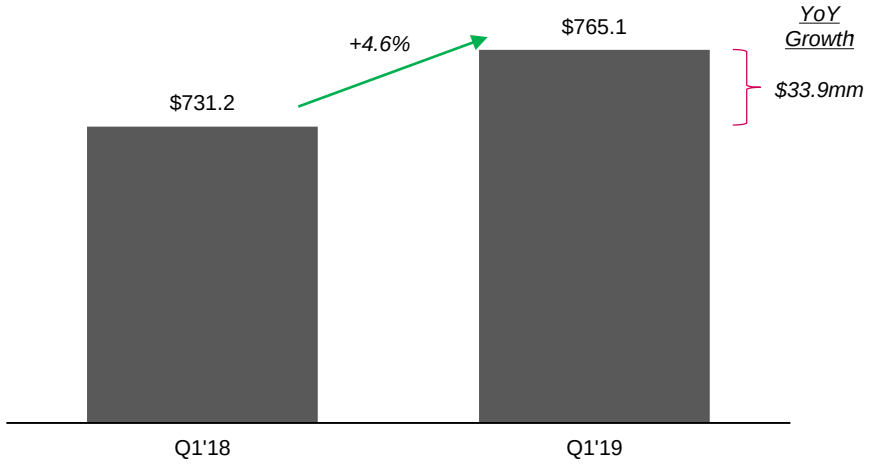
Q1 2019 Earnings Highlights

- Adjusted Revenue growth of 2% YoY on a constant currency basis
  - Adjusted Revenue growth of 1.0% at actual rates due to (1%) negative impact from currency
  - Adjusted Subscription Revenue growth of 2.5% YoY; excluding (1%) negative impact from currency
- 4.6% YoY growth of Annualized Contract Value ("ACV")(1)
- Subscription retention rate of 93.4%
- Over 50% of ACV base came up for renewal during Q1

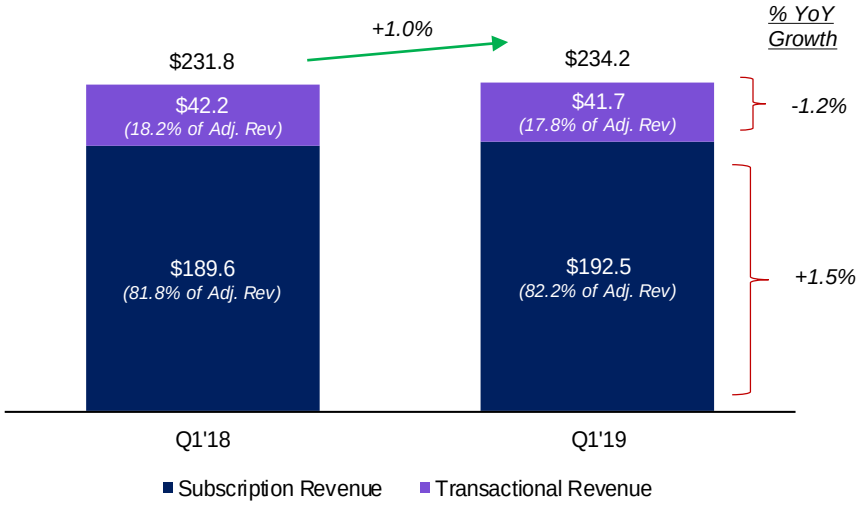
Adjusted Revenue by Product Group ($millions)



Annualized Contract Value ($millions)



Subscription vs. Transactional Adjusted Revenue ($millions)



1. For a definition of Annual Contract Value ("ACV") please refer to our Registration Statement on F-4, along with other filings with the U.S. Securities and Exchange Commission ("SEC").

2019 Outlook

($ in millions)	2019 Guidance		
	Low	Mid	High
Adjusted Revenue[1]	$962	$979	$995
% YoY Growth	*1.2%*	*2.9%*	*4.6%*
Adjusted EBITDA	$290	$300	$310
% YoY Growth	*6.2%*	*9.8%*	*13.6%*
Adjusted EBITDA Margin %	30.1%	30.6%	31.2%

- We expect that annualized run-rate cost savings, net of actual cost savings realized, related to restructuring and other cost savings initiatives undertaken during 2019 (exclusive of any cost reductions in our estimated standalone operating costs) will approximate $12 million
- Additionally, we expect the difference between our actual standalone company infrastructure costs, and our estimated steady state standalone operating costs for 2019 to approximate $23 million
- The above outlook assumes no further currency movements, acquisitions, divestitures, or unanticipated events. See discussion of non-GAAP financial measures at the end of this release

