This Prospectus has been prepared for the purposes of admission to trading pursuant to Article 3(3) of the Prospectus Directive of the New Man Shares to be issued in connection with the proposed acquisition (the "**Acquisition**") of the entire issued and to be issued share capital of GLG Partners, Inc. ("**GLG**") by Man Group plc ("**Man**") to be implemented by way of a Merger, which is governed by the Merger Agreement, and a Share Exchange, which is governed by the Share Exchange Agreement.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser duly authorised under FSMA if you are resident in the UK, or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

A copy of this document, which comprises a prospectus relating to the New Man Shares and has been prepared for the purposes of Admission in accordance with the Prospectus Rules made under Section 84 of FSMA, has been filed with the FSA and has been made available to the public as required by section 3.2 of the Prospectus Rules.

You should read this document and the documents incorporated in it by reference in their entirety. In particular, your attention is drawn to the risk factors set out in the section of this document headed "*Risk Factors*".

Man and the Man Directors, whose names appear in the section headed "*Man Directors, Company Secretary, Registered Office and Advisers*", accept responsibility for the information contained in this Prospectus. To the best of the knowledge of Man and the Man Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Application will be made to the UKLA for the New Man Shares to be admitted to the Official List and to the London Stock Exchange for the New Man Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission to the Official List and to trading on the London Stock Exchange will become effective, and that dealings in the New Man Shares will commence, shortly after all other Conditions are satisfied (or, where permitted, waived), which is currently expected to occur on or around 14 October 2010. No application has been, or is currently intended to be, made for the New Man Shares to be admitted to listing or dealt with on any other stock exchange.

Investors should rely only on the information contained in this Prospectus and the documents incorporated herein by reference. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and any document incorporated by reference herein and, if given or made, such information or representation must not be relied upon as having been so authorised. Man will comply with its obligation to publish a supplementary prospectus containing further updated information required by law or by any regulatory authority but assumes no further obligation to publish additional information.

Man

MAN GROUP PLC

(Incorporated under the Companies Act 1985 and registered in England and Wales with Registered No. 02921462)

Proposed issue of up to 162,732,446 New Man Shares
and application for admission of up to 162,732,446 New Man Shares to the Official List and to trading on the London Stock Exchange's main market for listed securities

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The New Man Shares will not be, and are not required to be, registered with the SEC under the Securities Act, in reliance on the exemption from registration provided by Section 4(2) of the Securities Act. **Neither the SEC nor any other US federal or state securities commission nor any other regulatory authority has approved or disapproved of the New Man Shares or passed an opinion on the adequacy of this Prospectus. Any representation to the contrary is a criminal offence.**

Merrill Lynch International, which is authorised and regulated in the UK by the FSA, is acting as sponsor to Man and no one else in connection with the contents of this Prospectus and Admission. Apart from the responsibilities and liabilities, if any, which may be imposed on Merrill Lynch International by FSMA or the regulatory regimes established thereunder, Merrill Lynch International accepts no responsibility to any person other than Man for providing the protections afforded to clients of Merrill Lynch International, nor for providing advice in relation to the Admission or any matters referred to herein.

THE CONTENTS OF THIS PROSPECTUS ARE NOT TO BE CONSTRUED AS LEGAL, FINANCIAL, BUSINESS OR TAX ADVICE. EACH POTENTIAL INVESTOR SHOULD CONSULT HIS, HER OR ITS OWN LEGAL ADVISER, FINANCIAL ADVISER OR TAX ADVISER FOR LEGAL, FINANCIAL OR TAX ADVICE.

This Prospectus does not constitute, and may not be used for the purposes of, any offer or invitation to sell or issue or the solicitation of any offer to purchase or subscribe for New Man Shares to or by anyone in any jurisdiction in which such offer, invitation or solicitation is unlawful or to any person to whom it is unlawful to make such offer or invitation or undertake such solicitation. The distribution of this Prospectus and the offering of New Man Shares in certain jurisdictions may be restricted by law and, accordingly, persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of the jurisdiction concerned.

Dated: 8 October 2010

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EXPECTED TIMETABLE

Event	*Time and/or date*[1][2]
Man General Meeting	10.00 a.m. on 1 September 2010
GLG Stockholder Meeting	10.00 a.m. (New York Time) on 12 October 2010
Issue and listing of the New Man Shares	By 8.00 a.m. on or around 14 October 2010[3]
Commencement of dealings on the LSE in New Man Shares	By 8.00 a.m. on or around 14 October 2010[3]
Estimated date for issue of share certificates in respect of New Man Shares	On or around 14 October 2010[4]
Announcement of completion of the Acquisition	As soon as reasonably practicable following Closing

Notes:

1. Dates set out above and mentioned throughout this Prospectus are indicative only and are subject to change by Man. In particular, these dates assume that the requisite regulatory clearances have been obtained and other conditions to Closing are satisfied, or where permitted, waived before the anticipated date for Closing.
2. References to times above and in this Prospectus generally are to London times unless otherwise specified.
3. Issue and listing of, and commencement of dealings in, the New Man Shares will occur shortly after all other Conditions to the Acquisition are satisfied or, where permitted, waived.
4. Share certificates are to be issued shortly following the issue, listing and admission to trading of the New Man Shares and Man shall retain the share certificates in respect of the New Man Shares issued to the GLG Principals in accordance with the terms of their agreements relating to the Lock-Up.

SUMMARY INFORMATION

The following summary information does not purport to be complete and should be read as an introduction to the more detailed information appearing elsewhere in this document. Any decision by a prospective investor to invest in Man Shares should be based on consideration of this document as a whole, including the information incorporated by reference, and not solely on this summarised information. Where a claim relating to the information contained in this document is brought before a court in a member state of the European Economic Area, the claimant may, under the national legislation of the member state where the claim is brought, be required to bear the costs of translating this document before legal proceedings are initiated. Civil liability attaches to those persons who are responsible for this summary, including any translations of this summary, but only if this summary is misleading, inaccurate or inconsistent when read together with other parts of this document.

1. INTRODUCTION

On 17 May 2010, Man Group plc ("**Man**") announced that it had reached agreement on the terms of the recommended Acquisition by Man of all the issued share capital of GLG, a leading global multi-strategy investment manager. The Acquisition values the fully diluted share capital of GLG at approximately US$1.6 billion(1). The Acquisition will be implemented by way of the Merger, which is governed by the Merger Agreement, and a Share Exchange, which is governed by the Share Exchange Agreement.

The Acquisition is expected to close on or around 14 October 2010, and is conditional upon GLG Stockholder Approval and other customary closing conditions. If the Acquisition is consummated, GLG will become a wholly owned subsidiary of Man, and the combination of GLG's and Man's businesses will create a diversified, world-leading alternative investment manager with approximately US$62.5 billion of funds under management.

This prospectus is being published in respect of the admission of the New Man Shares to trading on the London Stock Exchange's main market for listed securities.

2. INFORMATION ON MAN

Man is a leading alternative investment management business delivering a comprehensive range of guaranteed and open-ended products and tailor-made solutions to private and institutional investors globally. Man's investment products are designed to offer performance across market cycles and are developed and structured internally and through partnerships with other financial institutions. Man has a global distribution network and an investment management track record dating back more than 20 years. Funds under management as at 30 September 2010 were approximately US$39.5 billion (30 June: US$38.5 billion; 31 March 2010: US$39.4 billion). Man employs approximately 1,400 permanent employees worldwide, with key centres in London and Pfaeffikon (Switzerland).

3. MAN'S STRATEGY FOR FINANCIAL YEAR 2011

- to harness new single manager content by executing on acquisitions, in part satisfied by the Acquisition;
- to invest in AHL to ensure it captures the programme's full potential;
- to maximise Man Multi-Manager by rebuilding scale and profitability;
- to deepen Man's distribution reach, specifically in regulated onshore markets and across institutions worldwide; and
- to maintain focus on efficiency by continually evaluating its cost base.

4. RECENT DEVELOPMENTS

On 28 July 2010, Man completed the routine, annual process of updating and filing with the UKLA the offering circular for its US$3 billion Euro Medium Term Note Programme.

On 29 July 2010, Man announced an invitation to the holders of its US$400 million Floating Rate Step-Up Subordinated Notes due 2015 (the "**Existing Notes**") to offer to exchange any and all of their Existing Notes for US$ denominated 5.00 per cent. Subordinated Notes due 2017 (the "**2017 Fixed Rate Notes**") to be issued by Man under its US$3 billion Euro Medium Term Note Programme, subject to and in accordance with the terms of such exchange offer (the "**Exchange**

(1) Please see note (1) in the Important Information section on page 28 of this prospectus.

Offer"). The aggregate nominal amount of Existing Notes accepted for exchange, and the aggregate nominal amount of 2017 Fixed Rate Notes issued by Man on 9 August 2010, was US$232,089,000. The purpose of the Exchange Offer was to pro-actively manage the capital base of Man in a way which took into account the cost of capital, regulatory capital requirements and prevailing market conditions. Any future decisions by Man as to whether it will exercise calls in respect of the Existing Notes that were not exchanged pursuant to the Exchange Offer will be taken with regard to the economic impact of exercising such calls, regulatory capital requirements and prevailing market conditions.

Current trading, trends and prospects

On 28 September 2010, Man published its pre-close trading update for the six months ending 30 September 2010, which included the following key financial points:

- Profit before tax and adjusting items for the six months ending 30 September 2010 of an estimated US$215 million (H2 2010: US$268 million)
  - o Reduction in net management fees reflecting lower average FUM
  - o Minimal performance fees, with most of AHL below high water mark
- Diluted earnings per share on continuing operations before adjusting items of an estimated 9.5 cents per share; 7.0 cents per share after adjusting items
- Financial position of Man remains strong, with a regulatory capital surplus of over US$1.5 billion and over US$2.5 billion in cash. After closing the GLG acquisition, Man expects to retain a regulatory capital surplus of around US$300 million.

5. RISK FACTORS

Risks relating to the Man Group's and (following Closing) the Enlarged Group's business

- Poor investment performance because of a failure of investment strategy, changes in domestic and international market conditions, or a loss of investor confidence in the alternative investment sector, may reduce the value of funds under management of the Man Group and/or the Enlarged Group
- Adverse performance of the AHL programme could have a disproportionate impact on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group
- Investors in Fund Products have the ability to withdraw FUM. Increased rates of redemptions, which could be exacerbated by large investor concentration, could reduce FUM and adversely affect the Man Group's and/or the Enlarged Group's revenues
- There are risks associated with geographical concentration of investors and intermediaries/distributors within the Man Group's and/or the Enlarged Group's distribution network
- The removal of the Man Group and/or the Enlarged Group as the investment manager, or the liquidation, of one or more of the Fund Products could have a material adverse effect on its business, financial condition, results of operations and/or prospects
- A number of the Fund Products and/or Underlying Third Party Products use leverage as part of their investment strategies. Adverse investment performance by such Fund Products may give rise to a need for these Fund Products to reduce leverage or to otherwise reduce investment exposure more quickly than is feasible given the liquidity terms of their investments including in Underlying Third Party Products
- The Fund Products may not be able to obtain leverage at the same level, advance rate or cost as they have in the past
- The Fund Products and Underlying Third Party Products are subject to risks due to potential illiquidity of assets
- A liquidity mismatch or failure to manage the liquidity levels of the Fund Products (including MACs) could reduce FUM and adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group
- The Man Group currently maintains liquidity which enables it, at its discretion, to provide liquidity support to the Fund Products. There are risks associated with the provision of liquidity support, as well as if liquidity support is not provided in certain circumstances

- There can be no assurance that the Man Group and/or the Enlarged Group will be able to secure borrowings on commercially favourable terms. A failure to secure borrowings on commercially favourable terms may adversely affect the Man Group's and/or the Enlarged Group's business, financial condition, results of operations and/or prospects
- The asset management industry is highly competitive. If the Man Group and/or the Enlarged Group is unable to compete effectively with its competitors, its business, financial condition, results of operations and/or prospects could be adversely affected
- The Man Group is exposed to the risk of loss as a result of declines in the market value of its proprietary investments in various Fund Products and Underlying Third Party Products
- Fluctuations in currency exchange rates could materially affect the Man Group's and/or the Enlarged Group's financial results
- Fluctuations in interest rates could adversely affect the Man Group's and/or the Enlarged Group's financial results
- The Man Group's and/or the Enlarged Group's future success depends to a significant degree upon its continued ability to attract and retain key personnel
- The Man Group, the Enlarged Group, the Fund Products and Underlying Third Party Products are subject to counterparty default risks
- The Man Group operates and, following Closing, the Enlarged Group will operate, in a heavily regulated environment. Adverse regulatory developments or changes in government policy relating to the financial sector generally or the alternative investment fund industry in particular could have an adverse effect on the Man Group's and/or the Enlarged Group's business, financial condition, results of operation or prospects
- If the Man Group and/or the Enlarged Group (or any of their respective employees or other persons acting on their behalf), or any of the Fund Products and/or the directors of the Fund Products, breach applicable laws and regulations, there could be a material adverse effect on the Man Group's and/or the Enlarged Group's business, financial condition, results of operation and/or prospects
- A failure in the operational or risk management processes, procedures, systems or infrastructure of the Man Group and/or of the Enlarged Group or those of critical third parties could adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group and damage its reputation
- Decisions of the independent directors of the Fund Products could adversely affect the reputation, business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group
- The Fund Products and Underlying Third Party Products rely on third party providers of operational service and other critical services, such as fund administration, any failure of which could adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group and damage its reputation
- The due diligence process that the Man Group and/or the Enlarged Group undertakes in connection with investments by the Fund Products may not reveal all facts that may be relevant in connection with an investment and the Fund Products may make losses
- There are risks associated with a breach of investment mandates
- The Man Group and/or the Enlarged Group may be subject to claims of mis-selling
- Misconduct by employees (or others acting on their behalf) could harm the Man Group and/or the Enlarged Group by impairing its ability to attract and retain investors and by subjecting it to potential significant legal liability, regulatory scrutiny and reputational harm
- Valuation methodologies for certain assets in the Fund Products can be subject to significant subjectivity and the values of assets established pursuant to such methodologies may never be realised, which could result in significant losses for the Fund Products. There may also be errors in the valuation of Fund Products
- Certain GLG Funds and several GLG clients with managed accounts have claims as creditors and/or as trust asset claimants against Lehman Brothers International (Europe) and, in some cases, other Lehman Brothers entities. These claims will likely take an extended period of time to resolve and, in some cases, may remain unsatisfied. There are also a number of open factual and legal issues surrounding such claims

