

## NEWS RELEASE

**Media Contact:**

Edward L. Dandridge  
Marsh & McLennan Companies  
+1 212 345 9751  
[ed.dandridge@mmc.com](mailto:ed.dandridge@mmc.com)

**Investor Contact:**

Keith Walsh  
Marsh & McLennan Companies  
+1 212 345 0057  
[keith.walsh@mmc.com](mailto:keith.walsh@mmc.com)

### **MARSH & McLENNAN COMPANIES REPORTS THIRD QUARTER 2015 RESULTS**

#### ***GAAP EPS and Adjusted EPS Increase 13%***

#### ***Higher Adjusted Operating Income and Margin Expansion***

**NEW YORK**, October 27, 2015 — Marsh & McLennan Companies, Inc. (NYSE: MMC), a global professional services firm offering clients advice and solutions in risk, strategy and people, today reported financial results for the third quarter ended September 30, 2015.

Marsh & McLennan Companies President and CEO Dan Glaser said: "We are pleased with our results and continue to perform well in a challenging macro environment. We produced underlying revenue growth in the third quarter and year-to-date across all operating companies, along with higher adjusted operating income and margin expansion. On a consolidated basis, underlying revenue grew 4% in the third quarter, reflecting growth of 2% in Risk & Insurance Services and 6% in Consulting. Adjusted earnings per share increased 13% to \$.63 for the third quarter and 8% year-to-date. We remain on track to deliver underlying revenue growth, margin expansion and high single-digit growth in earnings per share this year."

#### Consolidated Results

Consolidated revenue in the third quarter of 2015 was \$3.1 billion, a decline of 1% from the third quarter of 2014, reflecting the continuing impact of the strong US dollar. On an underlying basis, consolidated revenue increased 4%. Operating income rose 4% to \$461 million, compared with \$445 million in the prior year. Net income attributable to the Company was \$323 million, or \$.61 per share, compared with \$297 million, or \$.54 per share, in the prior year. Adjusted earnings per share increased 13% to \$.63, compared with \$.56 in last year's third quarter.

For the nine months ended September 30, 2015, revenue was \$9.6 billion, a decline of 2%. On an underlying basis, revenue increased 3%. Operating income was \$1.8 billion, and net income attributable to the Company was \$2.27 per share, an increase of 8% from \$2.11 per share last year. Adjusted earnings per share rose 8% to \$2.34.

### Risk and Insurance Services

Risk & Insurance Services revenue was \$1.6 billion in the third quarter of 2015, an increase of 2% on an underlying basis. Operating income was \$225 million, compared with \$229 million in the prior year. Adjusted operating income rose 3% to \$248 million, compared with \$242 million last year. For the nine months of 2015, revenue was \$5.1 billion, reflecting growth of 2% on an underlying basis. Operating income rose to \$1.2 billion, and adjusted operating income increased 4%.

Marsh's revenue in the third quarter of 2015 was \$1.3 billion, an increase of 2% on an underlying basis. The US/Canada division had underlying revenue growth of 2%. International operations produced underlying revenue growth of 2%, with EMEA and Asia Pacific each rising 1% and Latin America growing 6%. Guy Carpenter's third quarter revenue was \$261 million, an increase of 2% on an underlying basis.

### Consulting

Consulting revenue of \$1.5 billion in the third quarter increased 6% on an underlying basis from the third quarter of 2014. Both operating income and adjusted operating income rose 4% to \$285 million. For the nine months of 2015, revenue was \$4.4 billion, up 5% on an underlying basis. Operating income grew 5% to \$781 million, and adjusted operating income increased 4%.

Mercer's revenue was \$1.1 billion in the third quarter, an increase of 5% on an underlying basis. Health, with revenue of \$394 million, grew 6% on an underlying basis; Retirement, with revenue of \$317 million, rose 2%; Investments, with revenue of \$202 million, increased 6%; and Talent, with revenue of \$177 million, was up 6%. Oliver Wyman Group's revenue was \$450 million in the third quarter, an increase of 9% on an underlying basis.

### Other Items

In the third quarter of 2015, Marsh & McLennan Companies had investment income of \$34 million, which was predominantly carried interest from Trident III no longer subject to clawback. Investment income in the third quarter of last year was \$26 million. In September 2015, the Company issued \$600 million of 3.75% senior notes due in 2026, the net proceeds of which are being used for general corporate purposes. The Board also increased the quarterly dividend 11%, to \$.31 per share, effective with the third quarter payment on August 14, 2015. The Company repurchased 9.9 million shares of its common stock for \$550 million in the third quarter. For the nine months of 2015, the Company repurchased 23.4 million shares for \$1.3 billion.

