Preliminary Results

for the year ended 31st December 2010

Distinctive. Choice.

JARDINE LLOYD THOMPSON GROUP plc

Good morning Ladies and Gentlemen and welcome to our 2010 Preliminary results presentation.

Firstly let me introduce my colleagues.

Simon Mawson, who was appointed Group Finance Director on 6th August last year. Many of you I hope have had the opportunity to meet Simon over recent months.

Next to Simon is Mark Drummond-Brady, the International Chairman of our Risk & Insurance group. I am pleased to advise that Mark was appointed to the Group Board with effect from today.

Next to Mark is Duncan Howorth, International Chairman of our Employee Benefits division and member of the Group Executive Committee.

This morning we are pleased to be able to present another set of strong results, building on the successes of recent years.

As usual, I propose to briefly run through the trading results by each business division. Simon will then go into more detail around our Group financials including the balance sheet and cash flow statement.

I will then return to talk about what I believe has underpinned JLT's performance and successes over the last few years and close by talking about the outlook for the Group.

2010 Preliminary Results

- **Another strong financial performance**
  – Continued strong organic growth
  – Growing contribution from high-growth economies
  – Business Transformation Programme delivering financial and operational benefits
  – Investments in leading industry professionals, acquisitions and systems
  – Improving trading margins across the businesses
  – Increased dividend

The key messages are:

Our continued 'market-leading' organic growth of 7%, achieved by winning market share through substantial new business wins and increased client penetration across the whole group.

The growing contribution from operations in high-growth economies continues, with strong performances from the Asia region and Latin America.

Our Business Transformation Programme which is delivering the planned financial and operational benefits with more to come.

Our continued reinvestment of operational efficiencies achieved in the recruitment of leading industry professionals, acquisitions, IT systems and new products.

Our disciplined cost control continues with margin improvement within each of our three business groups.

And our strong financial performance is reflected in a proposed increased dividend.

2010 Financial Highlights

(£m)

	2010	2009	Growth Actual	Growth CRE	Growth Organic
Total revenue*	746.3	619.3	21%	14%	7%
Underlying trading profit**	129.9	103.6	25%	9%	
Trading margin	*17.4%*	*16.7%*			
Underlying PBT**	130.1	104.8	24%		
Reported PBT	119.4	102.0	17%		
Underlying EPS (diluted)**	40.5p	33.8p	20%		
Reported EPS (diluted)	41.7p	33.1p	26%		
Dividend per share	22.5p	21.0p	7%		

* *Total revenue comprises fees and commissions and investment income*
** *Underlying results exclude exceptional and non-recurring items*
CRE is constant rates of exchange
Organic growth is on fees and commissions excluding the impact of acquisitions, disposals and the impact of currency

As you will all be aware, trading conditions in all our key markets continue to be challenging with a very soft rating environment, intense competition and historically low interest rates in many parts of the world. Against this background it is pleasing that we have been able to produce another set of strong results.

The Group achieved a 21% increase in revenues, representing 14% at constant rates of exchange. This increase was achieved through a combination of 7% organic growth and the impact of acquisitions made in the last 12 months of 7%.

Underlying trading profit increased by 25%, an increase of 9% at constant rates of exchange.

Our trading profit margin increased 70 basis points to 17.4% - which is encouraging given that we are continuing to invest for further growth through the P&L account.

Underlying PBT of £130.1 million has increased by 24% and our underlying earnings per share increased by 20% to 40.5p.

The board is recommending a dividend increase to 22.5p.

Total Revenue & Trading Profit

Track record of strong organic growth continues

(£m)

	Total Revenue				Trading Profit			Trading Margin		
	2010	Growth	CRE	Organic	**2010**	CRE	2009	**2010**	CRE	2009
Retail	270.9	23%	11%	10%	64.0	58.3	46.0	24%	24%	21%
London Market	305.7	12%	5%	6%	65.7	54.2	53.1	21%	19%	19%
Risk & Insurance	576.6	17%	8%	8%	129.7	112.5	99.1	22%	21%	20%
Employee Benefits	132.0	46%	46%	4%	22.4	22.4	14.7	17%	17%	16%
Thistle Insurance Services	37.7	11%	11%	6%	4.8	4.8	3.3	13%	13%	10%
Central Costs	-	-	-	-	(27.0)	(27.0)	(13.5)	-	-	-
	746.3	**21%**	**14%**	**7%**	**129.9**	**112.7**	**103.6**	**17%**	**16%**	**17%**

Looking at each division in more detail.

Our Risk & Insurance group delivered revenues up 17%, being 8% at CRE, essentially due to our ability to continue to drive strong organic growth.

Our Employee Benefits division saw revenues increase by 46% to £132m following the successful integration of the HACL and iimia acquisitions, but it is also pleasing to note that the underlying business delivered organic growth of 4% for the year.

Whilst Thistle Insurance Services is still in its formative stage of development, it delivered an 11% increase in revenues and a trading profit of £4.8m, with a trading profit margin of 13%.

For the Group as a whole our trading profit margin increased by 70 basis points to 17.4%. At constant rates of exchange it fell to 16.0% as the trading margin improvements in the businesses were counteracted by an increase in the Group's central costs.

Our underlying overheads are stable. The increase in central costs is primarily due to higher litigation and professional indemnity settlements incurred in the year. The scale of which in 2010 was higher than we would normally expect.

Retail

Growing contribution from high-growth economies

(£m)

	Total Revenue				Trading Profit			Trading Margin		
	2010	Growth	CRE	Organic	**2010**	CRE	2009	**2010**	CRE	2009
Australasia	108.6	21%	2%	2%	29.9	25.4	23.4	28%	28%	26%
Asia	64.3	26%	21%	20%	13.7	13.6	10.5	21%	22%	21%
Latin America	41.1	44%	30%	25%	11.7	10.8	6.0	28%	29%	21%
Canada	30.3	22%	11%	11%	4.9	4.7	2.5	16%	17%	10%
Europe	21.7	1%	3%	6%	3.5	3.5	3.2	16%	16%	15%
Insurance Management	4.9	(1%)	(2%)	(2%)	0.3	0.3	0.4	6%	6%	8%
	270.9	**23%**	**11%**	**10%**	**64.0**	**58.3**	**46.0**	**24%**	**24%**	**21%**

Our retail businesses had a stellar year delivering 10% organic growth and an improved trading margin up 300 basis points to 24%.

