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

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported): March 5, 2013**

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**Willis Group Holdings Public Limited Company**

(Exact name of registrant as specified in its charter)

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**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: (44) (20) 3124 6000**

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

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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 7.01. Regulation FD Disclosure.**

On March 5, 2013, Willis Group Holdings Public Limited Company posted its Fact Book for the year ended December 31, 2012 to its website, which is attached hereto as Exhibit 99.1 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 Fact Book for the Year Ended December 31, 2012

**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: March 5, 2013

**WILLIS GROUP HOLDINGS PUBLIC LIMITED COMPANY**

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

**INDEX TO EXHIBITS**

Exhibit  
Number

Description

99.1 Willis Group Holdings Fact Book for the Year Ended December 31, 2012

Fact Book

Fourth Quarter 2012

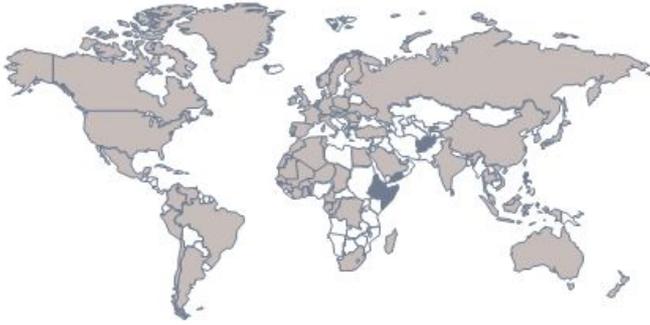
# WILLIS GROUP HOLDINGS

March 2013

The Willis logo is displayed in white text on a dark blue rectangular background. The logo is positioned on the right side of a horizontal bar that is divided into a light grey section on the left and a dark blue section on the right.

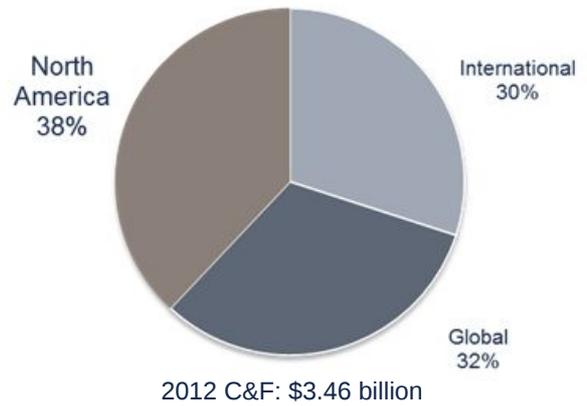
# Willis: A leading global insurance broker

## Willis Global Franchise



■ Willis Subsidiaries and Associates

## 2012 Commissions and Fees by Segment



- Broad range of professional insurance, reinsurance, risk management, financial and human resource consulting and actuarial services
- Global distribution capabilities to meet risk management needs of middle market and large multinational clients
- More than 400 offices in 120 countries, with over 17,000 employees
- Strong sales culture and relentless focus on cost control

## Summary Q4 2012 financial results

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	Q4 2012	Q4 2011	FY 2012	FY 2011
Organic commission and fee growth	7.5%	(2.3)%	3.1%	1.8%
Reported operating margin	(89.0)%	9.9%	(6.0)%	16.4%
Adjusted operating margin	19.1%	18.7%	21.6%	22.5%
Reported EPS	\$(4.65)	\$0.14	\$(2.58)	\$1.15
Adjusted EPS	\$0.45	\$0.45	\$2.58	\$2.74

## Organic Q4 2012 commissions and fees growth

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	Q4 2012	Q4 2011
Global	11.6%	6.3%
North America	5.0%	(9.4)%
International	7.4%	2.2%
<b>Willis Group</b>	<b>7.5%</b>	<b>(2.3)%</b>

### Growth across all segments

#### ■ Global

- Growth in all Global businesses; strong new business at Willis Faber & Dumas; solid growth in Global Specialties and Reinsurance; WCM&A closed delayed deals

#### ■ North America

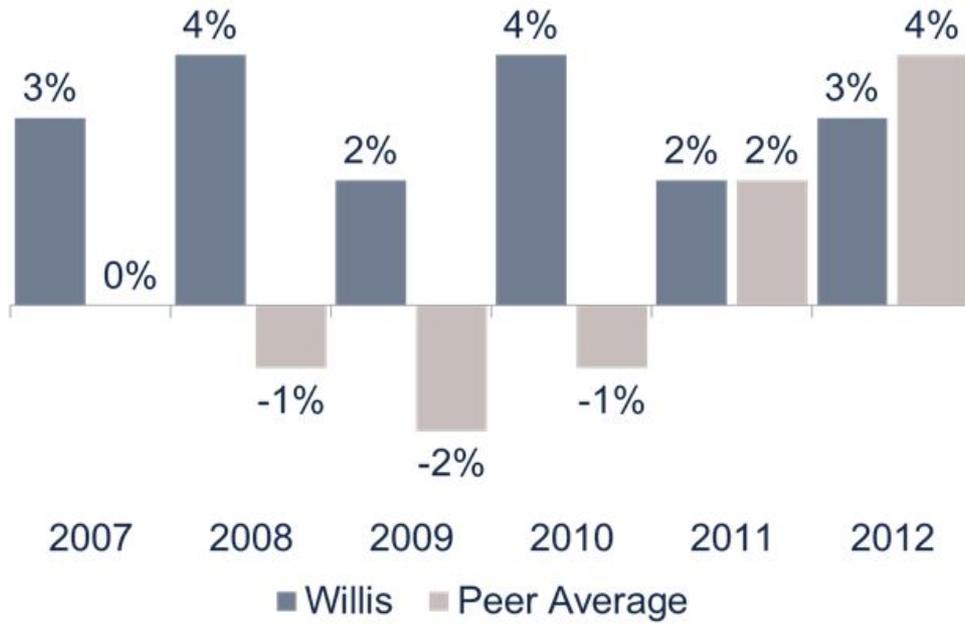
- Best quarter since 2006; growth in all geographic regions; improvement in construction business

