

The Sixth Annual BPM Summit

October 27, 2008

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Additionally, at certain times the Company will use non-GAAP financial measures, which the Company believes better describes the ongoing financial results and trends of the business. The required reconciliation of these measures to GAAP measures are included in the "Appendix" of this presentation.

Aon's Financial Management

- Aon is a professional services firm focused on two key areas of the global economy: risk and human capital management
- Demand for both of these areas is growing substantially, as the world becomes more complex and risky, and people management becomes a larger driver of value growth
- We manage Aon's performance via three key metrics:
 1. Organic revenue growth
 2. PTI margin
 3. EPS
- We committed to our shareholders we would grow these key metrics simultaneously every year (not every quarter)
- As we think about optimizing our portfolio and our return for shareholders, we make all our capital decisions based on ROC. This is used to optimize between our five major uses of cash:
 1. Share buyback
 2. Dividends
 3. M&A
 4. Organic investment
 5. Pension
- We are transforming Aon Finance Organization to improve both efficiency and effectiveness

Aon is a Professional Services Firm

Aon is focused on advising clients in two key areas of global economy:
risk and human capital management

TOTAL = \$ 7.5 Billion*



RISK AND INSURANCE BROKERAGE

- No.1 Primary Insurance Broker Globally
- No.1 Reinsurance Broker Globally
- Improving Customer Satisfaction – No.1 in 2008 Lehman Customer Satisfaction Survey

CONSULTING

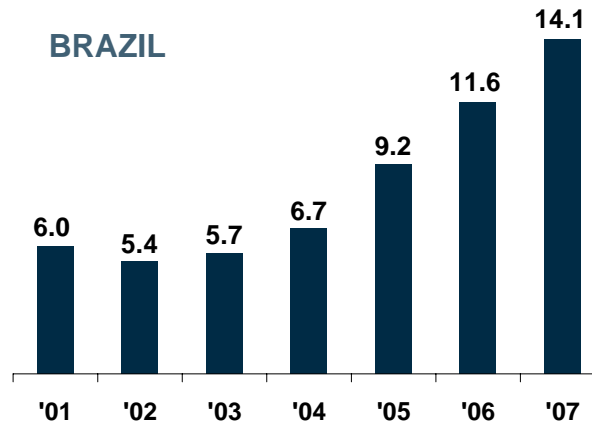
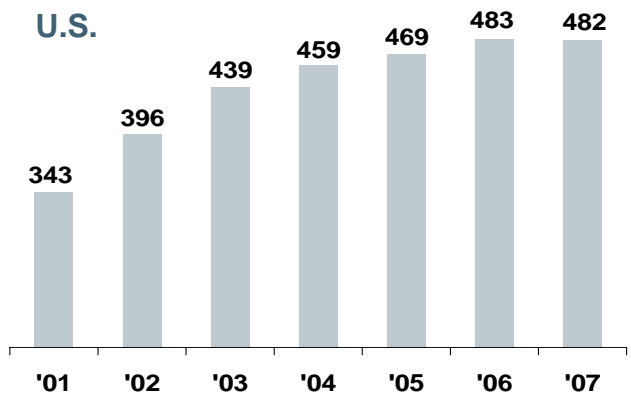
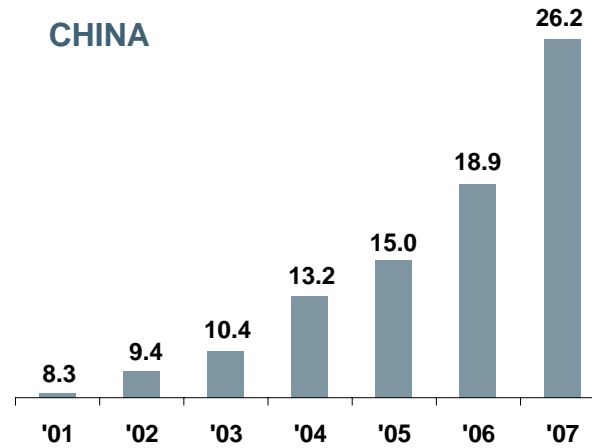
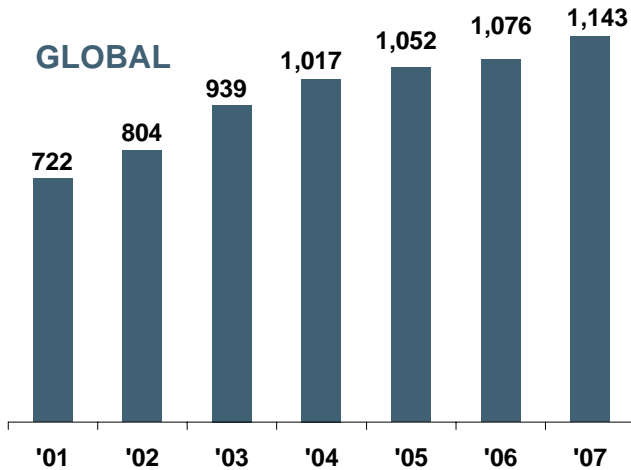
- No.2 Employee Benefits US
- No.3 Employee Benefits Globally