As we reported at the time of our interims our Australasian, Canadian and Asian operations are all moving away from being generic mid market broking operations. Today JLT's full advisory broking services are structured according to industry specialisms and are operated nationally or region-wide. Good progress has been made and this is opening up new sales opportunities which will support further strong organic growth in the future.

Australasia improved upon its already strong trading profit margin and achieved modest growth in revenues at CRE, due to very competitive trading conditions.

Asia delivered a strong performance with powerful organic growth of 20%. This is clear evidence that we continue to better exploit our strong market position in an exciting and developing part of the world. Our senior team has been strengthened over the last 12 months with a number of leading industry professionals recruited and we have achieved significant new business wins in the Aviation, Major Corporate, Construction and Employee Benefit specialties.

Latin America showed impressive results driven by organic growth of 25%. With a trading profit contribution to the Group of £11.7m, LATAM is becoming an increasingly important part of the Group. It must be remembered that our Latin American businesses also produce significant revenue flows to our London market businesses, as do our businesses in other regions.

Canada recovered from a difficult 2009 with organic growth of 11% reflecting the repositioning of our capabilities and our cost structure.

Europe achieved a 6% organic growth rate in challenging market conditions. During the period our European operations were expanded with the acquisition of Tripol in Norway, a specialty broker with expertise in Real Estate and Construction.

London Market

Continuing to invest for growth

(£m)

	Total Revenue 2010	Growth	CRE	Organic	Trading Profit 2010	CRE	2009	Trading Margin 2010	CRE	2009
JLT Specialty	170.7	10%	5%	6%	37.1	31.7	30.3	22%	19%	20%
Lloyd & Partners	61.9	12%	4%	4%	14.4	11.8	11.2	23%	21%	20%
JLT Re	73.1	14%	7%	8%	14.2	10.7	11.6	19%	16%	18%
	305.7	12%	5%	6%	65.7	54.2	53.1	21%	19%	19%

Our London Market operations delivered organic growth of 6%, being a strong performance in very challenging market conditions.

The reported trading profit margin increased by 200 basis points due to the benefit of favourable currency movements. The trading margin at CRE however remained unchanged on the prior year as we continue to invest in recruiting leading industry professionals, adding further to our overall capabilities and growth prospects.

I believe it is vital that JLT does continue to invest when the right opportunities present themselves. But be assured that we remain as focussed as ever on the importance of ensuring that our new colleagues add value quickly and just as importantly that they add to, rather than dilute, JLT's unique culture.

JLT Specialty
Expanding specialty capabilities

(£m)

	Total Revenue 2010	Growth	CRE	Organic	Trading Profit 2010	CRE	2009	Trading Margin 2010	CRE	2009
JLT Specialty	**170.7**	**10%**	**5%**	**6%**	**37.1**	**31.7**	**30.3**	**22%**	**19%**	**20%**
Lloyd & Partners	61.9	12%	4%	4%	14.4	11.8	11.2	23%	21%	20%
JLT Re	73.1	14%	7%	8%	14.2	10.7	11.6	19%	16%	18%
	305.7	12%	5%	6%	65.7	54.2	53.1	21%	19%	19%

To remind you Jardine Lloyd Thompson Ltd changed its name to JLT Specialty on 1st January this year. This change further underlines its position as one of London's leading speciality brokers. Financial Lines and professional services are the most recent areas where we have made significant investment in the recruitment of new colleagues and we are expecting them to have a positive impact in part in 2011 and more fully in 2012.

During 2010 the UK advisory retail business was successfully integrated into JLT Specialty which has enabled JLT's Specialty capabilities to be more successfully promoted throughout our UK regional offices. The early success of this strategy was demonstrated by JLT Specialty winning UK National Broker of the Year award.

From the beginning of 2011 JLT Specialty now incorporates our Aerospace capabilities transferred from JLT Re, this is a natural fit given its specialty focus.

To help you better understand the impact of these changes we have included within the supplementary slides the 2010 results 're-cut' to reflect the new structure.

Lloyd & Partners

Organic growth in a challenging market

(£m)

	Total Revenue 2010	Growth	CRE	Organic	Trading Profit 2010	CRE	2009	Trading Margin 2010	CRE	2009
JLT Specialty	170.7	10%	5%	6%	37.1	31.7	30.3	22%	19%	20%
Lloyd & Partners	**61.9**	**12%**	**4%**	**4%**	**14.4**	**11.8**	**11.2**	**23%**	**21%**	**20%**
JLT Re	73.1	14%	7%	8%	14.2	10.7	11.6	19%	16%	18%
	305.7	12%	5%	6%	65.7	54.2	53.1	21%	19%	19%

Lloyd & Partners, our specialist wholesale broker experienced strong competition from the US domestic market in 2010, especially for general property and casualty risks. Soft market conditions have prevailed in most other classes with offshore energy being the one exception, following the Deepwater Horizon rig loss. A claim collected by our LPL team in just 7 days from the date of loss, a testament to the robustness of our market.

However its impact has proved to be less significant than we had originally anticipated.

Notwithstanding this challenging trading environment, Lloyd & Partners delivered 4% organic growth.

JLT Re

Strong organic growth in non-marine division

(£m)

	Total Revenue 2010	Growth	CRE	Organic	Trading Profit 2010	CRE	2009	Trading Margin 2010	CRE	2009
JLT Specialty	170.7	10%	5%	6%	37.1	31.7	30.3	22%	19%	20%
Lloyd & Partners	61.9	12%	4%	4%	14.4	11.8	11.2	23%	21%	20%
JLT Re	**73.1**	**14%**	**7%**	**8%**	**14.2**	**10.7**	**11.6**	**19%**	**16%**	**18%**
	305.7	12%	5%	6%	65.7	54.2	53.1	21%	19%	19%

During 2010 JLT Re comprised our reinsurance broking business and our aerospace insurance broking activities. Combined they achieved an 8% organic growth rate.

The aerospace business continued its investment in recruiting leading industry professionals in 2010. As anticipated this constrained the trading profit margin, which we would expect to improve as we go forward.

2010 saw our reinsurance business continue to achieve significant growth in the key Non-Marine division with organic growth of 16% achieved in the year.

Today we have a significant international reinsurance broking business which is providing clients with a true alternative to its larger competitors. We see it as a business with great potential and we remain ambitious for it.

