
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 30, 2013

Willis Group Holdings Public Limited Company
(Exact name of registrant as specified in its charter)

Ireland
(State or other jurisdiction
of incorporation)

001-16503
(Commission
File Number)

98-0352587
(IRS Employer
Identification No.)

c/o Willis Group Limited, 51 Lime Street, London, EC3M 7DQ, England and Wales
(Address, including Zip Code, of Principal Executive Offices)

Registrant's telephone number, including area code: (011) 44-20-3124-6000

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On April 30, 2013, Willis Group Holdings Public Limited Company (the “Company”) issued a press release reporting results for the first quarter ended March 31, 2013 and posted a slide presentation to its website which it may refer to during its conference call to discuss the results. Copies of the press release and slide presentation are attached as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

Item 7.01. Regulation FD

The slide presentation referred to in Item 2.02 above is attached hereto as Exhibit 99.2 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit Number</u> | <u>Description</u> |
|---------------------------|---|
| 99.1 | Willis Group Holdings Public Limited Company Earnings Press Release issued April 30, 2013 |
| 99.2 | Slide Presentation – Willis Group Holdings First Quarter 2013 Results |

SIGNATURES

Pursuant to the requirement of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 30, 2013

**WILLIS GROUP HOLDINGS
PUBLIC LIMITED COMPANY**

By: /s/ Adam Rosman
Adam Rosman
Group General Counsel

INDEX TO EXHIBITS

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Contacts

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News Release

Willis Group Reports First Quarter 2013 Results

4.1% reported and organic growth in commissions and fees

NEW YORK, April 30, 2013 – Willis Group Holdings plc (NYSE: WSH), the global risk advisor, insurance and reinsurance broker, today reported results for the three months ended March 31, 2013.

Financial highlights:

| | Three months ended March 31, | | |
|---------------------------------------|-------------------------------------|-------------|---------------|
| | 2013 | 2012 | Change |
| Reported net income per diluted share | \$1.24 | \$1.28 | (3.1)% |
| Adjusted net income per diluted share | \$1.46 | \$1.32 | 10.6% |
| Reported operating margin | 27.3% | 31.3% | (400) bps |
| Adjusted operating margin | 31.7% | 32.6% | (90) bps |
| Reported commissions and fees growth | 4.1% | 0.6% | |
| Organic commissions and fees growth | 4.1% | 2.1% | |

Willis Group recorded first quarter organic commissions and fees growth of 4.1%. The Group's solid performance was consistent across its three business units, with Willis North America contributing growth of 4.3%, Willis International contributing growth of 3.8% and Willis Global contributing growth of 4.1%.

As previously announced, Willis Group incurred a charge during the first quarter primarily related to headcount reduction and property and systems rationalization costs. The charge amounted to \$46 million and is expected to drive future savings, starting in the second quarter.

"We are very pleased with our solid results in the first quarter, spread evenly throughout our business," said Dominic Casserley, CEO of Willis Group Holdings. "We will continue working to build on the positive trajectory of our organic growth over the last two quarters. As shown by our first quarter charge, our efforts are also focused on tempering expense growth and delivering strong, sustainable results over the long term."

First Quarter 2013 Financial Results

Willis Group reported net income of \$219 million, or \$1.24 per diluted share, for the quarter ended March 31, 2013. These results compared with reported net income of \$225 million, or \$1.28 per diluted share, in the comparable period a year ago.

The tax rate in the first quarter 2013 was approximately 19%, down from approximately 24% in the comparable prior year period due to the impact from recording a valuation allowance against the Company's U.S. deferred tax assets in 2012.

Notable items, in comparing reported net income between the two periods, include the \$46 million charge in the first quarter of 2013 mentioned above and, in the first quarter of 2012, \$13 million related to the write-off of uncollectible accounts receivable and associated legal fees.

Excluding the after-tax impact of these two items, adjusted net income for the first quarter 2013 was \$257 million, or \$1.46 per diluted share, compared with \$233 million, or \$1.32 per diluted share, in the same period a year ago. Adjusted net income per diluted share in the first quarter of 2012 does not reflect the \$0.01 negative impact of the previously disclosed change in remuneration policy.

The impact of the lower tax rate in first quarter 2013 relative to first quarter 2012, on an adjusted net income basis, was \$0.10 per share. Additionally, foreign currency movements increased earnings by \$0.01 per diluted share in the first quarter of 2013 compared with the first quarter of 2012.

Commissions and fees for Willis Group improved to \$1,046 million in the first quarter of 2013, up from \$1,005 million in the prior year quarter. Organic commissions and fees grew 4.1% excluding the net impact of acquisitions and disposals and foreign currency movements.

Investment income for Willis Group declined to \$4 million in the first quarter of 2013 from \$5 million in the first quarter of 2012.

Willis North America Segment

The North America segment reported 4.9% commissions and fees growth in the first quarter of 2013 compared to the first quarter of 2012. The change reflects 4.3% organic commissions and fees growth, a positive 0.4% impact from acquisitions and disposals, and a positive 0.2% impact from foreign currency movements.

Growth in commissions and fees was recorded across most of Willis North America's geographic regions. All of the major industry practices recorded positive growth. Notable among these results was the Human Capital business, which grew mid-single digits.

Willis International Segment

The International segment reported a 3.8% increase in commissions and fees compared with the same period in 2012. The change reflects 3.8% organic growth, a negative 0.1% impact from foreign currency movements, and a positive 0.1% impact from acquisitions and disposals.

Operations in Western Europe declined low-single digits in the quarter while Eastern Europe recorded mid-single digit growth. Operations in the UK recorded low single-digit growth. Latin America delivered double-digit growth, with strong growth across a number of the larger countries in the region. Asia recorded double-digit growth and Australasia grew mid-single digits.

