



Jardine Matheson

Jardine Matheson Holdings Limited
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Press Release

www.jardines.com

To: Business Editor

26th April 2016

For immediate release

Jardine Lloyd Thompson Group plc Interim Management Statement

The following announcement was issued today by the Company's 42%-owned associate, Jardine Lloyd Thompson Group plc.

For further information please contact:

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26 April 2016

Jardine Lloyd Thompson Group plc

Interim Management Statement

Jardine Lloyd Thompson Group plc (“JLT” or “the Group”), one of the world’s leading suppliers of insurance, reinsurance and employee benefits related advice, brokerage and associated services, is holding its Annual General Meeting at 12:00 noon BST today at which the following comments will be made available regarding trading performance, financial position and the outlook for the 2016 financial year. This statement covers the period from 1 January 2016 through 25 April 2016.

Trading Environment and Performance

Risk and Insurance:

The Group made a good start to the year in the overall trading performance of both our insurance and reinsurance businesses. This was despite external challenges that contributed to a difficult trading environment, including insurance and reinsurance rating pressure, lacklustre economic growth, and weak energy and commodity prices. Our US Specialty build-out continued to gain strength and the number of professionals employed in the business grew in line with our plans.

Employee Benefits:

We continue to see good growth in our international Employee Benefits businesses overall, while the programme to improve UK Employee Benefits’ profitability in 2016 made significant progress. Most of the restructuring of the UK business is now complete and will finish in the second half of the year. As announced on 1 March, it is anticipated that the restructure will deliver annualised savings of approximately £14 million in 2017, with £9 million of that benefit realised in the second half of 2016, when the substantial portion of annual profits will be delivered.

Financial Position

The Group remains well-funded and its financial position, including cash flow, continues to be strong. Although foreign exchange rates are currently favourable to the Group’s overall performance, it is too early to determine the impact for the full year.



Exceptional Items

For 2016, the Group now anticipates total exceptional costs of £34 million, reflecting the £22 million litigation provision announced on 8 April and the £12 million restructuring cost for UK Employee Benefits disclosed previously at our 1 March results announcement.

Outlook

We believe that the Group remains on track to achieve its business and financial objectives in 2016, despite the headwinds which are now anticipated to persist through the year. Further updates and a revised outlook will be provided at our half-year results announcement on 26 July.

- ENDS -

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Forward-Looking Statements

This announcement may contain "forward-looking statements" regarding the financial position, business strategy or plans for future operations of the Group. By their nature, forward-looking statements involve risk and uncertainty, relating to facts that are beyond the company's ability to control, such as future market conditions. Any such statements in this announcement speak only as at the date of this announcement. The company does not assume any obligation to, and does not intend to, revise or update these forward looking statements except as required pursuant to applicable law.