

WILLIS JAPAN LIMITED

(Registered Number 1689758)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

Directors

SE Wood (appointed 14 October 2009)
SK Bryant (appointed 14 October 2009)

Secretary

SK Bryant

Registered Office

51 Lime Street
London EC3M 7DQ

Auditors

Deloitte LLP
London



DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The Directors present their annual report, together with the audited financial statements, for the year ended 31 December 2009

Principal activities and review of developments

Following the closure of its branch operation in Tokyo and the conclusion of various employee secondments the Company ceased to provide Japanese retail insurance, international insurance and reinsurance activities from the end of 2007. The Company now acts as a holding company and is a subsidiary of Willis Group Holdings plc ('the Group'). The Group 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.

Up to 30 December 2009 the Company's ultimate parent company was Willis Group Holdings Limited, a company incorporated in Bermuda. On 31 December 2009 the Group redomiciled its ultimate parent company to Ireland. As a result Willis Group Holdings plc, a company incorporated in Ireland, replaced Willis Group Holdings Limited as the ultimate parent company.

Results

The loss on ordinary activities after taxation amounted to £4k (2008 profit of £18k)

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

Dividends

No interim dividend was paid during the year (2008 £nil). The Directors do not recommend the payment of a final dividend (2008 £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 415A of the Companies Act 2006.

Directors

The current Directors of the Company are shown on page 1, which forms part of this report. MP Chitty and Willis Corporate Director Services Limited resigned as Directors of the Company on 31 July 2009 and 14 October 2009 respectively. SE Wood and SK Bryant were appointed as Directors of the Company with effect from 14 October 2009. 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 2006. 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 2009 (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 2006) 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 418 of the Companies Act 2006

Auditors

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

By order of the Board



S K Bryant
Secretary
22nd July 2010

51 Lime Street
London EC3M 7DQ

We have audited the financial statements of Willis Japan Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Movement in Shareholders' Funds and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed,
- the reasonableness of significant accounting estimates made by the Directors, and
- the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

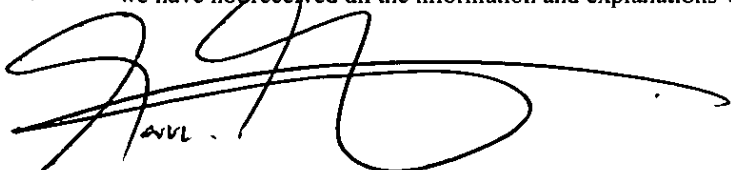
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

A large, stylized handwritten signature in black ink, appearing to be 'M. McIlquham', written over the list of matters.

Mark McIlquham (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London
United Kingdom

22 July 2010

WILLIS JAPAN LIMITED

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 £000	2008 £000
Operating expenses		(5)	26
Operating (loss)/profit and (loss)/profit on ordinary activities before taxation	2	(5)	26
Tax credit/(charge) on profit on ordinary activities	4	1	(8)
(Loss)/profit on ordinary activities after taxation		(4)	18

All activities derive from discontinued operations

There are no recognised gains or losses in either 2009 or 2008 other than the loss or profit for those years

WILLIS JAPAN LIMITED

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BALANCE SHEET AS AT 31 DECEMBER 2009

	Note	2009 £000	2008 £000
Fixed assets			
Investments	5	499	499
Current assets			
Debtors amounts falling due within one year	7	1	295
Current liabilities			
Creditors amounts falling due within one year	8	(187)	(477)
Net current liabilities		(186)	(182)
Net assets		313	317
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account	10	312	316
Shareholders' funds		313	317

The financial statements of Willis Japan Limited, registered company number 1689758 were approved by the Board of Directors and authorised for issue on 22nd July 2010 and signed on its behalf by



SE Wood
Director

MOVEMENT IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDING 31 DECEMBER 2009

Movement in shareholders' funds	2009 £000	2008 £000
(Loss)/profit on ordinary activities after taxation	(4)	18
Net movement in shareholders' funds for the year	(4)	18
Shareholders' funds at beginning of year	317	299
Shareholders' funds at end of year	313	317

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

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. The 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 £186,000 (2008: £182,000), all of this is attributable to a net intercompany creditor. If this were to require settlement, the Group would arrange for either a dividend from the Company's subsidiary 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 Faber Limited, and
- ultimate parent and controlling company is Willis Group Holdings plc, a company incorporated in Ireland.

