

Marsh & McLennan Companies, Inc. 1166 Avenue of the Americas New York, New York 10036-2774 212 345 5000 www.mmc.com

NEWS RELEASE

Media Contact: Erick R. Gustafson Marsh & McLennan Companies +1 202 263 7788 erick.gustafson@mmc.com Investor Contact: Sarah DeWitt Marsh & McLennan Companies +1 212 345 6750 sarah.dewitt@mmc.com

MARSH & McLENNAN REPORTS FOURTH QUARTER AND FULL-YEAR 2019 RESULTS

Full-Year Revenue Growth of 11%; Underlying Revenue Growth of 4%

Full-Year GAAP Operating Income Declines 3%; Adjusted Operating Income Increases 14%

Full-Year GAAP EPS Increases 6% to \$3.41; Adjusted EPS Increases 7% to \$4.66

Fourth Quarter GAAP EPS Rises to \$0.76; Adjusted EPS Grows 9% to \$1.19

NEW YORK, January 30, 2020 — Marsh & McLennan Companies, Inc. (NYSE: MMC), the world's leading professional services firm in the areas of risk, strategy and people, today reported financial results for the fourth quarter and year ended December 31, 2019.

"2019 was a historic year for Marsh & McLennan," said Dan Glaser, President and CEO. "We closed the largest transaction in our Company's history, maintained our momentum through the integration and met our key milestones. We grew total revenue 11% and generated 4% underlying growth. We increased our adjusted operating income by 14%, adjusted margin by 110 basis points and adjusted EPS by 7%. With a solid fourth quarter, we enter 2020 well positioned for continued growth."

Consolidated Results

Consolidated revenue in the fourth quarter of 2019 was \$4.3 billion, an increase of 15% compared with the fourth quarter of 2018, or 3% on an underlying basis. Underlying revenue growth is calculated as if Marsh & McLennan and Jardine Lloyd Thompson were a combined company a year ago, but excludes the impact of currency, other acquisitions, dispositions, and transfers among businesses. Operating income was \$592 million compared with \$621 million in the prior year period. Adjusted operating income, which excludes noteworthy items as presented in the attached supplemental schedules, rose 17% to \$856 million. Net income attributable to the Company was \$391 million, or \$0.76 per diluted share, compared with \$0.30 in the fourth quarter of 2018. Adjusted earnings per share increased 9% to \$1.19 compared with \$1.09 for the prior year period.

For the year 2019, revenue was \$16.7 billion, an increase of 11% compared with 2018, or 4% on an underlying basis. Operating income was \$2.7 billion, while adjusted operating income rose 14% to \$3.4 billion. Net income attributable to the Company was \$1.7 billion. Earnings per share increased 6% to \$3.41. Adjusted earnings per share increased 7% to \$4.66 compared with \$4.35 in 2018.

Risk & Insurance Services

Risk & Insurance Services revenue was \$2.4 billion in the fourth quarter of 2019, an increase of 24%, or 3% on an underlying basis. Operating income was \$365 million, compared with \$383 million in the fourth quarter of 2018. Adjusted operating income increased 31% to \$550 million. For the year 2019, revenue was \$9.6 billion, an increase of 17%, or 4% on an underlying basis. Operating income was \$1.8 billion, compared to \$1.9 billion for the full year of 2018. Adjusted operating income rose 17% to \$2.3 billion.

Marsh's revenue in the fourth quarter of 2019 was \$2.2 billion, an increase of 23%, or 3% on an underlying basis. In U.S./Canada, underlying revenue rose 4%. International operations produced underlying revenue growth of 1%, reflecting underlying growth of 7% in Asia Pacific and 2% in Latin America, partially offset by a decline of 1% in EMEA. For the year 2019, Marsh's revenue growth was 17%, or 4% on an underlying basis.

Guy Carpenter's fourth quarter revenue was \$152 million, up 10% on an underlying basis. For the year 2019, Guy Carpenter's underlying revenue growth was 5%.

Consulting

Consulting revenue was \$1.9 billion in the fourth quarter of 2019, an increase of 4%, or 2% on an underlying basis. Operating income of \$336 million rose 14%. Adjusted operating income was flat at \$359 million. For the year 2019, revenue was \$7.1 billion, up 5%, or 3% on an underlying basis. Operating income increased 10% to \$1.2 billion, and adjusted operating income increased 9% to \$1.3 billion.

