



MARSH & McLENNAN  
COMPANIES

INVESTOR DAY **2014**

MARCH 11, 2014

**SCOTT MCDONALD**  
President & CEO, Oliver Wyman



MARSH



GUY CARPENTER

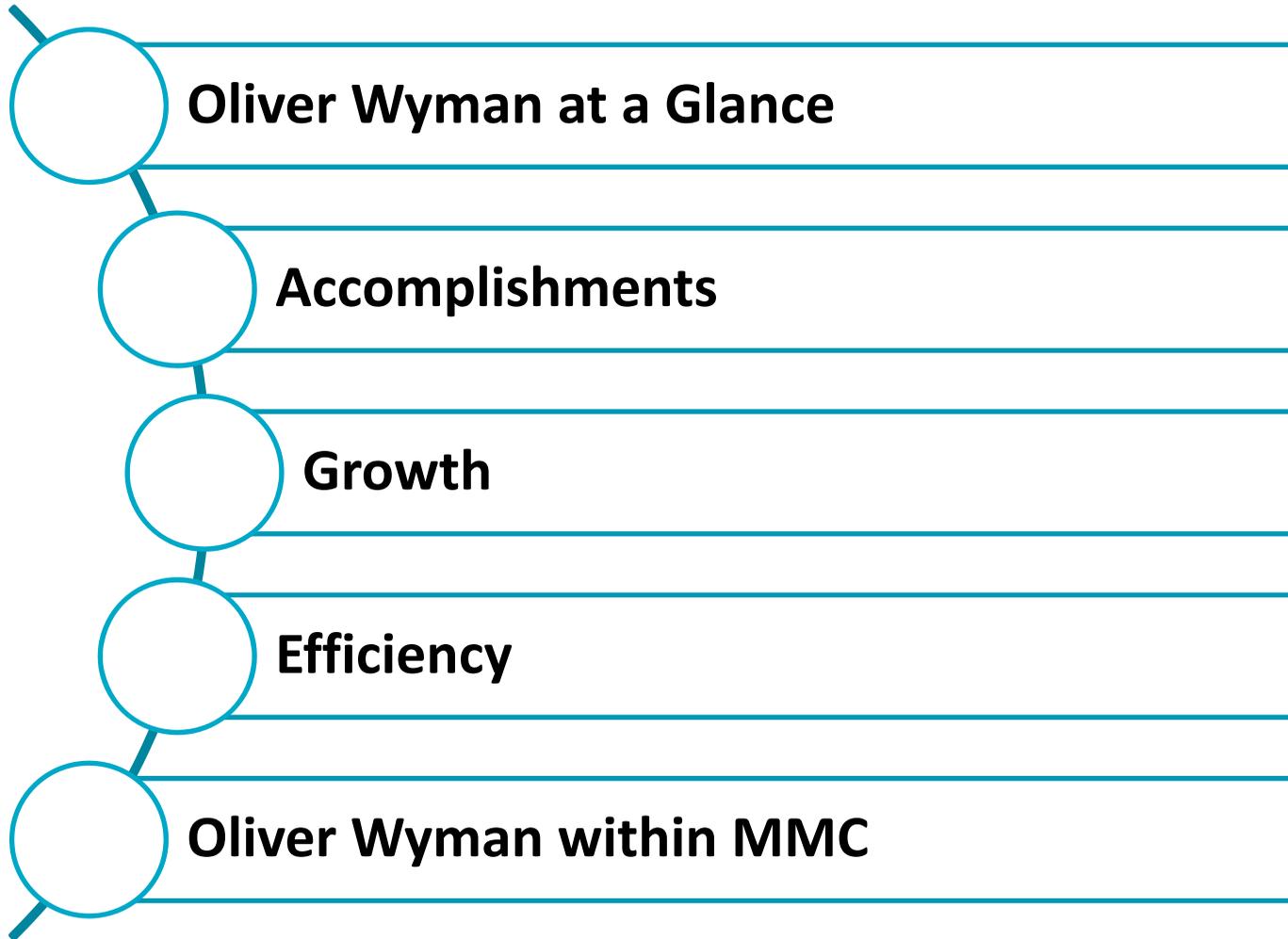


MERCER



OLIVER WYMAN

# Agenda



## At a Glance

**A leading global management consulting firm**

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**1,100+ clients**

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**50+ offices in 26 countries**

