

Mercer increased revenue 14 percent to \$959 million in the second quarter, with strong revenue growth achieved throughout its operations. On an underlying basis, Mercer's re

- Diluted	=====	=====	=====	=====
	518	558	515	560
Shares Outstanding at 6/30	=====	=====	=====	=====
	512	542	512	542
	=====	=====	=====	=====

Marsh & McLennan Compani

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Total Operating Segments	4%	1%	4%
Corporate Eliminations			
Total Revenue	4%	1%	4%

Revenue Details

The following table provides more detailed revenue information for certain of the components presented above:

	Three Months Ended June 30,		% Change GAAP
	2008	2007	Revenue
Marsh:			
EMEA	\$ 444	\$ 392	13%
Asia Pacific	124	105	18%
Latin America	59	54	10%
Total International	627	551	14%
U.S. and Canada	584	573	2%
Total Marsh	\$1,211	\$1,124	8%
Mercer:			
Retirement	\$ 310	\$ 269	15%
Health and Benefits	242	216	12%
Other Consulting Lines	140	125	13%
Total Mercer Consulting	692	610	14%

Outsourcing	4%	-	6%
Investment Consulting & Management	6%	1%	22%
Total Mercer	4%	1%	9%
Kroll:			
Litigation Support and Data Recovery	2%	21%	21%
Background Screening	-	-	(5)%
Risk Mitigation and Response	3%	-	20%
Total Kroll	2%	7%	11%

Notes

Underlying revenue measures the change in revenue, before the impact of acquisitions and dispositions, using consistent currency exchange rates.

Interest income on fiduciary funds included in revenue amounted to \$39 million and \$49 million for the three months ended June 30, 2008 and 2007, respectively.

As described on page 13, certain changes in presentation have been made to segment revenue for the prior year and for the first quarter of 2008.

	Impact	Impact	Revenue

Risk and Insurance Services			
Marsh	6%	-	2%
Guy Carpenter	3%	-	(9)%
Total Risk and Insurance Services	5%	-	-
Consulting			
Mercer	5%	1%	9%
Oliver Wyman Group	5%	2%	4%
Total Consulting	5%	2%	7%
Risk Consulting & Technology			
Kroll	2%	7%	8%
Corporate Advisory and Restructuring	1%	-	(12)%
Total Risk Consulting & Technology	1%	6%	5%
Total Operating Segments	5%	1%	3%
Corporate Eliminations			
Total Revenue	5%	1%	4%

Revenue Details

The following table provides more detailed revenue information for certain of the components presented above:

Six Months Ended % Change

Risk and Insurance Services \$2,438s\$2, 008,,, 00745sMO-mMi Si x

	Currency Impact	Acqui si ti ons/ Di sposi ti ons Impact	Underl yi ng Revenue
Marsh:			
EMEA	9%	-	4%
Asia Paci fic	11%	-	8%
Latin Ameri ca	14%	(5)%	2%
Total International	9%	-	4%
U. S. and Canada	1%	-	-
Total Marsh	6%	-	2%
Mercer:			
Retirement	6%	3%	5%
Health and Benefits	4%	-	8%
Other Consulting Lines	5%	-	10%
Total Mercer Consulting	5%	2%	7%
Outsourcing	4%	-	9%
Investment Consulting & Management	7%	-	23%
Total Mercer	5%	1%	9%
Kroll:			
Litigation Support and Data Recovery	2%	22%	14%
Background Screening	-	-	(4)%
Risk Mitigation and Response	3%	-	15%
Total Kroll	2%	7%	8%

Notes

Underlying revenue measures the change in revenue, before the impact of acquisitions and dispositions, using consistent currency exchange rates.

Interest income on fiduciary funds included in revenue amounted to \$83 million and \$96 million for the six months ended June 30, 2008 and 2007, respectively.

As described on page 13, certain changes in presentation have been made to segment revenue for the prior year and for the first quarter of 2008.

