MMC Reports First Quarter 2007 Results

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Mercer Human Resource Consulting increased revenues 8 percent to $800 million in the first quarter, with a 4 percent increase on an underlying basis. This growth was achieved throughout Mercer HR's operations: retirement and investment produced $319 million in revenues, an increase of 11 percent; health and benefits, $183 million, the same level as last year; outsourcing, $176 million, an increase of 13 percent; and talent, $99 million, an increase of 6 percent.

Mercer Specialty Consulting's revenues grew 25 percent to $329 million in the first quarter, with a 15 percent increase on an underlying basis, continuing the strong growth this group has achieved over the last four years. Each of the Mercer Specialty companies contributed to this exceptional performance.

Discontinued Operations

Due to the agreement to sell Putnam, announced on February 1, 2007, Putnam's results for both years are now reflected in discontinued operations. Results from discontinued operations, net of tax, were $40 million, or $.06 per share, in the first quarter of 2007, reflecting Putnam's results for the quarter, compared with $.39 per share last year, primarily due to a $.32 gain from the sale of Sedgwick Claims Management Services.

In the first quarter, Putnam had revenues of $356 million, an increase of 3 percent from the first quarter of 2006. Putnam's assets under management on March 31, 2007 were $188 billion, comprising $119 billion in mutual fund assets and $69 billion in institutional assets. Average assets under management were $189 billion, compared with $190 billion for the first quarter of 2006.

MMC Share Repurchase

The MMC Board of Directors has approved a $500 million share repurchase program.

Other Items

The factors identified above are not exhaustive. MMC and its subsidiaries operate in a dynamic business environment in which new risks may emerge frequently. Accordingly, MMC cautions readers not to place undue reliance on its forward-looking statements, which speak only as of the dates on which they are made. MMC undertakes no obligation to update or

Revenue Details

The following table provides more detailed revenue information for certain of the components presented above and the remaining quarters of 2006.

Source: Marsh & McLennan Companies, Inc.

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