### Conference Call

A conference call to discuss third quarter 2015 results will be held today at 8:30 a.m. Eastern time. To participate in the teleconference, please dial +1 800 500 0920. Callers from outside the United States should dial +1 719 457 2646. The access code for both numbers is 520888. The live audio webcast may be accessed at [www.mmc.com](http://www.mmc.com). A replay of the webcast will be available approximately two hours after the event.

### **About Marsh & McLennan Companies**

MARSH & McLENNAN COMPANIES (NYSE: MMC) is a global professional services firm offering clients advice and solutions in the areas of risk, strategy and people. [Marsh](#) is a leader in insurance broking and risk management; [Guy Carpenter](#) is a leader in providing risk and reinsurance intermediary services; [Mercer](#) is a leader in talent, health, retirement, and investment consulting; and [Oliver Wyman](#) is a leader in management consulting. With annual revenue of \$13 billion and approximately 58,000 colleagues worldwide, Marsh & McLennan Companies provides analysis, advice and transactional capabilities to clients in more than 130 countries. The Company is committed to being a responsible corporate citizen and making a positive impact in the communities in which it operates. Visit [www.mmc.com](http://www.mmc.com) for more information and follow us on [LinkedIn](#) and Twitter [@MMC\\_Global](#).

## INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS

This press release contains "forward-looking statements," as defined in the Private Securities Litigation Reform Act of 1995. These statements, which express management's current views concerning future events or results, use words like "anticipate," "assume," "believe," "continue," "estimate," "expect," "future," "intend," "plan," "project" and similar terms, and future or conditional tense verbs like "could," "may," "might," "should," "will" and "would." For example, we may use forward-looking statements when addressing topics such as: the outcome of contingencies; the expected impact of acquisitions and dispositions; the impact of competition; pension obligations; the impact of foreign currency exchange rates; our effective tax rates; changes in our business strategies and methods of generating revenue; the development and performance of our services and products; changes in the composition or level of our revenues; our cost structure, dividend policy, cash flow and liquidity; future actions by regulators; and the impact of changes in accounting rules.

Forward-looking statements are subject to inherent risks and uncertainties. Factors that could cause actual results to differ materially from those expressed or implied in our forward-looking statements include, among other things:

- our ability to maintain adequate safeguards to protect the security of confidential, personal or proprietary information, and the potential for the improper disclosure or use of such information, whether due to human error, improper action by employees, vendors or third parties, or as a result of a cyberattack;
- the impact of competition on our business, including the impact of our corporate tax rate, which is higher than the tax rate of our international competitors;
- the impact of fluctuations in foreign currency exchange rates, particularly in light of the strength of the U.S. dollar against most other currencies worldwide;
- the impact on our global pension obligations of changes in discount rates and asset returns, as well as projected salary increases, mortality rates, demographics and inflation, and the impact of cash contributions required to be made to our global defined benefit pension plans due to changes in the funded status of those plans;
- our exposure to potential liabilities arising from errors and omissions claims against us;
- our exposure to potential civil remedies or criminal penalties if we fail to comply with foreign and U.S. laws that are applicable in the domestic and international jurisdictions in which we operate;
- the extent to which we are able to retain existing clients and attract new business, and our ability to effectively incentivize and retain key employees;
- our ability to make acquisitions and dispositions and to integrate, and realize expected synergies, savings or benefits from, the businesses we acquire;
- our ability to successfully recover should we experience a disaster or other business continuity problem;
- the impact of changes in interest rates and deterioration of counterparty credit quality on our cash balances and the performance of our investment portfolios;
- the impact of potential rating agency actions on our cost of financing and ability to borrow, as well as on our operating costs and competitive position;
- changes in applicable tax or accounting requirements; and
- potential income statement effects from the application of FASB's ASC Topic No. 740 ("Income Taxes") regarding accounting treatment of uncertain tax benefits and valuation allowances, including the effect of any subsequent adjustments to the estimates we use in applying this accounting standard.