#### ■ International

- Growth in all regions except Australasia; double-digit growth in Latin America, mid-single digit growth in Europe, and continued improvement in UK

- **Reported operating margin (89.0%); 19.1% adjusted operating margin**
  - Adjusted operating margin up 40 bps from prior year quarter, primarily driven by:
    - Higher commissions and fees
    - Reduction in other operating expenses
    - Partially offset by higher salaries and benefits and lower investment income
- **Reported EPS of \$(4.65); Adjusted EPS of \$0.45**
  - Flat to prior year
  - Positive \$0.01 impact from foreign exchange
- **Q4 2012 impacted by significant charges:**
  - \$200 million write-off of unamortized cash retention awards
  - \$252 million accrual of 2012 cash bonuses
  - \$492 million North America segment goodwill impairment
  - \$113 deferred tax valuation allowance

## Track record of organic commission and fee growth



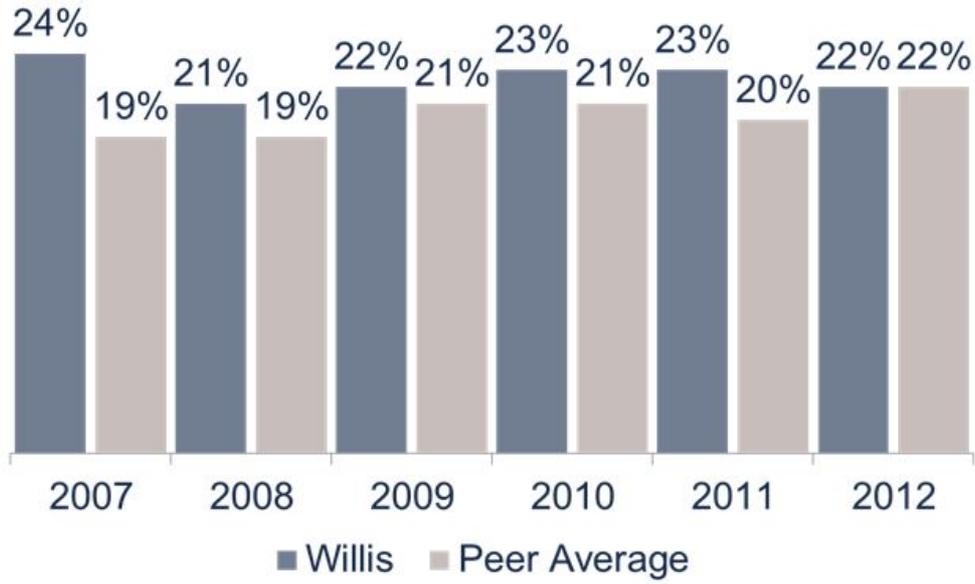
**Average 2007 – 2012 Willis 3% Peers 0%**

Note: Peer averages are based on Willis estimates using public information regarding insurance brokerage operations of AJG, AON, BRO, MMC

**Willis**

See important disclosures regarding Non-GAAP measures starting on page 18

# Adjusted operating margins



**Average 2007 – 2012 Willis 22% Peers 20%**

Note: Peer averages are based on Willis estimates using public information regarding insurance brokerage operations of AJG, AON, BRO, MMC