Willis Global Segment

The Global segment, which comprises Willis Re, Specialty, Placement and Willis Capital Markets and Advisory, reported 3.5% growth in commissions and fees in the first quarter of 2013, compared with the first quarter of 2012. The change reflects 4.1% organic growth, a negative 0.4% impact from foreign currency movements, and a negative 0.2% impact from acquisitions and disposals.

Global segment growth in the quarter was led by Willis Re, which delivered high single-digit growth in the seasonally largest quarter for the business. North America reinsurance business grew double-digits, driven primarily by new business wins and International reinsurance business was up mid-single digits.

Global Specialty grew low-single digits as double-digit growth in Faber Global and the Energy unit was tempered by a decline in Financial and Executive Risk.

Expenses

Reported salaries and benefits for Willis Group were \$568 million in the first quarter of 2013, compared with \$506 million in the first quarter of 2012. However, salaries and benefits in the first quarter of 2013 included \$29 million related to the previously announced charge. First quarter 2013 salaries and benefits were favorably impacted by \$2 million of foreign currency movements.

Excluding the impact of the previously announced charge, salaries and benefits in the first quarter of 2013 were \$539 million, an increase of 6.5% from \$506 million. This is equivalent to 51.3% of revenues in first quarter 2013, compared to 50.0% of revenues in the year ago quarter.

Salaries and benefits in the first quarter of 2012 are not directly comparable with the current period expense due to the impact from the previously disclosed change in remuneration policy. Had the change in remuneration policy been effective from January 1, 2012, salaries and benefits in the first quarter of 2012 would have been approximately \$4 million, or 0.8%, higher.

Other operating expenses in the first quarter of 2013 were \$156 million, unchanged from the year ago period. Other operating expenses in the first quarter of 2013 included \$12 million related to the charge as described earlier. Included within this line in the first quarter 2012 was a \$13 million write-off of uncollectible accounts receivable and associated legal costs. Adjusted for the items mentioned above, other operating expenses as a percentage of revenues were 13.7% in the first quarter of 2013, compared to 14.1% in the year ago quarter.

Operating Margin

Reported operating margin for Willis Group was 27.3% for the first quarter of 2013 compared with 31.3% for the same period of 2012. Adjusted operating margin, excluding the items detailed in note four of the supplemental financial information, was 31.7% for the quarter ended March 31, 2013, compared with 32.6% a year ago. The decline in margin was primarily driven by increased salary and benefits expense and lower investment and other income, partially offset by higher commissions and fees revenue.

Expense Reduction Initiative

Willis Group recorded a pre-tax charge of \$46 million in the first quarter of 2013 related to the previously announced assessment of the Company's organizational design. Actions taken in the quarter included the elimination of 207 positions and rationalization of property and systems. The Company does not expect to incur any further charge related to this assessment.

Willis Group anticipates that the actions taken will result in total cost savings of approximately \$20 million in 2013, starting in the second quarter. It is also anticipated that Willis Group will achieve annualized cost savings of approximately \$25 to \$30 million.

Tax

The tax rate for the quarter ended March 31, 2013 was 19%, compared to 24% for the first quarter of 2012. The lower tax rate in first quarter of 2013 was primarily due to the impact of a valuation allowance maintained against U.S. deferred tax assets, which results in a smaller tax charge on U.S. income in the current period compared with prior periods.

Balance Sheet Highlights

As of March 31, 2013, cash and cash equivalents totaled \$531 million, total debt was \$2,402 million and total equity was \$1,893 million. As of December 31, 2012, cash and cash equivalents were \$500 million, total debt was \$2,353 million and total equity was \$1,725 million.

Dividends

At its April 2013 Board meeting, the Board of Directors approved a regular quarterly cash dividend of \$0.28 per share (an annual rate of \$1.12 per share). The dividend is payable on July 15, 2013 to shareholders of record at June 28, 2013.

Conference Call and Web Cast

A conference call to discuss the first quarter 2013 results will be held on Wednesday, May 1, 2013, at 8:00 AM Eastern Time. To participate in the live teleconference, please dial (866) 803-2143 (U.S.) or +1 (210) 795-1098 (international) with a pass code of "Willis". The live audio web cast (which will be listen-only) may be accessed at www.willis.com. This call will be available by replay starting at approximately 10:00 AM Eastern Time, and through June 1, 2013 at 5:00 PM Eastern Time, by calling (800) 386-4113 (domestic) or + 1 (402) 220-9811 (international) with no pass code, or by accessing the website.

The Company may refer to a slide presentation during its conference call. The slides will be available to view and download from the Investor Relations section of the Company's website at www.willis.com.

About Willis

Willis Group Holdings plc is a leading global risk advisor, insurance and reinsurance broker. With roots dating to 1828, Willis operates today on every continent with more than 17,000 employees in over 400 offices. Willis offers its clients superior expertise, teamwork, innovation and market-leading products and professional services in risk management and transfer. Our experts rank among the world's leading authorities on analytics, modelling and mitigation strategies at the intersection of global commerce and extreme events. Find more information at our Website, www.willis.com, our leadership journal, *Resilience*, or our up-to-the-minute blog on breaking news, *WillisWire*. Across geographies, industries and specialisms, Willis provides its local and multinational clients with resilience for a risky world.

Forward-Looking Statements

We have included in this document 'forward-looking statements' within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934, which are intended to be covered by the safe harbors created by those laws. These forward-looking statements include information about possible or assumed future results of our operations. All statements, other than statements of historical facts that address activities, events or developments that we expect or anticipate may occur in the future, including such things as our outlook, future capital expenditures, growth in commissions and fees, business strategies, competitive strengths, goals, the benefits of new initiatives, growth of our business and operations, plans and references to future successes, are forward-looking statements. Also, when we use the words such as 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'plan', 'probably', or similar expressions, we are making forward-looking statements.