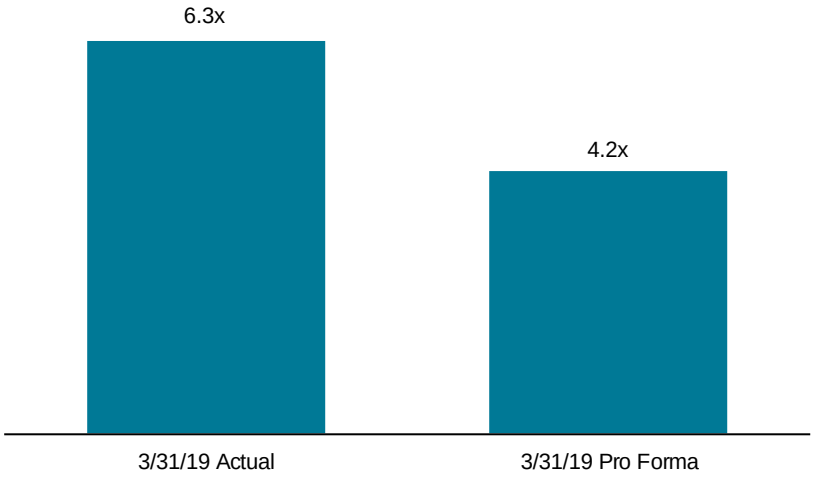
1. Adjusted Revenue adds back $0.3 million in deferred revenues purchased accounting adjustment.

Pro Forma Capitalization

- Merger of Churchill and Clarivate closed on May 13, 2019
- Net transaction proceeds of approximately $650 million was used to pay down Clarivate's existing term loan and Revolving Credit Facility
  - Paydown will result in approximately 4.2x pro forma net leverage based on Q1 2019 LTM Standalone Adjusted EBITDA

Leverage Profile

(Net Debt / LTM Standalone Adjusted EBITDA)



Pro Forma Capitalization

($millions, except ratios)

	3/31/2019	
	Actual	**Pro Forma**
Revolver	$15	-
Term Loan B	1,480	850
Notes	500	500
Total Debt	$1,995	$1,350
(-) Cash and Cash Equivalents	(28)	(33)
Net Debt	$1,967	$1,317
LTM Standalone Adjusted EBITDA	$312	$312
Gross Leverage	6.4x	4.3x
Net Leverage	6.3x	4.2x

Note: Standalone Adjusted EBITDA is a required reporting metric under the Credit Agreement.

Transition / Separation Update

- Carve-out completed in Q1’19 (six months ahead of schedule)
  - Migrated ~30 product ecosystems to the cloud while upgrading search technology for several products
  - Launched over 20 business systems in July 2018
  - Established standalone functions such as accounting, technology infrastructure, tax and information security
  - Completed approximately 100 technology separation workstreams
- In Q1’19, initiated a content systems modernization project to enhance content curation for our customers and generate cost savings through greater automation

Additional Resources

Q1 2019 Earnings Webcast Replay:

CONFERENCE REPLAY

https://services.choruscall.com/ccforms/replay.html

Churchill / Clarivate Transaction

- March Roadshow Presentation
- January Announcement Presentation
- Proxy

For more on how Clarivate impacts discovery, protection and commercialization, go to https://clarivate.com/thispill

Presentation of Certain Non-GAAP Financial Measures

This presentation contains financial measures which have not been calculated in accordance with GAAP, including Adjusted Revenues and Adjusted EBITDA, because they are a basis upon which our management assesses our performance and we believe they reflect the underlining trends and indicators of our business.

Adjusted Revenues

We present Adjusted Revenues, which excludes the impact of the deferred revenues purchase accounting adjustment (recorded in connection with the separation of the Company's business from Thomson Reuters (the "2016 Transaction")) and the revenues from the IPM Product Line prior to its divestiture, because we believe it is useful to readers to better understand the underlying trends in our operations.

Our presentation of Adjusted Revenues is presented for informational purposes only and is not necessarily indicative of our future results. You should compensate for these limitations by relying primarily on our GAAP results and only using Adjusted Revenues for supplementary analysis.

