

Interim Results for the six months to 30th June 2007



Dominic Burke

Group Chief Executive

Jim Rush

Group Finance Director

1st August 2007

Today's Presentation

- **Dominic Burke**
 - Trading Highlights
- **Jim Rush**
 - Financial Review
- **Dominic Burke**
 - Building for the future
 - Outlook

2007 Interim highlights

£M	1H	1H	Growth	
	2007	2006	Actual	at CRE
Turnover	244.7	243.6	-	3%
Underlying trading profit	40.4	36.8	10%	18%
Underlying profit before tax	51.1	45.5	12%	21%
Reported profit before tax	76.6	46.9	63%	
Underlying EPS (diluted)	16.0p	14.0p	14%	
Reported EPS (diluted)	28.4p	14.8p	92%	
Dividend per share	8.5p	8.5p		

CRE = Constant rates of exchange

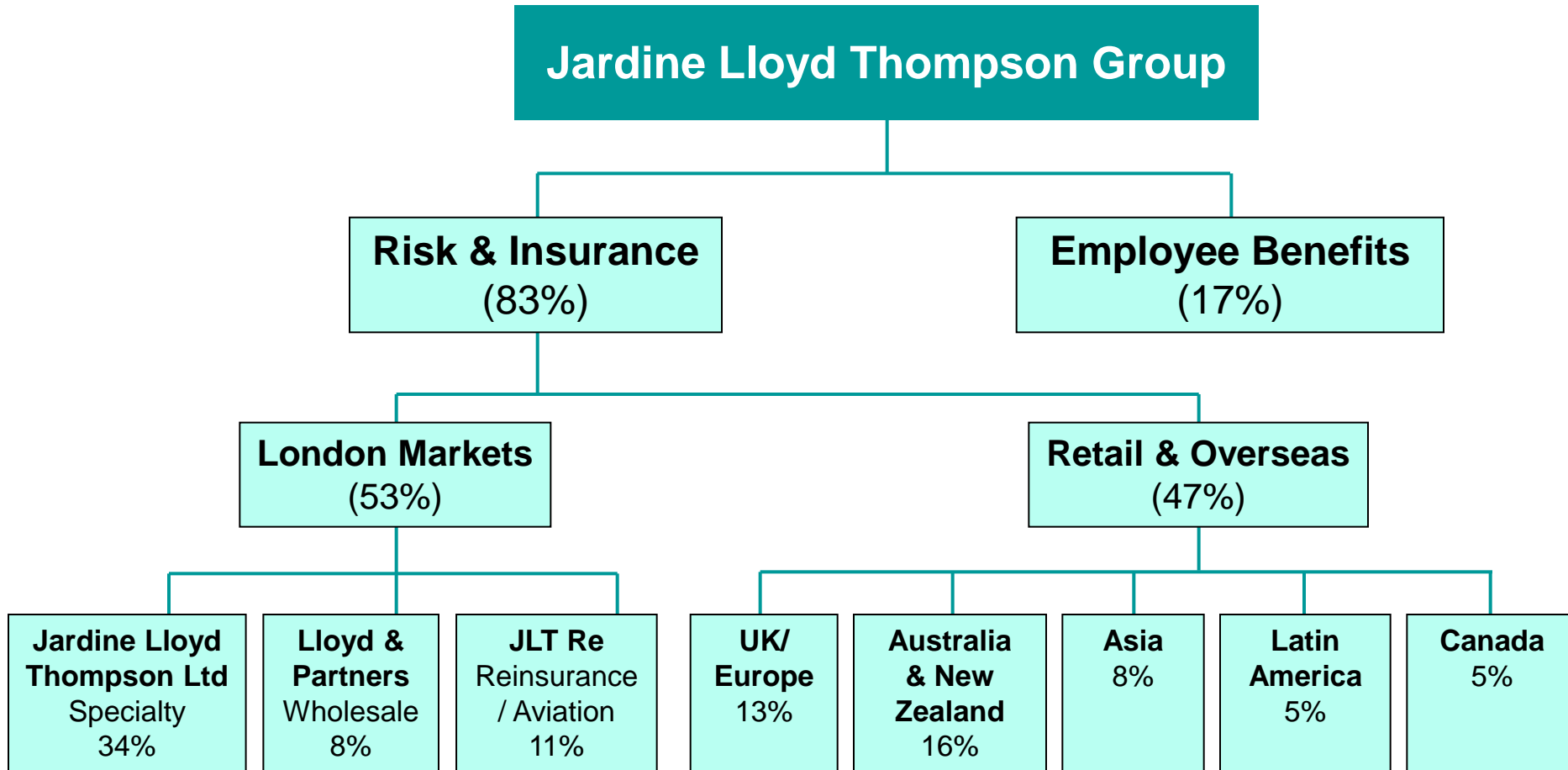
2006 comparatives restated based on continuing operations