Mercer's revenue was \$1.3 billion in the fourth quarter of 2019, an increase of 8%, or 4% on an underlying basis. Health, with revenue of \$455 million, was up 6% on an underlying basis. Career revenue of \$250 million increased 4% on an underlying basis, and Wealth revenue of \$621 million increased 2% on an underlying basis. For the year 2019, Mercer's revenue growth was 6%, or 2% on an underlying basis.

Oliver Wyman's revenue was \$559 million in the fourth quarter of 2019, a decrease of 2% on an underlying basis. For the year 2019, Oliver Wyman's revenue increased to \$2.1 billion, up 6% on an underlying basis.

Other Items

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," "intend," "plan," "project" and similar terms, and future or conditional tense verbs like "could," "may," "might," "should," "will" and "would." Forward-looking statements are subject to inherent risks and uncertainties that could cause actual results to differ materially from those expressed or implied in our forward-looking statements. Factors that could materially affect our future results include, among other things:

- our ability to compete effectively and adapt to changes in the competitive environment, including to respond to technological change, disintermediation, digital disruption and other types of innovation;
- the impact from lawsuits, other contingent liabilities and loss contingencies arising from errors and omissions, breach of fiduciary duty or other claims against us;
- our ability to attract and retain industry leading talent;
- our organization's ability to maintain adequate safeguards to protect the security of our information systems and confidential, personal or proprietary information, particularly given the large volume of our vendor network and the need to identify and patch software vulnerabilities, including those in the existing JLT information systems;
- our ability to successfully integrate or achieve the intended benefits of our acquisitions, including JLT;
- the impact of investigations, reviews, or other activity by regulatory or law enforcement authorities, including the ongoing investigation by the European Commission competition authority;
- our ability to maintain our credit ratings and repay our outstanding long-term debt in a timely manner and on favorable terms, including approximately \$6.8 billion issued in connection with the acquisition of JLT;
- the regulatory, contractual and reputational risks that arise based on insurance placement activities and various insurer revenue streams;
- the financial and operational impact of complying with laws and regulations where we operate and the
 risks of noncompliance with such laws, including cybersecurity and data privacy regulations such as the
 E.U.'s General Data Protection Regulation, anti-corruption laws such as the U.S. Foreign Corrupt
 Practices Act, U.K. Anti-Bribery Act and trade sanctions regimes;
- our ability to manage risks associated with our investment management and related services business, including potential conflicts of interest between investment consulting and fiduciary management services;
- the impact of macroeconomic, political, regulatory or market conditions on us, our clients and the industries in which we operate, including the impact of Brexit or the inability to collect on our receivables;
- our ability to successfully recover if we experience a business continuity problem due to cyberattack, natural disaster, pandemic or otherwise; and
- the impact of changes in tax laws, guidance and interpretations, including certain provisions of the U.S.
 Tax Cuts and Jobs Act, or disagreements with tax authorities.

The factors identified above are not exhaustive. Marsh & McLennan Companies and its subsidiaries operate in a dynamic business environment in which new risks 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

Marsh & McLennan Companies, Inc. Supplemental Information - Revenue Analysis Three Months Ended December 31 (Millions) (Unaudited)

The Company conducts business in more than 130 countries. As a result, foreign exchange rate movements may impact period-to-period comparisons of revenue. Similarly, certain other items such as the revenue impact of acquisitions and dispositions, including transfers among businesses, may impact period-to-period comparisons of revenue. Underlying revenue measures the change in revenue from one period to the next by isolating these impacts.

The calculation of underlying revenue growth for the three months ended December 31, 2019 includes the results of JLT. The column "2018 Including JLT" includes JLT's prior year fourth quarter revenue (See reconciliation of non-GAAP measures on page 14). All other acquisitions/dispositions activity is included in the acquisitions/dispositions column.