Adjusted EBITDA

Adjusted EBITDA represents net (loss) income before provision for income taxes, depreciation and amortization and interest income and expense adjusted to exclude acquisition or disposal-related transaction costs (such costs include net income from continuing operations before provision for income taxes, depreciation and amortization and interest income and expense from the IPM Product Line which was divested in October 2018), losses on extinguishment of debt, stock-based compensation, unrealized foreign currency gains/(losses), costs pursuant to the transition services agreement (the "Transition Services Agreement") entered into with Thomson Reuters in connection with the 2016 Transaction, separation and integration costs, transformational and restructuring expenses, acquisition-related adjustments to deferred revenues, non-cash income/(loss) on equity and cost method investments, non-operating income or expense, the impact of certain non-cash and other items that are included in net income for the period that the Company does not consider indicative of its ongoing operating performance and certain unusual items impacting results in a particular period. The adjustments reflected in the Company's Adjusted EBITDA have not been prepared with a view towards complying with Article 11 of Regulation S-X. Adjusted EBITDA is intended to provide additional information on a more comparable basis than would be provided without such adjustments.

In future periods, the Company will need to make additional capital expenditures in order to replicate capital expenditures associated with previously shared services on a stand-alone basis. You are encouraged to evaluate these adjustments and the reasons the Company considers them appropriate for supplemental analysis. These measures are not measurements of the Company's financial performance under GAAP and should not be considered in isolation or as alternatives to net income, net cash flows provided by operating activities, total net cash flows or any other performance measures derived in accordance with GAAP or as alternatives to net cash flows from operating activities or total net cash flows as measures of the Company's liquidity.

Reduction of ongoing standalone and Transition Services Agreement costs have been, and are expected to continue to be, a component of the Company's strategy as it finalizes its transition to a standalone company following the 2016 Transaction.

Certain of the adjustments included to arrive at Adjusted EBITDA are related to the Company's transition to an independent company. In evaluating Adjusted EBITDA you should be aware that in the future the Company may incur expenses that are the same as or similar to some of the included adjustments. The Company's presentation of Adjusted EBITDA should not be construed as an inference that the Company's future results will be unaffected by any of the adjusted items, or that the Company's projections and estimates will be realized in their entirety or at all.

Presentation of Certain Non-GAAP Financial Measures

The use of Adjusted EBITDA instead of GAAP measures has limitations as an analytical tool, and you should not consider Adjusted EBITDA in isolation, or as a substitute for analysis of the Company's results of operations and operating cash flows as reported under GAAP. For example, Adjusted EBITDA does not reflect:

- the Company's cash expenditures or future requirements for capital expenditures
- changes in, or cash requirements for, the Company's working capital needs
- interest expense, or the cash requirements necessary to service interest or principal payments, on the Company's debt
- any cash income taxes that the Company may be required to pay
- any cash requirements for replacements of assets that are depreciated or amortized over their estimated useful lives and may have to be replaced in the future
- all non-cash income or expense items that are reflected in the Company's statements of cash flows

The Company's definition of and method of calculating Adjusted EBITDA may vary from the definitions and methods used by other companies when calculating adjusted EBITDA, which may limit their usefulness as comparative measures.

The Company prepared the information included in this presentation based upon available information and assumptions and estimates that it believes are reasonable. The Company cannot assure you that its estimates and assumptions will prove to be accurate.

Because the Company incurred transaction, transition, integration, transformation, restructuring, and Transition Services Agreement costs in connection with the 2016 Transaction and the transition, borrowed money in order to finance its operations, and used capital and intangible assets in its business, and because the payment of income taxes is necessary if the Company generates taxable income after the utilization of its net operating loss carryforwards, any measure that excludes these items has material limitations. As a result of these limitations, these measures should not be considered as a measure of discretionary cash available to the Company to invest in the growth of its business or as a measure of its liquidity.

Adjusted EBITDA Margin

Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Adjusted Revenues.

Presentation of Required Reported Data

Standalone Adjusted EBITDA

We are required to report Standalone Adjusted EBITDA pursuant to the reporting covenants contained in the Company's Credit Agreement and Indenture. As a public company, we are required to report Standalone Adjusted EBITDA in our quarterly and annual reports filed with the SEC pursuant to these agreements. Standalone Adjusted EBITDA is identical to Consolidated EBITDA and EBITDA as such terms are defined under the Credit Agreement and the Indenture, respectively. In addition, the Credit Agreement and the Indenture contain certain restrictive covenants that govern debt incurrence and the making of restricted payments, among other matters. These restrictive covenants utilize Standalone Adjusted EBITDA as a primary component of the compliance metric governing our ability to undertake certain actions otherwise proscribed by such covenants. Standalone Adjusted EBITDA reflects further adjustments to Adjusted EBITDA presented above for cost savings already implemented and excess standalone costs.