Marsh & McLennan Companies, Inc.
Non-GAAP Measures
Three Months Ended June 30
(Millions) (Unaudited)

MMC presents below certain additional financial measures that are "non-GAAP measures," within the meaning of Regulation G under the Securities Exchange Act of 1934. These measures are: adjusted operating income; adjusted operating margin; adjusted income, net of tax; and net income, excluding goodwill impairment charge.

MMC presents these non-GAAP measures to provide investors with additional information to analyze the company's performance from period to period. Management also uses these measures to assess performance for incentive compensation purposes and to allocate resources in managing MMC's businesses. However, investors should not consider these non-GAAP measures in isolation from, or as a substitute for, the financial information that MMC reports in accordance with GAAP. MMC's non-GAAP measures reflect subjective determinations by management, and may differ from similarly titled non-GAAP measures presented by other companies.

As described on page 13, certain changes in presentation have been made to segment revenue and segment operating income for the prior year and for the first quarter of 2008.

Adjusted Operating Income and Adjusted Operating Margin

Adjusted operating income is calculated by excluding the impact of certain noteworthy items from MMC's GAAP operating income. The following table identifies these noteworthy items and reconciles adjusted operating income to GAAP operating income, on a consolidated and segment basis, for the three months ended June 30, 2008 and 2007. The following tables also present adjusted operating margin, which is calculated by dividing adjusted operating income by consolidated or segment GAAP revenue.

	Risk & Insurance Services	Consulting	Risk Consulting & Technology	Corporate	Total
Three Months Ended June 30, 2008					
Operating income	\$ 150	\$ 165	\$ (86)	\$(47)	\$ 182
Add (deduct) impact of noteworthy items:					
Restructuring Charges (a)	47	-	4	2	53
Settlement, Legal and Regulatory (b)	10	-	-	-	10
Goodwill Impairment Charge	-	-	115	-	115
Operating income adjustments	57	-	119	2	178
Adjusted operating income	\$ 207	\$ 165	\$ 33	\$(45)	\$ 360
Operating margin	10.6%	12.0%	N/A	N/A	6.0%
Adjusted operating margin	14.6%	12.0%	11.7%	N/A	11.8%
Three Months Ended June 30, 2007					
Operating income	\$ 93	\$ 159	\$ 30	\$(43)	\$ 239
Add (deduct) impact of noteworthy items:					
Restructuring Charges (a)	4	1	-	5	10
Settlement, Legal and Regulatory (b)	15	-	-	-	15
Accelerated Amortization	3	2	-	-	5
Operating income adjustments	22	3	-	5	30

Adjusted operating income	\$ 115	\$ 162	\$ 30	\$(38)	\$ 269
	=====	=====	=====	=====	=====
Operating margin	6.9%	13.1%	12.0%	N/A	8.6%
	=====	=====	=====	=====	=====
Adjusted operating margin	8.6%	13.3%	12.0%	N/A	9.7%
	=====	=====	=====	=====	=====

(a) Primarily includes severance from restructuring activities and related charges, costs for future rent and other real estate costs, and fees related to cost reduction initiatives.

(b) Reflects legal fees arising out of the civil complaint relating to market service agreements and other issues filed against MMC and Marsh by the New York State Attorney General in October 2004 and settled in January 2005, and indemnification of former employees for legal fees incurred in connection with the events of October 2004.

Marsh & McLennan Companies, Inc.
Non-GAAP Measures
Six Months Ended June 30
(Millions) (Unaudited)

MMC presents below certain additional financial measures that are "non-GAAP measures," with an 8.6%

Restructuring Charges (a)	61	-	7	18	86
Settlement, Legal and Regulatory (b)	23	-	-	-	23
Goodwill Impairment Charge	-	-	540	-	540
Other	3	-	-	-	3
Operating income adjustments	87	-	547	18	652
Adjusted operating income	\$ 471	\$ 316	\$ 49	\$ (90)	\$ 746
Operating margin	13.2%	11.8%	N/A	N/A	1.5%
Adjusted operating margin	16.2%	11.8%	9.1%	N/A	12.3%
Six Months Ended June 30, 2007					
Operating income	\$ 303	\$ 297	\$ 54	\$ (79)	\$ 575
Add (deduct) impact of noteworthy items:					
Restructuring Charges (a)	28	1	-	11	40
Settlement, Legal and Regulatory (b)	26	-	-	-	26
Accelerated Amortization	8	5	-	3	16
Other (c)	-	-	-	(14)	(14)
Operating income adjustments	62	6	-	-	68
Adjusted operating income	\$ 365	\$ 303	\$ 54	\$ (79)	\$ 643
Operating margin	10.9%	12.7%	11.2%	N/A	10.4%
Adjusted operating margin	13.2%	12.9%	11.2%	N/A	11.6%

