



**JARDINE LLOYD THOMPSON GROUP plc ACQUIRES BUSINESS PORTFOLIO  
AND RELATED ASSETS OF HCC RETAIL BROKING SUBSIDIARY**

5<sup>th</sup> January 2004:

Jardine Lloyd Thompson Group plc ("JLT") announces today that its US-based subsidiary, Capital Risk LLC, has acquired the business portfolio and related assets of HCC Employee Benefits Inc, effective from 31<sup>st</sup> December 2003.

The business acquired specialises in the broking of life, accident and health insurance, is headquartered in Houston, Texas, and formerly owned by HCC Insurance Holdings ("HCC"). For the year to 31<sup>st</sup> December 2002 the business had turnover of US\$22.1 million and a profit before taxation, excluding HCC corporate charges and expenses, of \$11.5 million. The value of the net assets acquired is approximately \$0.7 million. As part of this transaction it is anticipated that 60 employees will be transferring to Capital Risk.

The consideration payable is equal to 6.25 times 2004 profit before taxation. The initial consideration of \$62.5 million, which is payable on completion, will be funded by JLT from its own cash resources. Deferred consideration of up to a further \$25 million may be paid in 2005 dependent, as described above, on the profit achieved by the acquired business in 2004.

This acquisition adds a new specialist capability to Capital Risk and will diversify and strengthen its scope of business.

John Molbeck, Chief Executive of Capital Risk, said:

***"This acquisition reflects the Capital Risk US strategy of focusing on specialty high margin business. It has a first class client base, a highly skilled staff and management team with a proven track record of success".***

Steve McGill, Chief Executive of JLT, said:

***"JLT has pursued a very successful acquisition and recruitment strategy during the course of 2003. This acquisition is a further important example of how JLT is continuing to build a leading speciality retail broking business in the United States."***



JARDINE LLOYD THOMPSON  
Group plc

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**Note to Editors:**

Jardine Lloyd Thompson Group plc is the world's fifth largest insurance broker and the largest UK and European based broker quoted on the London Stock Exchange with a market capitalisation in excess of £1 billion. JLT operates in 30 countries with over 4,200 staff.