There are important uncertainties, events and factors that could cause our actual results or performance to differ materially from those in the forward-looking statements contained in this document, including the following:

- the impact of any regional, national or global political, economic, business, competitive, market, environmental or regulatory conditions on our global business operations;
- the impact of current financial market conditions on our results of operations and financial condition, including as a result of those associated with the current Eurozone crisis, any insolvencies of or other difficulties experienced by our clients, insurance companies or financial institutions;
- our ability to implement and realize anticipated benefits of any expense reduction initiative, charge or any revenue generating initiatives;
- volatility or declines in insurance markets and premiums on which our commissions are based, but which we do not control;
- our ability to continue to manage our significant indebtedness;
- our ability to compete effectively in our industry, including the impact of our refusal to accept contingent commissions from carriers in the non-Human Capital areas of our retail brokerage business;
- material changes in commercial property and casualty markets generally or the availability of insurance products or changes in premiums resulting from a catastrophic event, such as a hurricane;
- our ability to retain key employees and clients and attract new business;
- the timing or ability to carry out share repurchases and redemptions;
- the timing or ability to carry out refinancing or take other steps to manage our capital and the limitations in our long term debt agreements that may restrict our ability to take these actions;
- fluctuations in our earnings as a result of potential changes to our valuation allowance(s) on our deferred tax assets;
- any fluctuations in exchange and interest rates that could affect expenses and revenue;
- the potential costs and difficulties in complying with a wide variety of foreign laws and regulations and any related changes, given the global scope of our operations;
- rating agency actions that could inhibit our ability to borrow funds or the pricing thereof;
- a significant decline in the value of investments that fund our pension plans or changes in our pension plan liabilities or funding obligations;
- our ability to achieve the expected strategic benefits of transactions, including any growth from associates;
- further impairment of the goodwill of one of our reporting units, in which case we may be required to record additional significant charges to earnings;
- our ability to receive dividends or other distributions in needed amounts from our subsidiaries;
- changes in the tax or accounting treatment of our operations and fluctuations in our tax rate;
- any potential impact from the US healthcare reform legislation;
- our involvements in and the results of any regulatory investigations, legal proceedings and other contingencies;
- underwriting, advisory or reputational risks associated with non-core operations as well as the potential significant impact our non-core operations (including the Willis Capital Markets & Advisory operations) can have on our financial results;
- our exposure to potential liabilities arising from errors and omissions and other potential claims against us; and
- the interruption or loss of our information processing systems or failure to maintain secure information systems.

The foregoing list of factors is not exhaustive and new factors may emerge from time to time that could also affect actual performance and results. For more information see the section entitled "Risk Factors" included in Willis' Form 10-K for the year ended December 31, 2012 and our subsequent filings with the Securities and Exchange Commission. Copies are available online at <http://www.sec.gov> or www.willis.com.

Although we believe that the assumptions underlying our forward-looking statements are reasonable, any of these assumptions, and therefore also the forward-looking statements based on these assumptions, could themselves prove to be inaccurate. In light of the significant uncertainties inherent in the forward-looking statements included in this document, our inclusion of this information is not a representation or guarantee by us that our objectives and plans will be achieved.

Our forward-looking statements speak only as of the date made and we will not update these forward-looking statements unless the securities laws require us to do so. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document may not occur, and we caution you against unduly relying on these forward-looking statements.

Non-GAAP Supplemental Financial Information

This press release contains references to non-GAAP financial measures as defined in Regulation G of SEC rules. Consistent with Regulation G, a reconciliation of this supplemental financial information to our GAAP information is in the note disclosures that follow. We present such non-GAAP supplemental financial information, as we believe such information is of interest to the investment community because it provides additional meaningful methods of evaluating certain aspects of the Company's operating performance from period to period on a basis that may not be otherwise apparent on a GAAP basis. This supplemental financial information should be viewed in addition to, not in lieu of, the Company's condensed consolidated financial statements.

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WILLIS GROUP HOLDINGS plc
CONDENSED CONSOLIDATED INCOME STATEMENTS
(in millions, except per share data)
(unaudited)

| | Three months ended | |
|---|--------------------|---------------|
| | March 31, | |
| | 2013 | 2012 |
| Revenues | | |
| Commissions and fees | \$ 1,046 | \$ 1,005 |
| Investment income | 4 | 5 |
| Other income | 1 | 3 |
| Total revenues | <u>1,051</u> | <u>1,013</u> |
| Expenses | | |
| Salaries and benefits (including share-based compensation of \$12 million, \$9 million) | 568 | 506 |
| Other operating expenses | 156 | 156 |
| Depreciation expense | 26 | 19 |
| Amortization of intangible assets | 14 | 15 |
| Total expenses | <u>764</u> | <u>696</u> |
| Operating income | 287 | 317 |
| Interest expense | 31 | 32 |
| Income before Income Taxes and Interest in Earnings of Associates | 256 | 285 |
| Income tax charge | 48 | 68 |
| Income before Interest in Earnings of Associates | 208 | 217 |
| Interest in earnings of associates, net of tax | 15 | 15 |
| Net Income | 223 | 232 |
| Net income attributable to noncontrolling interests | (4) | (7) |
| Net Income attributable to Willis Group Holdings plc | <u>\$ 219</u> | <u>\$ 225</u> |

WILLIS GROUP HOLDINGS plc
CONDENSED CONSOLIDATED INCOME STATEMENTS
(in millions, except per share data)
(unaudited)

| | Three months ended | |
|--|--------------------|----------------|
| | March 31, | |
| | 2013 | 2012 |
| Earnings per Share | | |
| Net income attributable to Willis Group Holdings plc shareholders | | |
| - Basic | \$ 1.27 | \$ 1.29 |
| - Diluted | <u>\$ 1.24</u> | <u>\$ 1.28</u> |
| Average Number of Shares Outstanding | | |
| - Basic | 173 | 174 |
| - Diluted | 176 | 176 |
| Shares Outstanding at March 31 (thousands) | 173,878 | 173,697 |