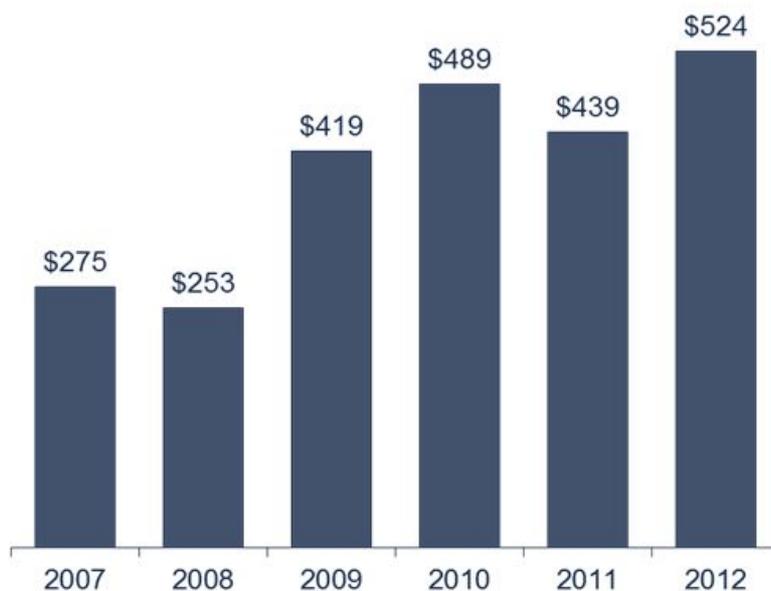


See important disclosures regarding Non-GAAP measures starting on page 18

# Strong cash flow from operations

## 2012 corporate/non-operating uses of cash

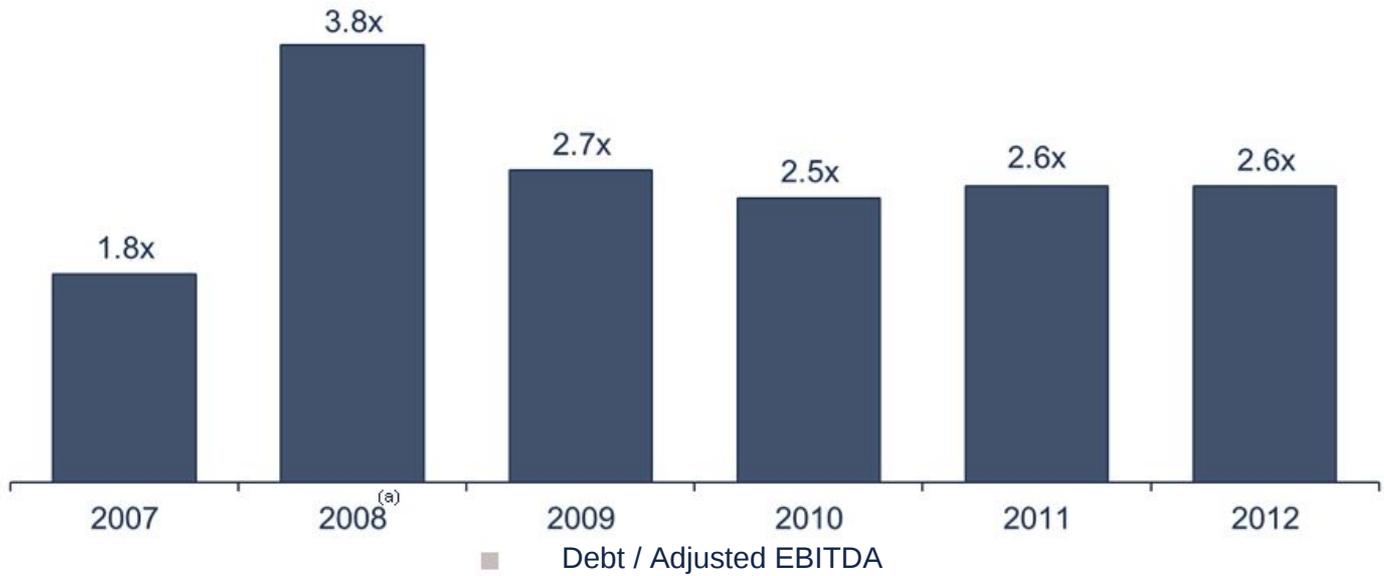
- Dividends \$185 million
- Capex \$135 million
- Share buyback \$100 million
- M&A expenditures of \$69 million



**\$85 million increase in cash flow from operations in 2012**  
**\$500 million of cash and cash equivalents at December 31, 2012**

## Leverage ratios

- Adjusted EBITDA \$890 million in 2012, a decline of \$22 million versus 2011
- Debt outstanding \$2.35 billion as at December 31, 2012



**Further reduction of leverage ratio driven by improved operating performance and effective capital management**

(a) Includes impact from acquisition of HRH as of 10/1/2008.



# SEGMENT OVERVIEWS

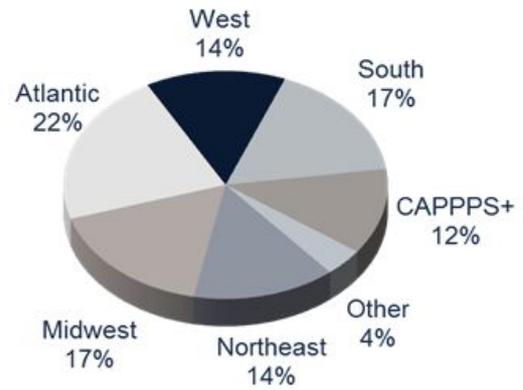
Willis

# Willis North America overview

## Segment overview

- Extensive retail platform with Top 3 position in all major markets
- Able to leverage industry and specialty practice group expertise across Willis network
- Major practice groups include:
  - Employee Benefits (approximately 24% of 2012 North America C&F)
  - Construction (approximately 14% of 2012 North America C&F)
  - Healthcare
  - Real Estate/Hospitality
  - Financial and Executive Risk
- 120 offices across Seven regions
  - Other includes Canada and Mexico

## 2012 commissions and fees – by region



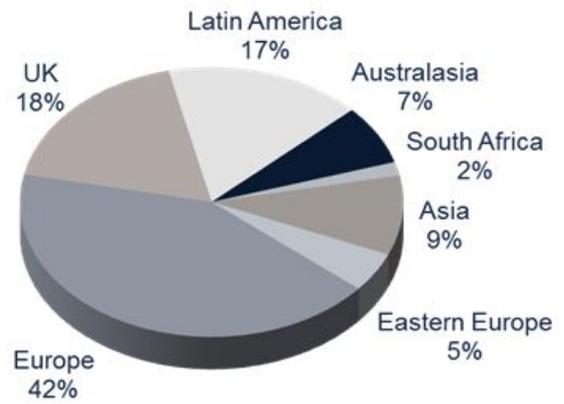
2012 North America C&F: \$1.31 billion

# Willis International overview

## Segment overview

- Retail operations in the United Kingdom, Eastern and Western Europe, Asia Pacific, the Middle East, South Africa and Latin America
- Provide services to businesses locally in over 120 countries; leading positions in UK, Scandinavia, China and Russia
- Offices designed to grow business locally around the world, making use of the skills, industry knowledge and expertise available within segment and elsewhere in the Group