- The failure of the Man Group and/or the Enlarged Group to deal appropriately with conflicts of interest could damage its reputation and adversely affect its business
- The Man Group and/or the Enlarged Group may be adversely affected if its reputation is harmed
- The Man Group may be required to make further contributions to its defined benefit pension schemes if the value of pension fund assets is insufficient to cover potential future obligations
- Changes in tax laws or in the policy of tax administration, including changes in the interpretation or application of existing tax laws, may adversely affect the Man Group's and the Enlarged Group's profitability
- The Man Group and/or the Enlarged Group is subject to third party litigation risk that could result in significant liabilities and/or reputational harm, which could materially adversely affect its results of operations and/or financial condition
- The Man Group and/or the Enlarged Group may have inadequate insurance to protect them against losses they may suffer
- Additional risks relating to the GLG's Group's business

Risks and other considerations relating to the Man Shares

- Legal investment considerations may restrict certain investments
- Risks of executing the Acquisition could cause the market price of Man Shares to decline
- The market price of Man Shares may be affected by factors different from those affecting the price of GLG Shares
- The level of any dividend paid in respect of the Man Shares is subject to a number of factors
- The historical performance of the Fund Products and/or the GLG Group's fund products should not be considered as indicative of their future results or of any returns expected on the Man Shares

Risks and other considerations relating to the Acquisition

- The implementation of the Acquisition is subject to the satisfaction of a number of conditions
- The Man Group must obtain regulatory consents to complete the Acquisition, which, if delayed, not granted, or granted with onerous conditions, may jeopardise or delay the Acquisition, result in additional expenditures of money and resources and/or reduce the anticipated benefits of the Acquisition
- Legal proceedings relating to the Acquisition
- Whether or not the Acquisition is completed, the prospect of the Acquisition could cause disruptions in the businesses of the Man Group and/or the GLG Group, which could have material adverse effects on their businesses and financial results, as well as on the business, financial condition, results of operations and/ or prospects of the Enlarged Group
- If there are significant, unforeseen difficulties integrating the business operations of the Man Group and the GLG Group, they could adversely affect the business of the Enlarged Group
- The Man Group may incur higher than expected integration, transaction and Acquisition-related costs

RISK FACTORS

An investment in the Man Shares is subject to a number of risks. Potential investors should consider the following risks and uncertainties together with all the other information set out in, or incorporated by reference into, this Prospectus prior to making any decision as to whether or not to invest in Man Shares. The risks described below are based on information known at the date of this Prospectus, but may not be the only risks to which the Man Group, GLG and/or, following Closing, the Enlarged Group is or might be exposed. Additional risks and uncertainties, which are currently unknown to Man or that Man does not currently consider to be material, may materially affect the business of the Man Group, GLG and/or the Enlarged Group and could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

If any of the following risks were to occur, the business, financial condition, results of operations and/or prospects of the Man Group, GLG and/or the Enlarged Group could be materially adversely affected and the value of the Man Shares could decline and investors could lose all or part of the value of their investment in Man Shares.

Potential investors should read this Prospectus a whole and not rely solely on the information set out in this section. The financial information set out in this section has been extracted without material adjustment from the financial information referred to in Part 7: Man Financial Information (which has been incorporated into this Prospectus by reference) and Part 8: GLG Financial Information (which has been incorporated into this Prospectus by reference).

Risks relating to the Man Group's and (following Closing) the Enlarged Group's business

Poor investment performance because of a failure of investment strategy, changes in domestic and international market conditions, or a loss of investor confidence in the alternative investment sector, may reduce the value of funds under management of the Man Group and/or the Enlarged Group

The amount of FUM and the performance of Fund Products are affected by a number of factors. The Fund Products may experience poor investment performance (both in absolute terms and relative to the performance of fund products managed by competitors and relative to other asset classes) due to the failure of strategies implemented in managing these Fund Products (including both, the implementation of trading styles, and the implementation of allocating and weighting towards trading styles). The amount of FUM and performance of Fund Products may also be affected by matters beyond the Man Group's or the Enlarged Group's control including conditions in the domestic and global financial markets and the wider economy, such as the level and volatility of equity prices, bond prices, interest rates (including, but not limited to, the impact of a low nominal interest rate environment, as recently seen, which may affect the Man Group's and/or the Enlarged Group's ability to create viable and attractive guaranteed Fund Products and result in lower sales and FUM), exchange rates, commodity prices, liquidity in markets, credit spreads, margin requirements, the availability and cost of credit and the responses of governments and regulators to these economic and market conditions.

Furthermore, loss of investor confidence in the alternative investment sector, whether because of changes in investor risk appetite, investor liquidity requirements, regulatory and fiscal changes, poor relative or absolute performance of alternative investment funds or for any other reason could lead to lower sales and higher redemptions of Fund Products.

During 2008, market conditions adversely affected the hedge fund industry. Challenging market conditions made it difficult to produce positive returns across many hedge fund styles, and a significant number of hedge funds posted negative or weak results during that period. Poor investment performance, together with investors' increased need for liquidity given the state of the credit markets, prompted relatively high levels of investor redemptions at a time when many funds may not have had sufficient liquidity to satisfy some or all of their investor redemption requests. While market conditions for the hedge fund industry generally improved during 2009, conditions could deteriorate in the future to levels similar to or worse than those experienced during 2008.

Performance fees have historically comprised a significant proportion of the revenues of the Man Group and are expected to comprise a significant proportion of the revenues of the Enlarged Group. Performance fees require positive performance by the Fund Products in excess of "high water marks" or benchmarks, including LIBOR and LIBID rates, various indices including the S&P 500 and FTSE All Share and various blended indices. To the extent that any of the Fund Products do not generate positive investment performance sufficient to earn performance fees, the revenues and net income of the Man Group and/or the Enlarged Group will be lower and this could have a material adverse effect on the business, results of operations, financial condition and/or prospects of the Man Group and/or the Enlarged Group.

Adverse circumstances of this nature or adverse movements in any of the other global conditions described above could result in materially reduced FUM and management fees, little or no performance fees, losses on the Man Group's and the Enlarged Group's investments in Fund Products and significant impairments in the value of goodwill and other intangible assets, all of which could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

Adverse performance of the AHL programme could have a disproportionate impact on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group

During the year ended 31 March 2010, approximately 65 per cent. of the revenues of the Man Group were generated by, and going forward it is expected that a significant proportion of the Enlarged Group's revenues will continue to be generated by, the AHL programme, either in Fund Products in respect of which AHL is the sole hedge fund manager or adviser or in Fund Products where AHL is a component. Therefore, the Man Group's and/or the Enlarged Group's revenues could be materially impacted if the AHL programme experiences poor performance and/or high levels of investor redemptions. AHL is an investment manager which implements primarily directional strategies which seek to take advantage of upward or downward price trends. Accordingly, if global economic and market conditions (including the effect of government interventions) result in no clear trends or trends which abruptly reverse (as for example in 2009), this could adversely affect the performance of managed futures managers such as AHL. For example, during the financial year ending 31 March 2010, AHL Diversified plc, the largest Fund Product by funds under management in which AHL is the sole hedge fund manager, produced a negative return of -7.7 per cent. Market conditions in the future could be similar to or worse than those experienced in 2009 and could result in negative performance for AHL (and funds with similar trading strategies), reduced FUM, little or no performance fees from these Fund Products and lower sales and/or higher redemptions of Fund Products which comprise or have significant investments in AHL Fund Products in which AHL is the sole hedge fund manager. These in turn could have a disproportionate adverse impact on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group. There can also be no assurance that low correlation of AHL's performance to other asset classes (such as equities) will be sustained, which could result in negative performance for AHL, and may also have an adverse impact on one of the anticipated benefits of the Acquisition, relating to the potential diversification of the business of the Enlarged Group resulting from a combination of the different investment styles and products offered by the Man Group and the GLG Group.

Investors in Fund Products have the ability to withdraw FUM. Increased rates of redemptions, which could be exacerbated by large investor concentration, could reduce FUM and adversely affect the Man Group's and/or the Enlarged Group's revenues

Investors in the Fund Products have the ability, often at short notice, to redeem their investments. Investors may reduce all or any portion of their investments, or transfer their investments to other asset managers, for any number of reasons, including for reasons that may be unconnected with the performance of the Man Group and/or the Enlarged Group. These reasons include, but are not limited to, changes in investor risk appetite, investor liquidity requirements, regulatory and fiscal changes, poor relative or absolute investment performance, fee rates, changes in investment management personnel, actual or perceived reputational risk or a reduction of investments in certain asset classes by investors. In addition, as the investor base of the Man Group and/or the Enlarged Group could have a significant investor concentration from time to time, the impact could be exacerbated where the Man Group and/or the Enlarged Group suffer redemptions from large investors which account for a material proportion of FUM and revenues. A decline in revenues resulting from high levels of redemptions could have a material adverse effect on the business, financial condition, results of operations (including impairments in the value of goodwill) and/or prospects of the Man Group and/or the Enlarged Group.

Under the terms of the prospectuses for many of the Fund Products, the independent boards of directors of the Fund Products have the right to restrict redemptions from the Fund Products for certain periods in the event of exceptional circumstances and may choose to do so in order to treat all investors in the Fund Products fairly. The exercise of these rights may, however, have an adverse effect on the ability of the Fund Products to attract additional FUM and, therefore, on future revenues, which may in turn have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

There are risks associated with geographical concentration of investors and intermediaries/distributors within the Man Group's and/or the Enlarged Group's distribution network

Despite the diversity of the Fund Products and the regions in which Man Group operates (and in which the Enlarged Group is expected to operate), sources of the Man Group's and/or the Enlarged Group's FUM or its sales may, from time to time, be concentrated in certain regions and/or countries and/or with certain intermediaries or distributors. Moreover, the geographic concentration of the sources of Man Group's and/or the Enlarged Group's FUM or its sales is constantly subject to change, which change may be significant. The Man Group's and/or the Enlarged Group's business, financial condition, results of operations, prospects and/or net inflows of FUM may therefore be affected significantly by events and circumstances in the relevant regions and countries where such geographic concentration exists.

The removal of the Man Group and/or the Enlarged Group as the investment manager, or the liquidation, of one or more of the Fund Products could have a material adverse effect on its business, financial condition, results of operations and/or prospects

All or substantially all of the Fund Products are managed pursuant to management or advisory agreements that may be terminated by the independent board of directors of the Fund Product or fund partnership agreements that permit investors to request liquidation of investments in the Fund Products on short notice. The termination of certain management agreements or commencement of the dissolution of certain Fund Products could cause a material reduction in FUM and loss of revenues and adversely affect the Man Group's and the Enlarged Group's reputation, which in turn could affect its business, financial condition, results of operations (including impairments in the value of goodwill) and/or prospects.

A number of the Fund Products and/or Underlying Third Party Products use leverage as part of their investment strategies. Adverse investment performance by such Fund Products may give rise to a need for these Fund Products to reduce leverage or to otherwise reduce investment exposure more quickly than is feasible given the liquidity terms of their investments including in Underlying Third Party Products

Some of the Fund Products and/or Underlying Third Party Products may operate with a substantial degree of leverage. They may borrow and/or invest in futures, forward foreign exchange contracts, options, swaps and other derivative instruments and purchase securities using margining and/or borrowed money, so that the positions held by the Fund Products and/or Underlying Third Party Products may support investment exposures which in aggregate value exceed the net asset value of the relevant Fund Products and/or Underlying Third Party Products. This leverage creates the potential for higher returns, but the corollary is that it can magnify the impact of adverse market movements on the returns of the Fund Products, as well as result in a reduction in investment exposure and hence in FUM, management fees and performance fees.

Such leveraged Fund Products are designed to have sufficient liquidity to enable them to adjust leverage on a timely basis according to the risk management principles and parameters the Man Group and/or any member of the Enlarged Group applies as investment manager. In times of severe market stress, the liquidity of investments including in Underlying Third Party Products may, however, be impaired while at the same time the Fund Product may have suffered losses of an amount which requires leverage to be reduced quickly.

Under these circumstances, the Man Group and/or the Enlarged Group may, at its discretion and if considered appropriate, provide discretionary support to such Fund Products, including by purchasing investments in Underlying Third Party Products from the affected Fund Products. For those Fund Products which have committed purchase agreements, the directors of those Fund Products may choose to exercise those committed purchase agreements on behalf of the relevant Fund Product and this would oblige the Man Group and/or the Enlarged Group to provide liquidity support to the relevant Fund Products. The provision of this support would reduce the capital and liquidity available to the Man Group and/or the Enlarged Group and, as a result of the increase in proprietary investments, increase the potential for market risk losses for the Man Group and/or the Enlarged Group which, in turn, could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group. If, however, the Man Group and/or the Enlarged Group choose not to provide discretionary support in times of severe market stress, the Fund Products may suffer substantial losses if they have either to sell investments including in Underlying Third Party Products in illiquid markets at a large discount to net asset value or if they are obliged to maintain leverage at levels that are higher than would be desirable because there are no willing buyers of such investments. If the Fund Products make substantial losses there would be an adverse effect on FUM, management fees and performance fees.