UK Employee Benefits

Acquisitions delivering growth

(£m)

	Total Revenue			Trading Profit		Trading Margin	
	2010	Growth	Organic	2010	2009	2010	2009
UK Employee Benefits	132.0	46%	4%	22.4	14.7	17%	16%

The Employee Benefits division delivered a substantial increase in revenues, principally through the successful integration of HACL and iimia which was achieved without the loss of a single key client or key member of staff. The underlying business delivered organic growth of 4%. This should be viewed in the context of our focus on the successful integration of both HACL and iimia during the year.

With revenues of £132m our Employee Benefits business now contributes 18% of the Group's total revenues. The trading margin improved from 16% to 17% in the year and we expect further improvement in 2011 as the full benefits of the integrations flow through to the bottom line.

The UK Defined Benefit market remains of key importance to us. Aggregate assets and liabilities remain in excess of £1 trillion pounds and demonstrate both the scale of the liability management market and its long term nature.

More recent market trends re-affirm the importance of the acquisitions we have made and the development of new software platforms. Pensions taxation changes are leading to increased need for individual pension and long term savings advice. Auto Enrolment and the launch of NEST will increase defined contribution scheme opportunities and underline the relevance of technology solutions like BenPal.

An important element of the future development of our EB business is its internationalisation. We have seen growth in our international business throughout 2010. There has been increased collaboration within the JLT International Network and BenPal has been launched successfully in Latin America, Europe and the UK, with other overseas implementations now in progress.

Thistle Insurance Services

Encouraging progress

(£m)

	Total Revenue 2010	Growth	Organic	Trading Profit 2010	Trading Profit 2009	Trading Margin 2010	Trading Margin 2009
UK Thistle Insurance Services	37.7	11%	6%	4.8	3.3	13%	10%

	Total	Thistle MGU*	MGA** Facilities
2010 Gross Written Premium	112	37	75

* Managing General Underwriter
* * Managing General Agency

Thistle Insurance Services is our underwriting and distribution company, marketing products on a non-advisory basis, focused on writing small-ticket, high-volume business. As we have previously highlighted we do not use the Group's balance sheet to underwrite risk.

At the heart of its activities is a Managing General Underwriter or MGU and our vision is to migrate relevant business into this MGU, when we are comfortable that the outcome is predictable. To this end care is being taken before moving any business into the Thistle MGU to ensure that it remains the most effective way for us to handle the business.

Although market conditions have been competitive, Thistle Insurance Services has still been able to deliver an 11% increase in revenues, which includes organic growth of 6%. The business has also seen an improvement in its trading margin and as we go forward I would like to see this continue to improve as we build scale.

During the year Thistle experienced very soft market conditions requiring very disciplined underwriting and this is going to continue. In 2010 we achieved Gross Written Premium totalling £112m, of which £37m was written within the Thistle MGU, with the balance of £75m being written within other MGAs. The fact that a significant volume of business still sits outside of the Thistle MGU emphasises the controlled nature of the migration of this business into our new business model.

The launching of the Thistle Insurance Services business model is progressing well in Australia and Canada and we will provide more detail later in the year.

I shall now pass you over to Simon.

Financial Review

for the year ended 31st December 2010

Simon Mawson

Group Finance Director

Distinctive. Choice.

JLT

Profit & Loss

(£m)	2010	2009	Change
Revenue	746.3	619.3	127.0
Operating Costs	(616.4)	(515.7)	(100.7)
Underlying trading profit	129.9	103.6	26.3
Associates after tax	3.7	3.8	(0.1)
Net underlying finance costs	(3.5)	(2.6)	(0.9)
Underlying PBT	130.1	104.8	25.3
Net exceptional (costs)/gains	(10.7)	(2.8)	(7.9)
PBT	119.4	102.0	17.4
Underlying tax expense	(37.7)	(30.0)	(7.7)
Non-recurring tax credit	13.2	1.3	11.9
Non-controlling interest	(4.2)	(2.4)	(1.8)
PAT (after non-controlling interest)	90.7	70.9	19.8
Underlying PAT (after non-controlling interest)	88.2	72.4	15.8
Diluted EPS	41.7p	33.1p	8.6p
Underlying diluted EPS	40.5p	33.8p	6.7p
Final dividend per share	22.5p	21.0p	1.5p

Thank you Dominic.

Dominic has taken you through the trading performance of our principal businesses. I will now run through the other key features of the Group's results for the year.

In terms of the profit and loss account, there are three areas I would like to provide more detail on. The first relates to our revenue line and deals with how we protect those London market revenues that are exposed to currency fluctuations. Our London market businesses have a sterling cost base but a significant portion of their revenues are in foreign currencies, primarily US dollars.

USD Revenue Protection

	Actual 2010	2011	2012	2013	2014
		Full Year Projections			
		Forward rates			
Average market rates					
Hedging rates achieved as at 28 February 2011	**$1.55**	$1.51	$1.53	$1.53	$1.54
% Revenue hedged	**90%**	84%	77%	70%	10%
Market forward rates as at 28 February 2011		$1.62	$1.61	$1.60	$1.59
Actual achieved rates after hedging	**$1.55**	$1.53	$1.55	$1.55	$1.58
Value of $260m revenue in £m	**£168m**	£170m	£168m	£168m	£165m
Approx YOY revenue impact in £m	**£16m**	£2m	(£2m)	-	(£3m)

Very broadly speaking the US dollar rate has traded between $1.50 and $1.80 over the last 30 years, barring two exceptional periods. Our business model works well inside this range and allows us to deliver satisfactory margins.

We continue to apply a consistent hedging policy and the average rate we achieved for 2010 was $1.55, of which 90% had been secured through forward contracts.

Although we primarily measure ourselves on organic growth, it is important to appreciate that we actively locked in the currency gains made in the year through hedges previously taken out - in other words the gains were not simply the outcome of exchange rate patterns during the year.

Looking forward, you can see that we continue to maintain a satisfactory level of coverage for the next three years and we are beginning to extend cover to 2014.

As a guide, each one cent movement in our achieved rate currently translates into a change of approximately £1.0 million in revenue and a corresponding impact on trading profit equal to approximately 65% of the revenue change.