2007 Interim highlights

£M	1H 2007	1H 2006	Growth for 1H 2007 at CRE
Turnover	244.7	243.6	3%
Underlying trading profit	40.4	36.8	18%
Underlying PBT	51.1	45.5	21%
Trading margin	17%	15%	

CRE = Constant rates of exchange

Group structure



Percentage shown is contribution to the Group's 2006 revenues.

2007 Interim highlights - Group

Improving trading margins

£M	1H 2007								1H 2006*	
	Turnover			Trading Profit		Trading Margin		Trading		
	Actual	Growth	at CRE	Actual	at CRE	Actual	at CRE	Profit	Margin	
Risk & Insurance	204.4	1%	4%	42.5	45.7	21%	22%	38.6	19%	
UK Employee Benefits	39.6	5%	5%	6.6	6.6	17%	17%	5.9	16%	
Other	0.7	-	-	(8.7)	(8.8)	-	-	(7.7)	-	
	244.7	-	3%	40.4	43.5	17%	17%	36.8	15%	

**Underlying continuing operations*

Risk & Insurance

Creditable performance in difficult trading conditions

£M	1H 2007								1H 2006*	
	Turnover			Trading Profit		Trading Margin			Trading	
	Actual Growth at CRE			Actual at CRE		Actual at CRE			Profit Margin	
Retail & Overseas	94.6	1%	5%	17.8	18.5	19%	19%	19.9	21%	
London Market	109.8	-	3%	24.7	27.2	23%	24%	18.7	17%	
TOTAL	204.4	1%	4%	42.5	45.7	21%	22%	38.6	19%	

**Underlying continuing operations*

Retail & Overseas

Strong contribution from Asia Pacific

£M	1H 2007					1H 2006*	
	Turnover			Trading		Trading	
	Actual	Growth	at CRE	Profit	Margin	Profit	Margin
Australia/NZ	33.6	5%	6%	10.1	30%	10.1	31%
Asia	17.1	1%	9%	4.2	25%	3.8	23%
UK & Europe	25.5	(1%)	-	2.1	8%	4.2	16%
Canada	8.6	(1%)	9%	0.8	9%	0.7	8%
Latin America	8.1	(5%)	-	1.0	12%	1.1	13%
Insurance Management	1.7	10%	18%	(0.4)	(21%)	-	(3%)
TOTAL	94.6	1%	5%	17.8	19%	19.9	21%

*Underlying continuing operations

London Market Operations

Seeing benefits of recent reorganisation

£M	1H 2007							1H 2006*	
	Turnover			Trading Profit		Trading Margin		Trading	
	Actual	Growth	at CRE	Actual	at CRE	Actual	at CRE	Profit	Margin
Jardine Lloyd Thompson Limited	61.0	7%	9%	13.7	15.0	22%	24%	5.8	10%
Lloyd & Partners	22.6	(5%)	-	4.9	5.7	22%	24%	6.7	28%
JLT Re	26.2	(8%)	(6%)	6.1	6.5	23%	24%	6.2	22%
	109.8	-	3%	24.7	27.2	23%	24%	18.7	17%

*Underlying continuing operations

Jardine Lloyd Thompson Ltd

Back on the Front Foot

£M

1H 2007

1H 2006*

	Turnover			Trading Profit		Trading Margin		Trading	
	Actual	Growth	at CRE	Actual	at CRE	Actual	at CRE	Profit	Margin
Jardine Lloyd Thompson Limited	61.0	7%	9%	13.7	15.0	22%	24%	5.8	10%
Lloyd & Partners	22.6	(5%)	-	4.9	5.7	22%	24%	6.7	28%
JLT Re	26.2	(8%)	(6%)	6.1	6.5	23%	24%	6.2	22%
	109.8	-	3%	24.7	27.2	23%	24%	18.7	17%