The Fund Products may not be able to obtain leverage at the same level, advance rate or cost as they have in the past

A number of the Fund Products are dependent on third parties providing financing to support the leverage required for the investment strategies and target investment exposure of those Fund Products. If the risk appetite of these third parties diminishes, the Fund Products may not be able to obtain leverage at the same level, advance rate or cost as they have in the past. This could have a material adverse effect on (i) the performance of these Fund Products; (ii) the investment exposure of the Fund Products; (iii) the ability of these Fund Products to sustain their investment objectives, potentially resulting in a cessation of investment trading for a Fund Product and (iv) the ability of the Enlarged Group to bring to market new structured products. A reduction in the investment exposure of these Fund Products and/or the inability of the Enlarged Group to offer new structured products could result in the reduced FUM of the Man Group and the Enlarged Group, which in turn could have a material adverse effect on the business, financial condition, results of operations (including impairments in the value of goodwill) and/or prospects of the Man Group and/or the Enlarged Group. The Man Group and/or the Enlarged Group may, instead, at its discretion and if considered appropriate, provide funding to these Fund Products. The provision of this discretionary support would reduce the capital and liquidity available to the Man Group and/or the Enlarged Group and, as a result of the increase in loans to Fund Products, increase the potential for credit risk losses for the Man Group and/or the Enlarged Group which, in turn, could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

The Fund Products and Underlying Third Party Products are subject to risks due to potential illiquidity of assets

The Fund Products and Underlying Third Party Products may make investments or hold trading positions in markets that are volatile and which may become illiquid. Timely divestiture or sale of trading positions can be impaired by decreased trading volumes, increased price volatility, concentrated trading positions, limitations on the ability to transfer positions in highly specialised or structured transactions to which the Fund Products and/or Underlying Third Party Products may be a party, or by changes in industry and government regulations. When a Fund Product holds a security or position, it is vulnerable to price and value fluctuations and may experience losses to the extent the value of the position decreases and it is unable to sell, hedge or transfer the position on a timely basis. Therefore, it may be impossible or costly for the Fund Products, or their Underlying Third Party Products, to liquidate positions rapidly, particularly if the relevant market is moving against a position or in the event of trading halts or daily price movement limits on the market or otherwise. Alternatively, it may not be possible in certain circumstances for a position to be purchased or sold promptly, particularly if there is insufficient trading activity in the relevant market or otherwise.

The risks identified above will be increased if a Fund Product or Underlying Third Party Product is required to liquidate positions rapidly to meet redemption requests, margin requests, margin calls or other funding requirements on that position or otherwise. The inability to sell positions rapidly due to a lack of liquidity has historically been a cause of substantial losses in the hedge fund industry. The ability of counterparties to force liquidations following losses or a failure to meet a margin call can result in the rapid sale of highly leveraged positions in declining markets, which would likely subject the Fund Products to substantial losses. The Man Group and/or the Enlarged Group may fail to adequately predict the liquidity that the Fund Products, or Underlying Third Party Products, require to address counterparty requirements due to falling values of fund investments being financed by such counterparties, which could result not only in losses related to such investments, but in losses related to the need to liquidate unrelated investments in order to meet the relevant Fund Product's, or their Underlying Third Party Products', obligations. The Fund Products or Underlying Third Party Products may incur substantial losses in the event significant capital is invested in highly leveraged investments or investment strategies. Such losses would result in a decline in FUM, lead to investor requests to redeem remaining FUM (in the case of the Fund Products or their Underlying Third Party Products), and damage the Man Group's and/or the Enlarged Group's reputation, each of which would materially and adversely impact the Man Group's and/or the Enlarged Group's earnings, as well as the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

Alternatively, the Man Group and/or the Enlarged Group may, at its discretion and if considered appropriate, provide support to Fund Products in such circumstances, including by purchasing Underlying Third Party Products from or lending money to the affected Fund Products. For those Fund Products which have committed purchase agreements, the directors of those Fund Products may choose to exercise those committed purchase agreements on behalf of the relevant Fund Product and this would oblige the Man Group and/or the Enlarged Group to provide liquidity support to the relevant Fund Products. The provision of this support would reduce the capital and liquidity available to the Man Group and/or the Enlarged Group and, as a result of the increase in proprietary investments or loans to Fund Products, increase the potential for market risk and/or credit risk losses for the Man Group and/or the Enlarged Group which, in turn, could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

A liquidity mismatch or failure to manage the liquidity levels of the Fund Products (including MACs) could reduce FUM and adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group

Investors in a number of the Fund Products can redeem their investments at a shorter notice period than may be available to the Fund Products with respect to their investments in Underlying Third Party Products. While in normal market conditions the Fund Products may have sufficient liquidity to meet typical levels of redemptions, liquidity mismatches may become more prevalent in times of severe market stress when the liquidity of the Underlying Third Party Products may be adversely affected and when the investment managers of the Underlying Third Party Products may be more likely to impose "gates" on redeeming investors, suspend redemptions or create "sidepockets". If the level of redemption activity increases to above normal levels, it could become more difficult to manage the liquidity requirements of the Fund Products, making it more difficult or more costly for the Fund Products to liquidate positions rapidly to meet margin calls, redemption requests or otherwise. Under these circumstances, the Man Group and/or the Enlarged Group may, at its discretion and if considered appropriate, provide liquidity support to these Fund Products. For those Fund Products which have committed purchase agreements, the directors of those Fund Products may choose to exercise those committed purchase agreements on behalf of the relevant Fund Product and this would oblige the Man Group and/or the Enlarged Group to provide liquidity support to the relevant Fund Products.

If the Man Group and/or the Enlarged Group choose not to provide discretionary liquidity support, such increased levels of redemption could also result in the Fund Products being forced to sell investments in Underlying Third Party Products at distressed prices and/or the directors of the relevant Fund Products may exercise their rights to restrict redemptions in order to manage liquidity. These difficulties may be exacerbated during periods of increased market disruptions, when asset managers, including the Fund Products, are forced to liquidate positions or redeem investments in Underlying Third Party Products to meet liquidity requirements, which could further contribute to market disruptions. In addition to the impact on FUM, the illiquidity and volatility of the global financial markets may negatively affect the ability of the Fund Products to manage inflows and outflows, to attract new capital to existing Fund Products (including MACs) or to prevent redemptions in Fund Products (including MACs). This in turn could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

The Man Group currently maintains liquidity which enables it, at its discretion, to provide liquidity support to the Fund Products. There are risks associated with the provision of liquidity support, as well as if liquidity support is not provided in certain circumstances

The Man Group, at its discretion, provides liquidity support to the Fund Products. However, in certain circumstances, the Man Group may decide that it would not be beneficial or economical to provide such support to the Fund Products. The provision of liquidity support would reduce the capital and liquidity available to the Man Group and/or the Enlarged Group and, as a result of the increase in proprietary investments or loans to Fund Products, increase the potential for market risk or credit risk losses for the Man Group and/or the Enlarged Group which, in turn, could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group. If, on the other hand, the Man Group and/or the

Enlarged Group chose not to provide such discretionary support, there is an increased likelihood of these Fund Products having to reduce leverage or suspend investor redemptions which could impair the performance of the Fund Products which, in turn, could have an adverse effect on the reputation of the Man Group and/or the Enlarged Group and lead to increased redemptions by investors (including in respect of investments in other Fund Products that have not suspended investor redemptions), lower FUM and revenues, and affect the ability of the Man Group and/or the Enlarged Group to sell Fund Products in the future. In addition, it is also possible that in these circumstances, some Fund Products could default on their obligations to counterparties, such as clearing brokers, and that this could severely impair the ability of any of the Fund Products to conduct business with key market counterparties. Any of these circumstances would, in turn, have a material adverse effect on the business, financial condition, results of operations (including impairments in the value of goodwill) and/or prospects of the Man Group and/or the Enlarged Group.

There can be no assurance that the Man Group and/or the Enlarged Group will be able to secure borrowings on commercially favourable terms. A failure to secure borrowings on commercially favourable terms may adversely affect the Man Group's and/or the Enlarged Group's business, financial condition, results of operations and/or prospects

The Man Group's and/or the Enlarged Group's ability to borrow funds or access debt capital markets is dependent on a number of factors, including credit market conditions and Man's and/or the Enlarged Group's credit rating. The credit rating could be adversely affected by many factors including an actual or perceived material deterioration in the market environment in which the Man Group and/or the Enlarged Group operates, a material fall in the value of its FUM or profitability or a significant increase in gearing or net debt levels. Man's credit rating has been, and may continue to be, affected by these and other factors. For example, following the announcement by Man of its proposed Acquisition of GLG, on 18 May 2010, Standard & Poor's Rating Services placed Man's long and short-term counterparty credit ratings of BBB+/A-2 on review for a possible downgrade. On 19 May 2010, Fitch Ratings Limited placed Man's long-term issuer default rating of BBB+ on negative watch while Moody's Investor Services Limited placed Man's issuer rating of Baa1 on review with a negative outlook. On 23 July 2010, Standard & Poor's Rating Services further reviewed the rating implications of the Acquisition and indicated that they were keeping the BBB+/A2 ratings on review but, on Closing, expect to lower the rating by one notch to BBB, affirm the A-2 short-term rating and assign a stable outlook. On 11 August 2010, Moody's Investor Services Limited announced that it had lowered Man's issuer rating by one notch to Baa2.

Man is not required to refinance its existing debt within the 12 month period referred to in the working capital statement at paragraph 10 (*Working Capital*) of Part 11: Additional Information. However, should the Man Group or, following Closing, the Enlarged Group choose to refinance any existing debt (such as the Revolving Facility) upon its maturity, or obtain new financing (for example, in order to make new investments), difficult credit market conditions and/or a significant lowering of Man's and/or the Enlarged Group's credit rating may make it difficult for the Man Group and/or the Enlarged Group to obtain such financing on terms that are as favourable as those applicable to its current borrowings (including as to costs or applicable covenants). If the Man Group's and/or the Enlarged Group's borrowings become more expensive, the profits of the Man Group and/or the Enlarged Group could be adversely affected. Each of these could, in turn, have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

The asset management industry is highly competitive. If the Man Group and/or the Enlarged Group is unable to compete effectively with its competitors, its business, financial condition, results of operations and/or prospects could be adversely affected

The asset management industry in which the Man Group is, and in which the Enlarged Group will, following Closing, be engaged is highly competitive. The Man Group's current competitors typically come from three sectors: independent single manager hedge funds, multi-strategy hedge funds and fund of hedge funds; traditional asset management firms; and large banking institutions. Such competitors offer products and services that are similar to, or compete with, those offered by the Man Group and/or the Enlarged Group. The Man Group's and/or the Enlarged Group's ability to compete may be adversely affected if the Fund Products underperform or if its fee levels are higher in comparison with those of fund products offered by its competitors or if the quality of service provided by the Man Group and/or the Enlarged Group in relation to the Fund Products is perceived to be poor in comparison with the quality of service provided by its competitors.

Competition within the asset management industry could lead to pressure on the Man Group and/or the Enlarged Group to reduce the fees it charges its investors for products and services, on which its profit margins and earnings are in part dependent. There may also be pressure on the Man Group and/or the Enlarged Group to increase expenditure on technology in order to match the service levels provided by its competitors, which may result in increased fixed costs and reduced margins. A failure to compete effectively in the environment described above may result in the loss of existing investors and business, and of opportunities to capture new business, each of which could lead to a reduction in FUM and have a material adverse effect on the Man Group's and/or the Enlarged Group's business, financial condition, results of operations (including impairments in the value of goodwill) and/or prospects.

The Man Group is exposed to the risk of loss as a result of declines in the market value of its proprietary investments in various Fund Products and Underlying Third Party Products

The Man Group has proprietary investments in various Fund Products and Underlying Third Party Products, including seed capital provided to test new Underlying Third Party Products or new strategies, seed capital to support new Fund Product launches and investments resulting from the provision of liquidity support to certain Fund Products. A decline in the market value of these investments could have an adverse impact on the earnings of the Man Group and/or the Enlarged Group, which could in turn have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

Fluctuations in currency exchange rates could materially affect the Man Group's and/or the Enlarged Group's financial results

Man has, and following Closing is expected to continue to have, US dollars as its functional currency. The majority of the Man Group's revenues are receivable in US dollars while the majority of its expenses are payable in pounds sterling and Swiss francs. To the extent that these foreign currency exposures are not fully hedged, a strengthening of the pound sterling and/or the Swiss franc against the US dollar would reduce the profits of the Man Group and/or the Enlarged Group. A proportion of the Man Group's revenues is, and of the Enlarged Group is expected to be, receivable in currencies other than US dollars and to the extent that these currencies depreciate against the US dollars, FUM and revenues in US dollars will decline.

Certain Fund Products hedge their foreign currency exposures against the US dollar using forward foreign exchange contracts with various banks. These foreign exchange contracts are subject to margin calls and, in the event of substantial movements of foreign currencies against the US dollar, the Fund Products may have insufficient liquidity to meet the margin calls. This may result in the Man Group and/or the Enlarged Group choosing to provide liquidity support to the relevant Fund Products to enable those Fund Products to meet the margin calls. The provision of this support would reduce the capital and liquidity available to the Man Group and/or the Enlarged Group and, as a result of the increase in loans to Fund Products, increase the potential for credit risk losses for the Man Group and/or the Enlarged Group which, in turn, could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group. If, however, the Man Group and/or the Enlarged Group chose not to provide this liquidity support, the relevant Fund Products may default on margin calls to the relevant bank and this may result in a breach of the Fund Product's financing agreement with that bank, leading to sales of underlying assets by the bank, losses by the Fund Product and, as a result of the poor investment performance, higher redemptions by investors in the Fund Product and lower FUM and fee income for the Man Group and/or the Enlarged Group. The default on the margin call may also adversely affect the ability of the Man Group and/or the Enlarged Group to obtain external financing for Fund Products in the future. Each of these may, in turn, adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

Fluctuations in interest rates could adversely affect the Man Group's and/or the Enlarged Group's financial results

The Man Group has, and the Enlarged Group is expected to have, an interest rate mismatch between certain longer-term liabilities, which pay interest at fixed rates, and certain short-term assets, which receive variable rates of interest. If interest rates decline, the earnings of the Man Group and/or the Enlarged Group may be reduced. In addition the variable rate of interest payable on certain long-term liabilities is determined by reference to LIBOR with a tenor that is different from the tenor of LIBOR used to determine the interest receivable on certain short-term assets. If the shape of the

LIBOR yield curve changes, the earnings of the Man Group and/or the Enlarged Group may be adversely affected.