* FY2007 Results. Excludes underwriting businesses that were divested on April 1, 2008

Risk Is Increasing in Size and Complexity

NON-LIFE WRITTEN PREMIUMS HAVE INCREASED 8% GLOBALLY

(2001-2007, \$ Billions)



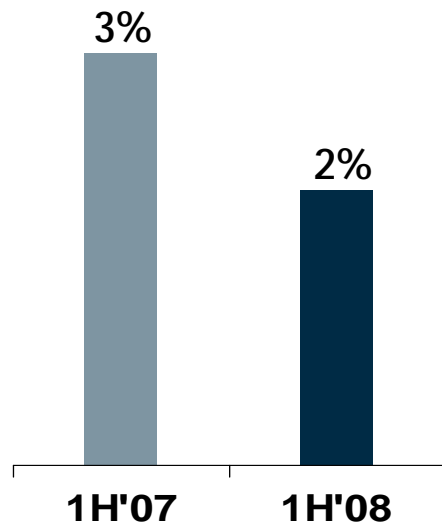
COMPLEXITY IS INCREASING

- Recent financial market turmoil highlights downside of managing capital poorly
- Misunderstanding risk can be fatal
- Scrutiny of risk is increasing. Boards, CEOs, CFOs, Treasurers, Risk Managers are all actively involved.

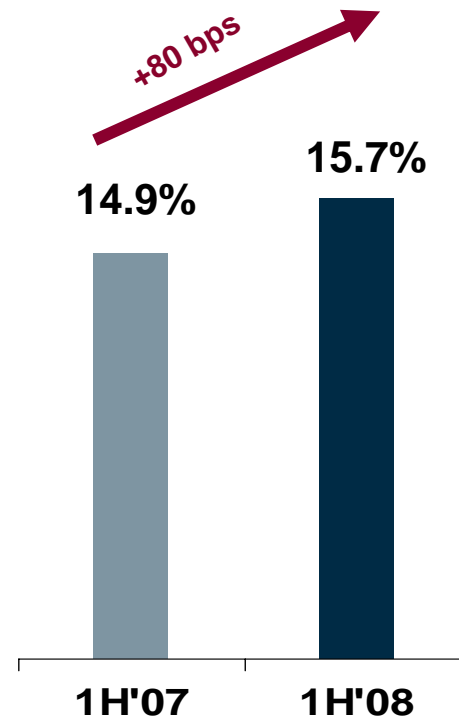
SOURCE: AXCO Insurance Information Services