The factors identified above are not exhaustive. Marsh & McLennan Companies and its subsidiaries operate in a dynamic business environment in which new risks may emerge frequently. Accordingly, we caution readers not to place undue reliance on any forward-looking statements, which are based only on information currently available to us and speak only as of the dates on which they are made. The Company undertakes no obligation to update or revise any forward-looking statement to reflect events or circumstances arising after the date on which it is made. Further information concerning Marsh & McLennan Companies and its businesses, including information about factors that could materially affect our results of operations and financial condition, is contained in the Company's filings with the Securities and Exchange Commission, including the "Risk Factors" section and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section of our most recently filed Annual Report on Form 10-K.

**Marsh & McLennan Companies, Inc.**  
**Consolidated Statements of Income**  
(In millions, except per share figures)  
(Unaudited)

|   | Three Months Ended<br>September 30, |          | Nine Months Ended<br>September 30, |          |
|---|-------------------------------------|----------|------------------------------------|----------|
|   | 2015                                | 2014     | 2015                               | 2014     |
| <b>Revenue</b>  | <b>\$ 3,115</b>                     | \$ 3,141 | <b>\$ 9,555</b>                    | \$ 9,705 |
| <b>Expense:</b>   |                                     |          |                                    |          |
| Compensation and Benefits   | 1,878                               | 1,904    | 5,434                              | 5,619    |
| Other Operating Expenses  | 776                                 | 792      | 2,296                              | 2,321    |
| <b>Operating Expenses</b>   | <b>2,654</b>                        | 2,696    | <b>7,730</b>                       | 7,940    |
| <b>Operating Income</b>   | <b>461</b>                          | 445      | <b>1,825</b>                       | 1,765    |
| <b>Interest Income</b>  | <b>3</b>                            | 6        | <b>9</b>                           | 16       |
| <b>Interest Expense</b>   | <b>(41)</b>                         | (45)     | <b>(117)</b>                       | (129)    |
| <b>Investment Income</b>  | <b>34</b>                           | 26       | <b>39</b>                          | 37       |
| <b>Income Before Income Taxes</b>                                 | <b>457</b>                          | 432      | <b>1,756</b>                       | 1,689    |
| <b>Income Tax Expense</b>   | <b>128</b>                          | 127      | <b>500</b>                         | 487      |
| <b>Income from Continuing Operations</b>                          | <b>329</b>                          | 305      | <b>1,256</b>                       | 1,202    |
| <b>Discontinued Operations, Net of Tax</b>                        | <b>2</b>                            | (1)      | <b>(1)</b>                         | (4)      |
| <b>Net Income Before Non-Controlling Interests</b>                | <b>331</b>                          | 304      | <b>1,255</b>                       | 1,198    |
| <b>Less: Net Income Attributable to Non-Controlling Interests</b> | <b>8</b>                            | 7        | <b>31</b>                          | 27       |
| <b>Net Income Attributable to the Company</b>                     | <b>\$ 323</b>                       | \$ 297   | <b>\$ 1,224</b>                    | \$ 1,171 |
| <b>Basic Net Income Per Share</b>                                 |                                     |          |                                    |          |
| - Continuing Operations   | <b>\$ 0.61</b>                      | \$ 0.55  | <b>\$ 2.29</b>                     | \$ 2.15  |
| - Net Income Attributable to the Company                          | <b>\$ 0.61</b>                      | \$ 0.55  | <b>\$ 2.29</b>                     | \$ 2.14  |
| <b>Diluted Net Income Per Share</b>                               |                                     |          |                                    |          |
| - Continuing Operations   | <b>\$ 0.60</b>                      | \$ 0.54  | <b>\$ 2.27</b>                     | \$ 2.12  |
| - Net Income Attributable to the Company                          | <b>\$ 0.61</b>                      | \$ 0.54  | <b>\$ 2.27</b>                     | \$ 2.11  |
| <b>Average Number of Shares Outstanding</b>                       |                                     |          |                                    |          |
| - Basic   | <b>528</b>                          | 544      | <b>534</b>                         | 547      |
| - Diluted   | <b>533</b>                          | 551      | <b>540</b>                         | 554      |
| <b>Shares Outstanding at 9/30</b>                                 | <b>522</b>                          | 542      | <b>522</b>                         | 542      |