(a) Primarily includes severance from restructuring activities and related charges, costs for future rent and other real estate costs, and fees related to cost reduction initiatives.

(b) Reflects legal fees arising out of the civil complaint relating to market service agreements and other issues filed against MMC and Marsh by the New York State Attorney General in October 2004 and settled in January 2005, and indemnification of former employees for legal fees incurred in connection with the events of October 2004.

(c) Represents an accrual adjustment related to the separation of former MMC senior executives.

Marsh & McLennan Companies, Inc.
Non-GAAP Measures
Three and Six Months Ended June 30
(Millions) (Unaudited)

Adjusted Income, net of tax

Adjusted income, net of tax is calculated as: (i) MMC's GAAP income (loss) from continuing operations, adjusted (a) to reflect the after-tax impact of the operating income adjustments set forth in the preceding table and (b) to include the operating income, net of tax, of MMC's former subsidiary, Putnam (included in discontinued operations through August 2, 2007); divided by (ii) MMC's average number of shares outstanding--diluted for the period.

Adjusted income, net of tax does not include gains or losses from the sales of operations included in discontinued operations, but, as noted above, does include the operating income of Putnam in 2007.

Reconciliation of the Impact of Non-GAAP Measures on Diluted Earnings Per Share - Three Months Ended

	Three Months Ended 2008	Diluted EPS	Three Months Ended 2007	Diluted EPS
Income from continuing operations	\$ 55	\$ 0.11	\$140	\$0.25
Add impact of operating income adjustments	\$178		\$ 30	
Deduct impact of income tax expense	(22)		(9)	
	-----	-----	-----	-----
	156	0.30	21	0.04
	-----	-----	-----	-----
Income from continuing operations, as adjusted	211	0.41	161	0.29
Add Putnam operating income, net of tax	-	-	37	0.06
	-----	-----	-----	-----
Adjusted income, net of tax	\$ 211	\$ 0.41	\$198	\$0.35
	=====	=====	=====	=====

Net Income Excluding Goodwill Impairment Charge

	Three Months Ended 2008	Diluted EPS	Three Months Ended 2007	Diluted EPS
Net income	\$ 65	\$ 0.13	\$177	\$0.31
Add impact of goodwill impairment charge	115	0.22	-	-
	-----	-----	-----	-----
Net income, excluding goodwill impairment charge	\$ 180	\$ 0.35	\$177	\$0.31
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Reconciliation of the Impact of Non-GAAP Measures on Diluted Earnings Per Share - Six Months Ended

Six Months Ended 2008	Diluted EPS	Six Months Ended 2007	Diluted EPS
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(Loss) income from continuing operations	\$(160)	\$(0.31)	\$368	\$0.66
Add impact of operating income adjustments	\$652		\$68	
Deduct impact of income tax expense	(40)		(22)	
	612	1.18	46	0.08
Income from continuing operations, as adjusted	452	0.87	414	0.74
Add Putnam operating income, net of tax	-	-	77	0.14
Adjusted income, net of tax	\$452	\$0.87	\$491	\$0.88

Net Income Excluding Goodwill Impairment Charge

	Six Months Ended 2008	Diluted EPS	Six Months Ended 2007	Diluted EPS
Net (loss) income	\$(145)	\$(0.28)	\$445	\$0.79
Add impact of goodwill impairment charge	540	1.04	-	-
Net income, excluding goodwill impairment charge	\$395	\$0.76	\$445	\$0.79

Marsh & McLennan Companies, Inc.
Supplemental Information - Quarterly Revenue and Operating Income
Analysis
(Millions) (Unaudited)

Consolidated Statements of Income- Change in Presentation

In the second quarter of 2008, performance measures for segment revenue and segment operating income, used by MMC's chief operating decision maker to evaluate performance and for the allocation of resources, were changed so that investment gains and losses derived from investments strategically linked to MMC's operating companies are no longer included. The presentation of segment revenue and operating income was conformed accordingly.