WILLIS GROUP HOLDINGS plc
SUMMARY DRAFT BALANCE SHEETS
(in millions) (unaudited)

| | March 31, 2013 | December 31, 2012 |
|---|-------------------|----------------------|
| Current Assets | | |
| Cash & cash equivalents | \$ 531 | \$ 500 |
| Accounts receivable, net | 1,051 | 933 |
| Fiduciary assets | 9,811 | 9,271 |
| Deferred tax assets | 17 | 13 |
| Other current assets | 220 | 181 |
| Total current assets | <u>11,630</u> | <u>10,898</u> |
| Non-current Assets | | |
| Fixed assets, net | 447 | 468 |
| Goodwill | 2,813 | 2,827 |
| Other intangible assets, net | 369 | 385 |
| Investments in associates | 183 | 174 |
| Deferred tax assets | 15 | 18 |
| Pension benefits asset | 181 | 136 |
| Other non-current assets | 199 | 206 |
| Total non-current assets | <u>4,207</u> | <u>4,214</u> |
| Total Assets | <u>\$ 15,837</u> | <u>\$ 15,112</u> |
| Liabilities and Equity | | |
| Current Liabilities | | |
| Fiduciary liabilities | \$ 9,811 | \$ 9,271 |
| Deferred revenue and accrued expenses | 455 | 541 |
| Income taxes payable | 76 | 19 |
| Short-term debt and current portion of long-term debt | 15 | 15 |
| Deferred tax liabilities | 16 | 21 |
| Other current liabilities | 333 | 327 |
| Total current liabilities | <u>10,706</u> | <u>10,194</u> |
| Non-current Liabilities | | |
| Long-term debt | 2,387 | 2,338 |
| Liability for pension benefits | 269 | 282 |
| Deferred tax liabilities | 15 | 18 |
| Provision for liabilities | 189 | 180 |
| Other non-current liabilities | 378 | 375 |
| Total non-current liabilities | <u>3,238</u> | <u>3,193</u> |
| Total Liabilities | <u>13,944</u> | <u>13,387</u> |
| Equity attributable to Willis Group Holdings plc | 1,865 | 1,699 |
| Noncontrolling interests | 28 | 26 |
| Total Equity | <u>1,893</u> | <u>1,725</u> |
| Total Liabilities and Equity | <u>\$ 15,837</u> | <u>\$ 15,112</u> |

WILLIS GROUP HOLDINGS plc
SUPPLEMENTAL FINANCIAL INFORMATION
(in millions, except per share data) (unaudited)

1. Definitions of Non-GAAP Financial Measures

We believe that investors' understanding of the Company's performance is enhanced by our disclosure of the following non-GAAP financial measures. Our method of calculating these measures may differ from those used by other companies and therefore comparability may be limited.

Organic commissions and fees growth

Organic commissions and fees growth excludes: (i) the impact of foreign currency translation; (ii) the first twelve months of net commission and fee revenues generated from acquisitions; and (iii) the net commission and fee revenues related to operations disposed of in each period presented, from reported commissions and fees growth.

We believe organic growth in commissions and fees provides a measure that the investment community may find helpful in assessing the performance of operations that were part of our operations in both the current and prior periods, and provides a measure against which our businesses may be assessed in the future.

Adjusted operating income and adjusted net income

Adjusted operating income and adjusted net income are calculated by excluding the impact of certain items from operating income and net income, respectively, the most directly comparable GAAP measures. We believe that excluding these items, as applicable, from operating income and net income, provides a more complete and consistent comparative analysis of our results of operations.

WILLIS GROUP HOLDINGS plc
SUPPLEMENTAL FINANCIAL INFORMATION
(in millions, except per share data) (unaudited)

2. Analysis of Commissions and Fees

The following table reconciles reported commissions and fees growth to organic commissions and fees growth by segment for the three months ended March 31, 2013:

| | Three months ended March 31, | | | Change attributable to | | |
|----------------------|---------------------------------|---------|-------------|------------------------------------|----------------------------------|---|
| | 2013 | 2012 | % Change | Foreign currency translation | Acquisitions and disposals | Organic commissions and fees growth ^(a) |
| Global | \$ 383 | \$ 370 | 3.5% | (0.4)% | (0.2)% | 4.1% |
| North America | 363 | 346 | 4.9% | 0.2% | 0.4% | 4.3% |
| International | 300 | 289 | 3.8% | (0.1)% | 0.1% | 3.8% |
| Commissions and fees | \$1,046 | \$1,005 | 4.1% | (0.1)% | 0.1% | 4.1% |

(a) Organic commission and fees growth excludes: (i) the impact of foreign currency translation; (ii) the first twelve months of net commission and fee revenues generated from acquisitions; and (iii) the net commission and fee revenues related to operations disposed of in each period presented, from reported commissions and fees growth.

Our methods of calculating these measures may differ from those used by other companies and therefore comparability may be limited.

3. Expense Reduction Initiative

In the three months ended March 31, 2013, the Company incurred pre-tax expenses totaling \$46 million (\$38 million, after tax, or \$0.22 per diluted share) in connection with the previously announced assessment of its organizational design.

The following table provides an analysis by expense category:

| Expense category | Three months ended March 31, 2013 |
|---|--|
| Salaries and benefits ^(a) | \$ 29 |
| Other operating expenses ^(b) | 12 |
| Depreciation ^(b) | 5 |
| | \$ 46 |

(a) Primarily reflects severance costs related to 207 positions that have been eliminated.

(b) Primarily reflects property and systems rationalization costs.