**Marsh & McLennan Companies, Inc.**  
**Supplemental Information - Revenue Analysis**  
**Three Months Ended September 30, 2015**  
(Millions) (Unaudited)

|                                    | Three Months Ended<br>September 30, |                 | % Change<br>GAAP<br>Revenue | Components of Revenue Change* |           |                    |
|------------------------------------|-------------------------------------|-----------------|-----------------------------|-------------------------------|-----------|--------------------|
|                                    |                                     |                 |                             | 2015                          | 2014      | Currency<br>Impact |
|                                    |                                     |                 |                             |                               |           |                    |
| <b>Risk and Insurance Services</b> |                                     |                 |                             |                               |           |                    |
| Marsh                              | \$ 1,317                            | \$ 1,338        | (2)%                        | (7)%                          | 4%        | 2%                 |
| Guy Carpenter                      | 261                                 | 266             | (2)%                        | (4)%                          | —         | 2%                 |
| Subtotal                           | 1,578                               | 1,604           | (2)%                        | (7)%                          | 3%        | 2%                 |
| Fiduciary Interest Income          | 6                                   | 6               |                             |                               |           |                    |
| Total Risk and Insurance Services  | 1,584                               | 1,610           | (2)%                        | (7)%                          | 3%        | 2%                 |
| <b>Consulting</b>                  |                                     |                 |                             |                               |           |                    |
| Mercer                             | 1,090                               | 1,112           | (2)%                        | (8)%                          | 1%        | 5%                 |
| Oliver Wyman Group                 | 450                                 | 429             | 5 %                         | (6)%                          | 2%        | 9%                 |
| Total Consulting                   | 1,540                               | 1,541           | —                           | (7)%                          | 1%        | 6%                 |
| <b>Corporate / Eliminations</b>    | <b>(9)</b>                          | <b>(10)</b>     |                             |                               |           |                    |
| <b>Total Revenue</b>               | <b>\$ 3,115</b>                     | <b>\$ 3,141</b> | <b>(1)%</b>                 | <b>(7)%</b>                   | <b>2%</b> | <b>4%</b>          |

**Revenue Details**

The following table provides more detailed revenue information for certain of the components presented above:

|                     | Three Months Ended<br>September 30, |          | % Change<br>GAAP<br>Revenue | Components of Revenue Change* |      |                    |
|---------------------|-------------------------------------|----------|-----------------------------|-------------------------------|------|--------------------|
|                     |                                     |          |                             | 2015                          | 2014 | Currency<br>Impact |
|                     |                                     |          |                             |                               |      |                    |
| <b>Marsh:</b>       |                                     |          |                             |                               |      |                    |
| EMEA                | \$ 378                              | \$ 414   | (9)%                        | (10)%                         | 1 %  | 1%                 |
| Asia Pacific        | 156                                 | 175      | (10)%                       | (13)%                         | 2 %  | 1%                 |
| Latin America       | 86                                  | 99       | (14)%                       | (21)%                         | 2 %  | 6%                 |
| Total International | 620                                 | 688      | (10)%                       | (13)%                         | 1 %  | 2%                 |
| U.S. / Canada       | 697                                 | 650      | 7 %                         | (2)%                          | 7 %  | 2%                 |
| Total Marsh         | \$ 1,317                            | \$ 1,338 | (2)%                        | (7)%                          | 4 %  | 2%                 |
| <b>Mercer:</b>      |                                     |          |                             |                               |      |                    |
| Health              | \$ 394                              | \$ 392   | —                           | (4)%                          | (2)% | 6%                 |
| Retirement          | 317                                 | 330      | (4)%                        | (8)%                          | 2 %  | 2%                 |
| Investments         | 202                                 | 213      | (5)%                        | (14)%                         | 3 %  | 6%                 |
| Talent              | 177                                 | 177      | 1 %                         | (8)%                          | 3 %  | 6%                 |
| Total Mercer        | \$ 1,090                            | \$ 1,112 | (2)%                        | (8)%                          | 1 %  | 5%                 |

Notes

Underlying revenue measures the change in revenue using consistent currency exchange rates, excluding the impact of certain items that affect comparability such as: acquisitions, dispositions and transfers among businesses.

\* Components of revenue change may not add due to rounding.

**Marsh & McLennan Companies, Inc.**  
**Supplemental Information - Revenue Analysis**  
**Nine Months Ended September 30, 2015**  
(Millions) (Unaudited)