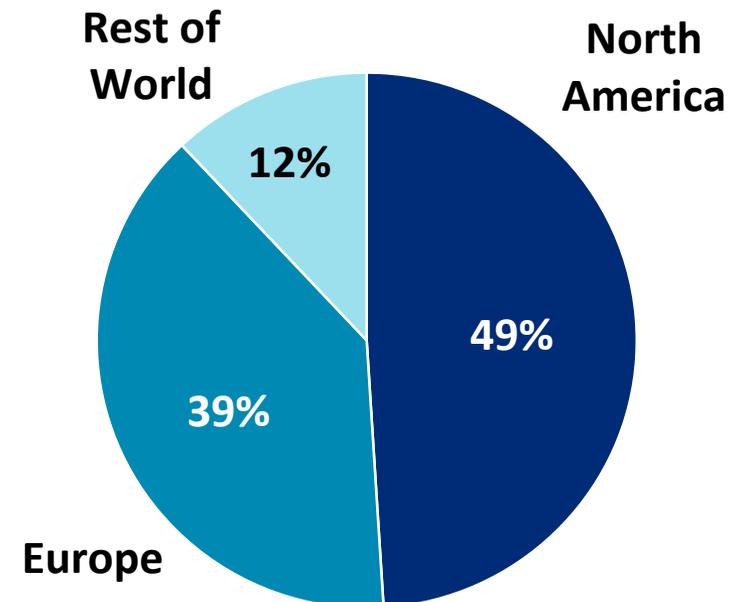
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**Three business units: Oliver Wyman, NERA, Lippincott**

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**3,500 colleagues**

**2013 Revenue  
\$1.5 Billion**



# Accomplishments

- **10-year revenue CAGR: 8%**
- **Financial Services**
- **Geographic expansion in developing markets**
- **Build of Health & Life Sciences, Energy, Insurance, and Strategic IT and Operations**



# We are Focused on Growth, Efficiency, and Adding Value to MMC

## Growth



- Consulting industry vs. GDP
- Leaders vs. others
- Oliver Wyman differentiation

## Efficiency



- Infrastructure efficiency
- Developing market scale

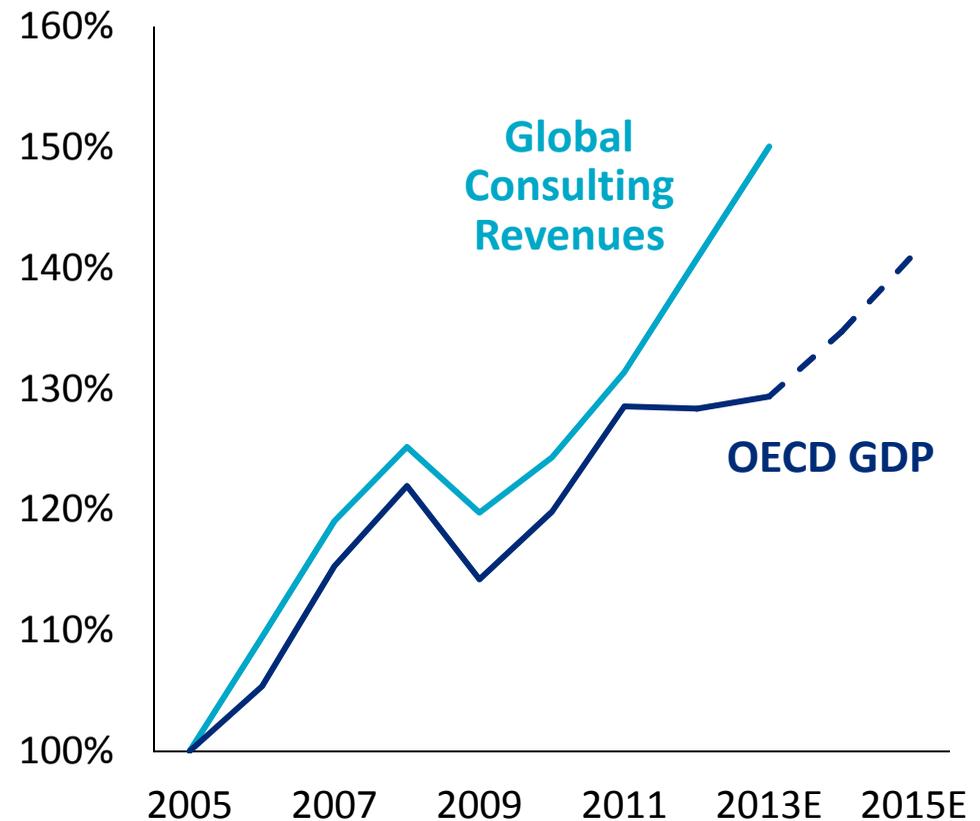
## MMC



- Adding value to MMC
- MMC as a competitive advantage

# Growth: Consulting Industry Growth vs. GDP

- **Client demand for consulting will continue to grow driven by increasing complexity:**
  - Internationalization
  - Increased regulation
  - Disruptive technologies and innovation
  - Growing importance of big data
- **The leaders in consulting will take share**



