

WILLIS OVERSEAS INVESTMENTS LIMITED

(Registered Number 3424226)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

Directors

Willis Corporate Director Services Limited
Willis Corporate Secretarial Services Limited
SK Bryant (appointed 22 September 2008)

Secretary

Willis Corporate Secretarial Services Limited

Registered Office

51 Lime Street
London EC3M 7DQ

Auditors

Deloitte LLP
London

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The Directors present their annual report, together with the audited financial statements, for the year ended 31 December 2008.

Principal activities and review of developments

The Company acts as an investment holding company and is a subsidiary of Willis Group Holdings Limited ('the Group'), which is one of the world's leading professional service providers of risk management solutions, risk transfer expertise through insurance and reinsurance broking, and related specialised consultancy services.

The profit on ordinary activities after taxation amounted to £15,945k (2007: £nil).

The Directors do not anticipate any changes in the Company's position for the foreseeable future.

An interim dividend of £15,945k was paid on 19 December 2008 (2007: £nil). The Directors do not recommend the payment of a final dividend (2007: £nil).

Enhanced Business Review

The Directors' Report is not required to include an enhanced business review. Advantage has been taken of the provisions of Section 246 (4) (a) of the Companies Act 1985 (as amended).

Directors

The current Directors of the Company are shown on page 1, which forms part of this report. SK Bryant was appointed as a Director of the Company on 22 September 2008. There were no other changes in Directors during the year or after the year end.

Statement of Directors' responsibilities in relation to the financial statements

The Directors are responsible for preparing their annual report and the financial statements in accordance with applicable law and regulations for each financial year. The Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

Disclosure of information to auditors

Each current Director of the Company confirms that:

- so far as he is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the Company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 234ZA of the Companies Act 1985.

Auditors

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte LLP shall be deemed to be re-appointed as auditors for a further term.

By order of the Board



SK Bryant,
Authorised Signatory of
Willis Corporate Secretarial Services Limited
16th June 2009

51 Lime Street
London EC3M 7DQ

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILLIS OVERSEAS INVESTMENTS LIMITED

We have audited the financial statements of Willis Overseas Investments Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Movement in Shareholders' Funds and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements therein.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILLIS OVERSEAS INVESTMENTS LIMITED (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
London
United Kingdom

18 *Jan* 2009

WILLIS OVERSEAS INVESTMENTS LIMITED**6****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008**

| | Note | 2008 £000 | 2007 £000 |
|--|------|---------------|--------------|
| Income received from shares in associate undertaking | | 15,945 | - |
| Profit on ordinary activities before taxation | | 15,945 | - |
| Tax charge on profit on ordinary activities | 5 | - | - |
| Profit on ordinary activities after taxation | | 15,945 | - |

All activities derive from continuing operations.

RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2008

There are no recognised gains or losses in either 2008 or 2007 other than the profit for those years.

WILLIS OVERSEAS INVESTMENTS LIMITED**7****BALANCE SHEET AS AT 31 DECEMBER 2008**

| | Note | 2008 £000 | 2007 £000 |
|--|------|-----------------|-----------------|
| Fixed assets | | | |
| Investments | 7 | 144,427 | 144,427 |
| | | <u>144,427</u> | <u>144,427</u> |
| Current liabilities | | | |
| Creditors: amounts falling due within one year | 9 | (64,303) | (64,303) |
| Net current liabilities | | <u>(64,303)</u> | <u>(64,303)</u> |
| Total assets less current liabilities | | <u>80,124</u> | <u>80,124</u> |
| Net assets | | <u>80,124</u> | <u>80,124</u> |
| Capital and reserves | | | |
| Called up share capital | 10 | 80,050 | 80,050 |
| Profit and loss account | 11 | 74 | 74 |
| Shareholders' funds | | <u>80,124</u> | <u>80,124</u> |

The financial statements were approved by the Board of Directors and authorised for issue on 16th June 2009 and signed on its behalf by:



SK Bryant
Authorised Signatory of
Willis Corporate Director Services Limited
Director

WILLIS OVERSEAS INVESTMENTS LIMITED**8****MOVEMENTS IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDING 31 DECEMBER 2008**

| Movement in shareholders' funds | 2008 £000 | 2007 £000 |
|--|----------------------|----------------------|
| Profit on ordinary activities after taxation | 15,945 | - |
| Dividends paid | (15,945) | - |
| Net movement in shareholders' funds for the year | - | - |
| Shareholders' funds at beginning of year | 80,124 | 80,124 |
| Shareholders' funds at end of year | 80,124 | 80,124 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008**1. Accounting policies****Basis of preparation**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

The financial statements have been prepared:

- under the historical cost convention; and
- in accordance with applicable law and accounting standards in the United Kingdom.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. This expectation is based on the following:

- the Company is an intermediate holding company within the Willis Group;
- while the Company has net current liabilities of £64,303k (2007: £64,303k), this is attributable to an intercompany creditor. If this were to require settlement, the Group would arrange for either a dividend from the Company's associate undertaking or provide alternative funding; and
- the Directors believe the Willis Group is a going concern.