## 2012 commissions and fees – by region

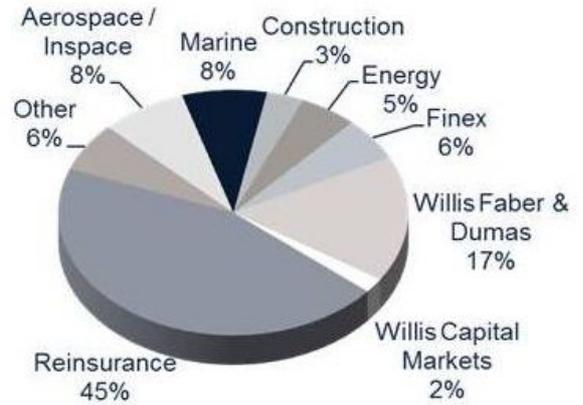


**2012 International C&F: \$1.03 billion**

## Reinsurance

### Willis Re

- One of only three global reinsurance brokers
- Significant market share in major markets, particularly marine and aviation
- Cutting edge analytical and advisory services, including Willis Research Network
- Complete range of transactional capabilities including, in conjunction with Willis Capital Markets & Advisory, risk transfer via the capital markets



2012 Global C&F: \$1.12 billion

# Willis Global overview (continued)

## Segment overview

**Global Specialties, with strong global positions in:**

- Aerospace/Inspace
- FINEX and Financial Solutions – political risks and UK financial institutions
- Marine
- Energy
- Construction

**Willis Faber & Dumas includes:**

**Faber & Dumas** - wholesale brokerage including:

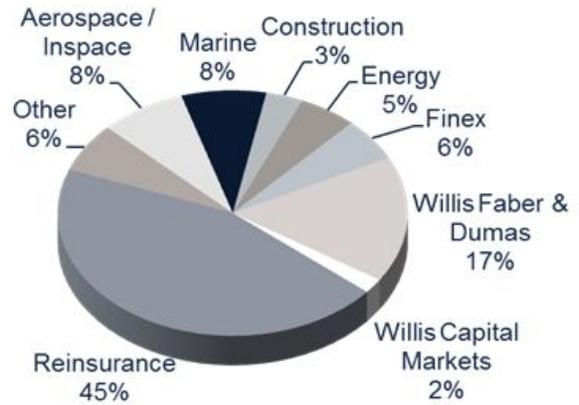
- Glencairn Limited - provides access to London & Bermuda markets
- Niche – Fine Art, Jewelry and Specie, Bloodstock and Kidnap & Ransom