Managing Performance via Three Key Metrics

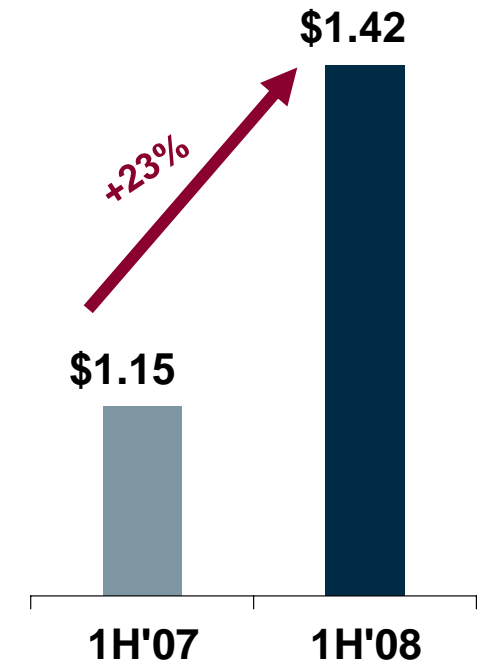
1. ORGANIC REVENUE GROWTH



2. PRETAX MARGIN*

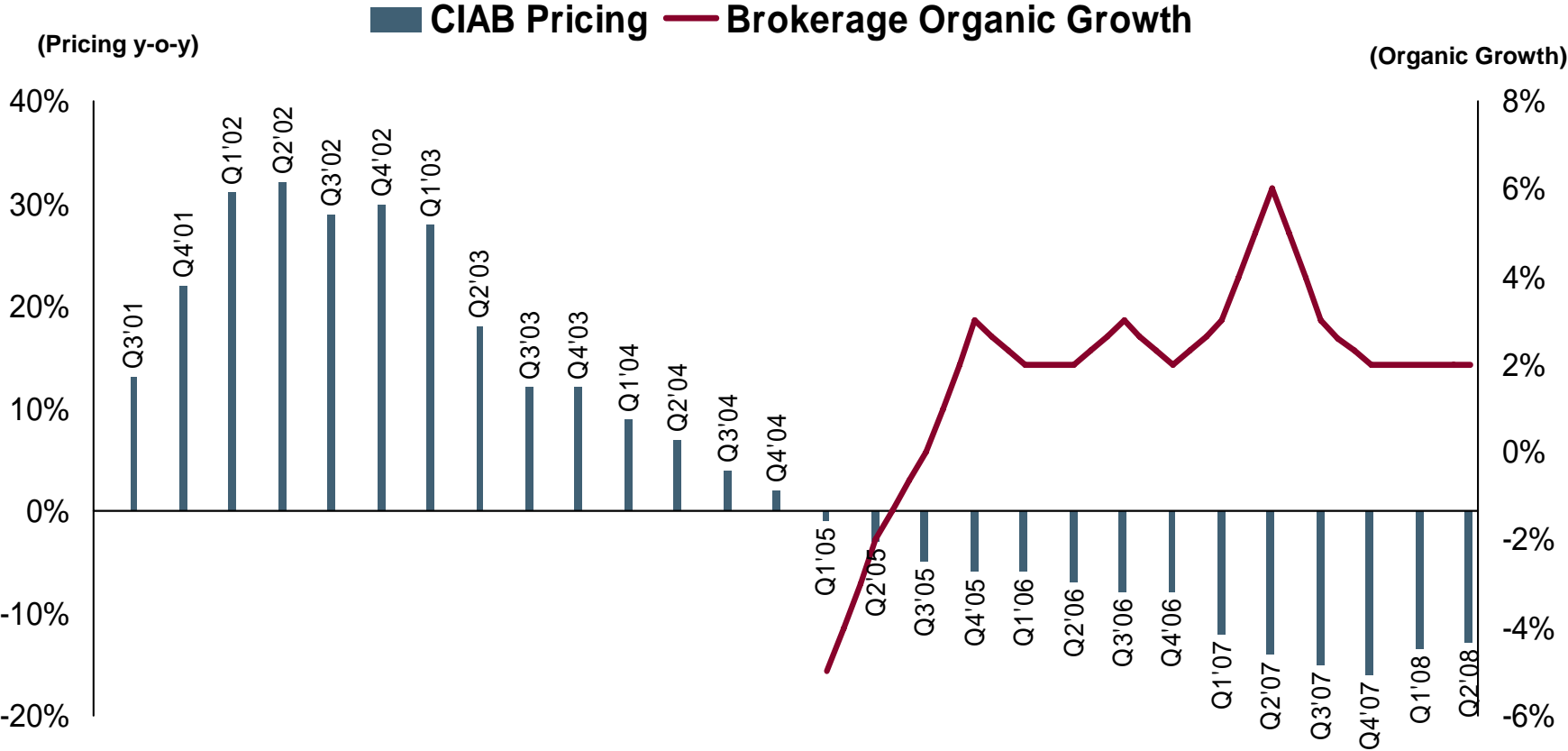


3. EPS FROM CONTINUING OPS*



* See Appendix for non-GAAP reconciliation

Results: Solid Organic Growth in Soft Market Conditions