WILLIS GROUP HOLDINGS plc
SUPPLEMENTAL FINANCIAL INFORMATION
(in millions, except per share data) (unaudited)

4. Adjusted Operating Income

The following table reconciles operating income, the most directly comparable GAAP measure, to adjusted operating income, for the three months ended March 31, 2013 and 2012:

| | Three months ended March 31, | | |
|---|---------------------------------|---------------|-------------|
| | 2013 | 2012 | % Change |
| Operating Income | \$ 287 | \$ 317 | (9.5)% |
| Excluding: | | | |
| Expense reduction initiative | 46 | — | |
| Write-off of uncollectible accounts receivable and legal fees | — | 13 | |
| Adjusted Operating Income | <u>\$ 333</u> | <u>\$ 330</u> | 0.9% |
| Operating Margin, or Operating Income as a percentage of Total Revenues | 27.3% | 31.3% | |
| Adjusted Operating Margin, or Adjusted Operating Income as a percentage of Total Revenues | <u>31.7%</u> | <u>32.6%</u> | |

5. Adjusted Net Income

The following table reconciles net income and earnings per diluted share, the most directly comparable GAAP measures, to adjusted net income and adjusted earnings per diluted share, for the three months ended March 31, 2013 and 2012:

| | Three months ended March 31, | | | Per diluted share Three months ended March 31, | | |
|--|---------------------------------|--------------|-------------|--|---------------|-------------|
| | 2013 | 2012 | % Change | 2013 | 2012 | % Change |
| Net Income attributable to Willis Group Holdings plc | \$219 | \$225 | (2.7)% | \$1.24 | \$1.28 | (3.1)% |
| Excluding: | | | | | | |
| Expense reduction initiative, net of tax (\$8, \$nil) | 38 | — | | 0.22 | — | |
| Write-off of uncollectible accounts receivable and legal fees, net of tax (\$nil, \$5) | — | 8 | | — | 0.04 | |
| Adjusted Net Income | <u>\$257</u> | <u>\$233</u> | 10.3% | <u>\$1.46</u> | <u>\$1.32</u> | 10.6% |
| Average diluted shares outstanding | <u>176</u> | <u>176</u> | | | | |

WILLIS GROUP HOLDINGS plc
SUPPLEMENTAL FINANCIAL INFORMATION
(in millions, except per share data) (unaudited)

6. Condensed Consolidated Income Statements by Quarter

| | 2012 | | | | FY | 2013 |
|---|---------------|---------------|--------------|-----------------|-----------------|---------------|
| | Q1 | Q2 | Q3 | Q4 | | Q1 |
| Revenues | | | | | | |
| Commissions and fees | \$1,005 | \$ 837 | \$ 749 | \$ 867 | \$3,458 | \$1,046 |
| Investment income | 5 | 5 | 4 | 4 | 18 | 4 |
| Other income | 3 | — | 1 | — | 4 | 1 |
| Total Revenues | 1,013 | 842 | 754 | 871 | 3,480 | 1,051 |
| Expenses | | | | | | |
| Salaries and benefits | 506 | 500 | 502 | 967 | 2,475 | 568 |
| Other operating expenses | 156 | 129 | 146 | 150 | 581 | 156 |
| Depreciation expense | 19 | 19 | 21 | 20 | 79 | 26 |
| Amortization of intangible assets | 15 | 15 | 14 | 15 | 59 | 14 |
| Goodwill impairment charge | — | — | — | 492 | 492 | — |
| Net loss on disposal of operations | — | — | 1 | 2 | 3 | — |
| Total Expenses | 696 | 663 | 684 | 1,646 | 3,689 | 764 |
| Operating Income (Loss) | 317 | 179 | 70 | (775) | (209) | 287 |
| Interest expense | 32 | 33 | 32 | 31 | 128 | 31 |
| Income (Loss) before Income Taxes and Interest in Earnings of Associates | 285 | 146 | 38 | (806) | (337) | 256 |
| Income tax charge/(credit) | 68 | 36 | 10 | (13) | 101 | 48 |
| Income (Loss) before Interest in Earnings of Associates | 217 | 110 | 28 | (793) | (438) | 208 |
| Interest in earnings of associates, net of tax | 15 | (1) | (2) | (7) | 5 | 15 |
| Income (Loss) from Continuing Operations | 232 | 109 | 26 | (800) | (433) | 223 |
| Discontinued operations, net of tax | — | 1 | — | (1) | — | — |
| Net Income (Loss) | 232 | 110 | 26 | (801) | (433) | 223 |
| Net income attributable to noncontrolling interests | (7) | (2) | — | (4) | (13) | (4) |
| Net Income (Loss) attributable to Willis Group Holdings plc | \$ 225 | \$ 108 | \$ 26 | \$ (805) | \$ (446) | \$ 219 |
| Diluted Earnings per Share | | | | | | |
| Net Income (Loss) attributable to Willis Group Holdings plc shareholders | \$ 1.28 | \$0.61 | \$0.15 | \$ (4.65) | \$ (2.58) | \$ 1.24 |
| Average Number of Shares Outstanding | | | | | | |
| - Diluted | 176 | 176 | 175 | 173 | 173 | 176 |

WILLIS GROUP HOLDINGS plc
SUPPLEMENTAL FINANCIAL INFORMATION
(in millions, except per share data) (unaudited)

