

Interim Results

for the six months ended 30th June 2009

31st July 2009



2009 Interim Highlights



£M	1H	1H	Growth	
	2009	2008	Actual	at CRE
Turnover	309.7	266.2	16%	8%
Underlying trading profit	54.7	44.0	24%	8%
Trading margin	17.7%	16.5%		
Underlying PBT	59.7	53.4	12%	(3%)
Reported PBT	61.3	53.4	15%	-
Underlying EPS (diluted)	19.3p	17.3p	12%	
Reported EPS (diluted)	19.9p	17.3p	15%	
Dividend per share	8.5p	8.5p		

CRE = Constant rates of exchange

Turnover & Trading Profit



£M	1H 2009						1H 2008		
	Turnover			Trading Profit		Trading Margin		Trading	
	Actual Growth at CRE			Actual at CRE		Actual at CRE		Profit Margin	
Retail	129.2	17%	8%	21.8	20.1	17%	17%	19.2	17%
London Market	137.1	22%	10%	33.5	28.1	25%	23%	24.9	22%
Risk & Insurance	266.3	19%	9%	55.3	48.2	21%	20%	44.1	20%
UK Employee Benefits	43.1	1%	-	6.5	6.4	15%	15%	7.3	17%
Central Overheads	0.3	-	-	(7.1)	(7.1)	-	-	(7.4)	-
Total	309.7	16%	8%	54.7	47.5	18%	17%	44.0	17%

Retail



£M	1H 2009							1H 2008	
	Turnover			Trading Profit		Trading Margin		Trading	
	Actual	Growth	at CRE	Actual	at CRE	Actual	at CRE	Profit Margin	
Australia/NZ	44.4	8%	6%	11.9	11.7	27%	27%	11.5	28%
Asia	25.9	33%	6%	6.1	4.9	24%	24%	4.4	23%
Europe	32.1	12%	9%	1.1	1.2	3%	4%	0.9	3%
Canada	11.7	13%	2%	0.6	0.5	5%	5%	1.3	13%
Latin America	12.7	36%	23%	2.1	1.8	17%	16%	1.3	13%
Insurance Mgt.	2.4	35%	8%	-	-	-	-	(0.2)	(11%)
	129.2	17%	8%	21.8	20.1	17%	17%	19.2	17%

Retail



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	129.2	17%	8%	21.8	20.1	17%	17%	19.2	17%

London Market



£M

	1H 2009						1H 2008			
	Turnover			Trading Profit		Trading Margin		Trading		
	Actual Growth at CRE			Actual at CRE		Actual at CRE		Profit Margin		
Jardine Lloyd Thompson Ltd	70.8	15%	6%	18.3	15.5	26%	24%	14.2	23%	
Lloyd & Partners	31.1	21%	7%	7.2	5.5	23%	20%	5.4	21%	
JLT Re	35.2	39%	24%	8.0	7.1	23%	23%	5.3	21%	
	137.1	22%	10%	33.5	28.1	25%	23%	24.9	22%	

London Market



£M

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London Market



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JLT Re	35.2	39%	24%	8.0	7.1	23%	23%	5.3	21%	
	137.1	22%	10%	33.5	28.1	25%	23%	24.9	22%	

Employee Benefits



£M

	1H 2009				2008	
	Turnover		Trading		Trading	
	Actual	Growth	Profit	Margin	Profit	Margin
UK Employee Benefits	43.1	1%	6.5	15%	7.3	17%

Financial Review

Jim Rush

Group Finance Director

Profit and Loss



£M	1H 2009	1H 2008	Change
Underlying trading profit	55	44	11
Investment income	3	7	(4)
Associates / finance costs	2	2	-
Underlying PBT	60	53	7
Net exceptional gain	1	-	1
PBT	61	53	8
Tax expense	(17)	(15)	(2)
Minority interests	(1)	(1)	-
PAT (after minorities)	43	37	6
Underlying PAT (after minorities)	41	37	4
Diluted EPS	19.9p	17.3p	2.6p
Underlying diluted EPS	19.3p	17.3p	2.0p
Interim dividend per share	8.5p	8.5p	-