The Man Group's and/or the Enlarged Group's future success depends to a significant degree upon its continued ability to attract and retain key personnel

The Man Group's and/or the Enlarged Group's future success will depend significantly upon the knowledge, expertise and continued services of certain highly skilled research professionals, portfolio managers and other key personnel, including its directors and senior management, and upon its ability to recruit, retain and motivate such personnel. The Man Group and/or the Enlarged Group may fail to attract and/or retain highly skilled personnel or may incur increased costs in attracting and retaining such personnel.

The market for experienced investment and other professionals is extremely competitive and can be characterised by frequent movement of personnel among firms. Such personnel are difficult to attract, retain and, where necessary, replace, and the costs of attracting, retaining and/or replacing such personnel are significant and could increase over time. A significant proportion of the compensation costs of the Man Group and the Enlarged Group is in the form of discretionary annual bonuses. In periods where the Man Group and/or the Enlarged Group earns low or no performance fees, the Man Group and/or the Enlarged Group may still have to pay significant compensation to retain or attract key personnel. In these circumstances, such amounts may represent a greater percentage of the Man Group's and/or the Enlarged Group's revenues than they have historically. An increase in taxes or tax rates may also result in Man Group and/or the Enlarged Group being unable to recruit or retain key personnel in certain jurisdictions.

If the Man Group and/or the Enlarged Group were to lose any of its senior or high performing portfolio managers, senior management, research personnel or other key personnel, it could experience withdrawals of FUM or fail to obtain new business, which would result in the loss of related management fees and potential performance fees. The loss of senior management or other key personnel could also affect the ability of the Man Group's and/or the Enlarged Group to execute its strategy effectively or at all, or could result in a decline in the standards of management or operation of the Man Group's and/or the Enlarged Group's business. The loss of any senior portfolio manager, senior management or other key personnel for these or other reasons, as well as the inability to attract and/or retain new highly skilled personnel, could have a material adverse effect on the Man Group's and/or the Enlarged Group's business, financial condition, results of operations and/or prospects.

Similarly, GLG's key personnel have contributed to the growth and success of its business. GLG is dependent on the continued services of Messrs. Gottesman, Roman and Lagrange and other key personnel for its future success. The loss of any these GLG Principals or other key personnel may have a material adverse effect on the business, financial condition, results of operations and/or prospects of GLG and, in turn, the Enlarged Group. If GLG loses any of these GLG Principals or other key personnel, there is a risk that it may also experience withdrawals of FUM or fail to obtain new business, which would result in the loss of related management fees and potential performance fees and could have a material adverse effect on the business, financial condition, results of operations and/or prospects of GLG and, following Closing, the Enlarged Group.

The Man Group, the Enlarged Group, the Fund Products and Underlying Third Party Products are subject to counterparty default risks

Due to the nature of its business, the Man Group and, following Closing, the Enlarged Group, are subject to counterparty risk in a number of situations, of which the main ones are described in this risk factor.

The Man Group may make discretionary loans to Fund Products to support their liquidity requirements. Although such credit exposure is monitored and managed, there is a risk that, in the event of substantial declines in the value of the assets of the Fund Products to which the Man Group has lent money, such Fund Products could become insolvent and default on their obligations to the Man Group. The Man Group also has substantial cash deposits with a number of banks (at 31 August 2010, these deposits amounted to approximately US$2.5 billion with more than 11 banks). Default by either a Fund Product or a counterparty bank on their liabilities to the Man Group and/or the Enlarged Group could have a material adverse effect on the Man Group's and/or the Enlarged Group's business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

The Fund Products and Underlying Third Party Products, as well as GLG's fund products and underlying third party hedge fund products, are also exposed to counterparty risk. They enter into numerous types of financing arrangements, including derivative contracts, over-the-counter instruments, swap or hedging transactions and other arrangements, with a wide array of counterparties around the world where, often, the terms of these contracts are customised and complex and many of these arrangements occur in markets or relate to products that are not subject to regulatory oversight. In respect of capital protected/guaranteed Fund Products, these products may directly or indirectly enter into arrangements with counterparties providing a guarantee or some other form of capital protection to these products or to investors in these products (at 3 September 2010, guarantees amounting to around US$6.8 billion were provided by 26 banks). Fund Products also have substantial cash and cash deposits with a number of banks (at 30 September 2010, these deposits amounted to around US$8.7 billion with 24 banks). Furthermore, the Fund Products and Underlying Third Party Products often depend on the services of prime brokers and custodians to carry out certain securities transactions. Certain Fund Products and Underlying Third Party Products also trade in debt securities and other obligations, and are therefore exposed to the risk of default by the debtor or obligor in relation to their debt securities and other obligations.

As a result, the Fund Products or Underlying Third Party Products are subject to the risk that the counterparty to one or more of these contracts, arrangements or transactions defaults, either voluntarily or involuntarily, on its performance under the contract or arrangements (which may also include an operational or other failure of, or default by, a stock exchange or other exchange or platform on which securities related to Fund Products or Underlying Third Party Products may be traded). In the event of the default of a counterparty of the Fund Products or Underlying Third Party Products, particularly a default by any major bank or investment bank, one or more of the Fund Products could incur material losses, and investors in guaranteed Fund Products may also lose any amount of their principal/capital invested in such Fund Products. Fund Products and Underlying Third Party Products may also experience lower investment performance, particularly on the default of an obligor of their debt securities or other obligations. This would reduce FUM and revenues of the Man Group and/or the Enlarged Group, and could adversely affect the reputation of the Man Group and/or the Enlarged Group resulting in increased redemptions (including in other similar Fund Products) and lower sales of Fund Products. In the event of the insolvency of a prime broker and/or custodian (such as in connection with the insolvency of Lehman Brothers), the relevant Fund Products or Underlying Third Party Products might not be able to recover equivalent assets in full as they might rank among the prime broker and custodian's unsecured creditors, or a prime broker or custodian might fail to segregate the Fund Product's or the Underlying Third Party Product's cash held from its own cash. Each of these could, in turn, harm the Man Group's and/or the Enlarged Group's business, financial condition, results of operation and/or prospects.

The Man Group operates and, following Closing, the Enlarged Group will operate, in a heavily regulated environment. Adverse regulatory developments or changes in government policy relating to the financial sector generally or the alternative investment fund industry in particular could have an adverse effect on the Man Group's and/or the Enlarged Group's business, financial condition, results of operation or prospects

The Man Group and/or the Enlarged Group, each of their subsidiaries, affiliates and the Fund Products and/or Underlying Third Party Products are subject to extensive regulation, legislation, accounting standards and changing interpretations thereof in a number of jurisdictions and there is a risk that changes to laws, regulations, policies and interpretations may adversely affect the Man Group and/or the Enlarged Group, including via Fund Products or Underlying Third Party Products. In particular, following the recent interventions by governments in response to global economic conditions, it is widely expected that there will be a substantial increase in government regulation and supervision of the financial services industry and changes to existing regulatory regimes, whether on a national, European Union or global basis. The following are some of the changes which might have an adverse impact on the Man Group and/or the Enlarged Group, including via Fund Products or Underlying Third Party Products:

- potential regulatory requirements, such as the proposed Alternative Investment Fund Managers Directive (the "**AIFMD**"), which may restrict the ability of alternative investment managers to market fund products or funds in certain jurisdictions or of investors to invest in funds established in certain countries or managed by fund managers domiciled in certain countries;

- potential regulatory requirements that may result in material restrictions on the operational decisions or significantly increased costs of operation for alternative investment funds and/or alternative investment fund managers in certain jurisdictions, such as the potential regulations relating to fund custodians in the AIFMD;
- potential regulatory restrictions on investment products, conduct of business and/or investment strategies, for example, the restrictions on short-selling, a strategy often used by funds in the alternative investment industry (as has already been seen on a temporary or other basis in certain jurisdictions such as the UK and Germany);
- potential increases in regulatory capital requirements, more onerous liquidity requirements, changes to the "large exposures" regime and leverage restrictions, which might adversely affect alternative investment funds, alternative investment fund managers, banks which provide leverage to or act as counterparties to funds and to certain investors in funds who may be subject to prudential regulatory requirements;
- potential changes to regulations relating to the markets to which the Fund Products and/or Underlying Third Party Products have exposure. These changes could include restrictions on short selling, limits on position size, mandatory central clearing or on exchange trading of products that are currently traded on "over-the-counter" markets, rules regarding minimum margin requirements, restrictions on trading in commodity markets, trading or transaction taxes (such as "Tobin" taxes) and increased disclosure of market positions. Such changes could adversely affect, for example, the viability of certain investment strategies or reduce returns made by certain investment products, reduce funds under management and revenues, and/or increase the costs of compliance;
- potential changes to the legal and regulatory framework surrounding the distribution of investment products, most notably in respect of the payment of commissions;
- potential restrictions on, and changes to the tax treatments relating to, the remuneration arrangements and remuneration disclosures for employees in certain jurisdictions, including but not limited to restrictions on the payment of bonuses (such as those under the proposed Capital Requirements Directive III or equivalent under the draft AIFMD), which may result in a greater impact on alternative investment business (particularly those that are publicly listed and/or operate in more highly regulated jurisdictions) and may adversely impact the ability of the Man Group and/or the Enlarged Group to hire and retain key personnel in these jurisdictions, impair its ability to compete with fund managers based in other jurisdictions and/or increase its operating costs;
- changes arising as a result of the introduction of the new UK Corporate Governance Code, compliance with which will require the entire Man Board to retire and stand for reappointment at the Annual General Meeting of Man each year and which might, therefore, result in some or all of the directors of Man not being reappointed and, if so, in a destabilisation of the leadership of Man;
- potential changes to regulations of intermediaries and distributors in certain jurisdictions which may adversely affect the Man Group's and/or the Enlarged Group's ability to sell alternative investment products or increase their operating costs; and
- potential changes to accounting standards which might adversely affect the valuation of certain Fund Products, reduce FUM and, as a result, revenues of the Man Group and/or the Enlarged Group.

The requirements imposed by the regulators are designed primarily to ensure the integrity of the financial markets and to protect investors and other third parties in relation to investment products. These regulations can serve to limit the scope of the Man Group's and/or the Enlarged Group's activities and its flexibility regarding capital structure. Furthermore, any change in such regulations may have a material adverse effect on the ability of the Man Group and/or the Enlarged Group to carry on its business and pursue its investment strategies or may affect the attraction of alternative investments generally for either private or institutional investors. Any of these changes could adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

If the Man Group and/or the Enlarged Group (or any of their respective employees or other persons acting on their behalf), or any of the Fund Products and/or the directors of the Fund Products, breach applicable laws and regulations, there could be a material adverse effect on the Man Group's and/or the Enlarged Group's business, financial condition, results of operation and/or prospects

The Man Group and its business operate, and, following Closing, the Enlarged Group and its business will continue to operate, in numerous jurisdictions and are, or in the case of the Enlarged Group will continue to be, subject to numerous regulatory regimes, including in the United Kingdom, the United States, Switzerland, Japan, Luxembourg, Ireland, Hong Kong and the Cayman Islands. The FSA is the Man Group's primary regulator. Due to the products and services offered by the Man Group in jurisdictions outside the United Kingdom, it is also subject to regulation by the regulatory authorities of other jurisdictions, such as the SEC. The FSA and other such regulatory authorities have broad regulatory powers dealing with all aspects of financial services including the authority to grant, and in specific circumstances to vary or cancel, permissions and to regulate marketing and sales practices, advertising and the maintenance of adequate financial resources. Following the recent global economic crisis, regulators across the world have effected greater regulatory scrutiny over the financial institutions regulated by them over the past year and it is expected that this will continue for the foreseeable future, particularly in relation to compliance with new and existing rules relating to corporate governance, compensation, remuneration, capital and liquidity requirements, conduct of business, anti-money laundering, anti-terrorism laws and regulations, as well as the provisions of applicable sanctions.

If the Man Group and/or the Enlarged Group (or any of their respective employees or other persons acting on their behalf), or any of the Fund Products and/or the directors of the Fund Products, breach any such laws and regulations they are exposed to the risk of investigation by regulatory agencies, fines, temporary or permanent prohibition of the engagement in certain activities, suspensions of personnel or revocation of their licences and suspension or termination of the regulatory permissions given to its regulated subsidiaries. Regulatory proceedings could also result in adverse publicity or negative perceptions regarding the business of the Man Group and/or the Enlarged Group and increased redemptions by investors in the Fund Products, as well as harm to their reputation. Any regulatory investigations could result in increased costs, the diversion of management's attention from the day-to-day running of the business and increase the risk of civil litigation from investors as well as harm to the reputation of the Man Group and/or the Enlarged Group. Breach of applicable laws and regulations by the Man Group and/or the Enlarged Group could also restrict the ability of the Man Group and/or the Enlarged Group to provide liquidity support to the Fund Products. In addition, a material breach of applicable laws and regulations by an investment management subsidiary of the Man Group and/or the Enlarged Group could result in a breach of certain external financing facilities provided to Fund Products managed by that investment management subsidiary. In such circumstances the providers of this external finance may demand repayment of the financing by the relevant Fund Products which, in turn, would result in a reduction in FUM and revenues earned by the Man Group and/or the Enlarged Group. Any regulatory investigations, proceedings, consequent liabilities or sanctions could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

A failure in the operational or risk management processes, procedures, systems or infrastructure of the Man Group and/or of the Enlarged Group or those of critical third parties could adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group and damage its reputation

The business of the Man Group and the Enlarged Group is highly dependent on the successful and timely execution of complex investment management, operational, risk management and financial processes. Any operational errors or negligence by the employees of, or others acting on behalf of, the Man Group and/or the Enlarged Group (including, for example, in the trading systems of AHL or in the execution of trading orders on behalf of the Fund Products) or weaknesses in the internal controls over these processes could result in losses for the Fund Products and/or claims against and/or losses for the Man Group and/or the Enlarged Group or a requirement to compensate for losses of investors and/or other relevant parties in respect of Fund Products.