7. Segment Information by Quarter

| | 2012 | | | | FY | 2013 |
|--|----------------|---------------|---------------|-----------------|-----------------|----------------|
| | Q1 | Q2 | Q3 | Q4 | | Q1 |
| Commissions and Fees | | | | | | |
| Global | \$ 370 | \$ 282 | \$ 235 | \$ 237 | \$ 1,124 | \$ 383 |
| North America | 346 | 314 | 315 | 331 | 1,306 | 363 |
| International | 289 | 241 | 199 | 299 | 1,028 | 300 |
| Total Commissions and Fees | <u>\$1,005</u> | <u>\$ 837</u> | <u>\$ 749</u> | <u>\$ 867</u> | <u>\$ 3,458</u> | <u>\$1,046</u> |
| Total Revenues | | | | | | |
| Global | \$ 372 | \$ 283 | \$ 235 | \$ 239 | \$ 1,129 | \$ 384 |
| North America ^(a) | 349 | 315 | 318 | 331 | 1,313 | 365 |
| International | 292 | 244 | 201 | 301 | 1,038 | 302 |
| Total Revenues | <u>\$1,013</u> | <u>\$ 842</u> | <u>\$ 754</u> | <u>\$ 871</u> | <u>\$ 3,480</u> | <u>\$1,051</u> |
| Operating Income | | | | | | |
| Global | \$ 179 | \$ 94 | \$ 52 | \$ 47 | \$ 372 | \$ 171 |
| North America | 82 | 48 | 53 | 57 | 240 | 89 |
| International | 81 | 40 | (9) | 71 | 183 | 86 |
| Corporate and Other ^(b) | (25) | (3) | (26) | (950) | (1,004) | (59) |
| Total Operating Income (Loss) | <u>\$ 317</u> | <u>\$ 179</u> | <u>\$ 70</u> | <u>\$ (775)</u> | <u>\$ (209)</u> | <u>\$ 287</u> |
| Organic Commissions and Fees Growth | | | | | | |
| Global | 4.7% | 6.8% | 2.9% | 11.6% | 6.1% | 4.1% |
| North America | (2.0)% | (3.0)% | (0.5)% | 5.0% | (0.6)% | 4.3% |
| International | 4.3% | 2.0% | 4.9% | 7.4% | 4.9% | 3.8% |
| Total Organic Commissions and Fees Growth | <u>2.1%</u> | <u>1.5%</u> | <u>2.2%</u> | <u>7.5%</u> | <u>3.1%</u> | <u>4.1%</u> |
| Operating Margin | | | | | | |
| Global | 48.1% | 33.2% | 22.1% | 19.7% | 32.9% | 44.5% |
| North America | 23.5% | 15.2% | 16.7% | 17.2% | 18.3% | 24.4% |
| International | 27.7% | 16.4% | (4.5)% | 23.6% | 17.6% | 28.5% |
| Total Operating Margin | <u>31.3%</u> | <u>21.3%</u> | <u>9.3%</u> | <u>(89.0)%</u> | <u>(6.0)%</u> | <u>27.3%</u> |

(a) Total Revenues in the North America segment includes other income comprising gains on disposal of intangible assets, which primarily arise from settlements enforcing non-compete agreements in the event of losing accounts through producer defection or the disposal of books of business.

(b) Corporate and Other includes the costs of the holding company, foreign exchange hedging activities, foreign exchange on the UK pension plan asset, foreign exchange gains and losses from currency purchases and sales, amortization of intangible assets, net gains and losses on disposal of operations, certain legal costs, write-off of uncollectible accounts receivable and associated legal fees, Insurance recovery, India JV settlement, North America segment goodwill impairment, charges associated with the change in remuneration policy and expense reduction initiative costs.

Willis Group Holdings

FIRST QUARTER 2013 RESULTS

May, 2013

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Important disclosures regarding forward-looking statements

This presentation contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934, which are intended to be covered by the safe harbors created by those laws. These forward-looking statements include information about possible or assumed future results of our operations.

All statements, other than statements of historical facts, included in this document that address activities, events or developments that we expect or anticipate may occur in the future, including such things as our outlook, potential cost savings and accelerated adjusted operating margin and adjusted earnings per share growth, future capital expenditures, growth in commissions and fees, business strategies, competitive strengths, goals, the benefits of new initiatives, growth of our business and operations, plans, and references to future successes are forward-looking statements. Also, when we use the words such as 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'plan', 'probably', or similar expressions, we are making forward-looking statements.

There are important uncertainties, events and factors that could cause our actual results or performance to differ materially from those in the forward-looking statements contained in this document, including the following: the impact of any regional, national or global political, economic, business, competitive, market, environmental or regulatory conditions on our global business operations; the impact of current financial market conditions on our results of operations and financial condition, including as a result of those associated with the current Eurozone crisis, any insolvencies of or other difficulties experienced by our clients, insurance companies or financial institutions; our ability to implement and realize anticipated benefits of any expense reduction initiative, charge or any revenue generating initiatives; volatility or declines in insurance markets and premiums on which our commissions are based, but which we do not control; our ability to continue to manage our significant indebtedness; our ability to compete effectively in our industry, including the impact of our refusal to accept contingent commissions from carriers in the non-Human Capital areas of our retail brokerage business; material changes in commercial property and casualty markets generally or the availability of insurance products or changes in premiums resulting from a catastrophic event, such as a hurricane; our ability to retain key employees and clients and attract new business; the timing or ability to carry out share repurchases and redemptions; the timing or ability to carry out refinancing or take other steps to manage our capital and the limitations in our long term debt agreements that may restrict our ability to take these actions; fluctuations in our earnings as a result of potential changes to our valuation allowance(s) on our deferred tax assets; any fluctuations in exchange and interest rates that could affect expenses and revenue; the potential costs and difficulties in complying with a wide variety of foreign laws and regulations and any related changes, given the global scope of our operations; rating agency actions that could inhibit our ability to borrow funds or the pricing thereof; a significant decline in the value of investments that fund our pension plans or changes in our pension plan liabilities or funding obligations; our ability to achieve the expected strategic benefits of transactions, including any growth from associates; further impairment of the goodwill of one of our reporting units, in which case we may be required to record additional significant charges to earnings; our ability to receive dividends or other distributions in needed amounts from our subsidiaries; changes in the tax or accounting treatment of our operations and fluctuations in our tax rate; any potential impact from the US healthcare reform legislation; our involvements in and the results of any regulatory investigations, legal proceedings and other contingencies; underwriting, advisory or reputational risks associated with non-core operations as well as the potential significant impact our non-core operations (including the Willis Capital Markets & Advisory operations) can have on our financial results; our exposure to potential liabilities arising from errors and omissions and other potential claims against us; and the interruption or loss of our information processing systems or failure to maintain secure information systems.