**Global Markets International** - provides access for retail clients to global markets

**Willis Capital Markets & Advisory**

- Advises on M&A and capital markets products

## 2012 commissions and fees – by business

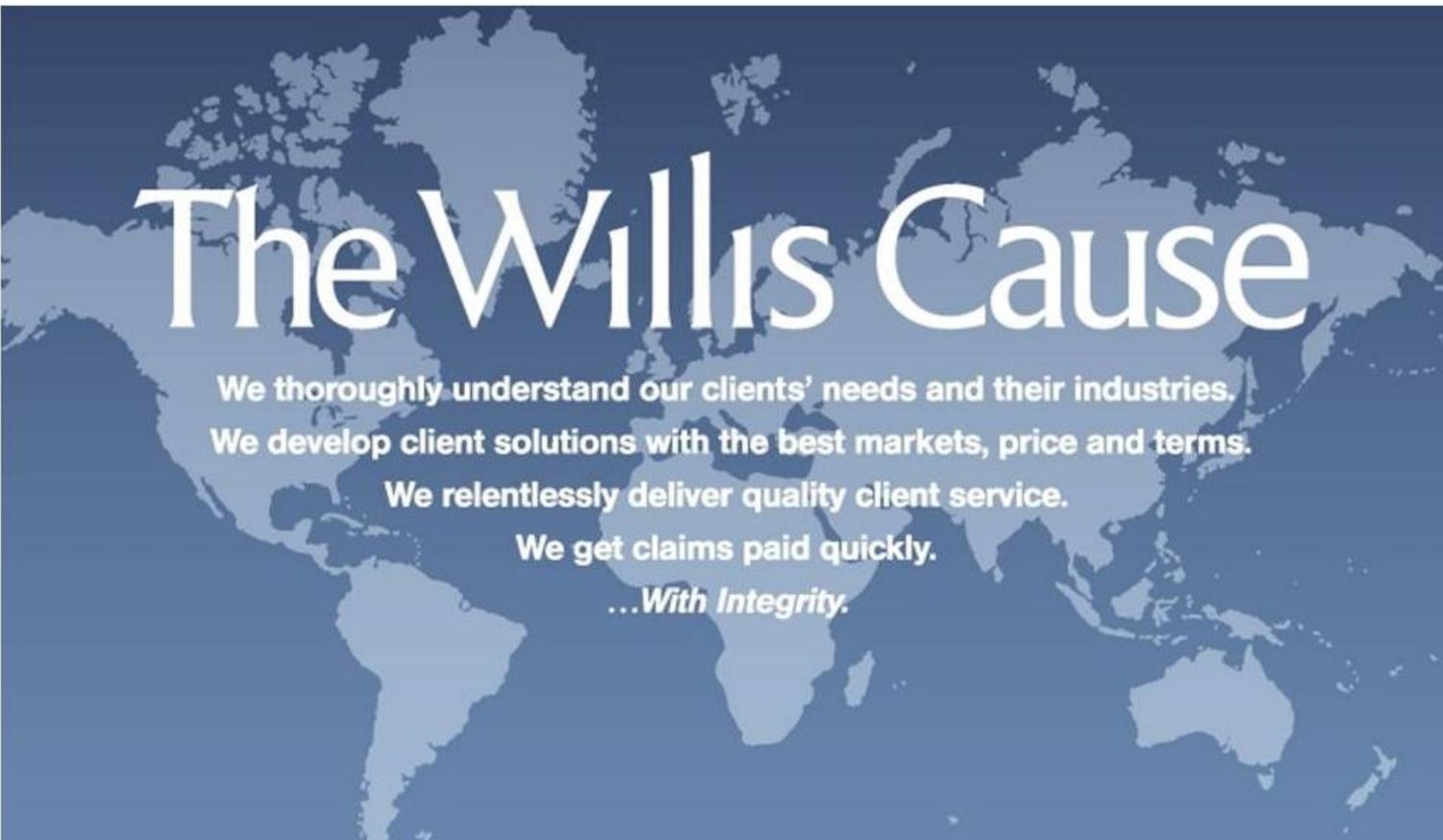


**2012 Global C&F: \$1.12 billion**



# APPENDIX

Willis

A dark blue world map is centered in the background of the slide. The continents are rendered in a lighter shade of blue, creating a subtle grid-like pattern across the globe.

# The Willis Cause

We thoroughly understand our clients' needs and their industries.

We develop client solutions with the best markets, price and terms.

We relentlessly deliver quality client service.

We get claims paid quickly.

*...With Integrity.*

# Important disclosures regarding forward-looking statements

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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 operational change 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; 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; fluctuations in our earnings as a result of potential changes to our valuation allowance(s) on our deferred tax assets; 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 and 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](http://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 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

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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.

**Adjusted earnings per share (Adjusted EPS)** is defined as adjusted net income per diluted share.

**Adjusted net income** is defined as net income, excluding certain items as set out on pages 21 and 22.

**Adjusted operating income** is defined as operating income, excluding certain items as set out on pages 19 and 20.

**Adjusted operating margin** is defined as the percentage of adjusted operating income to total revenues.

**Adjusted EBITDA** is defined as Adjusted operating income, excluding depreciation and amortization as set out on page 23

**Organic commissions & fees growth** excludes: (i) the impact of foreign currency translation; (ii) the first twelve months of net commission and fee revenues generated from acquisitions; (iii) the net commission and fee revenues related to operations disposed of in each period presented; (iv) in North America, legacy contingent commissions assumed as part of the HRH acquisition and that had not been converted into higher standard commission; and (v) investment income and other income from reported revenues, as set out on pages 25 and 26.

Reconciliations to GAAP measures are provided for selected non-GAAP measures.

# Important disclosures regarding Non-GAAP measures (continued)

## Operating Income to Adjusted Operating Income

(In millions)	2007	2008	2009	2010	2011	2012
	FY	FY	FY	FY	FY	FY
<b>Operating Income</b>	<b>\$620</b>	<b>\$503</b>	<b>\$690</b>	<b>\$753</b>	<b>\$566</b>	<b>(\$209)</b>
<b>Excluding:</b>						
Goodwill impairment charge <sup>(a)</sup>	-	-	-	-	-	492
Write-off of unamortized cash retention awards <sup>(b)</sup>	-	-	-	-	-	200
2012 cash bonus accrual <sup>(c)</sup>	-	-	-	-	-	252
Insurance recovery <sup>(d)</sup>	-	-	-	-	-	(10)
Write-off of uncollectible accounts receivable and legal fees <sup>(e)</sup>	-	-	-	-	22	13
India JV settlement <sup>(f)</sup>	-	-	-	-	-	11
2011 Operational review <sup>(g)</sup>	-	-	-	-	180	-
Financial Services Authority regulatory settlement <sup>(h)</sup>	-	-	-	-	11	-
Venezuela currency devaluation <sup>(k)</sup>	-	-	-	12	-	-
Net (gain)/loss on disposal of operations	(2)	-	(13)	2	(4)	3
Salaries and benefits - severance programs <sup>(l)</sup>	-	24	-	-	-	-
Salaries and benefits – other <sup>(m)</sup>	-	42	-	-	-	-
HRH integration costs <sup>(n)</sup>	-	5	18	-	-	-
Other operating expenses <sup>(o)</sup>	-	26	-	-	-	-
Accelerated amortization of intangibles assets <sup>(p)</sup>	-	-	7	-	-	-
Redomicile costs <sup>(q)</sup>	-	-	6	-	-	-
<b>Adjusted Operating Income</b>	<b>\$618</b>	<b>\$600</b>	<b>\$708</b>	<b>\$767</b>	<b>\$775</b>	<b>\$752</b>
Operating Margin	24.0%	17.8%	21.2%	22.6%	16.4%	(6.0%)
Adjusted Operating Margin	24.0%	21.2%	21.8%	23.0%	22.5%	21.6%