**Underlying continuing operations*

Lloyd & Partners

Well positioned as London's leading independent wholesale broker

£M	1H 2007						1H 2006*			
	Turnover			Trading Profit		Trading Margin		Trading		
	Actual	Growth	at CRE	Actual	at CRE	Actual	at CRE	Profit	Margin	
Jardine Lloyd Thompson Limited	61.0	7%	9%	13.7	15.0	22%	24%	5.8	10%	
Lloyd & Partners	22.6	(5%)	-	4.9	5.7	22%	24%	6.7	28%	
JLT Re	26.2	(8%)	(6%)	6.1	6.5	23%	24%	6.2	22%	
	109.8	-	3%	24.7	27.2	23%	24%	18.7	17%	

**Underlying continuing operations*

JLT Re

Increasing new business wins underlying prospects for 2008 and beyond

£M	1H 2007						1H 2006*		
	Turnover			Trading Profit		Trading Margin		Trading	
	Actual	Growth	at CRE	Actual	at CRE	Actual	at CRE	Profit	Margin
Jardine Lloyd Thompson Limited	61.0	7%	9%	13.7	15.0	22%	24%	5.8	10%
Lloyd & Partners	22.6	(5%)	-	4.9	5.7	22%	24%	6.7	28%
JLT Re	26.2	(8%)	(6%)	6.1	6.5	23%	24%	6.2	22%
	109.8	-	3%	24.7	27.2	23%	24%	18.7	17%

*Underlying continuing operations

Employee Benefits

Opportunities in a rapidly changing marketplace

£M

	1H 2007						1H 2006*		
	Turnover			Trading Profit		Trading Margin		Trading	
	Actual	Growth	at CRE	Actual	at CRE	Actual	at CRE	Profit	Margin
UK Employee Benefits	39.6	5%	5%	6.6	6.6	17%	17%	5.9	16%

Financial Review



Jim Rush

Group Finance Director

Summarised Profit & Loss

£M	<u>1H 2007</u>	<u>1H 2006</u>	<u>Change</u>
Underlying trading profit	40	37	3
Investment income / finance costs / other	11	8	3
Underlying PBT	51	45	6
Net exceptional items	26	2	24
PBT	77	47	30
Tax expense	(15)	(15)	-
Discontinued operations	-	1	(1)
Minorities	(1)	(1)	-
PAT	61	32	29
Reported EPS (diluted)	28.4p	14.8p	13.6p

Underlying results before exceptional items

	<u>1H 2007</u>	<u>1H 2006</u>	<u>Change</u>
Underlying PAT	£34m	£30m	£4m
Underlying EPS (diluted)	16.0p	14.0p	2.0p
Interim dividend per share	8.5p	8.5p	-

Underlying operating costs by category

£M	1H 2007		1H 2006		Change	
		% of Revenue		% of Revenue		
Staff costs	144	58.8%	149	61.1%	(5)	(3%)
Premises	16	6.3%	14	5.9%	2	7%
Other operating costs	41	16.8%	40	16.3%	1	3%
Depreciation & amortisation	4	1.6%	4	1.6%	-	3%
	<u>205</u>	<u>83.5%</u>	<u>207</u>	<u>84.9%</u>	<u>(2)</u>	<u>(1%)</u>

Underlying operating costs by operation

£M	<u>1H 2007</u>	<u>1H 2006</u>	<u>Change</u>	<u>%</u>
London Market businesses:				
Jardine Lloyd Thompson Limited	47	52	(5)	(8%)
Lloyd & Partners	18	17	1	4%
JLT Re	20	22	(2)	(10%)
	85	91	(6)	(6%)
Retail & Overseas	77	73	4	4%
Employee Benefits	33	32	1	4%
Central costs and other	10	11	(1)	(13%)
	205	207	(2)	(1%)

Cost reductions and efficiency improvements

- London markets restructuring completed (additional annualised savings of £2 million)
- IT improvements
- Core processing functions

Exceptional items – 1H 2007

£M	<u>Profit/(loss) before tax</u>	<u>Cash inflow/ (outflow)</u>
SIACI – net gain	30	14
London Market restructuring costs	(4)	(2)
Net exceptional gain	<u>26</u>	<u>12</u>