The business of the Man Group and the Enlarged Group is also highly dependent on the integrity, security and reliability of its information technology ("**IT**") systems and infrastructure. If any of the critical processes or systems do not operate properly or are disabled or are subject to unauthorised access, misuse, hacking and release of confidential information or computer viruses the Man Group's and/or the Enlarged Group's ability to perform effective investment management of the Fund Products could be materially impaired. In addition, failure to maintain an adequate infrastructure commensurate with the size and scope of its business, or failure to maintain the Man Group's and/or the Enlarged Group's IT systems and networks properly or to upgrade and expand such systems in response to technological change or to accommodate the growth of its business could limit the Man Group's and/or the Enlarged Group's ability to conduct its operations and could impede the Man Group's and/or the Enlarged Group's productivity and growth.

In the investment management processes carried out on behalf of the Fund Products, the Man Group seeks to monitor and manage the risk exposure of these Fund Products through a variety of risk models and techniques which also depend on the accuracy of data in the models and the infrastructure and systems used for these processes. If the assumptions made in the models regarding, for example, market risk or liquidity prove to be inappropriate, the data is incorrect, the systems are inadequate or if the Man Group and/or the Enlarged Group fails to take or cannot take appropriate steps to mitigate this risk based on information available in its risk monitoring systems, certain Fund Products could suffer significant losses, which could result in claims against and/or losses for the Man Group and/or the Enlarged Group or a requirement to compensate for losses of investors and/or other relevant parties in respect of Fund Products.

The business operations, information systems and processes of the Man Group are, and of the Enlarged Group are expected to be, vulnerable to damage or interruption from fires, floods, power loss, telecommunication failures, bomb threats, explosions or other forms of terrorist activity and other natural and man-made disasters. These operations and systems may also be subject to sabotage, vandalism, theft and similar misconduct. The Man Group operates, and the Enlarged Group is expected to operate, in major centres around the world, such as London, and, despite any business continuity arrangements that the Man Group and/or the Enlarged Group may have, any disaster causing significant disruption in any such centres or cities in the world (which may prevent the Man Group's and/or the Enlarged Group's employees from travelling to or occupying its offices) or any major disruption to its communications and data transmission systems could have a material adverse effect on its ability to continue to operate significant parts of its business effectively. The Man Group's and/or the Enlarged Group's insurance policies may only partially reimburse the losses suffered.

Any of the above events could, in turn, damage the reputation of the Man Group and/or the Enlarged Group, result in lower sales and/or higher redemptions by investors in the Fund Products and, therefore, in lower FUM and revenues and could therefore adversely affect the financial condition, results of operations (including impairments in the value of goodwill) and/or prospects of the Man Group and/or the Enlarged Group.

Decisions of the independent directors of the Fund Products could adversely affect the reputation, business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group

The Man Group and/or the Enlarged Group directly or indirectly provide investment management, advisory, structuring, risk management, operational or other services to the Fund Products. The Fund Products have independent boards of directors and/or independent governance and decision making powers. The Fund Products' investment performance, assets and liabilities are therefore separate from the Man Group and/or the Enlarged Group and are not consolidated into the Man Group's financial statements. However, the Man Group's and/or the Enlarged Group's reputation, business, financial condition, results of operations and/or prospects may be adversely impacted by decisions made by the independent directors of the Fund Products. The types of circumstances which could lead to such adverse effects include, without limitation, the contents of Fund Product offering material (for which the independent directors are responsible) containing a misstatement or material omissions or from the independent directors incorrectly making a valuation decision, following advice received from the independent valuation service provider and/or the investment manager (as more fully described in the risk factor entitled "*Valuation methodologies for certain assets in the Fund Products can be subject to significant subjectivity and the values of assets established pursuant to such methodologies may never be realised, which could result in significant losses for the Fund Products. There may also be errors in the valuation of Fund Products*"). The consequences of such a decision by the independent directors of the Fund Products may result in legal and/or regulatory proceedings being brought against the Man Group and/or the Enlarged Group. This could also result in increased redemptions and/or lower sales of the Fund Products which in turn could adversely affect the reputation, business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

The Fund Products and Underlying Third Party Products rely on third party providers of operational service and other critical services, such as fund administration, any failure of which could adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group and damage its reputation

The Fund Products and Underlying Third Party Products rely on third party providers of critical services such as fund administration, custodians, prime brokers, clearing brokers and providers of market data. Any significant interruption in the services of these third parties or a major deterioration in the quality of the service provided or bankruptcy or other termination could have a material adverse impact on these Fund Products and/or the Underlying Third Party Products including in relation to performance, client service levels and significant operational disruption.

Such operational or system failures could result in damage to the reputation of the Man Group and/or the Enlarged Group, investor redemptions and reduced prospects for future sales, increased costs and the risk of regulatory action and/or exposure to litigation from investors who have suffered losses, which in turn could adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

The due diligence process that the Man Group and/or the Enlarged Group undertakes in connection with investments by the Fund Products may not reveal all facts that may be relevant in connection with an investment and the Fund Products may make losses

Before the Fund Products or the GLG Group's fund products make certain investments or they invest in Underlying Third Party Products, the Man Group and GLG (as applicable) conducts due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment or allocation. The due diligence investigation that the Man Group and/or the Enlarged Group will carry out or will have carried out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity, including, among other things, the existence of fraud or other illegal or improper behaviour. Moreover, such an investigation will not necessarily result in the investment being successful.

Failure by the Man Group and/or the Enlarged Group to carry out effective due diligence processes could lead to Fund Products suffering losses as a result of poor investment strategy, operational or compliance failures or fraud by the investment manager of Underlying Third Party Products. As a result, the Man Group and/or the Enlarged Group may suffer losses in relation to the Fund Products or on investments in Underlying Third Party Products, which would reduce FUM and revenues and could damage its reputation and result in increased investor redemptions and/or weak future sales. Such due diligence failures could also expose the Man Group and/or the Enlarged Group to the risk of litigation from investors who have suffered losses and such failures could adversely affect the financial condition, results of operations (including impairments in the value of goodwill) and/or prospects of the Man Group and/or the Enlarged Group.

There are risks associated with a breach of investment mandates

The investment mandates for a number of the Fund Products may contain restrictions (whether by the investor, financing counterparties or as a result of regulatory requirements in the relevant jurisdiction) on the investment allocations of those Fund Products. Breach of these restrictions may result in losses suffered by investors, termination of external financing or regulatory censure. This may reduce FUM and revenues and could also damage the Man Group's and/or the Enlarged Group's reputation and result in high investor redemptions and weak future sales. It could also expose the Man Group and/or the Enlarged Group to the risk of litigation from investors who have suffered losses which in turn could affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

The Man Group and/or the Enlarged Group may be subject to claims of mis-selling

The Man Group sells, and following Closing, the Enlarged Group will sell, a number of Fund Products directly to institutional investors and to private investors through intermediaries or distributors. If these investors suffer losses on such Fund Products, they or their advisers may seek compensation from the Man Group and/or the Enlarged Group on the basis of allegations that the Fund Products were mis-sold or that the fund prospectuses contained material errors or that misleading marketing materials were provided to or supplied by intermediaries. Despite the controls relating to disclosure in fund prospectuses, the material provided to investor intermediaries and the suitability of intermediaries, it is possible that such action may be successful, which in turn could adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group. Any claim for mis-selling may also result in regulatory investigation and censure and may damage the reputation of the Man Group and/or the Enlarged Group.

Misconduct by employees (or others acting on their behalf) could harm the Man Group and/or the Enlarged Group by impairing its ability to attract and retain investors and by subjecting it to potential significant legal liability, regulatory scrutiny and reputational harm

The Man Group's and the Enlarged Group's reputation is critical to maintaining and developing relationships with the investors in the Fund Products, potential investors and third parties with whom it does business. In recent years, there have been a number of highly publicised cases involving fraud, conflicts of interest or other misconduct by individuals in the financial services industry in general and the hedge fund industry in particular. There is a risk that the Man Group's and/or the Enlarged Group's employees (or others acting on behalf of the Man Group and/or the Enlarged Group or others with whom the Man Group and/or the Enlarged Group has a relationship) could engage in misconduct that adversely affects its business. For example, if an employee were to engage, or be accused of engaging, in illegal or suspicious activities, the Man Group and/or the Enlarged Group could be subject to regulatory sanctions and suffer serious harm to its reputation, financial position, investor relationships and ability to attract future investors. Such illegal or suspicious activities could take the form of improper trading (such as execution of unauthorised transactions for investors, for themselves or any of the Fund Products); disclosure or improper use of confidential information; disregard for, breaches of or any failure in information management processes or systems (including "Chinese walls" or information barriers); breach of fiduciary duties (such as improper or unauthorised use of investor assets); or engagement in, mis-recording or concealment of improper activities on behalf of investors or themselves.

Misconduct by employees or intermediaries of the Man Group's and the Enlarged Group's clients could also expose the Man Group and the Enlarged Group to claims for financial losses or regulatory proceedings when it is alleged that the Man Group or the Enlarged Group or its employees knew or should have known that such person was not authorised to undertake certain transactions. Dissatisfied investors could make claims against the Man Group or the Enlarged Group, including but not limited to claims for negligence, fraud, unauthorised trading, failure to supervise, inadequate disclosure of risks, breach of fiduciary duty, intentional misconduct or unauthorised transactions.

Although the Man Group does not, and following Closing the Enlarged Group will not, control the activities of its intermediaries, it could be held responsible for their improper conduct. If an intermediary engages in improper or unauthorised conduct, regulators could hold the Man Group and the Enlarged Group responsible if they were to conclude that it knew or should have known that such conduct was unlawful.

It is not always possible to deter such misconduct, and the precautions that the Man Group and/or the Enlarged Group takes to detect and prevent this activity may not be effective in all cases. Misconduct by their employees or others acting on their behalf, or even unsubstantiated allegations, could result in a material adverse effect on the reputation and the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

Valuation methodologies for certain assets in the Fund Products can be subject to significant subjectivity and the values of assets established pursuant to such methodologies may never be realised, which could result in significant losses for the Fund Products. There may also be errors in the valuation of Fund Products

The Fund Products are valued by independent valuation service providers. Despite controls and checks in the valuation processes, the valuation of certain illiquid and/or derivative instruments may be subject to significant subjectivity and the price ultimately realised for such investments may differ from the valuation. Realisations at values significantly lower than the values at which investments have been reflected in fund net asset values would result in losses for the applicable Fund Product, a decline in FUM and revenues. Furthermore, if asset values turn out to be materially different from values reflected in fund net asset values, this could cause investors to lose confidence in the Man Group and/or the Enlarged Group which would, in turn, result in redemptions from the Fund Products.

There may also be errors in valuation processes or errors in assessing or calculating liabilities of Fund Products. If Fund Products are valued inappropriately the Man Group and/or the Enlarged Group could be subject to claims from either redeeming or subscribing investors relating to alleged losses as a result of misvaluations, the management and performance fees of the Man Group and/or the Enlarged Group could be overstated, and/or the proprietary investments of the Man Group and/or the Enlarged Group in various Fund Products or Underlying Third Party Products could be overvalued. In addition, the risk management processes of the Man Group and/or the Enlarged Group could be compromised, resulting in, for example, inappropriate leverage and potentially losses suffered by Fund Products or by the Man Group and/or the Enlarged Group on loans made to Fund Products.

These events, in turn, could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

Certain GLG Funds and several GLG clients with managed accounts have claims as creditors and/or as trust asset claimants against Lehman Brothers International (Europe) and, in some cases, other Lehman Brothers entities. These claims will likely take an extended period of time to resolve and, in some cases, may remain unsatisfied. There are also a number of open factual and legal issues surrounding such claims

Nearly all of the then existing fund products managed by GLG and several of the then existing GLG institutional managed accounts, save for a number of funds which were acquired from Société Générale Asset Management in April 2009, utilised Lehman Brothers International (Europe) ("**LBIE**") as prime broker and trading counterparty and had exposures to LBIE on 15 September 2008 when it was placed into administration by order of the English court. The net direct exposure of each affected GLG fund to LBIE and the other entities in the Lehman Brothers group is reflected in the net asset value of each fund and carried by the fund at fair value. The fair value of such exposures to LBIE and the other entities in the Lehman Brothers group is determined on the basis of the best information available to GLG from time to time, including information received from LBIE, that the claims of the GLG funds which are signatories to the Claims Resolution Agreement (the "**CRA**") will be determined as provided in the CRA and on the basis of legal and professional advice obtained for the purpose of determining the rights and obligations of each relevant GLG fund. Resolution under the CRA provides for, amongst other things, the return of trust assets, the determination and discharge of amounts owing to and from LBIE, the implementation of set-off rights and the crystallisation of admitted unsecured claims against LBIE. Fair value is also determined on the basis of certain reasoned assumptions, including with respect to the level of shortfalls in the recovery of trust assets, the level of recovery from Lehman Brothers Inc., the level of recovery on client money claims and the ultimate recovery on unsecured claims. The fair value of the exposures is reviewed regularly as needed, including the assumptions, with the relevant GLG fund's directors, independent fund administrator and independent auditors and is updated, as necessary, to reflect new information or changes in assumptions.

In addition to funds managed by GLG, the insolvency and administration of LBIE has also meant that investors of GLG who held private client or managed accounts with LBIE have been unable to access their assets, including all securities and cash in their respective accounts with LBIE or Lehman Brothers Inc.

The GLG funds and managed accounts have, in the aggregate, recognised losses as a result of the foregoing and may incur additional losses if these fair value estimates change and/or the assumptions made by GLG, information received by GLG (including from LBIE) or outside opinions prove incorrect. In any event, the GLG funds and managed accounts will suffer substantial delay before there is a final resolution of their claims and the ultimate recovery. If GLG's clients, including the GLG funds, do not fully recover their assets, suffer losses or substantial delays, they might lose confidence in GLG and/or make claims against GLG, GLG's affiliates and/or the GLG funds, which could damage the reputation of GLG and/or the Enlarged Group, result in lower sales and/or higher redemptions by investors and, therefore, in lower funds under management and revenue and could therefore adversely affect the business, results of operations, financial condition and/or prospects of the Enlarged Group.