# Important disclosures regarding Non-GAAP measures (continued)

## Operating Income to Adjusted Operating Income

(In millions)	2011				2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Operating Income</b>	<b>\$239</b>	<b>\$156</b>	<b>\$90</b>	<b>\$81</b>	<b>\$317</b>	<b>\$179</b>	<b>\$70</b>	<b>(\$775)</b>
<b>Excluding:</b>								
Goodwill impairment charge <sup>(a)</sup>	-	-	-	-	-	-	-	492
Write-off of unamortized cash retention awards <sup>(b)</sup>	-	-	-	-	-	-	-	200
2012 cash bonus accrual <sup>(c)</sup>	-	-	-	-	-	-	-	252
Insurance recovery <sup>(d)</sup>	-	-	-	-	-	(5)	-	(5)
Write-off of uncollectible accounts receivable and legal fees <sup>(e)</sup>	-	-	-	22	13	-	-	-
India JV settlement <sup>(f)</sup>	-	-	-	-	-	-	11	-
2011 Operational review <sup>(g)</sup>	97	18	15	50	-	-	-	-
Financial Services Authority regulatory settlement <sup>(h)</sup>	-	11	-	-	-	-	-	-
Net (gain)/loss on disposal of operations	(4)	-	-	-	-	-	1	2
<b>Adjusted Operating Income</b>	<b>\$332</b>	<b>\$185</b>	<b>\$105</b>	<b>\$153</b>	<b>\$330</b>	<b>\$174</b>	<b>\$82</b>	<b>\$166</b>
Operating Margin	23.7%	18.1%	11.8%	9.9%	31.3%	21.3%	9.3%	(89.0%)
Adjusted Operating Margin	33.0%	21.5%	13.8%	18.7%	32.6%	20.7%	10.9%	19.1%

# Important disclosures regarding Non-GAAP measures (continued)

## Net Income to Adjusted Net Income

(In millions, except per share data)	2007	2008	2009	2010	2011	2012
	FY	FY	FY	FY	FY	FY
<b>Net Income</b>	<b>\$409</b>	<b>\$302</b>	<b>\$434</b>	<b>\$455</b>	<b>\$203</b>	<b>(\$446)</b>
<b>Excluding the following, net of tax:</b>						
Goodwill impairment charge <sup>(a)</sup>	-	-	-	-	-	458
Write-off of unamortized cash retention awards <sup>(b)</sup>	-	-	-	-	-	138
2012 cash bonus accrual <sup>(c)</sup>	-	-	-	-	-	175
Insurance recovery <sup>(d)</sup>	-	-	-	-	-	(6)
Write-off of uncollectible accounts receivable and legal fees <sup>(e)</sup>	-	-	-	-	13	8
India JV settlement <sup>(f)</sup>	-	-	-	-	-	11
2011 Operational review <sup>(g)</sup>	-	-	-	-	128	-
Financial Services Authority regulatory settlement <sup>(h)</sup>	-	-	-	-	11	-
Deferred tax valuation allowance <sup>(i)</sup>	-	-	-	-	-	113
Make-whole amounts on repurchase and redemption of Senior Notes and write-off of unamortized debt costs <sup>(i)</sup>	-	-	-	-	131	-
Net (gain)/loss on disposal of operations	(2)	-	(11)	3	(4)	3
Venezuela currency devaluation <sup>(k)</sup>	-	-	-	12	-	-
Salaries and benefits - severance programs <sup>(l)</sup>	-	17	-	-	-	-
Salaries and benefits - other <sup>(m)</sup>	-	30	-	-	-	-
HRH financing (pre-close) and integration costs <sup>(n)</sup>	-	10	13	-	-	-
Other operating expenses <sup>(o)</sup>	-	19	-	-	-	-
Accelerated amortization of intangibles assets <sup>(p)</sup>	-	-	4	-	-	-
Redomicile costs <sup>(q)</sup>	-	-	6	-	-	-
Premium on early redemption of 2010 bonds <sup>(r)</sup>	-	-	4	-	-	-
<b>Adjusted Net Income</b>	<b>\$407</b>	<b>\$378</b>	<b>\$450</b>	<b>\$470</b>	<b>\$482</b>	<b>\$454</b>
Diluted shares outstanding	147	148	169	171	176	176
Net income						
per diluted share	\$2.78	\$2.04	\$2.57	\$2.66	\$1.15	(\$2.58)
Adjusted net income						
per diluted share	\$2.77	\$2.55	\$2.66	\$2.75	\$2.74	\$2.58