Underlying Operating Cost Ratio

(£m)

	2010		2009		Increase
Fees and commissions	**741**	**100%**	613	100%	128
Operating costs:					
Staff costs	**435**	**58.7%**	367	59.9%	68
Premises	**40**	**5.4%**	35	5.7%	5
Depreciation & amortisation	**17**	**2.3%**	13	2.1%	4
Travel & entertainment	**27**	**3.6%**	23	3.8%	4
Other operating costs	**97**	**13.2%**	78	12.7%	19
	616	**83.2%**	516	84.2%	100

Secondly we continue to keep operating costs under close control. We do not anticipate any abnormal increase in staff costs as we have not been deferring the payment of staff compensation.

Exceptional and Non-Recurring Items

(£m)

	2010
Net exceptional costs:	
Business Transformation Programme costs	7.3
Integration of acquisitions	5.5
Other exceptional and non-recurring items	(2.1)
	10.7
Exceptional and non-recurring tax credits:	
Tax settlements	10.3
Tax saving on net exceptional and non-recurring costs	2.9
	13.2

Thirdly let me provide you with a brief summary of the exceptional items for the year.

You will be familiar with the main components of this slide.

The integration costs primarily relate to HACL and iimia.

The tax settlements relate to various tax matters which go back over a number of years which we have resolved during the year.

Moving on to our business transformation programme….

Business Transformation Programme

(£m)

30th June 2009 — *30th June 2012*

(£m)	H2 2009 Actual	2010 Actual	2011 F'cast	2012 F'cast
Incremental				
One-off costs	(7)	(7)	(4)	(1)
Associated benefits	3	8	3	2
Cumulative:				
One-off costs	(7)	(14)	(18)	(19)
Recurring benefit	3	11	14	16

……as you can see, we are now at the halfway mark of our three-year programme. By the end of 2010, we had cumulatively expensed some £14m of exceptional costs, securing recurring savings of £11million.

We are reinvesting these savings directly into the business and over time they should therefore earn a further return. Of course this has not been factored into the recurring benefit shown here but is an important element supporting our future growth.

Now that the programme is in full swing, we have identified further ways in which the program can add value and there has been increasing buy-in from our major businesses. Accordingly by the end of the programme in June 2012, we now believe we should be able to achieve recurring annual savings of £16m for a total cumulative cost of £19m. This is up from our original target of £14m savings at a cumulative cost of £18m. We will update you on our progress when we next report.

Balance Sheet

(£m)

	2010	2009	Change
Goodwill and intangibles	282	252	30
Fixed assets	29	28	1
Associates and investments	63	44	19
Net working capital and other	49	7	42
Hedging contracts after deferred tax	(4)	8	(12)
Net pension deficit after deferred tax	(56)	(67)	11
Other deferred net tax assets	16	9	7
Net debt	(76)	(42)	(34)
Net assets	303	239	64

We end the year with a strong balance sheet. Taking the main movements in turn.

As you would expect the increase in goodwill and intangibles relates to our continuing acquisition programme.

Associates and investments now reflects our 20% stake in GrECo which has introduced net assets of £16 million.

Net working capital has increased in line with the growth of the business.

The net pension deficit has been reduced year-on-year following a change in the statutory inflation rate from RPI to CPI which is used for the valuation of deferred pensioner liabilities in the UK scheme. Other than that our key assumptions remain consistent with prior years.

I will cover Net debt, which is adjusted to exclude client monies, under cash flow.

2010 Refinancing Programme
Providing a strong platform for growth

JLT

Successful completion of debt facilities refinancing comprising:

- $125m (£81m) private placement of unsecured 2017-2022 loan notes at c.230 bps over LIBOR
- £270m – 5 year revolving credit facilities with relationship banks at 150 bps over LIBOR
- Expected cost of borrowing to increase by £2.5m in 2011

During the fourth quarter of 2010 we successfully refinanced our revolving credit facilities a year before they become due. This has strengthened our financial resources and gives us the fire power to enable us to continue our successful acquisition strategy.

The first stage of this process was a private placement of $125m fixed rate loan notes with US investors, which we then converted into floating rate sterling debt. This was done on substantially improved covenants and documentary terms and we were able to achieve longer term maturities between 2017 and 2022. The placement provides the base-load debt needed to fund the business on a daily basis.

This in turn enabled us to renew our 5-year committed revolving credit facility on improved terms. This facility, which has been increased from £250m to £270m, is provided by a club of banks comprising our existing relationship banks Royal Bank of Scotland and Barclays, strengthened by the addition of HSBC, who have come in alongside our Asian relationship banks of BOTM and OCBC.

The higher coupon and margin rates available in the market will of course have an impact on our borrowing cost, which in 2011 we currently expect to increase by approximately £2.5m.

The completion of this refinancing programme provides us with a strong platform for growth.

Cash flow on an operational basis

(£m)

		2010	2009
Underlying EBITDA		**168**	134
Deduct: exceptional items paid		(11)	(6)
EBITDA		**157**	**128**
Deduct:	Net interest associates & other	(6)	(6)
	Tax paid	(26)	(22)
	Net working capital increase	(44)	(18)
	Normal capex	(32)	(22)
	Net shares acquired	(5)	(4)
	Pension deficit funding	(4)	(12)
	Acquisitions / Disposals	(27)	(26)
	Dividends paid	(48)	(46)
	Foreign exchange	1	(5)
Movement in net debt		**(34)**	**(33)**

Turning now to our cash flow, which is presented on an operational basis adjusting for client monies. We include client monies on our balance sheet as required by IFRS, which acknowledges the fact that we earn and retain interest on client money. However all client funds are held in segregated accounts and are not our property. These funds, which averaged more than £550m in the period, can have a distortive effect on the movement in net debt and we have therefore removed it from the analysis you see here.

As you can see, the overall net cash outlay from the business was £34m which is similar to last year primarily due to our continued acquisition programme.

Otherwise, in very broad terms, our cash flows were consistent with the prior year.

With that, let me hand you back to Dominic.