If investors in these funds, or clients with assets held directly with LBIE, do not recover their assets, and/or suffer losses or substantial delays, they may also lose confidence in GLG and/or make claims against the fund product, GLG and/or the Enlarged Group, which could damage the reputation of GLG and/or the Enlarged Group, result in lower sales and/or higher redemptions by investors and, therefore, in lower funds under management and revenue and could therefore adversely affect the business, results of operations, financial condition and/or prospects of the Enlarged Group.

Asset recoveries pursuant to the CRA have begun with respect to nearly all of the funds and certain managed accounts that are signatories to the CRA.

The failure of the Man Group and/or the Enlarged Group to deal appropriately with conflicts of interest could damage its reputation and adversely affect its business

As the Man Group has expanded the nature and scope of its business, it increasingly confronts potential Fund Product-related conflicts of interest. For example, certain of the Fund Products have overlapping investment objectives, including fund products which have different fee structures, and potential conflicts may arise with respect to the decisions regarding how to allocate investment opportunities among those Fund Products. The Man Group manages, and, following Closing, the Enlarged Group will manage, a large portfolio of Fund Products which may also allocate to or invest in Underlying Third Party Products as well as to Fund Products managed directly by the Man Group and/or the Enlarged Group. In addition, the Man Group has, and the Enlarged Group will have, proprietary investments in certain Fund Products and Underlying Third Party Products and makes or will make loans to certain Fund Products. The Man Group and/or the Enlarged Group can also use its discretion to provide support to Fund Products or, subject to the terms of the loan agreements, to request repayment of loans from Fund Products. The Man Group and/or the Enlarged Group may also purchase investments from the Fund Products that they manage and there may be difficult judgments regarding the valuation of some investments. The existence of such circumstances may create the potential for claims of conflicts of interest.

Although the Man Group has, and the Enlarged Group will continue to have, procedures in place which seek to monitor and manage any potential for exposure to such conflicts of interest, it is possible that potential or perceived conflicts of interest could give rise to investor dissatisfaction or litigation or regulatory enforcement actions. In such actions the Man Group and/or the Enlarged Group could be required to bear legal, settlement and other costs (which may be in excess of available insurance coverage). Addressing conflicts of interest is complex and difficult and the Man Group's and/or the Enlarged Group's reputation could be damaged if it fails, or appears to fail, to deal appropriately with one or more potential or actual conflicts of interest. Regulatory scrutiny of, or litigation in connection with, conflicts of interest could have a material adverse effect on the reputation of the Man Group and/or the Enlarged Group, which could materially adversely affect its business in a number of ways, including as a result of redemptions by its investors from the Fund Products, an inability to raise additional funds and a reluctance of counterparties to do business with the Man Group and/or the Enlarged Group, which in turn could affect the financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

The Man Group and/or the Enlarged Group may be adversely affected if its reputation is harmed

The Man Group's reputation is one of its most important assets. The relationship of the Man Group and/or the Enlarged Group with its investors, other significant market participants, as well as among its many stakeholders – including its staff, shareholders, investors in Fund Products, intermediaries, lenders, regulators, key business partners and the general public – is very important to its business. The Man Group's and/or the Enlarged Group's ability to attract and retain investors and employees and raise appropriate financing or capital may be adversely affected to the extent its reputation is damaged. Any deterioration in the market perception of the Man Group and/or the Enlarged Group, including but not limited to pursuant to the loss of key personnel or poor investment performance, could lead to a loss of business or a failure to win new business. The Man Group's and/or the Enlarged Group's reputation could be also damaged by factors such as litigation, regulatory action, misconduct, operational failures, mismanagement, breach of data protection legislation in relation to client data, fraud (by employees or by third parties), failure to manage conflicts of interest or satisfy fiduciary responsibilities, failure to manage inside information, negative publicity or press speculation (whether or not any such allegations or claims are valid or ultimately disproved, dismissed or withdrawn), or a simple deterioration in the Man Group's and/or the Enlarged Group's performance. These issues could also arise in respect of sub-advisers that manage Man Group- or Enlarged Group-branded Fund Products or in respect of associates and/or joint ventures in which the Man Group and/or the Enlarged Group have investments, over whom the Man Group and/or the Enlarged Group has limited control. Damage to the reputation of the Man Group and/or the Enlarged Group as a result of these or other factors could have a material adverse effect on its business, financial condition, results of operations (including impairments in the value of goodwill) and/or prospects.

The Man Group may be required to make further contributions to its defined benefit pension schemes if the value of pension fund assets is insufficient to cover potential future obligations

The Man Group operates a defined benefit pension scheme for some UK employees. No new members have been admitted to the scheme since June 1999. Primary liability to fund the scheme rests with the employers that participate in the scheme. Participating employer contributions to the scheme must be agreed with the pension scheme trustees who have control over the investment of the scheme's assets and can alter their investment strategy, potentially exposing the participating employers to additional costs. If agreement cannot be reached, the Pensions Regulator has power to impose a contribution rate on the participating employers. Employer contributions to the scheme will also be affected by factors that affect the funding level of the scheme and make benefits more expensive to provide than anticipated, such as lower investment returns than expected or increasing life expectancy. The trustees or the Pensions Regulator have power to wind up the scheme in certain circumstances, which would result in a statutory debt owing from the participating employers to the scheme based on the cost of buying out benefits with an insurance company. Further, the Pensions Regulator has power to require funding or funding guarantees for the scheme from persons who are associates of or connected with the participating employers in certain circumstances. As a result, the Man Group and/or the Enlarged Group is exposed to funding risks in relation to the defined benefits under its pension schemes.

Changes in tax laws or in the policy of tax administration, including changes in the interpretation or application of existing tax laws, may adversely affect the Man Group's and the Enlarged Group's profitability

The Man Group operates, and the Enlarged Group is expected to operate, in many different territories and is, and is expected to continue to be, subject to many different international tax laws. Tax laws, and the interpretation of tax laws by taxing authorities, frequently change, sometimes with retrospective effect. It is possible that tax laws and the interpretation and/or application of such laws may change in such a way that the Man Group's and/or the Enlarged Group's effective corporate tax rates are increased, that the current fiscal treatment of alternative investment products is changed in a way that makes them unattractive to potential investors in certain jurisdictions or that taxes on transactions are introduced or applied in a way that adversely affects the viability of certain investment strategies carried out by the Fund Products (for example taxes payable on Underlying Third Party Products increase) or that taxes are levied on the Fund Products themselves. It is also possible that tax laws and their interpretation and/or application may change in such a way that the taxes payable by the employees of the Man Group and/or the Enlarged Group in certain countries may increase and that this either results in the loss of key staff or in an increase in costs to prevent the loss of key staff. Any of these changes could adversely affect the financial condition, results of operations or future prospects of the Man Group and/or the Enlarged Group.

The Man Group and/or the Enlarged Group is subject to third party litigation risk that could result in significant liabilities and/or reputational harm, which could materially adversely affect its results of operations and/or financial condition

The Man Group and/or the Enlarged Group will be exposed to risk of litigation by investors in and/or directors of the Fund Products if the conduct of the management of or advice provided to any Fund Product is alleged to amount to negligence, wilful misconduct or fraud. Investors and/or Fund Product directors may in such circumstances decide to take legal action against the Man Group and/or the Enlarged Group to recover amounts lost. Furthermore, the Man Group and/or the Enlarged Group may be subject to litigation arising from investor dissatisfaction with the performance of the Fund Products or from allegations that it improperly exercised control or influence over companies in which the Fund Products have large investments. The Man Group and/or the Enlarged Group also faces the risk of litigation from investors in the Fund Products, Fund Product directors and/or third party service providers, if it does not comply with, or if an investor claims that it has not complied with, restrictions in such Fund Products' organisational documents (for example, restrictions on entering into related party transactions).

In respect of Fund Products, the Man Group and/or the Enlarged Group is exposed to the risk of litigation if the Fund Products suffer losses which may occur, for example, through the failure of a particular investment strategy or risk management or due diligence processes, or due to the trading activity of an employee who has violated the policies of the Man Group and/or the Enlarged Group or market rules and regulations. Any litigation arising in such circumstances is likely to be protracted, expensive and potentially involve circumstances which are damaging to the Man Group's and/or the Enlarged Group's reputation and business.

If the Man Group and/or the Enlarged Group is required to incur all or a portion of the costs arising out of litigation or investigations as a result of inadequate insurance proceeds or failure to obtain indemnification from the Fund Products, its operations and/or financial condition could be materially adversely affected.

In addition, with a workforce consisting of many highly paid investment professionals, the Man Group and/or the Enlarged Group faces the risk of lawsuits relating to claims for compensation, which may individually or in the aggregate be significant in amount. Such claims are more likely to occur in the current environment where individual employees may experience significant volatility in their year-to-year compensation due to trading performance or other issues and in situations where previously highly compensated employees were terminated for performance or efficiency reasons, as has occurred over the past year in a number of instances. The cost of settling such claims could adversely affect its business, financial condition, results of operations and/or prospects.

Also, as a listed and regulated company, Man is subject to the risk of investigation or litigation by certain parties including, without limitation, regulators, its public shareholders and/or noteholders arising from an array of possible claims, including investor dissatisfaction with the performance of its businesses or its share price, allegations of misconduct by its officers and directors or claims that it has inappropriately dealt with conflicts of interest or investment allocations. It is also likely that the Man Group would be brought into any lawsuit that is filed involving any of the Fund Product-related litigation and regulatory risks described above. As with the Fund Products, while the Man Group maintains insurance, there can be no assurance that its insurance will prove to be adequate. If the Man Group is required to incur all or a portion of the costs arising out of litigation or investigations, its results of operations, financial condition and liquidity could be materially adversely affected. Furthermore, any such litigation or investigation could be protracted, expensive and highly damaging to the Man Group's and/or the Enlarged Group's reputation, even if the underlying claims are without merit. In addition, the Man Group and/or the Enlarged Group may participate in transactions that involve or initiate litigation (including the enforcement of contractual rights) from time to time, and such transactions may expose it to reputational risk and increased risk from countersuits.

The Man Group and/or the Enlarged Group may have inadequate insurance to protect them against losses they may suffer

The Man Group has an insurance programme provided by a syndicate of third party insurers in respect of potential third party liabilities, loss of assets, business interruption and people related exposures. There can be no assurance, however, that losses resulting from any of the risk factors outlined in this section would be covered by these insurance policies or that insurers will not dispute the validity of an insurance claim or, if covered, that the claims will not exceed the limits of available insurance coverage. Moreover, there can be no assurance that any insurer will remain solvent and will meet its obligations to provide the Man Group and/or the Enlarged Group with coverage, or that insurance coverage will continue to be available with sufficient limits at a reasonable cost. Renewals of insurance policies may expose the Man Group and/or the Enlarged Group to additional costs through higher premiums or the assumption of higher deductibles or co-insurance liability. The future costs of maintaining insurance cover or meeting liabilities not covered by insurance could have a material adverse effect on the Man Group's and/or the Enlarged Group's business, financial condition, results of operations and/or prospects.

Additional risks relating to the GLG Group's business

Notwithstanding the risks relating to the Enlarged Group described in these risk factors, GLG's business differs from that of Man Group in that the majority of its fund products pursue investment strategies which require day to day active discretionary investment decision making by investment managers and traders. This discretionary investment management includes, but is not limited to, equity long-short funds, long only equity funds, mixed asset long short funds, multi strategy arbitrage funds, convertible bond funds, macro funds and credit long short funds, which may be characterised by the use of leverage, short positions and/or derivatives, and long only equity funds.

Accordingly, key additional risks relating to the GLG business include:

- a dependence on the continued service of the GLG Principals and other key personnel;

- a potential requirement to pay investment professionals significant compensation even in periods in which the GLG business earns low or no performance fees;
- the possibility of misconduct by employees, a failure to manage inside information and/or fraud which may damage the reputation of the business;
- poor investment performance by the GLG fund products (and hence low or no performance fees, lower funds under management and low sales and high redemptions) as a result of the conditions of the financial markets in which the GLG fund products invest or as a result of the investment strategies pursued by the GLG fund products including due to the use of derivatives and leverage;
- the potential for high redemptions of GLG fund products;
- risks due to the potential illiquidity of assets within the GLG fund products; and
- risks arising from the use of prime brokers, custodians, administrators and other agents of the GLG fund products.

Risks and other considerations relating to the Man Shares

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Man Shares are legal investments for it, (2) Man Shares can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Man Shares. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Man Shares under any applicable risk-based capital or similar rules.

Risks of executing the Acquisition could cause the market price of Man Shares to decline

The market price of Man Shares may decline as a result of the Acquisition, among other reasons, if:

- the integration of the Man Group and the GLG Group is delayed or unsuccessful;
- Man does not achieve the expected benefits of its acquisition of GLG as rapidly or to the extent anticipated by Man's financial analysts or investors or at all;
- the effect of Man's acquisition of GLG on its financial results is not consistent with the expectations of financial analysts or investors or at all;
- the GLG Principals sell a significant number of Man Shares received pursuant to the Acquisition after the expiry of, or in accordance with the provisions of, the Lock-Up.

Based on the Announcement Date Exchange Ratio, the number of New Man Shares that will be issued to the GLG Principals pursuant to the Acquisition will be approximately 147,423,939, representing approximately 8 per cent. of the fully diluted share capital of Man as enlarged by the Acquisition. If the GLG Principals who receive New Man Shares in the Acquisition seek to sell a significant proportion of those shares within a short period after expiry of the Lock-Up, this could potentially create selling pressure in the market for Man Shares or a perception that such selling pressure may develop, either of which may adversely affect the market for, and the market price of, Man Shares.

