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## News Release

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## Mercer to acquire Callan Associates, creating one of the largest investment consulting businesses in the United States

New York and San Francisco, February 17, 2009

Mercer announced today that it has signed a definitive agreement to merge its investment consulting business with Callan Associates, creating one of the largest investment consulting businesses in the United States. Upon completion of the transaction, Mercer will have strengthened its US investment consulting business and its leading position in global investment consulting.

The transaction is expected to close near the end of the first quarter of 2009.<sup>1</sup> Terms of the agreement were not disclosed.

“Clearly, this combination will position Mercer as one of the top US leaders in investment consulting,” said M. Michele Burns, chairman and chief executive officer of Mercer. “Callan’s solid US presence complements our US investment consulting strength, along with our strong positions in Canada, Europe and Asia Pacific. This transaction demonstrates Mercer’s commitment to invest in businesses that provide long-term strategic growth and in high-quality investment consulting services that benefit clients.”

While Mercer’s investment consulting business will be well positioned for future growth, providing top-tier service to clients remains first and foremost the objective of the merged business.

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<sup>1</sup> Subject to customary approvals and conditions.

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“Callan has been a leader in the investment consulting industry for over 35 years in the United States and by combining forces with Mercer, a global leader, we can offer clients a wider range of tools and resources, top-notch professional advice and enhanced research, educational and quantitative services,” said Ronald D. Peyton, chairman and chief executive officer of Callan Associates.

“With approximately 1,100 investment consulting employees in 41 offices around the world, Mercer will have the resources to offer clients customized guidance at every stage of the investment decision, risk management and investment monitoring process,” said Andrew Kirton, global head of Mercer’s investment consulting business. “Our clients will have access to leading intellectual capital, deep and broad-based manager research, and the most committed and experienced consultants in the industry.”

Callan Associates currently has US offices in San Francisco, Atlanta, Denver, Chicago and Florham Park, NJ, and the combined business will continue to have a presence in those cities in conjunction with Mercer’s US investment consulting offices in New York, Atlanta, Boston, Chicago, Dallas, Los Angeles, Philadelphia, Princeton, Richmond, San Francisco, Seattle and Washington, DC.

“Both Callan and Mercer have similar business models, cultures and values, and share a commitment to excellence,” said Jeff Schutes, Mercer’s US investment consulting leader. “In the current challenging investment environment, we believe combining our resources will significantly improve our ability to help clients make informed, sound and strategic investment decisions.”

The companies also share the philosophy that a successful consulting organization must be one that is entirely focused on meeting client needs – and leaders at both firms recognize that the ongoing client experience will ultimately determine the success of Mercer investment consulting going forward.

“We sincerely believe our clients will benefit from the experience, resources and global reach of the new organization and it is our priority that our consultants remain keenly focused on ensuring that each and every relationship continues to be serviced at the highest level,” said Jim Callahan, executive vice president, Fund Sponsor Consulting at Callan Associates. “Our clients can expect a seamless transition as we combine the two organizations and we look forward to having the opportunity to build upon the great relationships we have worked so hard to cultivate.”

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#### About Mercer

Mercer is a leading global provider of consulting, outsourcing and investment services. Mercer works with clients to solve their most complex benefit and human capital issues, designing and helping manage health, retirement and other benefits. It is a leader in benefit outsourcing. Mercer's investment services include investment consulting and multi-manager investment management. Mercer's 18,000 employees are based in more than 40 countries. The company is a wholly owned subsidiary of Marsh & McLennan Companies, Inc., which lists its stock (ticker symbol: MMC) on the New York, Chicago and London stock exchanges. For more information, visit [www.mercer.com](http://www.mercer.com).

#### About Callan Associates

Founded in 1973, Callan Associates is one of the largest independently-owned investment consulting firms in the country. Headquartered in San Francisco, Calif., the firm provides research, education, decision support and advice to a broad array of institutional investors through five distinct lines of business: Fund Sponsor Consulting, Independent Adviser Group, Institutional Consulting Group, Callan Investments Institute and the Trust Advisory Group. Callan employs more than 170 people and maintains four regional offices located in Denver, Chicago, Atlanta and Florham Park, NJ. For more information, visit [www.callan.com](http://www.callan.com).

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