See related footnotes on page 24

## Important disclosures regarding Non-GAAP measures (continued)

### Net Income to Adjusted Net Income

(In millions, except per share data)	2011				2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Net Income</b>	<b>\$35</b>	<b>\$84</b>	<b>\$60</b>	<b>\$24</b>	<b>\$225</b>	<b>\$107</b>	<b>\$26</b>	<b>(\$804)</b>
<b>Excluding the following, net of tax:</b>								
Goodwill impairment charge <sup>(a)</sup>	-	-	-	-	-	-	-	458
Write-off of unamortized cash retention awards <sup>(b)</sup>	-	-	-	-	-	-	-	138
2012 cash bonus accrual <sup>(c)</sup>	-	-	-	-	-	-	-	175
Insurance recovery <sup>(d)</sup>	-	-	-	-	-	(3)	-	(3)
Write-off of uncollectible accounts receivable and legal fees <sup>(e)</sup>	-	-	-	13	8	-	-	-
India JV settlement <sup>(f)</sup>	-	-	-	-	-	-	11	-
2011 Operational review <sup>(g)</sup>	69	12	11	36	-	-	-	-
Financial Services Authority regulatory settlement <sup>(h)</sup>	-	11	-	-	-	-	-	-
Deferred tax valuation allowance <sup>(i)</sup>	-	-	-	-	-	-	-	113
Net (gain)/loss on disposal of operations	(4)	-	-	-	-	-	1	2
Make-whole amounts on repurchase and redemption of Senior Notes and write-off of unamortized debt costs <sup>(j)</sup>	124	-	1	6	-	-	-	-
<b>Adjusted Net Income</b>	<b>\$224</b>	<b>\$107</b>	<b>\$72</b>	<b>\$79</b>	<b>\$233</b>	<b>\$104</b>	<b>\$38</b>	<b>\$79</b>
Diluted shares outstanding	174	176	176	176	176	176	175	175
Net income								
per diluted share	\$0.20	\$0.48	\$0.34	\$0.14	\$1.28	\$0.61	\$0.15	(4.65)
Adjusted net income								
per diluted share	\$1.29	\$0.61	\$0.41	\$0.45	\$1.32	\$0.59	\$0.22	\$0.45

# Important disclosures regarding Non-GAAP measures (continued)

## Adjusted EBITDA and Debt/Adjusted EBITDA

(In millions)	2007	2008	2009	2010	2011	2012
	FY	FY	FY	FY	FY	FY
<b>Operating Income</b>	<b>\$620</b>	<b>\$503</b>	<b>\$690</b>	<b>\$753</b>	<b>\$566</b>	<b>(\$209)</b>
<b>Excluding:</b>						
Goodwill impairment charge <sup>(a)</sup>	-	-	-	-	-	492
Write-off of unamortized cash retention awards <sup>(b)</sup>	-	-	-	-	-	200
2012 cash bonus accrual <sup>(c)</sup>	-	-	-	-	-	252
Insurance recovery <sup>(d)</sup>	-	-	-	-	-	(10)
Write-off of uncollectible accounts receivable and legal fees <sup>(e)</sup>	-	-	-	-	22	13
India JV settlement <sup>(f)</sup>	-	-	-	-	-	11
2011 Operational review <sup>(g)</sup>	-	-	-	-	180	-
Financial Services Authority regulatory settlement <sup>(h)</sup>	-	-	-	-	11	-
Venezuela currency devaluation <sup>(k)</sup>	-	-	-	12	-	-
Net (gain)/loss on disposal of operations	(2)	-	(13)	2	(4)	3
Salaries and benefits - severance programs <sup>(l)</sup>	-	24	-	-	-	-
Salaries and benefits - other <sup>(m)</sup>	-	42	-	-	-	-
HRH integration costs <sup>(n)</sup>	-	5	18	-	-	-
Other operating expenses <sup>(o)</sup>	-	26	-	-	-	-
Accelerated amortization of intangibles assets <sup>(p)</sup>	-	-	7	-	-	-
Redomicile costs <sup>(q)</sup>	-	-	6	-	-	-
<b>Adjusted Operating Income</b>	<b>\$618</b>	<b>\$600</b>	<b>\$708</b>	<b>\$767</b>	<b>\$775</b>	<b>\$752</b>
Add back						
Depreciation	52	54	64	63	69	79
Amortization of intangibles	14	36	93	82	68	59
<b>Adjusted EBITDA</b>	<b>\$684</b>	<b>\$690</b>	<b>\$865</b>	<b>\$912</b>	<b>\$912</b>	<b>\$890</b>
Debt	1,250	2,650	2,374	2,267	2,369	2,353
<b>Debt / Adjusted EBITDA</b>	<b>1.8x</b>	<b>3.8x</b>	<b>2.7x</b>	<b>2.5x</b>	<b>2.6x</b>	<b>2.6x</b>