USD/GBP achieved FX rates and hedging

	1H 2006	1H 2007
	Actuals	
Average market rates	\$1.80	\$1.97
Hedging rates achieved as at 30 June 2007	\$1.77	\$1.82
- Revenue % - Hedged	65%	72%
Market forward rates as at 30 June 2007		
- Revenue % - Un-hedged	35%	28%
Actual achieved rates after hedging	\$1.79	\$1.86
Value of <u>\$125m</u> revenue in £m	£69	£67
Approximate YOY revenue impact in £m		(£2)

USD/GBP achieved FX rates and hedging

	Actual 2006	Full year	
		2007	2008
		Forward rates	
Average market rates	\$1.84		
Hedging rates achieved as at 30 June 2007		\$1.83	\$1.90
- Revenue % - Hedged		75%	45%
Market forward rates as at 30 June 2007		\$2.01	\$1.99
- Revenue % - Un-hedged		25%	55%
Potential achieved rates after hedging		\$1.88	\$1.95
- Revenue % - Hedged + Un-hedged		100%	100%
Actual achieved rates after hedging	\$1.82		
Value of <u>\$250m</u> revenue in £m	£138	£133	£128
Approximate YOY revenue impact in £m		(£5)	(£5)

Cash flow

£M	<u>1H 2007</u>	<u>1H 2006</u>	<u>Change</u>
Underlying EBITDA	61	63	(2)
Non recurring items paid / received	(2)	1	(3)
EBITDA	59	64	(5)
Interest paid / Tax / Other	(14)	(9)	(5)
Net Working capital and provisions	(49)	(34)	(15)
Issue of shares	2	-	2
Net capex / acq's / disposals / ESOPS	(13)	(6)	(7)
Pension deficit funding	(31)	-	(31)
	(46)	15	(61)
Dividends paid	(25)	(25)	-
Exchange	-	(3)	3
Net cash outflow	(71)	(13)	(58)

Balance sheet

£M	30 June 2007	31 Dec 2006	Change
Goodwill and intangibles	164	156	8
Deferred net tax assets	22	39	(17)
Fixed assets	24	23	1
Investments	31	14	17
Net working capital	68	20	48
Provisions	(37)	(43)	6
Pension deficit	(37)	(100)	63
Net cash/(debt)	(14)	57	(71)
	<u>221</u>	<u>166</u>	<u>55</u>

Building for the future



Dominic Burke

Group Chief Executive

1st August 2007

Building for the future

Maximising the return from what we already have

- Much improved collaboration across JLT Group
- Re-launched JLT Network
- Increased use of our speciality skills and placing capabilities in London
- Increased collaboration with SIACI and ACSH
- Use of our existing infrastructure to internationalise our employee benefits capabilities

Building for the future

Corporate activity

- Progress made with bolt-on acquisitions
- JLT viewed as an attractive partner offering scale and international reach

Building for the future

Progress with bolt-on acquisitions

- **Pavilion**

Combining JLT's established strengths with Pavilion's specialist expertise in on-line distribution.

Building for the future

Progress with bolt-on acquisitions

- **Pavilion**
- **JLT Park**
Creating the largest independent broker in Bermuda dedicated to meeting the needs of independent brokers.

Building for the future

Progress with bolt-on acquisitions

- **Pavilion**
- **JLT Park**
- **Portland Pensions**

Building on JLT's existing strength as a leading third party pensions administrator.

Building for the future

Progress with bolt-on acquisitions

- **Pavilion**
- **JLT Park**
- **Portland Pensions**
- **JLT Private Client Services**
Building overseas Employee Benefits capabilities

Building for the future

New opportunities in a changing market

- **JLT Insurance Management**
 - Restructure of our captive management operations as a global practice
- **ICAP**
 - Establishment of a joint venture company to operate in areas where the market for insurance, financial derivatives and securities are converging

Building the foundations for future success

- **Our clear focus is on**
 - Revenue growth through
 - International collaboration
 - Bolt-on acquisitions
 - Being at the forefront of industry change
- **Maintaining disciplined control of costs**

A collective ambition for future success

Building for the future



Jardine Lloyd Thompson Group plc
Interim Results 2007