The foregoing list of factors is not exhaustive and new factors may emerge from time to time that could also affect actual performance and results. For additional information see also Part I, Item 1A "Risk Factors" included in Willis' Form 10-K for the year ended December 31, 2012, and our subsequent filings with the Securities and Exchange Commission. Copies are available online at <http://www.sec.gov> or on request from the Company.

Although we believe that the assumptions underlying our forward-looking statements are reasonable, any of these assumptions, and therefore also the forward-looking statements based on these assumptions, could themselves prove to be inaccurate. In light of the significant uncertainties inherent in the forward-looking statements included in this presentation, our inclusion of this information is not a representation or guarantee by us that our objectives and plans will be achieved. Our forward-looking statements speak only as of the date made and we will not update these forward-looking statements unless the securities laws require us to do so. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this presentation may not occur, and we caution you against unduly relying on these forward-looking statements.

Important disclosures regarding non-GAAP measures

This presentation contains references to "non-GAAP financial measures" as defined in Regulation G of SEC rules. We present these measures because we believe they are of interest to the investment community and they provide additional meaningful methods of evaluating certain aspects of the Company's operating performance from period to period on a basis that may not be otherwise apparent on a generally accepted accounting principles (GAAP) basis. These financial measures should be viewed in addition to, not in lieu of, the Company's condensed consolidated income statements and balance sheet as of the relevant date. Consistent with Regulation G, a description of such information is provided below and a reconciliation of certain of such items to GAAP information can be found in our periodic filings with the SEC. Our method of calculating these non-GAAP financial measures may differ from other companies and therefore comparability may be limited.

Summary financial results

| | Q1 2013 | Q1 2012 |
|-----------------------------------|---------|---------|
| Organic commission and fee growth | 4.1% | 2.1% |
| Adjusted operating income | \$333 m | \$330 m |
| Adjusted operating margin | 31.7% | 32.6% |
| Reported EPS | \$1.24 | \$1.28 |
| Adjusted EPS | \$1.46 | \$1.32 |

Q1 2013 organic commission and fee growth was well balanced across all three business segments:

- Willis North America: 4.3%
- Willis Global: 4.1%
- Willis International: 3.8%

Q1 2013 adjusted EPS includes :

- \$0.10 benefit from lower tax rates
- \$0.01 benefit from favorable F/X compared to Q1 2012



See important disclosures regarding Non-GAAP measures on page 2 and reconciliations starting on page 11

Total expenses

| \$ millions | Q1 2013 | Q1 2012 | |
|--|---------------|---------------|-------------|
| Total expenses – reported | \$ 764 | \$ 696 | 9.8% |
| Expense reduction initiative | (46) | - | |
| Write-off uncollectible accounts receivable | - | (13) | |
| Total expenses – adjusted | \$ 718 | \$ 683 | 5.1% |
| Y-o-Y FX movement | 3 | | |
| Total expenses - underlying | \$ 721 | \$ 683 | 5.6% |

Q1 2013 total adjusted expenses up 5.1%, or 5.6% on an underlying basis

- Primarily driven by 6.5% growth in adjusted S&B
- Other operating expenses grew 0.7% on an adjusted basis

Salaries and benefits – assuming cash bonus accrued throughout 2012

| \$ millions | Q1 | Q2 | Q3 | Q4 | FY |
|--|---------------|------------|------------|------------|-----------------|
| Salaries and benefits – adjusted | \$ 506 | 500 | 502 | 515 | \$ 2,023 |
| Amortization of cash retention awards | (59) | (51) | (46) | (48) | (204) |
| 2012 cash bonus accrual | 63 | 63 | 63 | 63 | 252 |
| Difference | 4 | 12 | 17 | 15 | 48 |
| Salaries and benefits – assuming cash bonus accrued | \$ 510 | 512 | 519 | 530 | \$ 2,071 |

- Above shows salaries and benefits expense as if we had been accruing for a cash bonus throughout 2012
- S&B would have been \$48 million higher
- This is the basis on which we are accounting for bonuses in 2013 and beyond

Salaries and benefits

| \$ millions | Q1 2013 | Q1 2012 | |
|---|---------------|---------------|--------------|
| Salaries and benefits – reported | \$ 568 | \$ 506 | 12.3% |
| Expense reduction initiative | (29) | - | |
| Salaries and benefits – adjusted | \$ 539 | \$ 506 | 6.5% |
| Y-o-Y FX movement | 2 | | |
| Salaries and benefits - underlying | \$ 541 | \$ 506 | 6.9% |

Q1 2013 adjusted salaries and benefits up 6.5%; underlying growth of 6.9%, driven by:

- Increased headcount in 2012, primarily in latter part of the year
- Change to bonus accrual:
 - Had we been accruing bonuses in 2012, 1Q 2012 adjusted S&B expense would have been \$510 million

Salaries and benefits - assuming cash bonus had been accrued throughout 2012 (apples to apples comparison)

| \$ millions | Q1 2013 | Q1 2012 with bonus accrual | |
|----------------------------------|---------|----------------------------|------|
| Salaries and benefits – adjusted | \$ 539 | \$ 510 | 5.7% |

| | | | |
|------------------------------------|--------|--------|------|
| Salaries and benefits – underlying | \$ 541 | \$ 510 | 6.1% |
|------------------------------------|--------|--------|------|

Assuming cash bonuses had been accrued throughout 2012 (consistent with how we are paying in current year):

- Q1 2013 underlying salaries and benefits would have increased 6.1%

In Q4 2012, the Company decided to eliminate the repayment requirement from past annual cash retention awards. They were replaced with annual cash bonuses that do not include a repayment requirement.