Results: Improving Colleague Productivity / Efficiency

BROKERAGE



COLLEAGUES

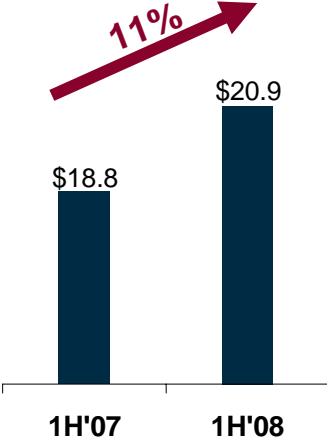
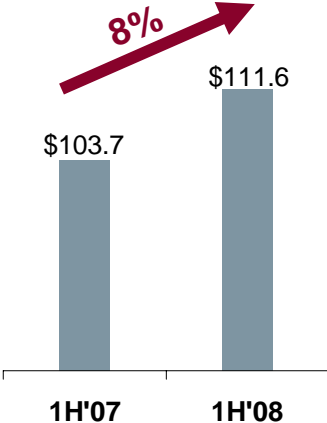
1H'08 – 28,890

1H'07 – 28,661

(\$'000s)

REVENUE PER COLLEAGUE*

PRETAX INCOME PER COLLEAGUE*



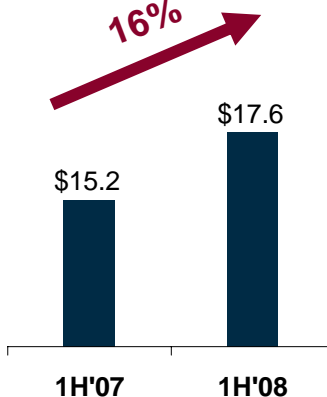
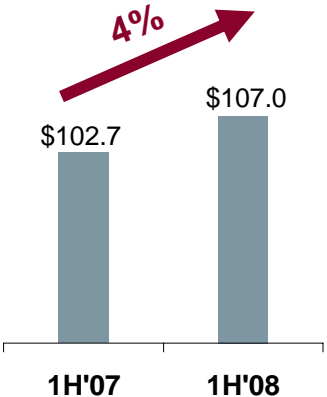
CONSULTING