|                                    | Components of Revenue Change*      |                 |                             |                    |   |                       |
|------------------------------------|------------------------------------|-----------------|-----------------------------|--------------------|---|-----------------------|
|                                    | Nine Months Ended<br>September 30, |                 | % Change<br>GAAP<br>Revenue | Currency<br>Impact | Acquisitions/<br>Dispositions<br>Impact | Underlying<br>Revenue |
|                                    | 2015                               | 2014            |                             |                    |   |                       |
| <b>Risk and Insurance Services</b> |                                    |                 |                             |                    |   |                       |
| Marsh                              | \$ 4,217                           | \$ 4,280        | (1)%                        | (7)%               | 3 %                                     | 3%                    |
| Guy Carpenter                      | 904                                | 942             | (4)%                        | (4)%               | (1)%                                    | 1%                    |
| Subtotal                           | <u>5,121</u>                       | <u>5,222</u>    | (2)%                        | (6)%               | 2 %                                     | 2%                    |
| Fiduciary Interest Income          | 16                                 | 18              |                             |                    |   |                       |
| Total Risk and Insurance Services  | <u>5,137</u>                       | <u>5,240</u>    | (2)%                        | (6)%               | 2 %                                     | 2%                    |
| <b>Consulting</b>                  |                                    |                 |                             |                    |   |                       |
| Mercer                             | 3,173                              | 3,244           | (2)%                        | (7)%               | 1 %                                     | 4%                    |
| Oliver Wyman Group                 | 1,275                              | 1,249           | 2 %                         | (6)%               | 2 %                                     | 6%                    |
| Total Consulting                   | <u>4,448</u>                       | <u>4,493</u>    | (1)%                        | (7)%               | 1 %                                     | 5%                    |
| <b>Corporate / Eliminations</b>    |                                    |                 |                             |                    |   |                       |
|                                    | <u>(30)</u>                        | <u>(28)</u>     |                             |                    |   |                       |
| <b>Total Revenue</b>               | <u>\$ 9,555</u>                    | <u>\$ 9,705</u> | (2)%                        | (7)%               | 2 %                                     | 3%                    |

**Revenue Details**

The following table provides more detailed revenue information for certain of the components presented above:

|                     | Components of Revenue Change*      |                 |                             |                    |   |                       |
|---------------------|------------------------------------|-----------------|-----------------------------|--------------------|---|-----------------------|
|                     | Nine Months Ended<br>September 30, |                 | % Change<br>GAAP<br>Revenue | Currency<br>Impact | Acquisitions/<br>Dispositions<br>Impact | Underlying<br>Revenue |
|                     | 2015                               | 2014            |                             |                    |   |                       |
| <b>Marsh:</b>       |                                    |                 |                             |                    |   |                       |
| EMEA                | \$ 1,380                           | \$ 1,509        | (9)%                        | (11)%              | 1 %                                     | 2%                    |
| Asia Pacific        | 480                                | 520             | (8)%                        | (10)%              | 1 %                                     | 1%                    |
| Latin America       | 262                                | 285             | (8)%                        | (17)%              | 3 %                                     | 5%                    |
| Total International | <u>2,122</u>                       | <u>2,314</u>    | (8)%                        | (11)%              | 1 %                                     | 2%                    |
| U.S. / Canada       | 2,095                              | 1,966           | 7 %                         | (1)%               | 5 %                                     | 3%                    |
| Total Marsh         | <u>\$ 4,217</u>                    | <u>\$ 4,280</u> | (1)%                        | (7)%               | 3 %                                     | 3%                    |
| <b>Mercer:</b>      |                                    |                 |                             |                    |   |                       |
| Health              | \$ 1,169                           | \$ 1,173        | —                           | (4)%               | (2)%                                    | 5%                    |
| Retirement          | 973                                | 1,032           | (6)%                        | (8)%               | 2 %                                     | —                     |
| Investments         | 614                                | 622             | (1)%                        | (12)%              | 2 %                                     | 9%                    |
| Talent              | 417                                | 417             | —                           | (7)%               | 3 %                                     | 5%                    |
| Total Mercer        | <u>\$ 3,173</u>                    | <u>\$ 3,244</u> | (2)%                        | (7)%               | 1 %                                     | 4%                    |

Notes

Underlying revenue measures the change in revenue using consistent currency exchange rates, excluding the impact of certain items that affect comparability such as: acquisitions, dispositions and transfers among businesses.

\* Components of revenue change may not add due to rounding.

**Marsh & McLennan Companies, Inc.**  
**Non-GAAP Measures**  
**Three Months Ended September 30**  
(Millions) (Unaudited)

The Company presents below certain additional financial measures that are "non-GAAP measures," within the meaning of Regulation G under the Securities Exchange Act of 1934. These measures are: *adjusted operating income (loss)*; *adjusted operating margin*; and *adjusted income, net of tax*.