Source: MarketLine (<http://www.marketline.com/>), IMF

# Growth: Why Oliver Wyman Will Grow



# Growth: Why Oliver Wyman Will Grow



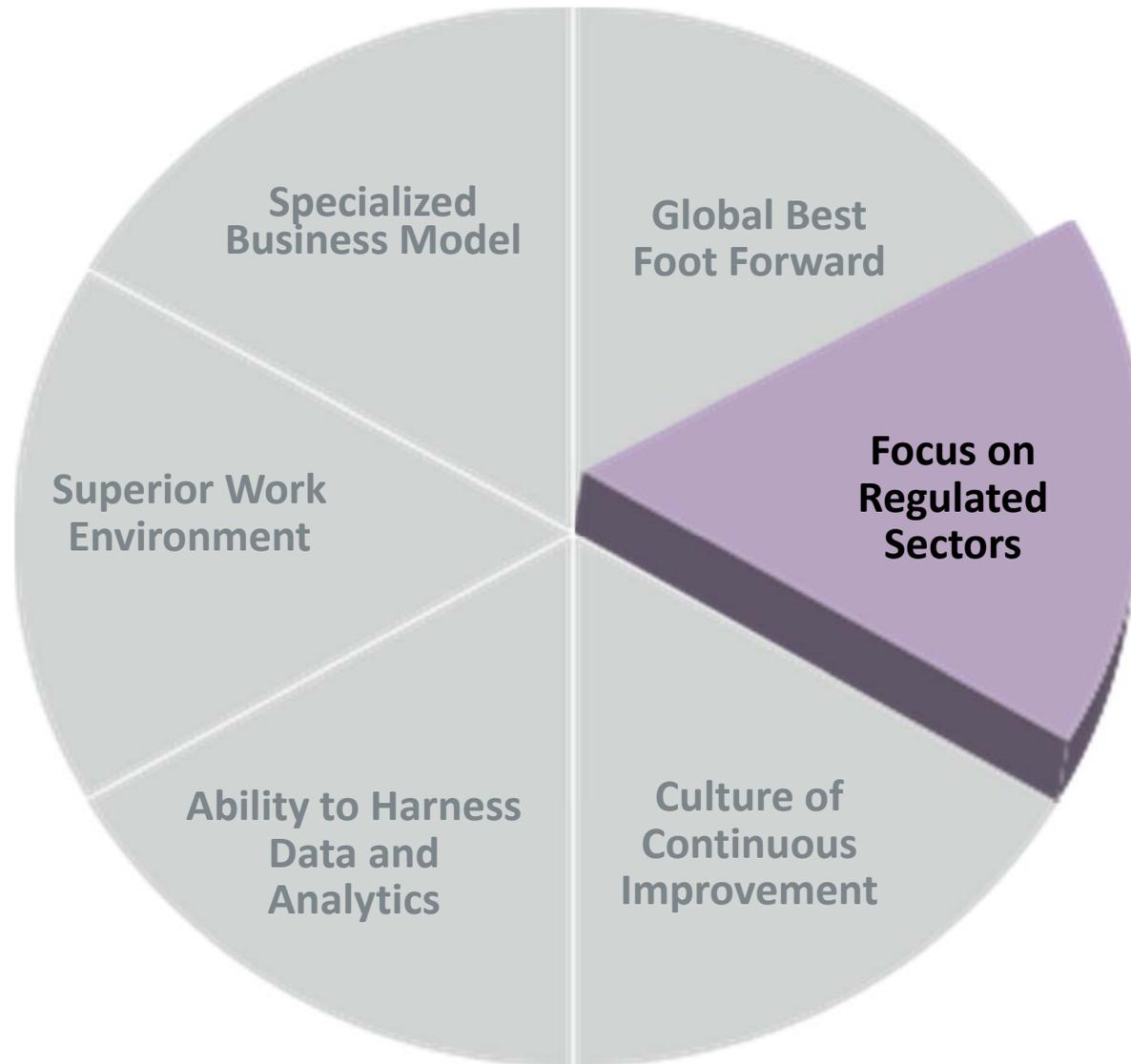
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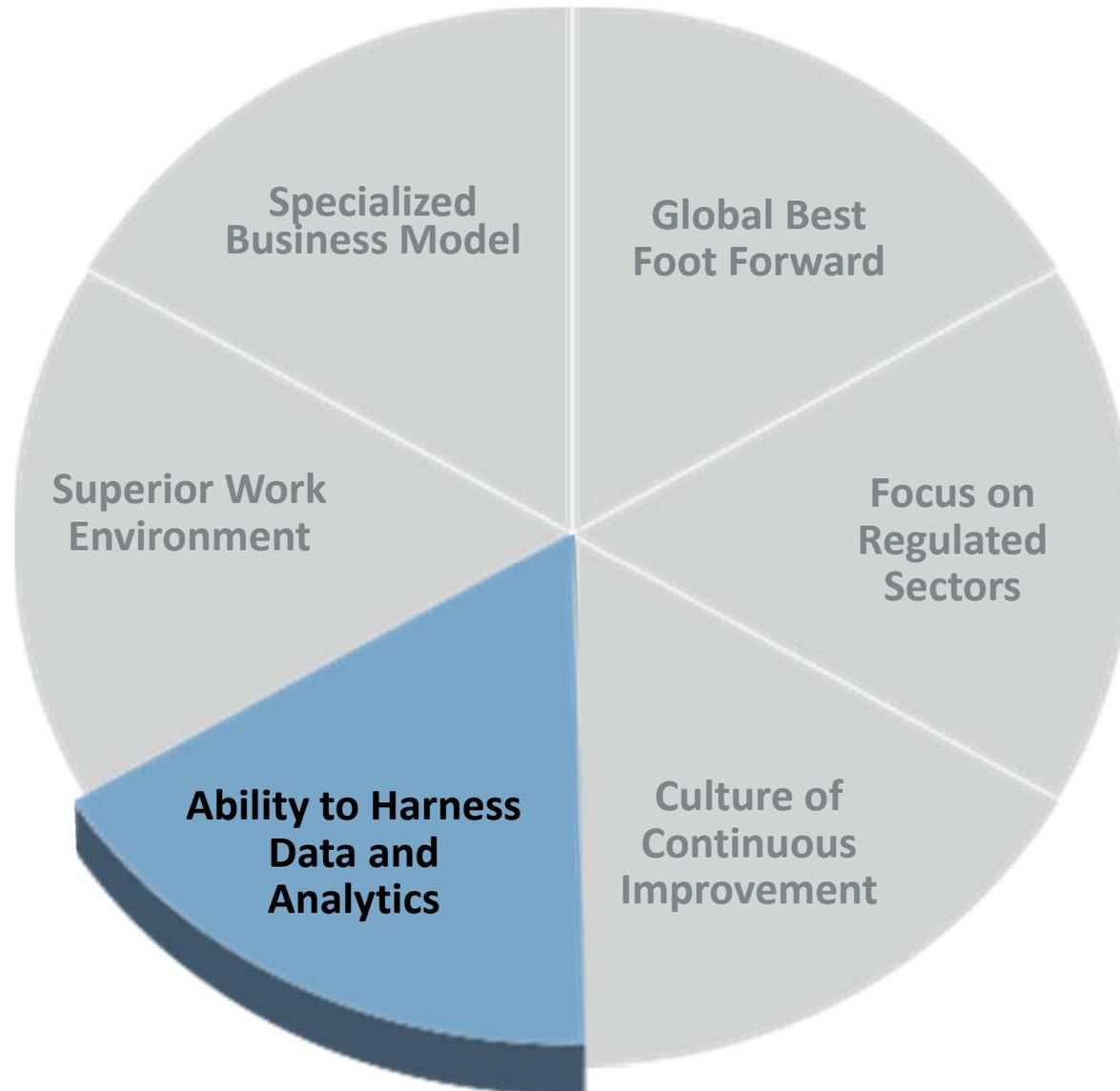
# Growth: Why Oliver Wyman Will Grow



# Growth: Why Oliver Wyman Will Grow



# Growth: Why Oliver Wyman Will Grow



# Growth: Why Oliver Wyman Will Grow



# Growth: Intellectual Capital

**OLIVER WYMAN**

THE OLIVER WYMAN  
**RISK JOURNAL**

VOLUME 1  
PERSPECTIVES ON  
THE RISKS THAT WILL  
DETERMINE YOUR  
COMPANY'S FUTURE

**OLIVER WYMAN**

WHO WE ARE | WHAT WE DO | INSIGHTS | COMMUNITY

## THE OLIVER WYMAN HEALTH INNOVATION CENTER

The Oliver Wyman Health Innovation Center (OWHIC) is a collaborative group of cross-industry CEOs and senior decision makers, all of whom share a passion for dramatically improving healthcare. They are committed to a clear and compelling purpose: Champion proven innovations in the market; envision market-based solutions to today's and tomorrow's challenges; and harness the power of convergence through extra-industry partnerships.

