

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): August 1, 2007

**Willis Group Holdings Limited**

(Exact Name of Registrant as Specified in Its Charter)

**Bermuda**

(State or Other Jurisdiction of Incorporation)

**001-16503**

(Commission File Number)

**98-0352587**

(IRS Employer Identification No.)

**c/o Willis Group Limited  
Ten Trinity Square  
London EC3P 3AX, England**

(Address of Principal Executive Offices)

**(44) (20) 7488-8111**

(Registrant's Telephone Number, Including Area Code)

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition.**

On August 1, 2007, Willis Group Holdings Limited (“WGHL”) issued a press release reporting results for the quarter ended June 30, 2007. A copy of the press release is attached as Exhibit 99.1 to this Report on Form 8-K and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

99.1 Press Release of WGHL dated August 1, 2007

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WILLIS GROUP HOLDINGS LIMITED

Date: August 1, 2007.

By: /s/ Adam G. Ciongoli

Name: Adam G. Ciongoli

Title: General Counsel

## **EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of WGHL dated August 1, 2007

## NEWS RELEASE

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### **Willis Group Reports Strong Second Quarter 2007 Results**

**Earnings per Diluted Share Increased 20 Percent;**

**Six Percent Reported Revenue Growth;  
Four Percent Organic Growth in Commissions and Fees;**

**Operating Margin up 190 Basis Points to 22.0 percent**

**New York, NY, August 1, 2007** – Willis Group Holdings Limited (NYSE: WSH), the global insurance broker, today reported results for the quarter and six months ended June 30, 2007.

“Our results this quarter once again illustrate the diligent execution of our Shaping our Future strategies for growth, productivity and efficiency,” said Joe Plumeri, Chairman and Chief Executive Officer. “The top line is growing nicely despite the very soft market conditions; we are realizing cost savings identified last year, maintaining ongoing expense discipline and managing capital.”

#### **Second Quarter 2007 Financial Results**

Net income for the quarter ended June 30, 2007 was \$78 million compared with \$72 million a year ago, an increase of 8 percent. Earnings per diluted share increased 20 percent to \$0.54 in the quarter ended June 30, 2007, up from \$0.45 a year ago. The impact of foreign currency translation decreased second quarter 2007 earnings per diluted share by \$0.03 compared with the second quarter 2006.

Total reported revenues for the quarter ended June 30, 2007 rose 6 percent to \$626 million compared to \$593 million in the second quarter 2006. The effect of foreign currency translation increased reported revenues by 2 percent.

Organic growth in commissions and fees, which excludes market remuneration, was 4 percent in the second quarter 2007. This growth was attributed to net new business won of 5 percent; there was a negative 1 percent impact from declining premium rates tempered by other market factors such as higher commission rates, higher insured values and changes in limits and exposures.

The International business unit contributed 7 percent organic growth in commissions and fees in the second quarter 2007 and North America contributed 5 percent growth. Global, which comprises Reinsurance and Global Specialties, had zero organic growth in the second quarter 2007 primarily due to the timing of some non-recurring income.

Operating margin was 22.0 percent for the quarter ended June 30, 2007 compared with 20.1 percent for the same period last year, an increase of 190 basis points. The margin improvement continued to be driven by Shaping our Future initiatives, cost savings from the 2006 charges, good expense control and lower pension expense. This was tempered by the negative effect of foreign currency translation in the second quarter 2007.

We continue to estimate that the annualized net benefit from the 2006 Shaping our Future charges will be approximately \$20 million in 2007, \$30 million by 2008 and \$45 million by 2009.

Salaries and benefits expenses were \$360 million, or 57.5 percent of total revenues, in the second quarter 2007. This ratio compares favorably with \$351 million, or 59.2 percent of total revenues in the prior year quarter. Other operating expenses were \$114 million, or 18.2 percent of total revenues, in the second quarter 2007, comparable to \$108 million, or 18.2 percent of revenues, in the second quarter 2006. Practical completion of the new building in London was achieved at the end of the second quarter; additional lease expense of \$7 million per quarter will be recognized beginning third quarter 2007.