The Company presents these non-GAAP measures to provide investors with additional information to analyze the Company's performance from period to period. Management also uses these measures to assess performance for incentive compensation purposes and to allocate resources in managing the Company's businesses. However, investors should not consider these non-GAAP measures in isolation from, or as a substitute for, the financial information that the Company reports in accordance with GAAP. The Company's non-GAAP measures reflect subjective determinations by management, and may differ from similarly titled non-GAAP measures presented by other companies.

**Adjusted Operating Income (Loss) and Adjusted Operating Margin**

Adjusted operating income (loss) is calculated by excluding the impact of certain noteworthy items from the Company's GAAP operating income or loss. The following tables identify these noteworthy items and reconcile adjusted operating income (loss) to GAAP operating income or loss, on a consolidated and segment basis, for the three months ended September 30, 2015 and 2014. The following tables also present adjusted operating margin, which is calculated by dividing adjusted operating income by consolidated or segment GAAP revenue.

|   | Risk &<br>Insurance<br>Services | Consulting    | Corporate/<br>Eliminations | Total         |
|---|---------------------------------|---------------|----------------------------|---------------|
| <b>Three Months Ended September 30, 2015</b>    |                                 |               |                            |               |
| <b>Operating income (loss)</b>                  | \$ 225                          | \$ 285        | \$ (49)                    | \$ 461        |
| Add impact of Noteworthy Items:                 |                                 |               |                            |               |
| Restructuring charges (a)                       | 1                               | —             | 2                          | 3             |
| Adjustments to acquisition related accounts (b) | 22                              | —             | —                          | 22            |
| <b>Operating income adjustments</b>             | <b>23</b>                       | <b>—</b>      | <b>2</b>                   | <b>25</b>     |
| <b>Adjusted operating income (loss)</b>         | <b>\$ 248</b>                   | <b>\$ 285</b> | <b>\$ (47)</b>             | <b>\$ 486</b> |
| <b>Operating margin</b>                         | <b>14.2%</b>                    | <b>18.5%</b>  | <b>N/A</b>                 | <b>14.8%</b>  |
| <b>Adjusted operating margin</b>                | <b>15.7%</b>                    | <b>18.5%</b>  | <b>N/A</b>                 | <b>15.6%</b>  |
| <b>Three Months Ended September 30, 2014</b>    |                                 |               |                            |               |
| <b>Operating income (loss)</b>                  | \$ 229                          | \$ 274        | \$ (58)                    | \$ 445        |
| Add (Deduct) impact of Noteworthy Items:        |                                 |               |                            |               |
| Restructuring charges (a)                       | 2                               | —             | 2                          | 4             |
| Adjustments to acquisition related accounts (b) | 11                              | —             | —                          | 11            |
| Other   | —                               | —             | (2)                        | (2)           |
| <b>Operating income adjustments</b>             | <b>13</b>                       | <b>—</b>      | <b>—</b>                   | <b>13</b>     |
| <b>Adjusted operating income (loss)</b>         | <b>\$ 242</b>                   | <b>\$ 274</b> | <b>\$ (58)</b>             | <b>\$ 458</b> |
| <b>Operating margin</b>                         | <b>14.2%</b>                    | <b>17.8%</b>  | <b>N/A</b>                 | <b>14.2%</b>  |
| <b>Adjusted operating margin</b>                | <b>15.0%</b>                    | <b>17.8%</b>  | <b>N/A</b>                 | <b>14.6%</b>  |

(a) Primarily severance, future rent under non-cancellable leases, and integration costs related to recent acquisitions.

(b) Primarily includes the change in fair value as measured each quarter of contingent consideration related to acquisitions.



**Marsh & McLennan Companies, Inc.**  
**Non-GAAP Measures**  
**Nine Months Ended September 30**  
(Millions) (Unaudited)

The Company presents below certain additional financial measures that are "non-GAAP measures," within the meaning of Regulation G under the Securities Exchange Act of 1934. These measures are: *adjusted operating income (loss)*; *adjusted operating margin*; and *adjusted income, net of tax*.

The Company presents these non-GAAP measures to provide investors with additional information to analyze the Company's performance from period to period. Management also uses these measures to assess performance for incentive compensation purposes and to allocate resources in managing the Company's businesses. However, investors should not consider these non-GAAP measures in isolation from, or as a substitute for, the financial information that the Company reports in accordance with GAAP. The Company's non-GAAP measures reflect subjective determinations by management, and may differ from similarly titled non-GAAP measures presented by other companies.