The following tables reflect the results for segment revenue and operating income after the change in presentation of investment income (loss):

	First Quarter 2007	Second Quarter 2007	Third Quarter 2007	Fourth Quarter 2007
Risk and Insurance Services				
Marsh	\$1,142	\$1,124	\$1,037	\$1,195
Guy Carpenter	292	217	226	167
Total Risk and Insurance Services	1,434	1,341	1,263	1,362
Consulting				
Mercer	800	842	844	882
Oliver Wyman Group	329	376	374	437
Total Consulting	1,129	1,218	1,218	1,319

Risk Consulting & Technology				
Kroll	193	201	210	211
Corporate Advisory and Restructuring	40	48	48	36
Total Risk Consulting & Technology	233	249	258	247
Total Operating Segments	2,796	2,808	2,739	2,928
Corporate Eliminations	(35)	(23)	(23)	(13)
Total Revenue	\$2,761	\$2,785	\$2,716	\$2,915

	First Quarter 2007	Second Quarter 2007	Third Quarter 2007	Fourth Quarter 2007
Operating Income				
Risk and Insurance Services	\$210	\$ 93	\$ (11)	\$ 50
Consulting	138	159	148	161
Risk Consulting & Technology	24	30	29	15
Corporate	(36)	(43)	(50)	(71)
Total Operating Income (Loss)	336	239	116	155
Interest Income	19	15	30	31
Interest Expense	(71)	(75)	(65)	(56)
Investment Income (Loss)	51	34	78	10
Income Before Income Taxes and Minority Interest Expense	\$335	\$ 213	\$ 159	\$ 140

Segment Operating Margin				
Risk and Insurance Services	14.6%	6.9%	N/A	3.7%
Consulting	12.2%	13.1%	12.2%	12.2%
Risk Consulting & Technology	10.3%	12.0%	11.2%	6.1%
Consolidated Operating Margin	12.2%	8.6%	4.3%	5.3%

	Full Year 2007	First Quarter 2008	Second Quarter 2008
Risk and Insurance Services			
Marsh	\$ 4,498	\$1,227	\$1,211
Guy Carpenter	902	273	204
Total Risk and Insurance Services	5,400	1,500	1,415

Consulting
Mer Mar

Year A

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Total Ri nsul ting &

Risk Consulting & Technology			
Kroll	815	220	240
Corporate Advisory and Restructuring	172	37	41
Total Risk Consulting & Technology	987	257	281
Total Operating Segments	11,271	3,052	3,070
Corporate Eliminations	(94)	(13)	(22)
Total Revenue	\$11,177	\$3,039	\$3,048

	Full Year 2007	First Quarter 2008	Second Quarter 2008
Operating Income			
Risk and Insurance Services Consulting	\$ 342	\$ 234	\$ 150
Risk Consulting & Technology	606	151	165
Corporate	98	(412)	(86)
Total Operating Income (Loss)	(200)	(61)	(47)
Interest Income	846	(88)	182
Interest Expense	95	18	12
Investment Income (Loss)	(267)	(56)	(55)
Income Before Income Taxes and Minority Interest Expense	173	8	(16)
	\$ 847	\$ (118)	\$ 123

Segment Operating Margin	Full Year 2007	First Quarter 2008	Second Quarter 2008
Risk and Insurance Services Consulting	6.3%	15.6%	10.6%
Risk Consulting & Technology	12.4%	11.7%	12.0%
Risk Consulting & Technology	9.9%	9.2%	6.7%
Risk Consulting & Technology	9.9%	9.2%	6.7%

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