### **Six Months 2007 Financial Results**

Net income for the six months ended June 30, 2007 was \$247 million compared with \$212 million a year ago, an increase of 17 percent. Earnings per diluted share increased 24 percent to \$1.65 in the six months ended June 30, 2007, up from \$1.33 a year ago. The effect of foreign currency translation increased earnings per diluted share by \$0.01 through the six months ended June 30, 2007 compared with the same period in 2006.

Total reported revenues for the six months ended June 30, 2007 were \$1.4 billion, an increase of 8 percent compared to the prior year. The effect of foreign currency translation increased reported revenues by 2 percent and net acquisitions of operations increased reported revenues by 1 percent.

Organic growth in commissions and fees was 5 percent for the six months ended June 30, 2007. This growth was attributed to net new business won of 6 percent; there was a negative 1 percent impact from declining premium rates tempered by other market factors such as higher commission rates, higher insured values and changes in limits and exposures.

Operating margin was 27.5 percent for the six months ended June 30, 2007 compared to 25.6 percent for the same period last year, an improvement of 190 basis points. The margin improvement continued to be driven by execution of Shaping our Future initiatives, good expense control and lower pension expense.

The Company has provided for an effective underlying tax rate in the six months ended June 30, 2007 of 30.5 percent, excluding the tax effects of the disposal of the UK head office and share-based compensation.

## **Capital Management**

The Board of Directors today declared a regular quarterly cash dividend on the Company's common stock of \$0.25 per share, an annual rate of \$1.00 per share. The dividend is payable on October 15, 2007 to shareholders of record on September 30, 2007.

The Company made no additional share repurchases in the second quarter 2007. For the six months ended June 30, 2007, a total of 11.5 million shares have been repurchased for \$458 million under accelerated share repurchase programs as part of the existing \$1 billion authorization program. There is \$331 million remaining under this authorization, which is anticipated to be utilized by the end of 2008.

In the second quarter 2007, the Company acquired Chicago-based InsuranceNoodle, a leading internet distributor of U.S. small business property-casualty insurance with annual revenues of approximately \$6 million. The Company also purchased an additional 17 percent holding in Coyle Hamilton Willis, the largest insurance and re-insurance broker, pensions, actuarial and risk management consultancy in the Republic of Ireland, raising its total shareholding to 86 percent.

As at June 30, 2007, cash and cash equivalents totaled \$142 million, total debt was \$1.2 billion and total stockholders' equity was approximately \$1.2 billion.

## **Outlook**

For the full year 2007, Willis expects to continue to grow organic revenue and expand adjusted operating margin modestly.

The Company expects to deliver breakout financial performance in the next few years. Specifically, by the full year 2010, the Company has set financial targets of salaries and benefits expense as a percentage of total revenues to be below 54 percent, adjusted operating margin of 28 percent or better and industry leading organic revenue growth.

"We are building a Company for success in all market environments, delivering solid, profitable growth this quarter despite the soft market," said Mr. Plumeri. "Our plan is to continue to execute Shaping our Future, and drive revenue growth while maintaining our ongoing expense discipline."

## **Conference Call and Web Cast**

A conference call to discuss second quarter 2007 results will be held August 2, 2007 at 8:00 a.m. Eastern Time. To participate in the live teleconference, please dial (888) 566-5771 (Domestic) or +1 (210) 839-8503 (International) with a passcode of "Willis." The live audio web cast (which will be listen-only) may be accessed at [www.willis.com](http://www.willis.com). This call will be available by replay starting at approximately 10:00 a.m., Eastern Time, and ending September 2, 2007 at 11:00 p.m. Eastern Time, by calling (888) 568-0906 (domestic) or +1 (203) 369-3788 (international) with no passcode, or by accessing the website.

Willis Group Holdings Limited is a leading global insurance broker, developing and delivering professional insurance, reinsurance, risk management, financial and human resource consulting and actuarial services to corporations, public entities and institutions around the world. Including our Associates, we have around 300 offices in some 100 countries, with a global team

of approximately 16,000 employees serving clients in some 190 countries. Additional information on Willis may be found on its website [www.willis.com](http://www.willis.com).

This press release may contain certain statements relating to future results, which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or those anticipated, depending on a variety of factors such as general economic conditions in different countries around the world, fluctuations in global equity and fixed income markets, changes in premium rates, the competitive environment and the actual cost of resolution of contingent liabilities. Further information concerning the Company and its business, including factors that potentially could materially affect the Company's financial results are contained in the Company's filings with the Securities and Exchange Commission.