Because Standalone Adjusted EBITDA is required pursuant to the terms of the reporting covenants under the Credit Agreement and the Indenture and because this metric is relevant to lenders and noteholders, management considers Standalone Adjusted EBITDA to be relevant to the operation of its business. It is also utilized by management and the compensation committee of the Board as an input for determining incentive payments to employees.
Excess standalone costs are the difference between our actual standalone company infrastructure costs, and our estimated steady state standalone infrastructure costs. We make an adjustment for the difference because we have had to incur costs under the Transition Services Agreement after we had implemented the infrastructure to replace the services provided pursuant to the Transition Services Agreement, thereby incurring dual running costs. Furthermore, there has been a ramp up period for establishing and optimizing the necessary standalone infrastructure. Since our separation from Thomson Reuters, we have had to transition quickly to replace services provided under the Transition Services Agreement, with optimization of the relevant standalone functions typically following thereafter. Cost savings reflect the annualized "run rate" expected cost savings, net of actual cost savings realized, related to restructuring and other cost savings initiatives undertaken during the relevant period.

Standalone Adjusted EBITDA is calculated under the Credit Agreement and the Indenture by using our Consolidated Net Income (defined in the Credit Agreement and the Indenture as our GAAP net income adjusted for certain items specified in the Credit Agreement and the Indenture) adjusted for items including: taxes, interest expense, depreciation and amortization, non-cash charges, expenses related to capital markets transactions, acquisitions and dispositions, restructuring and business optimization charges and expenses, consulting and advisory fees, run-rate cost savings to be realized as a result of actions taken or to be taken in connection with an acquisition, disposition, restructuring or cost savings or similar initiatives, "run rate" expected cost savings, operating expense reductions, restructuring charges and expenses and synergies related to the Transition projected by us, costs related to any management or equity stock plan, other adjustments that were presented in the offering memorandum used in connection with the issuance of the Notes and earnout obligations incurred in connection with an acquisition or investment.

Reconciliation of Non-GAAP Financial Measures and Required Reported Data

Reconciliation

($ in millions)

		March 31,		
		QTD2019A	QTD2018A	LTM2019A
	Revenue, Net	**$234.0**	**$237.0**	
1	(+) Deferred Revenue Adjustment	0.2	1.5	
2	(-) IPM Divested Revenue	0.0	(6.7)	
	Adjusted Revenue	**$234.2**	**$231.8**	
	Net Loss	**($59.3)**	**($77.0)**	**($224.4)**
	(-) (Benefit) Provision for Income Taxes	0.2	0.3	5.5
	(+) Depreciation and Amortization	58.2	58.5	236.9
	(+) Interest Expense, Net	33.1	30.8	133.1
3	(+) TSA Costs	5.3	21.3	39.7
4	(+) Transition and Integration Expenses	2.5	22.3	49.4
1	(+) Deferred Revenue Adjustment	0.2	1.5	1.8
5	(+) Transaction Related Costs	10.3	0.6	12.1
2	(-) Gain on Sale of IPM	0.0	0.0	(36.1)
	(+) Stock-Based Compensation Expense	3.2	4.2	12.7
7	(+) Tax indemnity asset	0.0	0.0	33.8
2	(-) IPM Divested Adj. Operating Margin	0.0	(1.3)	(4.6)
6	(+) Other	5.6	2.1	8.9
	Adjusted EBITDA	**$59.3**	**$63.3**	**$268.8**

Required Reported Data

	Adjusted EBITDA	**$268.8**
8	(+) Excess Standalone Costs	31.5
9	(+) Pro Forma Cost Savings	11.7
	Standalone Adjusted EBITDA	**$312.0**

Descriptions

Adjusted EBITDA Adjustments

1. Deferred revenue fair value accounting adjustment arising from purchase price allocation in connection with the carve-out
2. Clarivate divested its non-core IPM product line in Oct. ’18
3. Payments made to the former parent as part of the TSA; these payments have decreased substantially in 2019 given Clarivate is in the final stages of the carve-out
4. Transition costs incurred to separate Clarivate from the former parent to enable operation on a standalone basis; these costs include transition consulting, technology infrastructure, full-time employee compensation and severance payments to former employees as part of reorganizing the business and the ongoing cost savings initiative
5. Consulting and accounting costs associated with tuck-in acquisitions and the sale of Clarivate’s non-core IPM product line; Q1 2019 expenses include merger related costs
6. Primarily includes the net impact of foreign exchange gains and losses related to the re-measurement of monetary balances and other one-time adjustments
7. Reflects the write down of tax indemnity asset