**Adjusted Operating Income (Loss) and Adjusted Operating Margin**

Adjusted operating income (loss) is calculated by excluding the impact of certain noteworthy items from the Company's GAAP operating income or loss. The following tables identify these noteworthy items and reconcile adjusted operating income (loss) to GAAP operating income or loss, on a consolidated and segment basis, for the nine months ended September 30, 2015 and 2014. The following tables also present adjusted operating margin, which is calculated by dividing adjusted operating income by consolidated or segment GAAP revenue.

|   | Risk &<br>Insurance<br>Services | Consulting    | Corporate/<br>Eliminations | Total           |
|---|---------------------------------|---------------|----------------------------|-----------------|
| <b>Nine Months Ended September 30, 2015</b>     |                                 |               |                            |                 |
| <b>Operating income (loss)</b>                  | \$ 1,185                        | \$ 781        | \$ (141)                   | \$ 1,825        |
| Add (Deduct) impact of Noteworthy Items:        |                                 |               |                            |                 |
| Restructuring charges (a)                       | 3                               | —             | 5                          | 8               |
| Adjustments to acquisition related accounts (b) | 51                              | (5)           | —                          | 46              |
| Other   | —                               | —             | (1)                        | (1)             |
| <b>Operating income adjustments</b>             | <b>54</b>                       | <b>(5)</b>    | <b>4</b>                   | <b>53</b>       |
| <b>Adjusted operating income (loss)</b>         | <b>\$ 1,239</b>                 | <b>\$ 776</b> | <b>\$ (137)</b>            | <b>\$ 1,878</b> |
| <b>Operating margin</b>                         | <b>23.1%</b>                    | <b>17.6%</b>  | <b>N/A</b>                 | <b>19.1%</b>    |
| <b>Adjusted operating margin</b>                | <b>24.1%</b>                    | <b>17.5%</b>  | <b>N/A</b>                 | <b>19.7%</b>    |
| <b>Nine Months Ended September 30, 2014</b>     |                                 |               |                            |                 |
| <b>Operating income (loss)</b>                  | \$ 1,170                        | \$ 746        | \$ (151)                   | \$ 1,765        |
| Add (Deduct) impact of Noteworthy Items:        |                                 |               |                            |                 |
| Restructuring charges (a)                       | 4                               | —             | 6                          | 10              |
| Adjustments to acquisition related accounts (b) | 22                              | —             | —                          | 22              |
| Other   | —                               | —             | (1)                        | (1)             |
| <b>Operating income adjustments</b>             | <b>26</b>                       | <b>—</b>      | <b>5</b>                   | <b>31</b>       |
| <b>Adjusted operating income (loss)</b>         | <b>\$ 1,196</b>                 | <b>\$ 746</b> | <b>\$ (146)</b>            | <b>\$ 1,796</b> |
| <b>Operating margin</b>                         | <b>22.3%</b>                    | <b>16.6%</b>  | <b>N/A</b>                 | <b>18.2%</b>    |
| <b>Adjusted operating margin</b>                | <b>22.8%</b>                    | <b>16.6%</b>  | <b>N/A</b>                 | <b>18.5%</b>    |

(a) Primarily severance, future rent under non-cancellable leases, and integration costs related to recent acquisitions.

(b) Primarily includes the change in fair value as measured each quarter of contingent consideration related to acquisitions.

**Marsh & McLennan Companies, Inc.**  
**Non-GAAP Measures**  
**Three and Nine Months Ended September 30**  
(Millions) (Unaudited)

**Adjusted income, net of tax**

*Adjusted income, net of tax* is calculated as: the Company's GAAP income from continuing operations, adjusted to reflect the after-tax impact of the operating income adjustments set forth in the preceding tables; divided by MMC's average number of shares outstanding-diluted for the period.

**Reconciliation of the Impact of Non-GAAP Measures on diluted earnings per share -**

|  | Three Months Ended<br>September 30, 2015 |                       | Three Months Ended<br>September 30, 2014 |                       |
|--|--|-----------------------|--|-----------------------|
|  | Amount                                   | Diluted<br>EPS        | Amount                                   | Diluted<br>EPS        |
| Income from continuing operations          | \$ 329                                   |                       | \$ 305                                   |                       |
| Less: Non-controlling interest, net of tax | 8  |                       | 7  |                       |
| Subtotal                                   | <u>\$ 321</u>                            | \$ 0.60               | <u>\$ 298</u>                            | \$ 0.54               |
| Operating income adjustments               | \$ 25                                    |                       | \$ 13                                    |                       |
| Impact of income taxes                     | <u>(8)</u>                               |                       | <u>(4)</u>                               |                       |
|  | 17                                       | 0.03                  | 9  | 0.02                  |
| Adjusted income, net of tax                | <u><u>\$ 338</u></u>                     | <u><u>\$ 0.63</u></u> | <u><u>\$ 307</u></u>                     | <u><u>\$ 0.56</u></u> |