COLLEAGUES

1H'08 – 6,346

1H'07 – 6,371



* See Appendix for non-GAAP reconciliation

Restructuring Programs are Delivering Savings

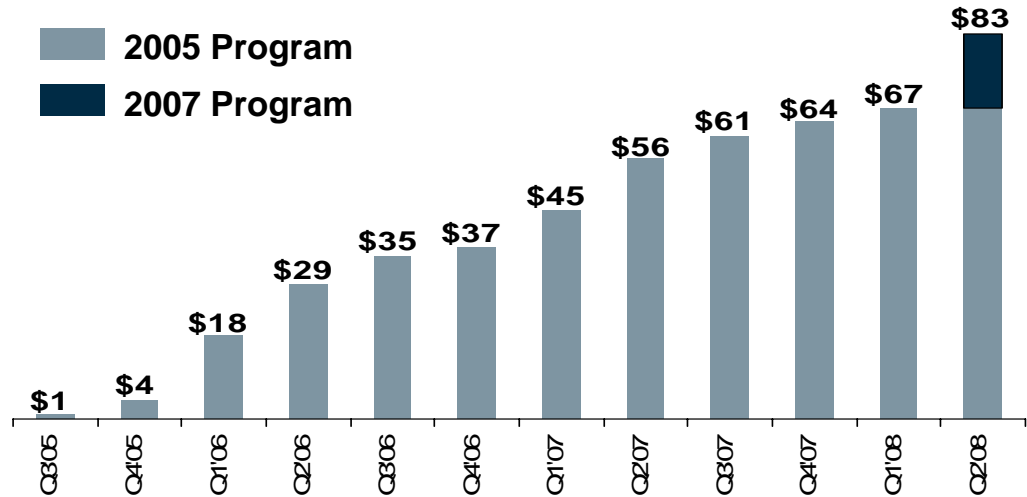
2005 PROGRAM

- Focused on Brokerage in the UK and US - 3,200 headcount reduction
- All charges related to program have been incurred - \$353 million
- Cumulative savings of \$225 million in 2007 with \$270 million of cumulative savings anticipated in 2008

2007 PROGRAM

- Focused on Brokerage in EMEA and Americas - ~2,400 headcount reduction
- Charges of ~\$360 million expected through 2009, \$159 million through 2Q'08
- Annualized savings of ~\$50-70 mil in 2008, \$175-200 mil in 2009 and \$240 mil annualized in 2010

RESTRUCTURING SAVINGS (\$ millions)



RESTRUCTURING CHARGES (\$ millions)



Results: Clients Are Relying on Aon For More Than Traditional Brokerage Services

CASE EXAMPLE: FORTUNE 500 BIOTECH

ISSUES

- Concentration of physical assets and exposures
- Supply chain interruption
- Exposure to California earthquake

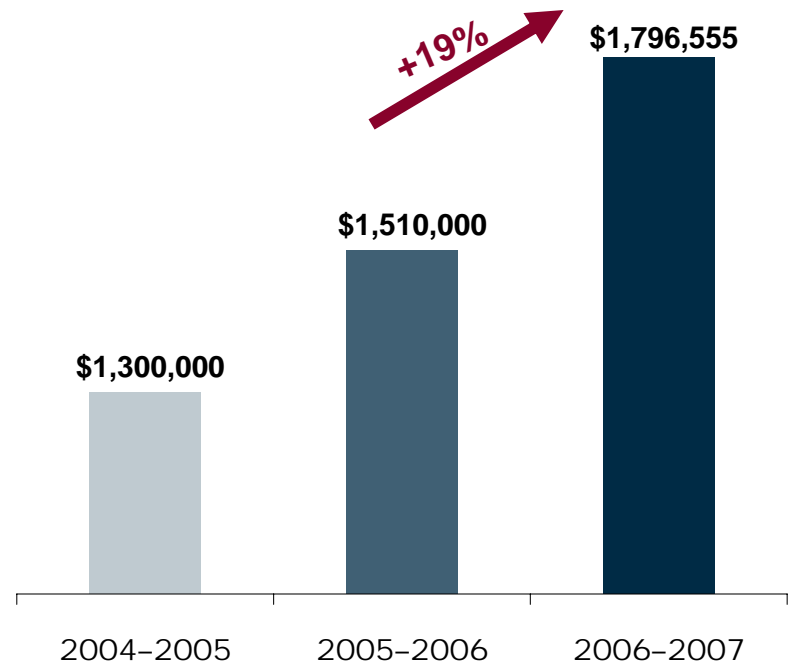
VALUE PROPOSITION

- Provided significant biotech industry experience
- Constructed dynamic ERM model with key input variables capable of determining loss projections

OUTCOMES

- Aon awarded entire commercial insurance business from incumbent broker of 15 years
- Aon secured a \$100 million increase in contingent business interruption insurance for client
- Completed captive feasibility studies

TOTAL COMPENSATION FROM CLIENT



“Risk management is now embedded in all decisions throughout the company and no capital decisions are made without a risk assessment”Client Risk Manager

Return on Capital Drives Value Maximization

We use ROC as the metric to determine the optimal use of cash for shareholders.