Underlying operating costs by category



£M	1H 2009		1H 2008		Change	
Revenue	310	(100%)	266	100%	44	16%
Operating costs:						
Staff costs	(181)	(58%)	(157)	(59%)	(24)	(15%)
Premises	(18)	(6%)	(15)	(5%)	(3)	(18%)
Other operating costs	(50)	(16%)	(45)	(17%)	(5)	(13%)
Depreciation and amortisation	(6)	(2%)	(5)	(2%)	(1)	(11%)
	(255)	(82%)	(222)	(83%)	(33)	(15%)
Underlying trading profit	55	(18%)	44	17%	11	24%

Underlying operating costs by business



£M	1H 2009		1H 2008	Change		Change	
	Actual	at CRE	Actual	Actual		at CRE	
London Market	104	96	88	16	18%	8	9%
Retail	107	99	91	16	18%	8	9%
Employee Benefits	37	37	36	1	3%	-	-
Central Costs	7	7	7	-	-	-	-
	255	239	222	33	15%	16	8%

USD/GBP achieved FX rates in 1H 2009

	1H 2009	1H 2008
	Actual	
Hedging rates achieved as at 30 June 2009	\$1.72	\$1.93
Revenue % hedged	85%	75%
Average market rates	\$1.59	\$1.98
Revenue % unhedged	15%	25%
Actual achieved rates after hedging	\$1.72	\$1.94
Revenue % hedged + unhedged	100%	100%
Value of <u>\$125m</u> revenue in £M	£73m	£64m
Approx YOY revenue impact in £M	£9m	

USD/GBP hedging positions



		Full year		
	Actual 2008	2009	2010	2011
		Forward rates		
Average market rates				
Hedging rates achieved as at 30 June 2009	\$1.94	\$1.71	\$1.55	\$1.49
Revenue % hedged	67%	85%	80%	50%
Market forward rates as at 30 June 2009	\$1.59	\$1.63	\$1.63	\$1.63
Revenue % unhedged	33%	15%	20%	50%
Potential achieved rates after hedging	\$1.81	\$1.70	\$1.57	\$1.56
Revenue % hedged + unhedged	100%	100%	100%	100%
Actual achieved rates after hedging	\$1.81	\$1.70	\$1.57	\$1.56
Value of \$250M revenue in £M	£138m	£147m	£159m	£160m
Approx YOY revenue gain in £M		£9m	£12m	£1m

Cash flow



£M	<u>1H 2009</u>	<u>1H 2008</u>
EBITDA	74	63
Net interest & other	(12)	(5)
Net working capital	(47)	(39)
Tax paid	(15)	(5)
Normal capex	(10)	(7)
Acquisitions	(10)	(11)
Pension deficit funding	(1)	(11)
	<u>(21)</u>	<u>(15)</u>
Dividends paid	(25)	(25)
Foreign exchange	(6)	2
Net cash outflow	<u>(52)</u>	<u>(38)</u>

Balance sheet



£M	30 June 2009	31 Dec 2008	Change
Goodwill and intangibles	224	213	11
Deferred net tax assets	29	29	-
Fixed assets	25	28	(3)
Associates and investments	42	43	(1)
Net working capital and other	32	(9)	41
Hedging contracts	19	(34)	53
Net pension deficit	(86)	(29)	(57)
Net debt	(61)	(9)	(52)
	224	232	(8)

Dominic Burke
Group Chief Executive

 Distinctive. Choice.



New Business initiatives



- **Online Solutions**

- JLT Online
- BenPal

Successfully developed and integral to the future development of JLT UK and Employee Benefits

- **Online Solutions**

- JLT Online
- BenPal

Successfully developed and integral to the future development of JLT UK and Employee Benefits

- **Thistle Underwriters**

A new and separate business with the ambition to handle £100m of Gross Written Premium in 2011

Whilst the general economic background remains challenging, we continue to expect that 2009 will be a year of further progress for JLT.