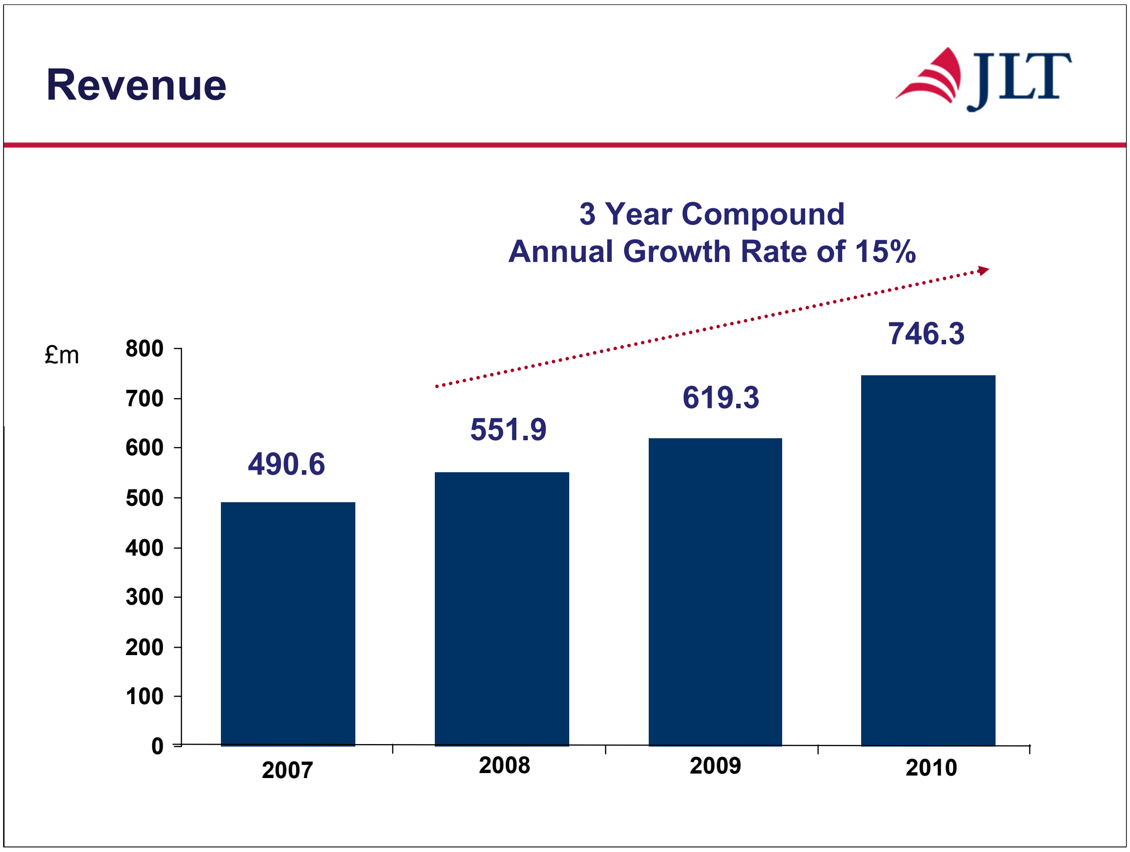
Thank you Simon

I thought I would now take a few minutes to place our strong performance in 2010 properly into context for you.

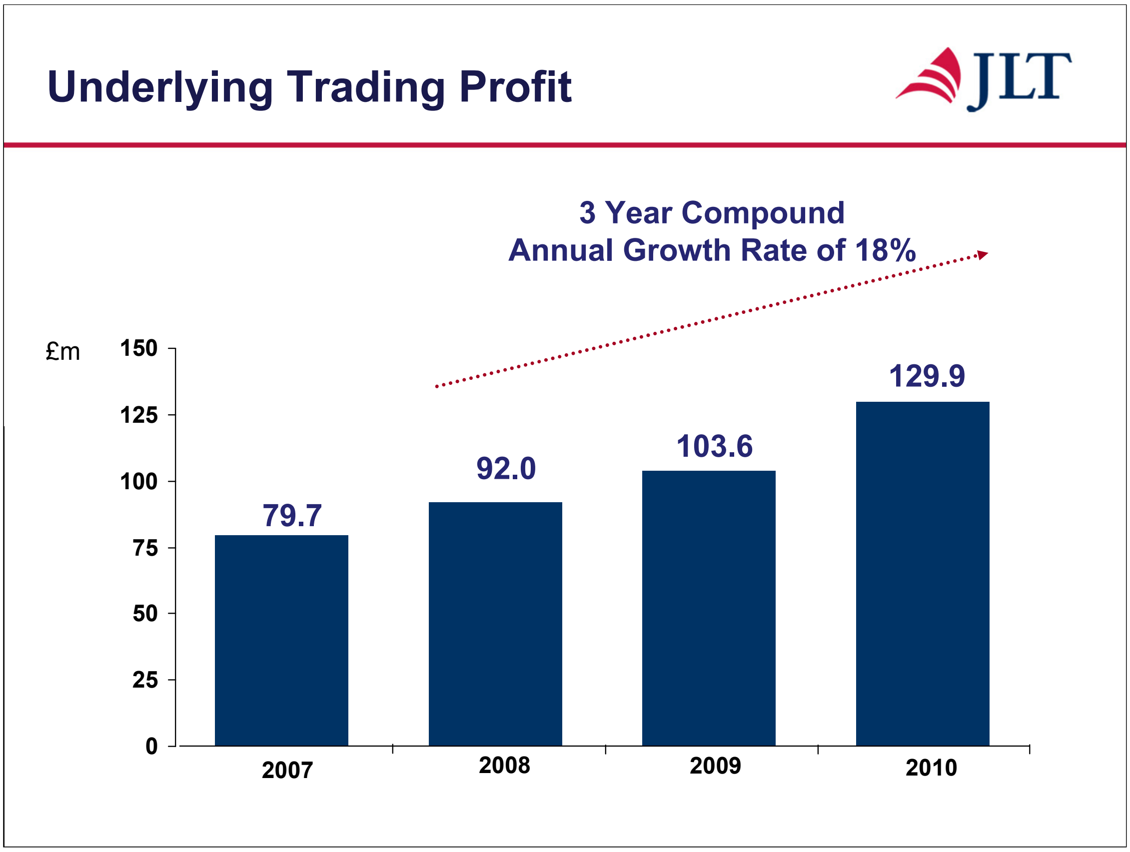
Firstly in terms of the *historical* context of our performance over the last three years.

Secondly in terms of the *market* context in which this performance has been achieved.

I will then talk about the five pillars that have underpinned JLT's recent success before concluding with our outlook statement.