This press release includes supplemental financial information which may contain references to non-GAAP financial measures as defined in Regulation G of SEC rules. Consistent with Regulation G, a reconciliation of this supplemental financial information to our generally accepted accounting principles (GAAP) information follows. We present such non-GAAP supplemental financial information as we believe such information is of interest to the investment community because it provides additional meaningful methods of evaluating certain aspects of the Company's operating performance from period to period on a basis that may not be otherwise apparent on a GAAP basis. This supplemental financial information should be viewed in addition to, not in lieu of, the Company's condensed consolidated statements of operations for the three and six months ended June 30, 2007.

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**WILLIS GROUP HOLDINGS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in millions, except per share data)  
(unaudited)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2007	2006	2007	2006
<b>Revenues</b>				
Commissions and fees	\$ 603	\$ 572	\$ 1,318	\$ 1,224
Investment income	23	21	47	40
Total Revenues	626	593	1,365	1,264
<b>Expenses</b>				
Salaries and benefits (including share-based compensation of \$9, \$5, \$18, \$8)	360	351	737	699
Other operating expenses	114	108	225	213
Depreciation expense and amortization of intangible assets	17	15	33	29
Gain on disposal of UK head office	(3)	-	(6)	-
Total Expenses	488	474	989	941
<b>Operating Income</b>	138	119	376	323
Interest expense	19	9	31	18
<b>Income before Income Taxes, Interest in Earnings of Associates and Minority Interest</b>	119	110	345	305
Income taxes	36	36	104	98
<b>Income before Interest in Earnings of Associates and Minority Interest</b>	83	74	241	207
Interest in earnings of associates, net of tax	(4)	-	15	14
Minority interest, net of tax	(1)	(2)	(9)	(9)
<b>Net Income</b>	\$ 78	\$ 72	\$ 247	\$ 212
<b>Earnings per Share</b>				
- Basic	\$ 0.55	\$ 0.46	\$ 1.68	\$ 1.35
- Diluted	\$ 0.54	\$ 0.45	\$ 1.65	\$ 1.33
<b>Average Number of Shares Outstanding</b>				
- Basic	142	157	147	157
- Diluted	145	159	150	159

**WILLIS GROUP HOLDINGS LIMITED**  
**SUPPLEMENTAL FINANCIAL INFORMATION**  
(in millions) (unaudited)

**1. Definitions of Non-GAAP Financial Measures**

We believe that investors' understanding of the Company's performance is enhanced by our disclosure of the following non-GAAP financial measures. Our method of calculating these measures may differ from those used by other companies and therefore comparability may be limited.

*Organic revenue growth*

Organic revenue growth excludes the impact of foreign currency translation, acquisitions and disposals and market remuneration from reported revenues. We use organic revenue growth as a measure of business growth generated by operations that were part of the Company at the end of the period.

**2. Revenue analysis**

Organic revenue growth is defined as revenue growth excluding the impact of foreign currency translation, acquisitions and disposals and market remuneration. The percentage change in reported revenues is the most directly comparable GAAP measure, and the following table reconciles this change to organic revenue growth by business unit for the three months ended June 30, 2007:

	Three months ended June 30,			Change attributable to			
	2007	2006 <sup>1</sup>	% Change	Foreign currency translation	Acquisitions and disposals	Market remuneration	Organic revenue growth
Global	\$ 186	\$ 185	1%	1%	0%	0%	0%
North America	197	190	4%	0%	0%	(1)%	5%
International	220	197	12%	5%	0%	0%	7%
Commissions and fees	603	572	5%	2%	0%	(1)%	4%
Investment income	23	21	10%	8%	0%	0%	2%
<b>Total revenues</b>	<b>\$ 626</b>	<b>\$ 593</b>	<b>6%</b>	<b>2%</b>	<b>0%</b>	<b>0%</b>	<b>4%</b>

<sup>1</sup> Effective January 1, 2007, we changed our management structure. Our UK and Irish retail operations, Willis UK and Ireland, which were previously within our Global division, have been combined with our previously existing international units to create a single International segment (Q2 2006 revenue reclassification of \$75 million). The new International segment incorporates all our retail operations outside North America. Our Energy business previously reported in our North America division is now reported within our Global division (Q2 2006 revenue reclassification of \$5 million). Our prior period revenue analysis has been adjusted to reflect our new internal reporting structure.