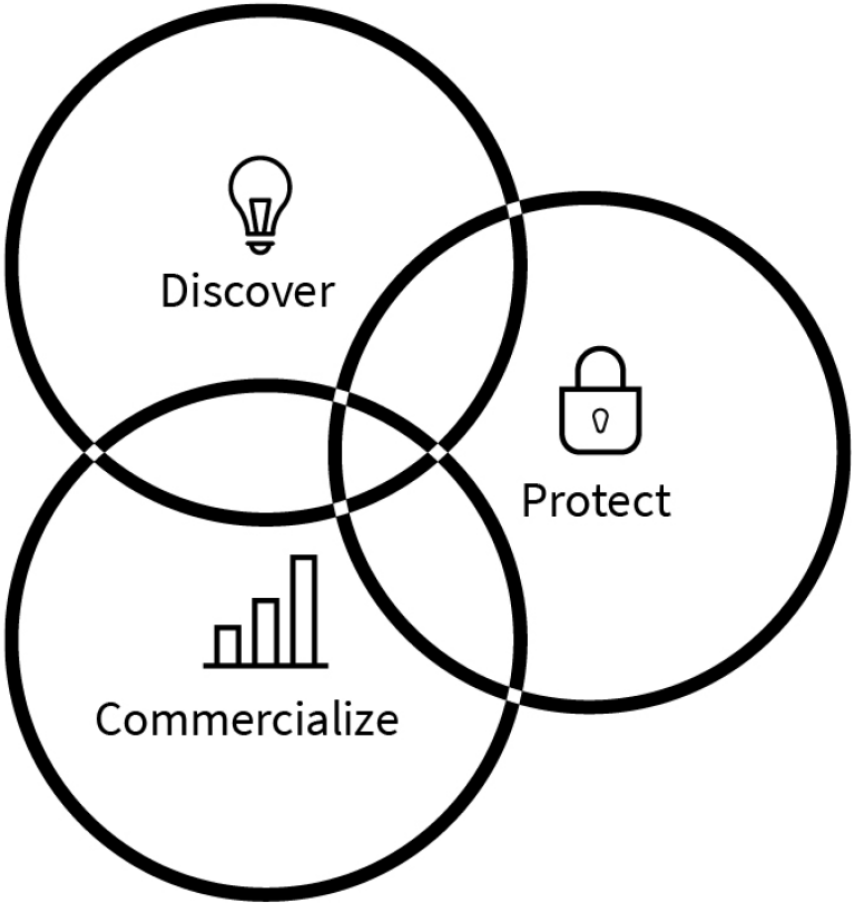
Standalone Adjusted EBITDA Adjustments

8. Reflects the difference in Clarivate’s actual standalone costs incurred relative to the steady state standalone cost estimate that the company expects to achieve by 2021 after completing the carve-out and optimizing standalone functions
9. Cost savings reflect the difference between annualized run-rate savings and savings realized during that same twelve-month period

Adjusted EBITDA Guidance

- We are required to report Standalone Adjusted EBITDA pursuant to the reporting covenants contained in the Credit Agreement and the Indenture.
- Earlier this year, we provided to Clarivate lenders and Churchill investors, guidance for Standalone Adjusted EBITDA. Adjusted EBITDA is the performance metric that we will continue to use going forward.
- The Credit Agreement and the Indenture contain restrictive covenants that govern debt incurrence and the making of restricted payments, among other matters. These restrictive covenants utilize Standalone Adjusted EBITDA as a primary component of the compliance metric governing our ability to undertake certain actions otherwise proscribed by such covenants.
- The table below presents the range for the fiscal year ending December 31, 2019 for expected cost savings already implemented and excess standalone costs and illustrates the expected range for Adjusted EBITDA for the fiscal year ending December 31, 2019.

	2019 Guidance		
($ in millions)	Low	Mid	High
Standalone Adjusted EBITDA	**$325**	**$335**	**$345**
Excess Standalone Costs	23	23	23
Pro forma Cost Savings	12	12	12
Adjusted EBITDA	**$290**	**$300**	**$310**



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