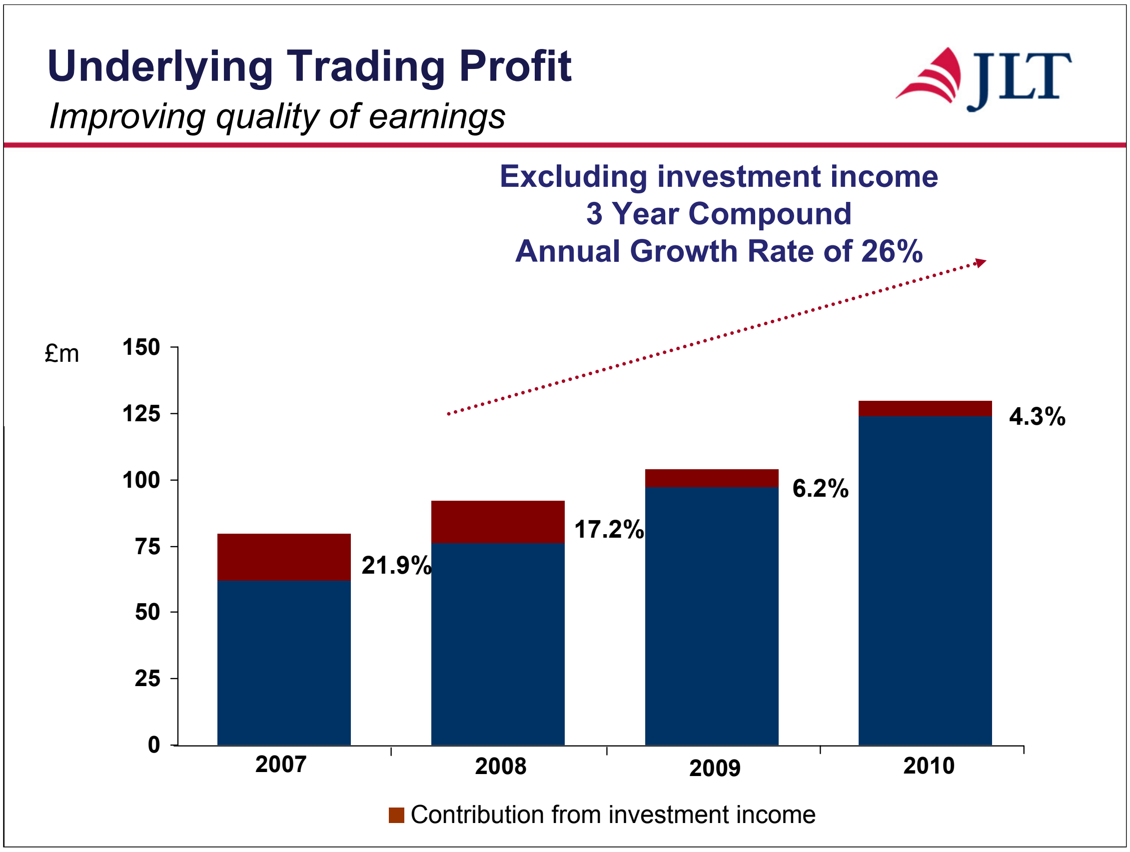
Turning to the historical context first:
It is worth pointing out that this year's 21% increase in revenues comes on the back of a continuous period of strong organic revenue growth. The fact is that over the last three years we have grown our revenues by 52%, of which 21% was organic. This represents a compound annual growth rate of 15%.



Importantly that strong revenue growth has not come at the cost of declining profitability.

In fact over the same three year period, our underlying trading profit has grown by 63%, a compound annual growth rate of 18% .

This is despite our continued significant investment in people and infrastructure.



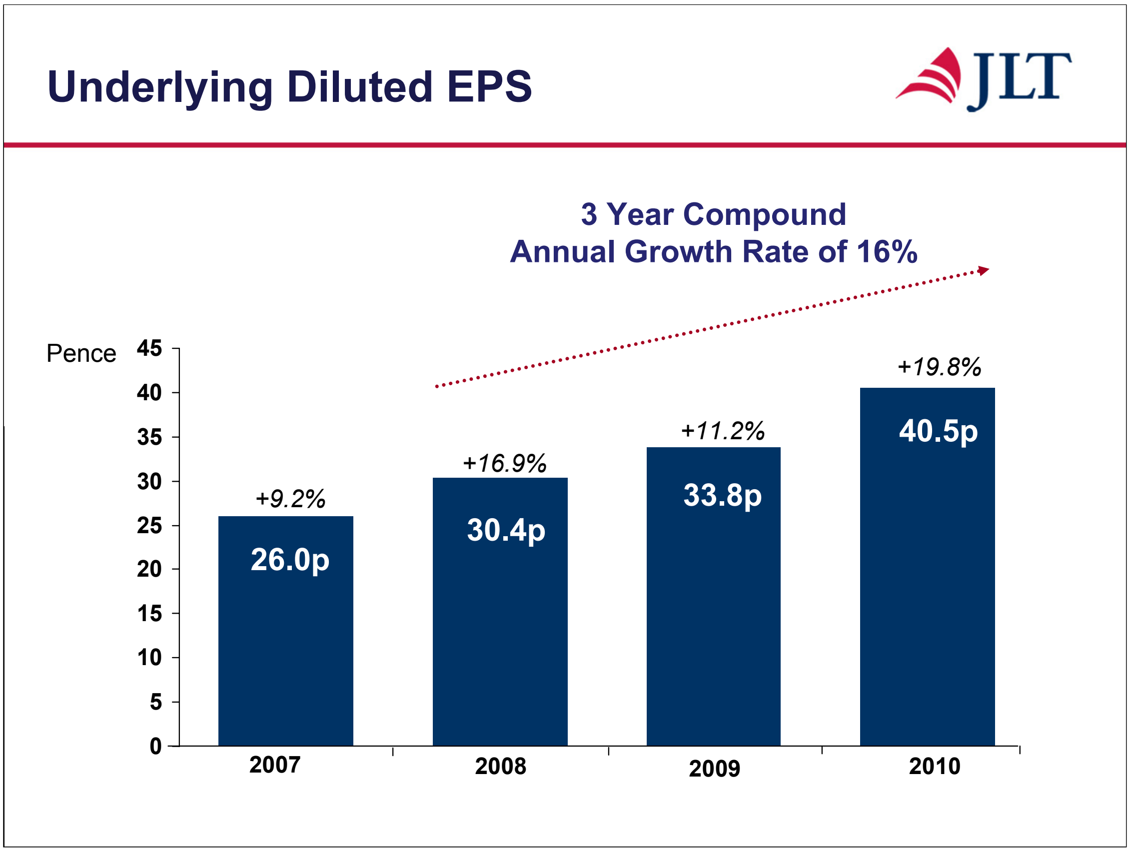
We have achieved this profit growth *despite* a £10m fall in investment income over the last three years as interest rates have declined to historically low levels in many parts of the world.