**WILLIS GROUP HOLDINGS LIMITED**  
**SUPPLEMENTAL FINANCIAL INFORMATION**  
(in millions) (unaudited)

**2. Revenue analysis (continued)**

The following table reconciles the percentage change in reported revenues to organic revenue growth by business unit for the six months ended June 30, 2007:

	Six months ended June 30,			Change attributable to			
	2007	2006 <sup>1</sup>	% Change	Foreign currency translation	Acquisitions and disposals	Market remuneration	Organic revenue growth
Global	\$ 447	\$ 426	5%	1%	2%	0%	2%
North America	385	368	5%	0%	1%	(1)%	5%
International	486	430	13%	6%	0%	0%	7%
Commissions and fees	1,318	1,224	8%	2%	1%	0%	5%
Investment income	47	40	18%	7%	1%	0%	10%
<b>Total revenues</b>	<b>\$ 1,365</b>	<b>\$ 1,264</b>	<b>8%</b>	<b>2%</b>	<b>1%</b>	<b>0%</b>	<b>5%</b>

<sup>1</sup> Effective January 1, 2007, we changed our management structure. Our UK and Irish retail operations, Willis UK and Ireland, which were previously within our Global division, have been combined with our previously existing international units to create a single International segment (Q2 YTD 2006 revenue reclassification of \$145 million). The new International segment incorporates all our retail operations outside North America. Our Energy business previously reported in our North America division is now reported within our Global division (Q2 YTD 2006 revenue reclassification of \$8 million). Our prior period revenue analysis has been adjusted to reflect our new internal reporting structure.

**WILLIS GROUP HOLDINGS LIMITED, NON-GAAP FINANCIAL SUPPLEMENT**  
(in millions, except per share data)  
(unaudited)

	<b>2006</b>					<b>2007</b>		
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>FY</b>	<b>Q1</b>	<b>Q2</b>	<b>Q2 YTD</b>
<b>Revenues <sup>1</sup></b>								
Global	\$ 241	\$ 185	\$ 160	\$ 151	\$ 737	\$ 261	\$ 186	\$ 447
North America	178	190	180	208	756	188	197	385
International	233	197	179	239	848	266	220	486
Commissions and fees	652	572	519	598	2,341	715	603	1,318
Investment income	19	21	24	23	87	24	23	47
Total Revenues	671	593	543	621	2,428	739	626	1,365
<b>Expenses</b>								
Salaries and benefits	348	351	383	375	1,457	377	360	737
Other operating expenses	105	108	138	103	454	111	114	225
Depreciation expense and amortization of intangible assets	14	15	17	17	63	16	17	33
Gain on disposal of UK head office	-	-	(99)	(3)	(102)	(3)	(3)	(6)
Net loss/(gain) on disposal of operations	-	-	7	(3)	4	-	-	-
Total Expenses	467	474	446	489	1,876	501	488	989
<b>Operating Income</b>	204	119	97	132	552	238	138	376
<i>Operating Income margin</i>	30.4%	20.1%	17.9%	21.3%	22.7%	32.2%	22.0%	27.5%
Interest expense	9	9	9	11	38	12	19	31
<b>Income before Income Taxes, Interest in Earnings of Associates and Minority Interest</b>	195	110	88	121	514	226	119	345
Income taxes	62	36	3	(38)	63	68	36	104
<b>Income before Interest in Earnings of Associates and Minority Interest</b>	133	74	85	159	451	158	83	241
Interest in earnings of associates, net of tax	14	-	6	(4)	16	19	(4)	15
Minority interest, net of tax	(7)	(2)	(2)	(7)	(18)	(8)	(1)	(9)
<b>Net Income</b>	\$ 140	\$ 72	\$ 89	\$ 148	\$ 449	\$ 169	\$ 78	\$ 247
<b>Earnings per Share</b>								
- Diluted	\$0.88	\$0.45	\$0.56	\$0.94	\$2.84	\$1.10	\$0.54	\$1.65
<b>Average Number of Shares Outstanding</b>								
- Diluted	159	159	159	157	158	154	145	150

<sup>1</sup> As described in Note 2, our prior period revenue analysis has been adjusted to reflect our 2007 internal reporting structure.