	Components of Revenue Change R6s,0 0 rg BT1.0044ange

Marsh & McLennan Companies, Inc. Supplemental Information - Revenue Analysis

Marsh & McLennan Companies, Inc. Reconciliation of Non-GAAP Measures - Actual as Reported Three Months Ended December 31 (Millions) (Unaudited)

Overview

The Company reports its financial results in accordance with accounting principles generally accepted in the United States (referred to in this release as "GAAP" or "reported" results). The Company also refers to and presents below certain additional non-GAAP financial measures, within the meaning of Regulation G under the Securities Exchange Act of 1934. These measures are: adjusted operating income (loss), adjusted operating margin, adjusted income, net of tax and adjusted earnings per share (EPS). The Company has included reconciliations of these non-GAAP financial measures to the most directly comparable financial measure calculated in accordance with GAAP in the following tables.

The Company believes these non-GAAP financial measures provide useful supplemental information that enables investors to better compare the Company's performance across periods. Management also uses these measures internally to assess the operating performance of its businesses, to assess performance for employee compensation purposes and to decide how to allocate resources. 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 include adjustments that reflect how management views our businesses, 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

Marsh & McLennan Companies, Inc. Reconciliation of Non-GAAP Measures - Actual as Reported Twelve Months Ended December 31 (Millions) (Unaudited)

The information presented below represents the actual as reported data for the twelve months ended December 31, 2019 and 2018. Results for the twelve months ended December 31, 2018 are for MMC only, as previously reported, and do not include JLT results.

	_	Risk & Insurance Services	C	onsulting	rporate/ inations		Total
Twelve Months Ended December 31, 2019	_						
Operating income (loss)	\$	1,833	\$	1,210	\$ (366)	\$	2,677
Operating margin		19.1%		16.9%	N/A		16.1%
Add (Deduct) impact of Noteworthy Items:		_					
Restructuring, excluding JLT (a)		34		56	22		112
Changes in contingent consideration (b)		65		3	_		68
JLT integration and restructuring costs (c)		229		18	88		335
JLT acquisition-related costs (d)		97		2	51		150
Disposal of businesses (e)		15		(14)	_		1
Other		6		_	2		8
Operating income adjustments		446		65	163		674
Adjusted operating income (loss)	\$	2,279	\$	1,275	\$ (203)	\$	3,351
Total identified intangible amortization expense	\$	260	\$	54	\$ _	\$	314
Adjusted operating margin		26.3%		18.6%	N/A	_	22.0%
As Reported Results							
Twelve Months Ended December 31, 2018							
Operating income (loss), as reported	\$	1,864	\$	1,099	\$ (202)	\$	2,761
Operating margin		22.7%		16.2%	N/A		18.5%
Add (Deduct) impact of Noteworthy Items:							
Restructuring, excluding JLT (a)		99		52	10		161
Changes in contingent consideration (b)		22		10	_		32
JLT acquisition related costs (d)		5		_	7		12
Subsidiary or affiliate transactions (f)		(35)		6	_		(29)
Other		1		_	_		1
Operating income adjustments		92		68	17		177
Adjusted operating income (loss)	\$	1,956	\$	1,167	\$ (185)	\$	2,938
Total identified intangible amortization expense	\$	151	\$	32	\$ _	\$	183
Adjusted operating margin		25.7%		17.7%	N/A		20.9%

⁽a) Includes severance and related charges from restructuring activities, adjustments to restructuring liabilities for future rent under non-cancellable leases and other real estate costs, and restructuring costs related to the integration of recent acquisitions. Risk & Insurance Services in 2019 reflects severance and related charges from non-JLT merger integration costs. Consulting in 2019 reflects severance related to the Mercer restructuring program. Risk & Insurance Services in 2018 reflects severance and consulting costs related to the Marsh simplification initiative.

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

⁽c) Includes costs incurred for staff reductions, lease related exit costs as well as legal and consulting costs related to the integration.

⁽d) Includes advisor fees and stamp duty taxes related to the closing of the JLT Transaction and retention costs. Also includes the loss on the sale of JLT's aerospace business, which is included in revenue. This loss is removed from GAAP revenue in the calculation of adjusted operating income.

⁽e) Reflects the loss on the sale of a U.S. Specialty business at Marsh and a gain on the sale of Mercer's stand-alone U.S. large market health and defined benefit administration business, which are both included in revenue. These amount V are removed from GAAP revenue in the calculation of adjusted operating income.