## Notes to the GAAP to non-GAAP reconciliations

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- (a) Impairment charge to reduce carrying value of North America segment goodwill.
- (b) Charge to write-off unamortized balance of past cash retention awards
- (c) Accrual for 2012 bonuses to be paid in 2013
- (d) Insurance recovery related to previously disclosed improperly recorded revenue in Chicago
- (e) Write-off of uncollectible accounts receivable balance, together with associated legal costs, related to a fraudulent overstatement of Commissions and Fees from the years 2004 to 2011, in a stand-alone North America business.
- (f) Settlement with former partners related to the termination of a joint venture arrangement in India. In the third quarter of 2012, a \$1 million loss on disposal of operations was recorded related to this termination.
- (g) \$180 million pre-tax charge in FY2011 relating to the 2011 operational review, including \$98 million of severance costs relating to the elimination of approximately 1,200 positions in FY2011.
- (h) Regulatory settlement with the Financial Services Authority (FSA).
- (i) Valuation allowance against deferred tax assets
- (j) Make-whole amounts on repurchase and redemption of Senior Notes and write-off of unamortized debt costs
- (k) With effect from January 1, 2010, the Venezuelan economy was designated as hyper-inflationary. The Venezuelan government also devalued the Bolivar Fuerte in January 2010. As a result of these actions, the Company recorded a one-time charge in other expenses to reflect the re-measurement of its net assets denominated in Venezuelan Bolivar Fuerte.
- (l) Severance costs excluded from adjusted operating income and adjusted net income in 2008 relate to approximately 350 positions through the year ended December 31, 2008 that were eliminated as part of the 2008 expense review. Severance costs also arise in the normal course of business and these charges (pre-tax) amounted to \$24 million and \$2 million for the years ended December 31, 2009 and 2008, respectively.
- (m) Other 2008 expense review salaries and benefits costs relate primarily to contract buyouts.
- (n) 2009 HRH integration costs include \$nil million severance costs (\$2 million in 2008).
- (o) Other operating expenses primarily relate to property and systems rationalization.
- (p) The charge for the accelerated amortization for intangibles relates to the HRH brand name. Following the successful integration of HRH into our North American operations, we announced on October 1, 2009 that our North America retail operations would change their name from Willis HRH to Willis North America. Consequently, the intangible asset recognized on the acquisition of HRH relating to the HRH brand has been fully amortized.
- (q) These are legal and professional fees incurred as part of the Company's redomicile of its parent Company from Bermuda to Ireland.
- (r) On September 29, 2009 we repurchased \$160 million of our 5.125 percent Senior Notes due July 2010 at a premium of \$27.50 per \$1,000 face value, resulting in a total premium on redemption, including fees, of \$5 million.

# Important disclosures regarding Non-GAAP measures (continued)

## Commissions and Fees Analysis

	2012	2011	Change	Foreign currency translation	Acquisitions and disposals	Contingent Commissions	Organic commissions and fees growth <sup>(a)</sup>
	(\$ millions)		%	%	%	%	%
<b>Three months ended</b>							
<b>December 31, 2012</b>							
Global	\$237	\$213	11.3	(0.3)	-	-	11.6
North America <sup>(b)</sup>	331	316	4.7	(0.3)	-	-	5.0
International	299	281	6.4	(1.0)	-	-	7.4
Commissions and Fees	<u>\$867</u>	<u>\$810</u>	<u>7.0</u>	<u>(0.5)</u>	<u>-</u>	<u>-</u>	<u>7.5</u>
<b>Twelve months ended</b>							
<b>December 31, 2012</b>							
Global	\$1,124	\$1,073	4.8	(1.3)	-	-	6.1
North America <sup>(b)</sup>	1,306	1,314	(0.6)	-	-	-	(0.6)
International	1,028	1,027	0.1	(4.8)	-	-	4.9
Commissions and Fees	<u>\$3,458</u>	<u>\$3,414</u>	<u>1.3</u>	<u>(1.8)</u>	<u>-</u>	<u>-</u>	<u>3.1</u>

(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; (iii) the net commission and fee revenues related to operations disposed of in each period presented; (iv) in North America, legacy contingent commissions assumed as part of HRH acquisition and that had not been converted into higher standard commission; and (v) investment income and other income from reported revenues

(b) Included in North America reported commissions and fees were legacy HRH contingent commissions of \$nil in the fourth quarter of 2012 and the fourth quarter of 2011 and \$2 million in 2012 compared with \$5 million in 2011.

# Important disclosures regarding Non-GAAP measures (continued)

## Commissions and Fees Analysis

	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>Foreign currency translation</u>	<u>Acquisitions and disposals</u>	<u>Contingent Commissions</u>	<u>Organic commissions and fees growth</u>
	(\$ millions)		%	%	%	%	%
<b>2011 Full year</b>							
Global	\$1,073	\$987	8.7	2.0	-	-	6.7
North America <sup>(a)</sup>	1,314	1,369	(4.0)	-	(0.4)	-	(3.6)
International	1,027	937	9.6	4.8	-	-	4.8
Commissions and Fees	<u>\$3,414</u>	<u>\$3,293</u>	<u>3.7</u>	<u>2.1</u>	<u>(0.2)</u>	<u>-</u>	<u>1.8</u>

	<u>2010</u>	<u>2009</u>	<u>Change</u>	<u>Foreign currency translation</u>	<u>Acquisitions and disposals</u>	<u>Contingent Commissions</u>	<u>Organic commissions and fees growth</u>
	(\$ millions)		%	%	%	%	%
<b>2010 Full year</b>							
Global	\$987	\$921	7.2	-	-	-	7.2
North America <sup>(a)</sup>	1,369	1,381	(0.9)	0.2	-	(1)	-
International	937	898	4.3	(1.8)	0.8	-	5.3
Commissions and Fees	<u>\$3,293</u>	<u>\$3,200</u>	<u>2.9</u>	<u>(0.8)</u>	<u>-</u>	<u>-</u>	<u>3.7</u>

(a) Included in North America reported commissions and fees were legacy HRH contingent commissions of \$5 million in 2011 compared with \$11 million in 2010 and \$27 million in 2009.

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# WILLIS GROUP HOLDINGS

Fact Book

Fourth Quarter 2012

## WILLIS GROUP HOLDINGS

March 2013

The Willis logo is displayed in white text on a dark blue rectangular background. The logo is positioned on the right side of a horizontal bar that has a light beige background on the left and a dark blue background on the right. The word "Willis" is written in a serif font, with the 'i' having a dot.