For these reasons, the Directors continue to adopt the going concern basis in preparing the accounts.

Parent undertaking and controlling party

The Company's:

- immediate parent company and controlling undertaking is Willis International Limited; and
- ultimate parent and controlling company is Willis Group Holdings Limited, a company incorporated in Bermuda.

In accordance with Section 228A of the Companies Act 1985 (as amended), the Company is exempt from the requirement to produce group financial statements.

The largest and smallest group in which the results of the Company are consolidated is Willis Group Holdings Limited, whose financial statements are available to members of the public from the Company Secretary, 51 Lime Street, London EC3M 7DQ.

Income recognition

Income from shares in the associate undertaking is accounted for on a received basis.

Foreign currency translation

These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates ('the functional currency').

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

1. Accounting policies (continued)

Fixed asset investments

Investments in associates are carried at cost less provision for impairment.

Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Cash flow statement

Under FRS1 'Cash flow statements' the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a consolidated cash flow statement is prepared at Group level.

2. Auditor's remuneration

Auditors' remuneration of £2,600 (2007: £2,600) was borne by another Group company.

3. Employee costs

The Company employed no staff during the year (2007: none).

4. Directors' remuneration

The Directors of the Company received no remuneration for services rendered to the Company during the year (2007: £nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

| | 2008 £000 | 2007 £000 |
|---|--------------|--------------|
| 5. Tax charge on profit on ordinary activities | | |
| <i>(a) Analysis of charge for the year</i> | | |
| Current tax: | | |
| UK corporation tax on profit at 28.5% (2007: 30%) | - | - |
| Current tax charge on profit on ordinary activities (note 5(b)) | - | - |
| <i>(b) Factors affecting tax charge for the year</i> | | |
| The tax assessed for the year is lower than (2007: equal to) the standard rate of corporation tax in the UK (28.5%) (2007: 30%). The differences are explained below: | | |
| Profit on ordinary activities before tax | 15,945 | - |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28.5% (2007: 30%) | 4,544 | - |
| Effects of: | | |
| Intra-group dividends which are non-taxable | (4,544) | - |
| Current tax charge for the year (note 5(a)) | - | - |
| <i>(c) Circumstances affecting current and future tax charges [and credit].</i> | | |

Following the Finance Act 2007, the UK corporation tax rate changed from 30% to 28% on 1 April 2008.

| | 2008 £000 | 2007 £000 |
|--------------------------|--------------|--------------|
| 6. Dividends paid | | |
| First interim paid | 15,945 | - |

| | Shares in Associate Undertaking £000 |
|--|---|
| 7. Investments held as fixed assets | |
| Cost and net book value | |
| 31 December 2007 and 31 December 2008 | 144,427 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

8. Shares in associate undertakings

The principal associate undertaking at 31 December 2008 was:

| | Total capital and reserves as at 31 December 2008* £000 | Profit/(loss) on ordinary activities after taxation for the year ended 31 December 2008* £000 | Percentage of share capital held | Class of share |
|------------------------|---|---|--|--------------------------|
| <i>Holding Company</i> | | | | |
| Willis Europe BV | 481,292 | 25,592 | 33.42% | Ordinary of €453.78 each |

* This financial information is unaudited.

The associate undertaking is incorporated in the Netherlands.

The Company is exempt from the obligation to prepare group financial statements in accordance with Section 228A of the Companies Act 1985 (as amended) as the Company is a wholly-owned subsidiary of Willis Group Holdings Limited, in whose financial statements it is consolidated. These financial statements relate to the Company only and not to its Group.

In the opinion of the Directors, the value of the shares in the associate undertakings is not less than the amount shown in the balance sheet.

| | 2008 £000 | 2007 £000 |
|--|--------------|--------------|
| 9. Creditors: amounts falling due within one year | | |
| Amounts owed to Group undertaking | 64,303 | 64,303 |

| | 2008 Number | 2007 Number |
|--|----------------|----------------|
| 10 Called up share capital | | |
| Authorised share capital | | |
| Ordinary shares of £10 each | 15,000,000 | 15,000,000 |
| | 2008 £000 | 2007 £000 |
| Allotted, called up and fully paid | | |
| 8,005,002 (2007:8,005,002) ordinary shares of £10 each | 80,050 | 80,050 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

| 11. Reserves and shareholders' capital | Share capital £000 | Profit and loss account £000 | Total £000 |
|---|-----------------------------------|---|-----------------------|
| 1 January 2008 | 80,050 | 74 | 80,124 |
| Profit on ordinary activities after taxation | - | 15,945 | 15,945 |
| Dividends paid | - | (15,945) | (15,945) |
| 31 December 2008 | 80,050 | 74 | 80,124 |

12. Related party transactions

FRS8 (paragraph 3(c)) exempts the reporting of transactions between Group companies in the financial statements of companies 90% or more of whose voting rights are controlled within the Group. The Company has taken advantage of this exemption. There are no other transactions requiring disclosure.