The market price of Man Shares may be affected by factors different from those affecting the price of GLG Shares

If the Acquisition is successfully completed, the GLG Exchange Stockholders will become holders of New Man Shares. Man's business differs from that of GLG in that, for example, the majority of its revenues are derived from the quantitative, directional trading strategy of the AHL programme, whereas GLG's revenues largely result from discretionary trading by the investment managers of its Fund Products. As a result, the Man Group's operations, as well as the price of Man Shares, may be affected by factors different from those affecting the GLG Group's operations and the price of GLG Shares.

The level of any dividend paid in respect of the Man Shares is subject to a number of factors

The level of any dividend paid in respect of the Man Shares is within the discretion of the Man Board and is subject to a number of factors, including the business and financial condition, earnings, cash flow and regulatory capital position of, and other factors affecting, the Man Group (and, following Closing, the Enlarged Group), as well as the availability of funds from which dividends can be legally paid. Any reduction in dividends paid on Man Shares from those historically paid, or the failure to pay dividends in any financial year, could adversely affect the market price of Man Shares.

The historical performance of the Fund Products and/or the GLG Group's fund products should not be considered as indicative of their future results or of any returns expected on the Man Shares

The historical and potential future returns of the Fund Products are not directly linked to returns on the Man Shares. Therefore, readers should not conclude that positive performance of the Fund Products will necessarily result in positive returns on the Man Shares. However, poor performance of the Fund Products will cause a decline in the Man Group's and/or the Enlarged Group's revenue from such Fund Products, and will therefore have an adverse effect on the Man Group's and/or the Enlarged Group's performance and the returns on the Man Shares.

Moreover, with respect to the historical performance of the Fund Products and/or GLG's fund products:

- the historical performance of such Fund Products or GLG's fund products should not be considered indicative of the future results that should be expected from such Fund Products or GLG's fund products, or from any future Fund Products the Man Group and/or the Enlarged Group may raise, in part because the market conditions during previous periods were significantly more favourable for generating positive performance than the market conditions the Man Group and the GLG Group have experienced for the last two years and may continue to experience for the foreseeable future;
- the performance of the Fund Products, and/or the GLG Groups fund products, which may be calculated on the basis of net asset value of the funds' investments, could reflect unrealised gains that may never be realised; and
- the Fund Products' and/or the GLG Group's fund products' or funds' returns have benefited from investment opportunities and general market conditions that may not repeat themselves, and there can be no assurance that the current Fund Products, or the GLG Group's current fund products, or future Fund Products will be able to avail themselves of profitable investment opportunities.

Risks and other considerations relating to the Acquisition

The implementation of the Acquisition is subject to the satisfaction of a number of conditions

The Acquisition will be implemented by way of the Merger, which is governed by the Merger Agreement, and the Share Exchange, which is governed by the Share Exchange Agreement. The closing of the transactions contemplated by each of the Merger Agreement and the Share Exchange Agreement are effectively subject to a number of conditions, including:

- the affirmative vote in favour of the adoption of the Merger Agreement by the holders of (i) a simple majority of the outstanding shares of GLG Common Stock and GLG Preferred Shares, voting as a single class; and (ii) a simple majority of the outstanding shares of GLG Common Stock excluding those held by the GLG Exchange Stockholders and their affiliates, Man and its affiliates and GLG and its affiliates (other than directors who are members of the Special Committee) and employees of GLG; and
- the absence of a material adverse change affecting GLG or Man.

There is no guarantee that these (or any other) conditions will be satisfied. Failure to satisfy any of the conditions may result in the Acquisition not being completed.

Legal proceedings relating to the Acquisition

Several putative class action complaints have been filed against GLG and the GLG Board alleging breaches of fiduciary duty and aiding and abetting breaches of fiduciary duty in connection with the Acquisition. One such putative class action complaint has joined Man to the action as a defendant, alleging that Man aided and abetted such alleged breaches of fiduciary duty in connection with the Acquisition. Among other relief, plaintiffs in these actions are seeking an injunction preventing completion of the Acquisition, as well as recissionary damages, restitution and attorneys' fees of an amount which is unquantifiable at this stage.GLG and Man have stated their intention to defend these actions vigorously. On 19 August 2010, GLG, the GLG Board and Man reached a proposed settlement (with no admission of liability) with the plaintiffs in these actions, which settlement is subject to the parties finalising formal settlement documentation and approval of the Court of Chancery of the State of Delaware. There can be no assurance that the settlement will be approved by the court and/or that the claims will not be successful which may result in other reliefs being granted against GLG and Man.

Whether or not the Acquisition is completed, the prospect of the Acquisition could cause disruptions in the businesses of the Man Group and/or the GLG Group, which could have material adverse effects on their businesses and financial results, as well as on the business, financial condition, results of operations and/ or prospects of the Enlarged Group

Whether or not the Acquisition is completed, the prospect of the Acquisition completing could cause disruptions in the businesses of the Man Group and/or the GLG Group. Specifically, if the Acquisition is completed, some current and prospective employees may experience uncertainty about their future roles within the Enlarged Group, which may adversely affect the Man Group and the GLG Group's abilities to retain or recruit key managers and other employees.

If the Man Group and the GLG Group fail to manage these risks effectively, the business and financial results of the Man Group, the GLG Group and the Enlarged Group could be adversely affected.

If there are significant, unforeseen difficulties integrating the business operations of the Man Group and the GLG Group, they could adversely affect the business of the Enlarged Group

Man intends that certain functions of the Man Group and the GLG Group will be integrated following Closing. Man's goal in integrating these operations is to achieve identified cost savings by taking advantage of anticipated synergies of consolidation and increase revenues through potential growth opportunities. However, the Man Group may encounter difficulties integrating its operations with the GLG Group's operations, resulting in a delay or the failure to achieve the anticipated synergies of integration and cost savings. If such difficulties are significant, this could adversely affect the business, financial condition, results of operations and/or prospects of the Man Group and/or the Enlarged Group.

The Man Group may incur higher than expected integration, transaction and Acquisition-related costs

Man expects to incur expenses associated with combining the operations of the two groups, estimated to be approximately US$25 million. In addition, Man will incur legal, accounting and transaction fees and other costs related to the Acquisition. Some of these costs are payable regardless of whether the Acquisition is completed and such costs may be higher than anticipated.

Although Man believes that the elimination of costs, as well as the realisation of other efficiencies related to the integration of the businesses, will offset these implementation and acquisition costs over time, this net benefit may not be achieved within the expected timetable. In addition, some of these costs could be higher than Man anticipates, which could reduce the net benefits of the Acquisition and impact the Man Group's and the Enlarged Group's results of operations.

IMPORTANT INFORMATION

Notice to potential investors

This Prospectus has been prepared for the purposes of complying with English law, the Prospectus Rules and the Listing Rules, and the information disclosed may not be the same as that which would have been disclosed if this Prospectus had been prepared in accordance with the laws of jurisdictions outside of England and Wales.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any security. None of the securities referred to in this Prospectus shall be sold, issued or transferred in any jurisdiction in contravention of any applicable law.

No incorporation of website information

Except to the extent expressly set out below in the section entitled "*Relevant Documentation and Incorporation by Reference*", neither the content of Man's website nor any other website, nor the content of any website accessible from hyperlinks on Man's website or any other website, is incorporated into, or forms part of, this Prospectus.

Forward-looking statements

This Prospectus (including any information incorporated by reference) includes forward-looking statements. The words "believe", "anticipate", "expect", "intend", "aim", "plan", "predict", "project", "target", "continue", "assume", "positioned", "may", "will", "should", "would", "could", "shall", "risk" and other similar expressions that are predictions of or indicate future events and future trends identify forward-looking statements. These forward-looking statements include all matters that are not current or historical facts. In particular, the statements under the headings "*Summary Information*" and "*Risk Factors*" and in Part 2: Information on Man, Part 3: Information on GLG, Part 6: Man Operating and Financial Review and Part 10: Profit Estimate regarding Man's strategy, future financial position and other future events or prospects are forward-looking statements.

These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the control of the Man Group, that could cause the actual results of the Man Group and/or the Enlarged Group to differ materially from those indicated in any such statements. These factors include, but are not limited to, those described in the part of this Prospectus entitled "*Risk Factors*" which are known to Man at the date of this Prospectus, but may include other factors which arise in the future and are not known, or not considered to be material, at such date. The part of this Prospectus entitled "*Risk Factors*" should be read in conjunction with the other cautionary statements included in this Prospectus.

Potential investors and others should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the control of the Man Group. By their nature, forward-looking statements involve risks and uncertainties because such statements relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not indicative of future performance and the actual results of operations, financial condition and liquidity of the Man Group and/or the Enlarged Group, and the development of the industry in which the Man Group and/or the Enlarged Group operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus.

These forward-looking statements reflect Man's judgment at the date of this Prospectus and are not intended to give any assurances as to future results. To the extent required by the Listing Rules, the Prospectus Rules, the Disclosure and Transparency Rules and other applicable regulations, Man will update or revise the information in this Prospectus. Otherwise, Man undertakes no obligation to update or revise any forward-looking statements, and will not publicly release any revisions it may make to these forward-looking statements that may result from events or circumstances arising after the date of this Prospectus. Man will comply with its obligations to publish updated information as required by law or by any regulatory authority but assumes no further obligation to publish additional information.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that the Man Group, or persons acting on its behalf, may issue.

Presentation of Man financial information

The financial information in relation to the Man Group in this Prospectus has been extracted without material adjustment from the financial information referred to in Part 7: Man Financial Information, which has been incorporated into this Prospectus by reference. Financial information extracted from the financial information referred to in Part 7: Man Financial Information is to be found in the section headed "*Summary Information*", Part 2: Information on Man, Part 5: Man Selected Financial and Operating Information and Part 6: Man Operating and Financial Review. GLG Stockholders and potential investors should ensure that they read the whole of this Prospectus and not just rely on key information or information summarised within it.

GLG Stockholders and potential investors should ensure that they read the whole of this Prospectus and not just rely on key information or information summarised within it.

IFRS and US GAAP

Man's consolidated financial statements are prepared in accordance with IFRS whereas GLG's consolidated financial statements are prepared in accordance with US GAAP. IFRS differs from US GAAP in a number of significant respects. Man has not prepared, and does not currently intend to prepare, its financial statements in, or reconcile them to, US GAAP. In making an investment decision, potential investors must rely on their own examination of Man, and the financial information in this Prospectus. Potential investors should consult their own professional advisers for an understanding of the differences between IFRS and US GAAP.

Rounding

Certain figures contained in this Prospectus or incorporated by reference in this Prospectus, including financial, statistical and operating information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables contained in this Prospectus or incorporated by reference in this Prospectus may not conform exactly to the total figure given for that column or row.

Currency presentation

Unless otherwise indicated, all references in this Prospectus to "**US dollars**", "**dollars**", "**USD**", "**US$**" or "**cents**" are to the lawful currency of the US, all references to "**pounds sterling**", "**sterling**", "**£**", "**pence**" or "**p**" are to the lawful currency of the UK and all references to "**€**", "**EUR**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.

Defined terms

Certain terms used in this Prospectus, including capitalised terms and certain technical and other items, are defined and explained in Part 12: Definitions.

Notes

Please note the following when reading this Prospectus and in particular those statements against which reference to the relevant note appears:

(1) The values in this Prospectus ascribed to GLG and the Exchange Shares held by the GLG Exchange Stockholders and the number of New Man Shares to be issued in connection with the Share Exchange have been determined by: (a) applying the Announcement Date Exchange Ratio; using the closing price per Man Share of 221.5 pence as at 14 May 2010, being the last Business Day prior to the date of the Announcement, and a pounds sterling/US dollar exchange rate as at the same date of 1.45555; and (b) in relation to the value of GLG, taking into account the conversion of all Convertible Notes and GLG Exchangeable Shares into shares of GLG Common Stock. The actual values that will be attributable to GLG and the Exchange Shares held by the GLG Exchange Stockholders on Closing may be different from those set out in this Prospectus and the number of New Man Shares to be issued on completion of the Share Exchange may be lower than those stated in this Prospectus. This is a result of the fact that the GLG Exchange Stockholders will receive an amount of New Man Shares for each of their Exchange Shares applying the Exchange Ratio determined at Closing. In the event that the

implied value of an Exchange Share would exceed US$4.25 under the Share Exchange at Closing, the number of New Man Shares issued in respect of each Exchange Share will be reduced to maintain a maximum implied value of US$4.25 per Exchange Share at Closing.

(2) The estimated cost of achieving the potential annual run-rate cost savings of US$50 million that have been identified and are referred to in this Prospectus is US$25 million.

(3) Nothing in this Prospectus is intended to be a profit estimate for any period or a forecast of future profits and statements relating to earnings accretion should not be interpreted to mean that earnings per Man Share for the current or future financial periods will necessarily match or exceed its historical published earnings per share. Figures referred to in statements included in this Prospectus in relation to earnings accretion are stated before amortisation of intangibles arising from the Acquisition.

RELEVANT DOCUMENTATION AND INCORPORATION BY REFERENCE

Man financial information

The following documents, which have been filed with the FSA, and are available as described below, contain information about Man which is relevant to the Acquisition:

- Man's audited consolidated financial statements for the financial year ended 31 March 2010 (prepared in accordance with IFRS), contained in Man's Annual Report 2010, together with the audit report in respect of that year;
- Man's audited consolidated financial statements for the financial year ended 31 March 2009 (prepared in accordance with IFRS), contained in Man's Annual Report 2009, together with the audit report in respect of that year; and
- Man's audited consolidated financial statements for the financial year ended 31 March 2008 (prepared in accordance with IFRS), contained in Man's Annual Report 2008, together with the audit report in respect of that year.

Man's audited consolidated financial statements for the years ended 31 March 2010, 2009 and 2008 (each prepared in accordance with IFRS in effect at the time of their respective preparation, and incorporated by reference into this Prospectus) are together referred to as the "**Consolidated Financial Statements**".