In 2010, investment income contributed less than 5% to the Group's profits, compared to 22% in 2007. Excluding investment income our underlying trading profit has achieved compound annual growth of 26% over the last 3 years.

This growth in trading profit is a testament to the investment we have made in improving the sustainability and quality of our earnings throughout the Group's operations.

These include our tight control of costs, our increasing focus on specialisms and our successful bolt-on acquisition strategy.

That said, we are clearly operationally geared to interest rates. Were interest rates to return to historical levels, this would once again make a more favourable contribution to our profits.



What does all of this mean in terms of EPS?
We have grown our underlying earnings per share over the last 3 years by 56%, achieving an annual compound growth rate of 16%.

Continued Strong Headwinds

- Soft rating environment
- Continued low interest rates
- Poor consumer and business confidence
- Rising unemployment
- Governments' austerity measures
- Brokers and Insurers competing for market share

This performance, it is worth remembering, has been achieved despite facing strong headwinds in both the insurance broking and employee benefits sectors.

Notwithstanding the benefit of favourable exchange rate movements, we have faced:

- A very soft rating environment - in fact the softest the market has seen since 9/11

- A continued low interest rate environment

- The ongoing effect of the financial crisis on consumer and business confidence

- Rising unemployment in many of the major economies

- Reduction of many governments' budgets directly impacting on the real economy

All of which has contributed to an ever more robust competitive environment, as brokers and insurers battle for market share.

The growth we have achieved in this difficult period is testament to the efforts and energy of all my colleagues and to the continued support of our clients and the wider insurance markets around the world.

It is they that have enabled us to create such a strong platform for the next phase of our development. A phase we enter into with real momentum, excitement and ambition for what JLT can become.

So where does this strong performance in the face of tough market conditions and our confidence in JLT's future success come from?

Five Pillars Driving JLT's Success

- **Providing a distinctive working environment**

We believe that five strategic pillars underpin JLT's success.

Firstly we provide a distinctive working environment that attracts, develops and, just importantly, retains the best people.

This isn't just words. At JLT this means that we look to hire and retain the best industry professionals.

Why do people join? Because they are joining an already very strong team whose reputation for client service, integrity and excellence is, we believe, unrivalled and who stay with JLT because we offer them something distinctive in the market. People want to be part of a winning team.

They also join because of our strong entrepreneurial and innovation-led culture, that encourages people to be creative and quick on their feet, and doesn't constrain them with unnecessary management layers and processes.

At JLT, we actively invest in developing our people and reward and promote them based not just on what they achieve, but on how they achieve it.

This is because we are fiercely protective of our distinctive values and culture.

Five Pillars Driving JLT's Success

- Providing a distinctive working environment
- **Operating as "One Firm", to the benefit of clients**

Secondly, we operate as One Firm, to bring the best of JLT to all our clients and trading partners anywhere in the world.

In practical terms, this means not allowing artificial boundaries such as reporting lines or profit centres or geographies to stand in the way of protecting our client's interests.

A very good example of this was winning EasyJet as a client in December 2010. Different parts of JLT from around the world worked together and shared their experience and expertise.

This not only included our aviation and Global risk solutions teams but also our colleagues within Employee Benefits. Together they delivered on a joint solution of risk transfer and service excellence.

As a result we were appointed on all lines ranging from Hull & Liability through to Business Interruption and the Group Life, with risks being placed across a range of different insurance markets.

This is just one example of our 'One Firm' approach, there are many others.

Ours is a joined-up strategy of client service that demands that all parts of the business work together to deliver client solutions.

Five Pillars Driving JLT's Success

JLT

- Providing a distinctive working environment
- Operating as "One Firm", to the benefit of clients
- **Focusing and growing in specialist areas**

Thirdly, we focus our activities and growth on specialisms where we can offer distinctive products, value-added services and independent choice to our clients.

By specialisms I mean areas such as aerospace, oil & gas, marine, life sciences, telecommunications, construction and financial lines – risks which are complex, fast-changing, and rely on deep industry expertise to meet each client's needs.

It is an approach that ensures that we are truly adding value to our clients and which has been reflected in the market leading positions we have been able to build right around the world.

For example:

- we have as clients more than 30% of the FT global 500
- we place more energy business into the Lloyd's market than any other broker
- we provide services to 6 of the 10 largest global life science companies.

Five Pillars Driving JLT's Success

JLT

- Providing a distinctive working environment
- Operating as "One Firm", to the benefit of clients
- Focusing and growing in specialist areas
- **Building a significant international business especially in the world's high-growth economies**

Fourthly, we are looking to expand our international reach and relevance, especially in the high growth economies of the world.

This is not about JLT planting a flag in every country in the world. This is about positioning the business to participate in the growth and increasing prosperity and influence of the faster growing countries of the world, and to better serve our existing clients who are looking to expand their own operations in these same markets.

It is this that has led us to invest in and grow our operations in LATAM and Asia, markets which are already delivering significant profits to us and yet where we are only at the start of the journey. And complementing this, we recently announced the opening of a new start-up operation in South Africa, a market we are committed to in its own right and as a gateway to sub-Saharan Africa.

We also continue to invest in the development of the JLT International Network, as well as local partnerships and targeted acquisitions centred around our specialisms where we have a strong track record. Our internal analysis indicates an average return of 20% on the 26 acquisitions we have completed over the past four years.

Five Pillars Driving JLT's Success

JLT

- Providing a distinctive working environment
- Operating as "One Firm", to the benefit of clients
- Focusing and growing in specialist areas
- Building a significant international business, especially in the world's high-growth economies
- **Improving the efficiencies and effectiveness of our people, systems and processes**

Finally, we are investing in the efficiency and effectiveness of our systems and processes. As the business grows in size and complexity, we need to be smarter about using technology to automate or simplify processes where we can.