⁽f) Dispositions or deconsolidation of businesses and results of certain equity method investments are reflected as an increase or decrease of other revenue, which is reflected as part of revenue in the consolidated statements of income. These items are removed from GAAP revenue in the calculation of adjusted operating margin.

Marsh & McLennan Companies, Inc. Reconciliation of Non-GAAP Measures Three and Twelve Months Ended December 31 (Millions) (Unaudited)

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 and investments gains or losses related to the impact of mark-to-market adjustments on certain equity securities and adjustments to provisional 2017 tax estimates. Adjustments also include JLT acquisition related items, including change in fair value of derivative contracts, financing costs and interest income on funds held in escrow. Adjusted EPS is calculated by dividing the Company's adjusted income, net of tax, by MMC's average number of shares outstanding-diluted for the relevant period. The following tables reconcile adjusted income, net of tax to GAAP income from continuing operations and adjusted EPS to GAAP EPS for the three and twelve months ended December 31, 2019 and 2018. Results for the three and twelve months ended December 31, 2018 are for MMC only, as previously reported, and do not include JLT results.

Marsh & McLennan Companies, Inc. Supplemental Information Three and Twelve Months Ended December 31 (Millions) (Unaudited)

	Three Mon Decem		Twelve Mo	
	2019	2018	2019	2018
Consolidated				
Compensation and Benefits	\$ 2,478	\$ 2,163	\$ 9,734	\$ 8,605
Other operating expenses	1,194	928	4,241	3,584
Total Expenses	\$ 3,672	\$ 3,091	\$ 13,975	\$ 12,189
Depreciation and amortization expense	\$ 88	\$ 75	\$ 333	\$ 311
Identified intangible amortization expense	79	48	314	183
Total	\$ 167	\$ 123	\$ 647	\$ 494
Stock option expense	\$ 3	\$ 2	\$ 26	\$ 22
Risk and Insurance Services				
Compensation and Benefits	\$ 1,358	\$ 1,069	\$ 5,370	\$ 4,485
Other operating expenses	673	473	2,396	1,879
Total Expenses	\$ 2,031	\$ 1,542	\$ 7,766	\$ 6,364
Depreciation and amortization expense	\$ 42	\$ 31	\$ 156	\$ 139
Identified intangible amortization expense	66	40	260	151
Total	\$ 108	\$ 71	\$ 416	\$ 290
Consulting				
Compensation and Benefits	\$ 1,002			

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

	ember 31, 2019	Dece	mber 31, 2018
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,155	\$	1,066
Net receivables	5,236		4,317
Other current assets	677		551
Total current assets	7,068		5,934
Goodwill and intangible assets	17,405		11,036
Fixed assets, net	858		701
Pension related assets	1,632		1,688
Right of use assets	1,921		_
Deferred tax assets	676		680
Other assets	1,757		1,539
TOTAL ASSETS	\$ 31,317	\$	21,578
LIABILITIES AND EQUITY			
Current liabilities:			
Short-term debt	\$ 1,215	\$	314
Accounts payable and accrued liabilities	2,746		2,234
Accrued compensation and employee benefits	2,197		1,778
Acquisition related derivatives	_		441
Current lease liabilities	342		_
Accrued income taxes	 179		157
Total current liabilities	6,679		4,924
Fiduciary liabilities	7,344		5,001
Less - cash and investments held in a fiduciary capacity	 (7,344)		(5,001)
Long-term debt	10,741		5,510
Pension, post-retirement and post-employment benefits	2,336		1,911
Long-term lease liabilities	1,926		
Liabilities for errors and omissions	335		287
Other liabilities	1,357		1,362
Total equity	7,943		7,584
TOTAL LIABILITIES AND EQUITY	\$ 31,317	\$	21,578

Marsh & McLennan Companies, Inc. Consolidated Statements of Cash Flows (Millions) (Unaudited)

Marsh & McLennan Companies, Inc. Reconciliation of Non-GAAP Measures - 2018 Revenue Including JLT Three and Twelve Months Ended December 31, 2018 (Millions) (Unaudited)

On April 1, 2019, the Company completed its previously announced acquisition of Jardine Lloyd Thompson Group, plc. JLT results of operations for the three months ended December 31, 2019 are included in the Company'