**ABOUT**

Our goal is to merchandise proven innovations and accelerate their development and adoption cycles. This is the moment to fix the broken value equation in healthcare.

**ADVISORY BOARD**

OWHIC is squarely focused on leaders working together to create value. We created an Advisory Board of senior decision-makers, and the sectors.

**ALL RISE WITH INNOVATION**

For more on the ongoing work of OWHIC and its bold vision, see Clinical Innovation + Technology's July 2013 cover story.

**THE VOLUME-TO-VOLUNTARY REVOLUTION**

This special report examines the launch of volume-to-volume (V2V) in 2014. The paper is based on OWHIC and includes interviews along with extensive discussion with the center's advisory board.

[Download the Report](#)

**WORLD ENERGY COUNCIL**  
CONSEIL MONDIAL DE L'ÉNERGIE  
For sustainable energy

**World Energy Trilemma**  
Time to get real – the case for sustainable energy investment

World Energy Council  
Project Partner  
OLIVER WYMAN

# Growth: Client Assignments



EUROPEAN CENTRAL BANK



American Airlines



# Efficiency: Opportunity for More Scale Benefits



**Process alignment  
and simplification**



**Infrastructure cost  
management**



**Developing  
market scale**

# Oliver Wyman within MMC

## Oliver Wyman Makes MMC More Valuable

- Intellectual capital/thought leadership for use across MMC
- Access to C-suite and deep understanding of key strategic and risk issues
- Approach to talent and talent cross-fertilization

## MMC Creates a Competitive Advantage for Oliver Wyman

- In key industries (Energy, Health)
- In key developing markets
- Financial stability and investment support

# Summary

## Growth



- **Consulting industry vs. GDP**
- **Leaders vs. others**
- **Oliver Wyman differentiation**

## Efficiency



- **Infrastructure efficiency**
- **Developing market scale**

## MMC



- **Adding value to MMC**
- **MMC as a competitive advantage**

# INVESTOR DAY 2014

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# Forward-Looking Statements

This presentation 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 use forward-looking statements when addressing topics such as: growth in our businesses and earnings per share; increased cash flows; the volume of share repurchases and our total share count; growth in our dividend; the expected impact of acquisitions; and pension obligations.

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 exposure to potential liabilities arising from errors and omissions claims against us;
- the impact of competition, including with respect to our geographic reach, the sophistication and quality of our services, our pricing relative to competitors, our customers’ option to self-insure or utilize internal resources instead of consultants, and our corporate tax rates relative to a number of our competitors;
- the extent to which we retain existing clients and attract new business, and our ability to incentivize and retain key employees;
- our ability to maintain adequate physical, technical and administrative safeguards to protect the security of confidential information or data, and the potential of a system or network disruption that results in regulatory penalties, remedial costs and/or the improper disclosure of confidential information or data;
- our exposure to potential criminal sanctions or civil remedies if we fail to comply with foreign and U.S. laws and regulations that are applicable in the domestic and international jurisdictions in which we operate, including trade sanctions laws relating to countries such as Cuba, Iran, Sudan and Syria, anti-corruption laws such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010, local laws prohibiting corrupt payments to government officials, as well as import and export restrictions;
- our ability to make acquisitions and dispositions and to integrate, and realize expected synergies, savings or benefits from, the businesses we acquire;
- changes in the funded status of our global defined benefit pension plans and the impact of any increased pension funding resulting from those changes;
- the impact on our net income caused by fluctuations in foreign currency exchange rates;
- our ability to successfully recover should we experience a disaster or other business continuity problem, such as an earthquake, hurricane, flood, terrorist attack, pandemic, security breach, cyber attack, power loss, telecommunications failure or other natural or man-made disaster;
- the impact of changes in interest rates and deterioration of counterparty credit quality on our results related to our cash balances and investment portfolios, including corporate and fiduciary funds;
- the potential impact of 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 the above forward-looking statements, which 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 of our most recently filed Annual Report on Form 10-K.