1. SHARE REPURCHASE

- This is the primary use of cash to date, with \$3.7B invested over last 3 years, and sets the bar we compare all other uses of cash against.

2. DIVIDENDS

- Annual dividend of \$0.60 cents per share

3. M&A

- Completed \$200-300m of acquisitions each year for last 3 years. Primarily small international brokerage.
- Benfield Group is the exception to this, where the ROC was greater than share repurchase

4. ORGANIC INVESTMENT

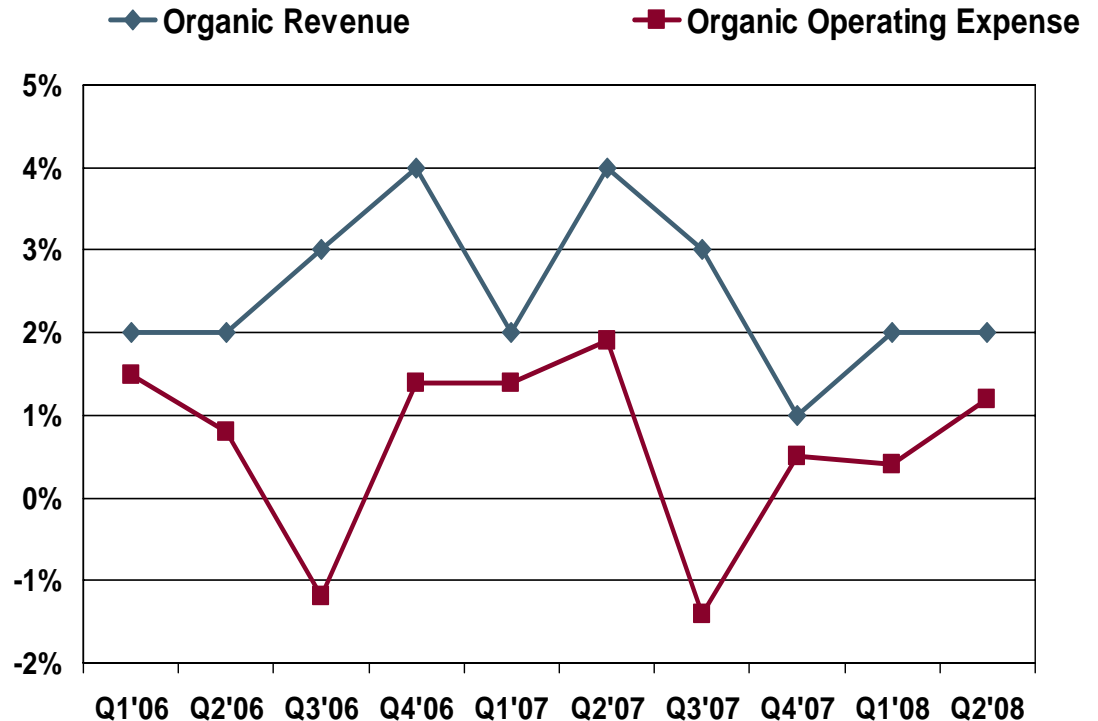
- Invested approx. \$100m per year over last 3 years in new markets, talent, technology

5. PENSION

- Contributed approx \$200m per year for unfunded pension plans, primarily in UK

Effectively Managing Operating Expenses

- Average organic revenue growth is 2.5%, while average organic operating expense increase is 0.7%
- Target is to maintain a 200+ bps delta between organic revenue and expense
- 2005 & 2007 restructuring programs are delivering savings