Other operating expenses

| \$ millions | Q1 2013 | Q1 2012 | |
|--|---------------|---------------|-------------|
| Other operating expenses – reported | \$ 156 | \$ 156 | -% |
| Expense reduction initiative | (12) | - | |
| Write-off of uncollectible accounts receivable | - | (13) | |
| Other operating expenses – adjusted | \$ 144 | \$ 143 | 0.7% |
| Y-o-Y FX movement | 1 | | |
| Other operating expenses - underlying | \$ 145 | \$ 143 | 1.4% |

Q1 2013: Other operating expenses increased 0.7% on an adjusted basis

- On an underlying basis (excluding FX movement), other operating expenses were up 1.4%

Expense reduction initiative

| \$ millions | Q1 2013 | FY 2013 Estimate |
|--------------------------|-------------|---------------------|
| Expense category | | |
| Salaries and benefits | 29 | |
| Other operating expenses | 12 | |
| Depreciation | 5 | |
| Total charge | \$46 | |
| Savings | | |
| | \$ - | \$20 |

Q1 2013 Charge

- \$46 million charge slightly above top end of previously estimated range
- Salaries and benefits costs primarily severance related to elimination of 207 positions
- Other costs primarily relates to property and systems rationalization
- On track to deliver expected savings of approximately \$20 million in 2013, starting in the second quarter
- Annualized expected savings of \$25 million to \$30 million



APPENDICES

Willis

Important disclosures regarding non-GAAP measures

Commissions and fees analysis

| | <u>2013</u> | <u>2012</u> | <u>Change</u> | <u>Foreign</u> <u>currency</u> <u>translation</u> | <u>Acquisitions</u> <u>and disposals</u> | <u>Organic</u> <u>commissions</u> <u>and fees growth</u> |
|---------------------------|----------------------|-----------------|---------------|---|---|--|
| | <u>(\$ millions)</u> | | <u>%</u> | <u>%</u> | <u>%</u> | <u>%</u> |
| Three months ended | | | | | | |
| March 31, 2013 | | | | | | |
| Global | \$ 383 | \$ 370 | 3.5 | (0.4) | (0.2) | 4.1 |
| North America | 363 | 346 | 4.9 | 0.2 | 0.4 | 4.3 |
| International | 300 | 289 | 3.8 | (0.1) | 0.1 | 3.8 |
| Commissions and Fees | <u>\$ 1,046</u> | <u>\$ 1,005</u> | <u>4.1</u> | <u>(0.1)</u> | <u>0.1</u> | <u>4.1</u> |

Important disclosures regarding non-GAAP measures

Operating income to adjusted operating income

| (In millions) | 2012 | | | | 2013 | |
|---|--------------|--------------|-------------|----------------|----------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | FY | 1Q |
| Operating Income | \$317 | \$179 | \$70 | (\$775) | (\$209) | \$287 |
| Excluding: | | | | | | |
| Expense reduction initiative | | | | | | 46 |
| Goodwill impairment charge | - | - | - | 492 | 492 | - |
| Write-off of unamortized cash retention awards | - | - | - | 200 | 200 | - |
| 2012 cash bonus accrual | - | - | - | 252 | 252 | - |
| Write-off of uncollectible accounts receivable and legal fees | | | | | | |
| Net loss on disposal of operations | 13 | - | - | - | 13 | - |
| Insurance recovery | - | (5) | 1 | 2 | 3 | - |
| India JV settlement | | | 11 | - | 11 | |
| Adjusted Operating Income | \$330 | \$174 | \$82 | \$166 | \$752 | \$333 |
| Operating Margin | 31.3% | 21.3% | 9.3% | (89.0)% | (6.0)% | 27.3% |
| Adjusted Operating Margin | 32.6% | 20.7% | 10.9% | 19.1% | 21.6% | 31.7% |

Important disclosures regarding non-GAAP measures

Net income to adjusted net income

| (In millions, except per share data) | 2012 | | | | 2013 | |
|---|--------------|--------------|-------------|----------------|----------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | FY | 1Q |
| Net Income | \$225 | \$107 | \$26 | (\$804) | (\$446) | \$219 |
| Excluding the following, net of tax: | | | | | | |
| Expense reduction initiative | - | - | - | - | - | 38 |
| Goodwill impairment charge | - | - | - | 458 | 458 | - |
| Write-off of unamortized cash retention awards | - | - | - | 138 | 138 | - |
| 2012 cash bonus accrual | - | - | - | 175 | 175 | - |
| Net loss on disposal of operations | - | - | 1 | 2 | 3 | - |
| Write-off of uncollectible accounts receivable and legal fees | 8 | - | - | - | 8 | - |
| Insurance recovery | - | (3) | - | (3) | (6) | - |
| India JV settlement | - | - | 11 | - | 11 | - |
| Deferred tax valuation allowance | - | - | - | 113 | 113 | - |
| Adjusted Net Income | \$233 | \$104 | \$38 | \$79 | \$454 | \$257 |
| Diluted shares outstanding | 176 | 176 | 175 | 175 | 176 | 176 |
| Net income | | | | | | |
| per diluted share | \$1.28 | \$0.61 | \$0.15 | (\$4.65) | (\$2.58) | \$1.24 |
| Adjusted net income | | | | | | |
| per diluted share | \$1.32 | \$0.59 | \$0.22 | \$0.45 | \$2.58 | \$1.46 |

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FIRST QUARTER 2013 RESULTS

May, 2013

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