



Jardine Matheson

Jardine Matheson Holdings Limited
Jardine House, Reid Street
Hamilton, Bermuda

Press Release

www.jardines.com

To: Business Editor

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For immediate release

Jardine Lloyd Thompson Group plc Trading Statement 2018

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

For further information please contact:

Brunswick Group
Tom Burns

+44 20 7404 5959



1 May 2018

Jardine Lloyd Thompson Group plc

Trading Statement 2018

Jardine Lloyd Thompson Group plc (“JLT” or “the Group”), one of the world’s leading providers of insurance, reinsurance and employee benefits related advice, brokerage and associated services, today publishes its Trading Statement, which covers the period from 1 January 2018 through 30 April 2018.

Trading Environment and Performance

JLT has made a good start to the year, set against the current insurance rating environment. As stated at our full year results announcement in February, whilst most classes of reinsurance and specialty lines have seen a moderation or end to price reductions, there is not a consistent pattern, with increases generally limited to areas and sectors where heavy losses had occurred last year. The ‘trader’s market’, as we described the evolving market conditions in February, leaves JLT, with its strong specialty broking capabilities, well placed to grow and implement its strategy.

Looking in more detail at the performance of the Group’s three trading divisions:

Global Specialty

As we announced in February, we have now restructured our specialty businesses globally under a new leadership team, facilitating greater coordination and driving further growth. Several important client wins were achieved in the period and we anticipate continued good organic revenue growth in the year. The US Specialty business remained on track to achieve continued revenue growth, whilst further reducing net investment losses.

Global Reinsurance

Following positive January 1st renewal activity, our reinsurance business continued to make financial progress. The good performances seen in 2017 in Europe and North America have continued into 2018.

Global Employee Benefits

JLT’s global EB business traded well in the period, with the Asia region returning to growth, and the UK business maintaining the momentum seen in 2017.

Other

The Group completed two acquisitions in the first four months of the year.

In February, JLT acquired International Risk Consultants, a US trade credit and political risk broker, providing trade credit, single-and-multi-buyer, and political risk insurance across the US, Brazil and Hong Kong.



Chartwell Healthcare Ltd. in the UK was acquired in February, subject to regulatory approval. Chartwell is a specialised private medical insurance broker serving UK mid-market clients.

In line with our strategy, the Group anticipates further investment in the business through targeted acquisitions and continues to have a pipeline of opportunities to further supplement organic revenue growth and extend our specialty capabilities.

The Global Transformation Programme, announced in February, is progressing on schedule and the anticipated 2018 costs of £33m and benefits of £16m remain as previously stated. The programme overall, once fully implemented in 2020, is expected to achieve annualised savings of £40m for a one-off total cost of £45m.

Foreign exchange rates remained volatile in the period, and it is too early to determine the impact for the full year.

As previously indicated, the Group will publish a restatement of the 2017 financial accounts, during the second quarter of 2018, reflecting the new structure of the business and the adoption of the IFRS 9 and IFRS 15 accounting standards.

Outlook

As indicated in our 2017 full-year results announcement, we entered 2018 with real momentum, which has continued through the period, and anticipate delivering organic revenue growth in line with historical rates and achieving further financial progress.

- ENDS -

Enquiries:

Jardine Lloyd Thompson Group plc

Charlie Rozes, Group Finance Director (0)207-558-3380

Paul Dransfield, Investor Relations (0)207-528-4933

Brunswick Group

Tom Burns / Dania Saidam (0)207-404-5959

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.