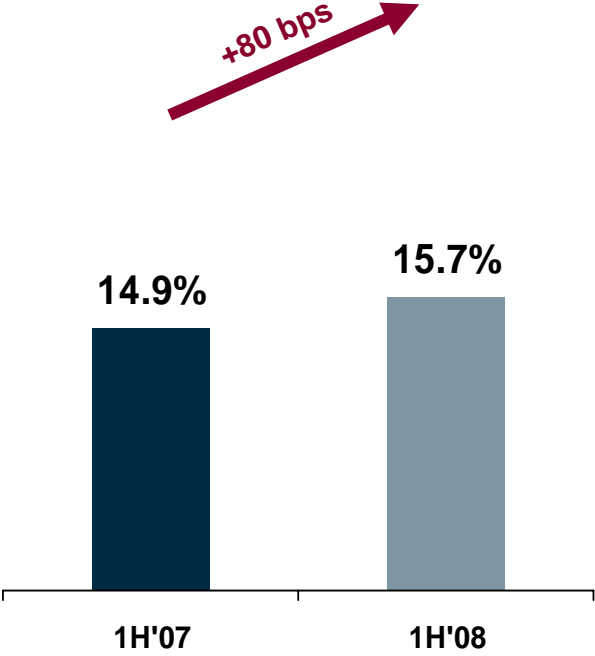


Expense initiatives are delivering meaningful margin improvement and enabling investment in future growth

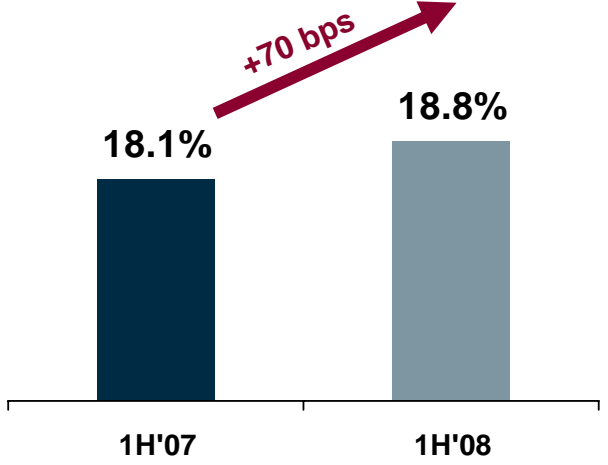
* Excludes restructuring, acquisitions, dispositions, foreign currency, settlements and other unusual items