As has already been mentioned, we have re-engineered and then moved a series of back office processes to our wholly-owned facility in Mumbai, decisions that has not only already led to significant cost savings, but also to a significant improvement in the quality of the output. Inspired by these successes, our operating businesses are now investing in expanding the remit of our Mumbai operation so that it transitions to becoming a knowledge centre, alongside its more transactional responsibilities.

It is by focusing on these five pillars, which provide shared equity between our clients, our people, our insurance partners and of course our shareholders, that we have been able to deliver the success of the past few years and build real momentum and belief.

And it is by continuing to deliver against them, that we will take JLT to new heights of success.

Market Update

The macro-economic conditions remain very challenging and the rating environment soft…

…however, could the market finally be approaching an inflexion point?

The macro-economic conditions remain very challenging and the rating environment soft.

However, we should not forget the backdrop of rising inflationary pressures which will ultimately increase insurable asset values and interest rates. We have also seen severe natural catastrophes in the last quarter of 2010 and early part 2011. These, coupled with the relatively weak underlying combined operating ratios of some insurers, might suggest that insurance markets could be approaching an inflexion point.

However this is currently an anticipation, rather than something supported by any clear signs of change.

A harder insurance market is undoubtedly helpful to insurers but this is much less clear for brokers, who tend to benefit more from a stronger economy; this is certainly the case for JLT.

The truth is, that whether the insurance market is at an inflexion point or not, we believe that the breadth, scope and health of JLT's business places it in a strong position.

Our business model has evolved to increase the proportion of more stable fee based income.

At the same time, our focus on specialisms and value-added services has strengthened our position in contrast to more commoditised offerings.

And our increasing activity in high growth economies has positioned us to participate in the strong growth of those markets.

And of course, any upward movement in interest rates would feed into an improvement in our investment income and thus earnings.

Outlook

JLT

Our clear focus on clients, coupled with the benefits of the investments we are making in leading industry professionals, systems and acquisitions, provides us with confidence that we will continue to make financial progress in 2011, building on the strong momentum developed in 2010.

Our clear focus on clients, coupled with the benefits of the investments we are making in leading industry professionals, systems and acquisitions, provides us with confidence that we will continue to make financial progress in 2011, building on the strong momentum developed in 2010.

Supplementary Financial Information

For the year ended 31st December 2010

Contents

Total revenue growth components

JLT

Twelve months to December 2010 (%)	Organic Growth	Acquisition/ Disposals	Currency Impact	Investment Income & Other	**Total Revenues**
Risk & Insurance					
Retail:					
Australasia	2.2%	-	18.2%	0.2%	20.6%
Asia	19.5%	1.7%	4.9%	-	26.1%
Latin America	24.9%	4.8%	13.5%	0.3%	43.5%
Canada	11.1%	-	10.6%	(0.1%)	21.6%
Continental Europe	5.5%	(1.3%)	(1.9%)	(0.9%)	1.4%
Insurance Management	(1.7%)	(0.2%)	0.4%	-	(1.5%)
	10.4%	**0.9%**	**11.3%**	**-**	**22.6%**
London Market:					
JLT Limited	5.7%	-	5.3%	(0.7%)	10.3%
Lloyds & Partners	3.8%	-	8.6%	(0.1%)	12.3%
JLT Re	7.7%	-	7.0%	(0.4%)	14.3%
	5.8%	**-**	**6.3%**	**(0.5%)**	**11.6%**
Risk & Insurance growth	**7.8%**	**0.4%**	**8.6%**	**(0.3%)**	**16.5%**
Employee Benefits growth	**4.0%**	**41.9%**	**-**	**-**	**45.9%**
Thistle Insurance Services growth	**5.9%**	**5.2%**	**-**	**(0.2%)**	**10.9%**
	7.2%	**6.7%**	**6.8%**	**(0.2%)**	**20.5%**

Underlying EBITDA calculation

JLT

Comparative following transfer into JLT Specialty of aviation business from JLTRe
Twelve months to December
(£M)

	2010	2009
Underlying trading profit	**129.9**	103.6
Add-back:		
Amortisation of staff share options	**12.6**	11.3
Depreciation and other amortisation	**21.7**	15.1
Profit from associates	**3.7**	3.8
Underlying EBITDA	**167.9**	133.8

Net debt

£M	2010	2009
Cash and investments:		
Cash and cash equivalents	524.8	437.2
Available-for-sale cash deposits:		
Non-current	-	5.9
Current	38.3	74.1
	563.1	517.2
Less: fiduciary cash (insurance creditors)	(493.8)	(459.4)
Own funds	69.3	57.8
Borrowings:		
Committed borrowings	(142.3)	(98.3)
Uncommitted/other borrowings	(3.1)	(1.7)
	(145.4)	(100.0)
Net debt	(76.1)	(42.2)

Currency impact on underlying PBT

Twelve months to December (£M)	**2010**	2009
(A) Transactional impact		
UK subsidiaries **(mainly USD)**	11.5	4.7
Overseas subsidiaries	(0.7)	0.2
	10.8	4.9
(B) Translational impact **(mainly AUD, CAD & EUR)**	6.0	5.5
Total exchange effect	**16.8**	**10.4**

Foreign exchange exposure sensitivity

Sensitivity to US Dollar income earned in the UK as at 28th February 2011 (Assumed $260m revenue)	Full Year Projections			
	2011	**2012**	**2013**	**2014**
Hedging positions	84%	77%	70%	10%
Potential achieved rate if balance sold forward based off a spot rate of:				
1.80	1.55	1.58	1.60	1.74
1.70	1.54	1.56	1.57	1.66
1.62 (current rate)	1.53	1.55	1.55	1.58
1.55	1.52	1.53	1.53	1.52
1.50	1.51	1.52	1.51	1.48

Achieved interest rates on investment income

Twelve months to December

	2010	2009
Sterling	0.6%	1.0%
US Dollars	0.3%	0.6%

Proforma impact of business transfers on 2010 revenue - JLT Specialty/LPL/JLT Re

2010 revenue adjusted on a proforma basis to reflect the London Market reorganisation

	2010	Aviation Transfer	Wholesale Energy Transfer	Proforma 2010 revenue
JLT Specialty	**170.7**	**23.4**	**(8.2)**	**185.9**
Lloyd & Partners	**61.9**	**-**	**8.2**	**70.1**
JLT Re	**73.1**	**(23.4)**	**-**	**49.7**
	305.7	**-**	**-**	**305.7**