|  | Nine Months Ended<br>September 30, 2015 |                       | Nine Months Ended<br>September 30, 2014 |                       |
|--|---|-----------------------|---|-----------------------|
|  | Amount                                  | Diluted<br>EPS        | Amount                                  | Diluted<br>EPS        |
| Income from continuing operations          | \$ 1,256                                |                       | \$ 1,202                                |                       |
| Less: Non-controlling interest, net of tax | 31                                      |                       | 27                                      |                       |
| Subtotal                                   | <u>\$ 1,225</u>                         | \$ 2.27               | <u>\$ 1,175</u>                         | \$ 2.12               |
| Operating income adjustments               | \$ 53                                   |                       | \$ 31                                   |                       |
| Impact of income taxes                     | <u>(15)</u>                             |                       | <u>(11)</u>                             |                       |
|  | 38                                      | 0.07                  | 20                                      | 0.04                  |
| Adjusted income, net of tax                | <u><u>\$ 1,263</u></u>                  | <u><u>\$ 2.34</u></u> | <u><u>\$ 1,195</u></u>                  | <u><u>\$ 2.16</u></u> |

**Marsh & McLennan Companies, Inc.**  
**Supplemental Information**  
(Millions) (Unaudited)

|  | Three Months Ended<br>September 30, |       | Nine Months Ended<br>September 30, |        |
|--|-------------------------------------|-------|------------------------------------|--------|
|  | 2015                                | 2014  | 2015                               | 2014   |
| Depreciation and amortization expense      | \$ 77                               | \$ 76 | \$ 233                             | \$ 225 |
| Identified intangible amortization expense | \$ 31                               | \$ 22 | \$ 79                              | \$ 64  |
| Stock option expense                       | \$ 5                                | \$ 4  | \$ 18                              | \$ 14  |
| Capital expenditures                       | \$ 73                               | \$ 83 | \$ 249                             | \$ 285 |

**Marsh & McLennan Companies, Inc.**  
**Consolidated Balance Sheets**  
(Millions)

|  | <b>(Unaudited)<br/>September 30,<br/>2015</b> | December 31,<br>2014 |
|--|---|----------------------|
| <b>ASSETS</b>  |   |                      |
| Current assets:  |   |                      |
| Cash and cash equivalents                                | \$ 1,330                                      | \$ 1,958             |
| Net receivables  | 3,517   | 3,377                |
| Other current assets                                     | 679   | 720                  |
| <b>Total current assets</b>                              | <b>5,526</b>                                  | 6,055                |
| Goodwill and intangible assets                           | 8,342   | 7,933                |
| Fixed assets, net  | 786   | 809                  |
| Pension related assets                                   | 1,182   | 967                  |
| Deferred tax assets                                      | 667   | 876                  |
| Other assets   | 1,260   | 1,200                |
| <b>TOTAL ASSETS</b>                                      | <b>\$ 17,763</b>                              | \$ 17,840            |
| <b>LIABILITIES AND EQUITY</b>                            |   |                      |
| Current liabilities:                                     |   |                      |
| Short-term debt  | \$ 62   | \$ 11                |
| Accounts payable and accrued liabilities                 | 1,759   | 1,883                |
| Accrued compensation and employee benefits               | 1,313   | 1,633                |
| Accrued income taxes                                     | 107   | 178                  |
| Dividends payable  | 163   | —                    |
| <b>Total current liabilities</b>                         | <b>3,404</b>                                  | 3,705                |
| Fiduciary liabilities                                    | 4,374   | 4,552                |
| Less - cash and investments held in a fiduciary capacity | <b>(4,374)</b>                                | (4,552)              |
|  | —   | —                    |
| Long-term debt   | 4,422   | 3,376                |
| Pension, post-retirement and post-employment benefits    | 2,114   | 2,244                |
| Liabilities for errors and omissions                     | 358   | 341                  |
| Other liabilities  | 1,083   | 1,041                |
| <b>Total equity</b>                                      | <b>6,382</b>                                  | 7,133                |
| <b>TOTAL LIABILITIES AND EQUITY</b>                      | <b>\$ 17,763</b>                              | \$ 17,840            |