Results: Continued Margin Improvement In First Half 2008

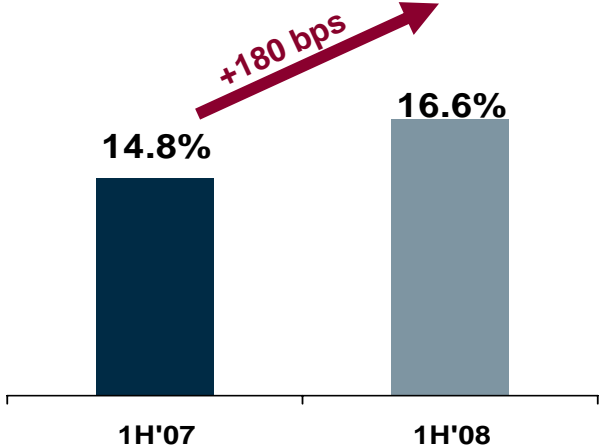
TOTAL PRETAX MARGIN*



RISK & INSURANCE BROKERAGE*



CONSULTING*



* See Appendix for non-GAAP reconciliation

While Funding Investments In Future Growth

NEW MARKETS and TALENT



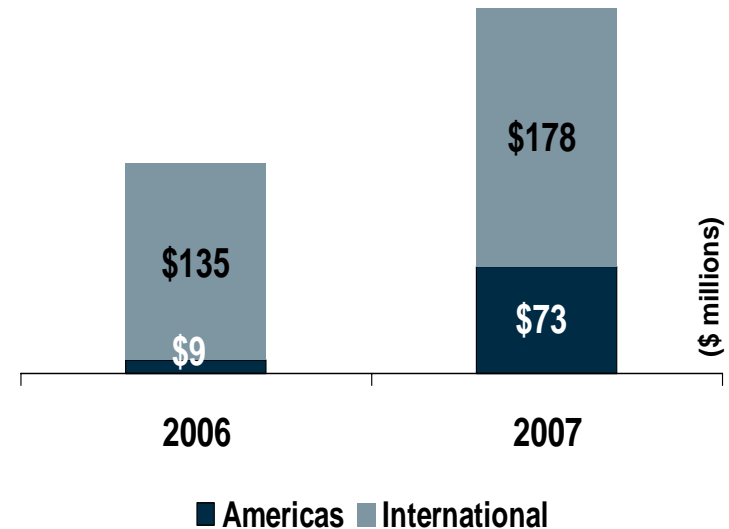
- Construction
- Environmental
- Facultative Reinsurance
- Marine
- Aviation
- Life Sciences
- Affinity Programs – Footman James, Latin America
- Leadership in Key Markets – San Francisco, Los Angeles, Atlanta, Phoenix

TECHNOLOGY



- Client facing – Valley Oak Systems
- Core infrastructure

ACQUISITIONS



Primarily focused in Brokerage

Aon Finance 2010 Vision – Transforming Finance Organization

Mission Statement

Build a global, world class finance organization that partners with our business leaders to provide full, fair financial statements and objective, insightful, strategic financial direction while driving financial discipline and controls throughout the enterprise.

Control Objectives

- Govern business processes and manage risks effectively
- Provide a “Single Version of the Truth” for financial information

Effectiveness Objectives

- Timely, accurate, and meaningful insights delivered across the enterprise to enable strategic partnering with the business
 - Better financial forecasting predictability
 - Maximize return on capital on behalf of our shareholders

Efficiency Objectives

- World class finance services delivered at a significantly lower run-rate cost
 - Heavily leverage shared services and outsourcing strategies for transactional activities
 - Adopt standard reports and metrics across business units

Talent Objectives

- Aon finance is a destination of choice for top finance talent in the industry
- Commitment to a career development program

Aon Finance 2010

What does it take to succeed and grow?

- **Leadership**
 - CEO
 - CFO
- **Teamwork**
 - Build the vision together
 - Teams WIN!
- **Attitude**
 - Walk the talk – failure is not an option
 - Careful about body language

Aon Global Finance Transformation: How we are doing it.

- **Set stretch, but achievable targets**
 - Baselined our cost
 - Validated our global organizational footprint
 - Benchmarked vs. others and across regions and BU's
- **Set Organizational guiding principles**
 - Separate FP&A and controller function
 - Align FP&A structure with business structure
 - Get spans and layers right
 - Simplify reporting lines and structures
 - Career paths and step-up opportunities for key talent
- **Resourced and tracking progress**
 - Appointed the right senior leaders sponsoring initiatives and held them accountable
 - Provided adequate support to leaders (>3 full-time project managers)
 - Key stakeholders “doing the work” with support, not just approving the outcome
 - Tracking progress weekly with senior leadership team; course correct as needed

Key Takeaways

- **Magnitude and complexity of risk is increasing globally**
- **Position of strength as the #1 intermediary of primary risk insurance and reinsurance**
- **Simplified our global organization through the sale of our more capital intensive Underwriting businesses, generating \$2.7 billion of after-tax proceeds**
- **Leveraging our industry-leading network of global resources and capabilities**
- **Reinforcing a culture that is held accountable for performance and delivering distinctive client value**
- **Managing expenses while making significant investments in our future**
- **Returning excess capital primarily through share repurchase program and dividends**
- **Undergoing significant global finance transformation to improve effectiveness and efficiency**