Up to 30 December 2009 the Company's ultimate parent company was Willis Group Holdings Limited, a company incorporated in Bermuda. On 31 December 2009 the Group redomiciled its ultimate parent company to Ireland. As a result Willis Group Holdings plc, a company incorporated in Ireland, replaced Willis Group Holdings Limited as the ultimate parent company.

In accordance with Section 400 of the Companies Act 2006, 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 plc, whose financial statements are available to members of the public from the Company Secretary, 51 Lime Street, London EC3M 7DQ.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

1. Accounting policies (continued)**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.

Fixed asset investments

Investments in subsidiaries 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. Operating (loss)/profit

Auditors' remuneration of £2,600 (2008 £2,600) was borne by another Group company.

3. Employee costs

The Company employed no staff during the year (2008 none).

4. Directors' remuneration

The Directors of the Company received no remuneration for services rendered to the Company during the year (2008 £nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

5. Tax (credit)/charge on (loss)/ profit on ordinary activities	2009 £000	2008 £000
<i>(a) Analysis of (credit)/charge for the year</i>		
Current tax		
UK corporation tax on (loss)/profit at 28% (2008 28.5%)	(1)	8
Current tax (credit)/charge on (loss)/profit on ordinary activities (note 5(b))	(1)	8

(b) Factors affecting tax (credit)/ charge for the year

The tax assessed for the year is equal to (2008 equal to) the standard rate of corporation tax in the UK (28%) (2008 28.5%)

(c) Circumstances affecting current and future tax charges

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

6. Investments held as fixed assets	Subsidiary undertaking £000
<i>Cost</i>	
1 January 2009 and 31 December 2009	499
<i>Provisions</i>	
1 January 2009 and 31 December 2009	-
<i>Net book value 31 December 2009 and 31 December 2008</i>	499

Investments held as fixed assets comprise the Company's investment in 100% of the ordinary share capital of Japan Holdings KK, a holding company within the Group

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

7. Shares in subsidiary undertaking

The principal subsidiary undertaking at 31 December 2009 was

	Percentage of share capital held	Class of share	Country of incorporation
<i> Holding Company </i>			
Willis Japan Holdings KK	100%	Ordinary of JPY1 each	Japan

The Company is exempt from the obligation to prepare group financial statements in accordance with Section 400 of the Companies Act 2006 as the Company is a wholly-owned subsidiary of Willis Group Holdings plc, 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 subsidiary undertakings is not less than the amount shown in the balance sheet.

8. Debtors	2009 £000	2008 £000
<i> Amounts falling due within one year </i>		
Amounts owed by Group undertaking	-	295
Amounts owed by Group undertaking in respect of group relief	1	-
	<u>1</u>	<u>295</u>

9. Creditors: amounts falling due within one year	2009 £000	2008 £000
Amounts owed to Group undertaking	187	469
Amounts owed to Group undertaking in respect of group relief	-	8
	<u>187</u>	<u>477</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009 (continued)

10. Called up share capital	2009 Number	2008 Number
Authorised share capital		
Ordinary shares of £1 each	1,000	1,000
	2009 £000	2008 £000
Allotted, called up and fully paid		
1,000 (2008 1,000) ordinary shares of £1 each	1	1

11. Reserves and shareholders' funds	Share capital £000	Profit and loss account £000	Total £000
1 January 2009	1	316	317
Loss on ordinary activities after taxation	-	(4)	(4)
31 December 2009	1	312	313

12 Related party transactions

FRS8 (paragraph 3(c)) exempts the reporting of transactions between group companies in the financial statements of companies that are wholly owned within the group. The Company has taken advantage of this exemption. There are no other transactions requiring disclosure.