Information incorporated by reference

The tables below set out the various sections of the documents which are incorporated by reference into this Prospectus, so as to provide the information required pursuant to the Prospectus Rules and to ensure that potential investors are aware of all information which, according to the particular nature of Man and of the New Man Shares, is necessary to enable potential investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of Man and the Man Group.

Man financial information

Reference document	*Information incorporated by reference into this Prospectus*	*Page number in reference document*
For the financial year ended 31 March 2010		
Man Annual Report 2010........	Auditors' Report on the Group's Financial Statements	77
Man Annual Report 2010........	Group Income Statement	36
Man Annual Report 2010........	Group Balance Sheet	35
Man Annual Report 2010........	Group Cash Flow Statement	39
Man Annual Report 2010........	Group Statement of Comprehensive Income	37
Man Annual Report 2010........	Group Statement of Changes in Equity	38
Man Annual Report 2010........	Basis of preparation	40 to 41
Man Annual Report 2010........	Notes to the Group Financial Statements	43 to 75
For the financial year ended 31 March 2009		
Man Annual Report 2009........	Auditors' Report on the Group's Financial Statements	74
Man Annual Report 2009........	Group Income Statement	75
Man Annual Report 2009........	Group Balance Sheet	76
Man Annual Report 2009........	Group Cash Flow Statement	77
Man Annual Report 2009........	Group Statement of Recognised Income and Expense	78
Man Annual Report 2009........	Principal Accounting Policies	79 to 82
Man Annual Report 2009........	Notes to the Group Financial Statements	83 to 116
For the financial year ended 31 March 2008		
Man Annual Report 2008........	Auditors' Report on the Group's Financial Statements	84
Man Annual Report 2008........	Group Income Statement	85
Man Annual Report 2008........	Group Balance Sheet	86
Man Annual Report 2008........	Group Cash Flow Statement	87
Man Annual Report 2008........	Group Statement of Changes in Recognised Income and Expense	88
Man Annual Report 2008........	Principal Accounting Policies	89 to 92
Man Annual Report 2008........	Notes to the Group Financial Statements	93 to 127

GLG information

Reference document	*Information incorporated by reference into this Prospectus*	*Page number in reference document*
Circular....................................	Part III – Information on GLG	33
Circular....................................	Part IV – Financial Information in relation to GLG	41
Circular....................................	Paragraph 8 (*Litigation – GLG Group*) of Part VII: (Additional Information)	116

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Availability of information

Copies of the documents of which all or part are incorporated herein by reference are available as provided in paragraph 18 (*Documents for inspection*) of Part 11: Additional Information.

Copies of each of the documents under the heading "*Man Financial Information*" above are available on Man's website (www.mangroupplc.com).

Neither the content of Man's website nor GLG's website, nor the content of any other website including any other website accessible from hyperlinks on Man's website or GLG's website, is incorporated into, or forms part of, this Prospectus.

MAN DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Function
Jon Aisbitt	Non-executive Chairman of the Man Board and Chairman of the Nomination Committee
Alison Carnwath	Senior Independent Non-Executive Director
Peter Clarke	Chief Executive
Phillip Colebatch	Independent non-executive director and Chairman of the Remuneration Committee
Dugald Eadie	Independent non-executive director
Kevin Hayes	Finance Director
Ruud Hendriks	Independent non-executive director
Frédéric Jolly	Independent non-executive director
Patrick O'Sullivan	Independent non-executive director and Chairman of the Audit and Risk Committee

Company Secretary
Rachel Rowson
Man Group plc
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United Kingdom

Registered Office
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Lead Financial Adviser
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20 Grafton Street
London W1S 4DZ
United Kingdom

Sponsor, Corporate Broker and Financial Adviser
Merrill Lynch International
2 King Edward Street
London EC1A 1HQ
United Kingdom

Legal Adviser to Man as to English Law
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10 Upper Bank Street
Canary Wharf
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United Kingdom

Legal Adviser to Man as to US Law
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Registrar
Equiniti Limited
Aspect House
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Lancing
West Sussex BN99 6DA
United Kingdom

Auditor
PricewaterhouseCoopers LLP
1 Hay's Lane
Hay's Galleria
London SE1 2RD
United Kingdom

Reporting Accountant
PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH
United Kingdom

CAPITALISATION AND INDEBTEDNESS

The following table shows the capitalisation of the Man Group as at 31 March 2010 and its consolidated indebtedness as at 31 July 2010:

Capitalisation and indebtedness(1)

	As at 31 July 2010 (unaudited)
	(US$m)
Total current debt	
– Guaranteed	—
– Secured	—
– Unguaranteed/Unsecured	—
Total current financial indebtedness	—
Total non-current debt	
– Guaranteed	—
– Secured	—
– Unguaranteed/Unsecured	1,407
Total non-current financial indebtedness	1,407

	As at 31 March 2010 (audited)
	(US$m)
Shareholders' equity	
Called up share capital	59
Capital securities(2)	300
Retained earnings	1,530
Other reserves(3)	2,098
Total shareholders' equity	3,987

(1) This statement of capitalisation and indebtedness has been prepared using IFRS accounting policies which are consistent with those used in preparing the Man Group's consolidated audited financial results for the year ended 31 March 2010.

(2) On 7 May 2008 the Man Group issued US$300 million US$ Reg S Fixed Rate Perpetual Subordinated Capital Securities (the ''Capital securities'') The Capital Securities are classified as equity on the basis that the securities are irredeemable except at the option of Man, and coupon payments and principal repayments can be deferred indefinitely at the option of Man.

(3) Other reserves include the capital redemption reserve, the share premium account, the available-for-sale reserve, the reserve in respect of own shares held by the ESOP trust and the cumulative translation adjustment reserve.

(4) Since 31 March 2010, there has been no material change in the capitalisation of the Man Group.

The following table sets out the net consolidated financial indebtedness of the Man Group as at 31 July 2010:

	As at 31 July 2010 (unaudited)
	(US$m)
Cash	173
Cash equivalents	2,509
Liquidity	2,682
Current financial receivable	
Current bank debt	—
Current portion of non-current debt	—
Other current financial debt	—
Current financial debt	—
Net current financial indebtedness	2,682
Fixed rate loans	(1,007)
Floating rate notes – subordinated debt	(400)
Non-current financial indebtedness	(1,407)
Net funds	1,275

(1) This statement of net funds has been prepared using IFRS accounting policies which are consistent with those used in preparing the Man Group's consolidated audited financial results for the year ended 31 March 2010.

(2) The information as at 31 July 2010 is unaudited.

(3) Net funds exclude the fair value of the Man Group's derivatives as at 31 July 2010.

(4) As at 31 July 2010 the Man Group had US$951 million of contingent indebtedness that may fall due in certain circumstances, all of which would fall due within 12 months of 31 July 2010. These commitments are comprised of committed purchase agreements of US$551 million and a US$400 million intra-day credit facility provided to certain Fund Products in relation to their banking arrangements, which are each guaranteed by the Man Group.

(5) Please refer to Part 9: Unaudited Pro Forma Financial Information of the Enlarged Group of this Prospectus for information on the impact of the Acquisition on the consolidated net assets of the Man Group.

PART 1:

INFORMATION ON THE ACQUISITION

1. INTRODUCTION

On 17 May 2010, Man announced that it had reached agreement on the terms of the recommended Acquisition by Man of all of the issued and to be issued share capital of GLG, a company listed on the New York Stock Exchange.

The Acquisition values the fully diluted share capital of GLG at approximately US$1.6 billion[(1)] and creates a diversified, world-leading alternative investment manager with approximately US$62.5 billion of funds under management.

It is currently expected that completion of the Acquisition will occur on or around 14 October 2010.

2. SUMMARY OF THE TERMS OF THE ACQUISITION

The Acquisition will be implemented by way of the Merger, which is governed by the Merger Agreement, and a Share Exchange, which is governed by the Share Exchange Agreement.

Pursuant to the Merger, GLG Public Stockholders will receive US$4.50 in cash for each share of GLG Common Stock, representing a premium of approximately 55 per cent. over the GLG Closing Price on 14 May 2010, being the last Business Day prior to the date of the Announcement.

Pursuant to the Share Exchange and applying the Announcement Date Exchange Ratio, the GLG Exchange Stockholders will receive 1.0856 New Man Shares for each of their Exchange Shares, valuing each Exchange Share at US$3.50[(1)]. In the event that the implied value of an Exchange Share would exceed US$4.25 under the Share Exchange at Closing, the number of New Man Shares issued in respect of each Exchange Share will be reduced to maintain a maximum implied value of US$4.25 per Exchange Share at Closing.

The cash consideration payable in connection with the Acquisition is approximately US$1 billion. Based on the Announcement Date Exchange Ratio, the GLG Exchange Stockholders would receive approximately 163 million New Man Shares in aggregate (representing approximately 9 per cent. of the fully diluted share capital of Man as enlarged by the Acquisition). Based on such Announcement Date Exchange Ratio, the New Man Shares to be issued under the Share Exchange along with the New Man Shares to be issued under the GLG Share Plans (assuming vesting in full) have a value of approximately £570 million[(1)].

The consideration payable under the Merger Agreement and the Share Exchange Agreement reflects the negotiations with the Special Committee and the GLG Principals, respectively. In particular, in a transaction structure involving a share exchange and a cash merger, it was the Special Committee's intention to seek on behalf of the GLG Public Stockholders who are receiving cash a larger premium over the GLG Closing Price in comparison to the consideration to be received by the GLG Exchange Stockholders in the Share Exchange.

The consideration for the Acquisition provides a certain cash price to the GLG Public Stockholders who will cease to participate in GLG's future earnings or growth, if any, or to benefit from increases, if any, in the value of GLG following Closing. The GLG Exchange Stockholders will receive New Man Shares and will participate in the future earnings and growth, if any, of GLG and/or Man and will benefit from increases, if any, in the value of GLG and/or Man following Closing. In light of the continuing roles which the GLG Principals will have in the business of the Enlarged Group, amongst other things, the transaction structure allows Man to align the interests of the GLG Principals with the interests of the Man Shareholders by providing them with New Man Shares.

Closing is subject to obtaining the GLG Stockholder Approval and the satisfaction (or, where permitted, waiver) of the other Conditions. A summary of the Conditions is set out in paragraph 12 (*Implementation of the Acquisition*) below.

On 19 August 2010, Man, GLG and the GLG Directors reached an agreement in principle (with no admission of liability) with the plaintiffs in the legal proceedings relating to the Acquisition (as described in paragraph 9 (*Legal and Arbitration Proceedings*) of Part 2: Information on Man) providing for the settlement of such proceedings on the terms and subject to the conditions set out in a memorandum of understanding dated 19 August 2010 (the "**MOU**"). The settlement is subject to the execution of definitive settlement documentation and the approval of the Delaware Court of Chancery. Upon effectiveness of the settlement, all claims which were or could have been asserted in the legal proceedings will be fully and completely dismissed.

Pursuant to the MOU, Man and GLG entered into an agreement amending the Merger Agreement to reflect the amendments contemplated in the MOU (the "**Amendment Agreement**") including (i) reducing the break fee payable by each of Man and GLG in the circumstances set out in the Merger Agreement from US$48 million to US$26 million; (ii) reducing the period following termination of the Merger Agreement during which, under certain circumstances, the break fee is payable by GLG from 12 months to 9 months; and (iii) reducing the period in which Man may amend the Merger Agreement so that a Superior Proposal is no longer superior from 3 Business Days to 2 Business Days. Further details of the Merger Agreement are set out in paragraph 12 (*Man Material Contracts*) of Part 11: Additional Information.

GLG has commenced offers to purchase all of the outstanding warrants to purchase shares of GLG Common Stock at a purchase price of US$0.129 per warrant, in cash without interest thereon, for a total purchase price of approximately US$7 million, upon the terms and subject to the conditions set out in the offers to purchase. The offers are conditional upon Closing. Warrants that remain outstanding at Closing will, in accordance with their terms, become the right to receive the cash consideration under the Acquisition upon exercise of the warrants.

GLG has outstanding Convertible Notes and details regarding the effect of the Acquisition on the Convertible Notes are set out in paragraph 10 (*Convertible Notes*) below.

3. BACKGROUND TO AND REASONS FOR THE ACQUISITION

Man has had surplus capital and liquid resources at its disposal for some time. From time to time, the Man Board considered acquisitions that are complementary to Man's strategy, in particular equity long/short managers. Man also evaluates potential acquisition opportunities against strategic criteria and, having considered such criteria, believes that GLG is a strong strategic fit.

The Man Board believes that the Acquisition will provide compelling strategic and commercial benefits to Man Shareholders. These arise from the combination of two established investment management businesses with complementary investment strategies and the integration of distribution and relationship management, structuring and operations between the firms. The fund product offerings of GLG are centred around the discretionary investment style of GLG's trading teams. Man's fund product offerings generally draw on AHL's systematic managed futures trading style and/or on its multi-manager business, which allocates investor capital to a series of different hedge fund strategies. In addition, the two businesses have a complementary geography of distribution franchises and investors, offering the opportunity to market products into new markets and to new investors. The Enlarged Group has the potential to add significant incremental funds under management through combining GLG's investment offering with Man's structuring and distribution expertise. The low correlation of performance between the quantitative investment style of Man and the discretionary investment style of GLG is expected to provide greater stability in the combined performance fee prospects and the creation of new high margin products for distribution. Additionally, the Man Board believes that the Acquisition will result in the expansion of the open-ended product offerings in on-shore markets in single manager and combination formats to broaden and facilitate the raising of new assets in those markets. Furthermore, the Man Board believes that there will be the potential for a subsequent organic build out of discretionary investment strategies by the Enlarged Group following Closing.

Following Closing, it is currently expected that the operations of GLG will be conducted substantially as they currently are being conducted, except that: (i) GLG will cease to have publicly traded equity securities and will instead be a wholly-owned subsidiary of Man; (ii) certain functions of GLG and Man will be integrated following Closing, including, without limitation, compliance and risk management, operations, as well as product structuring and legal, client services, distribution and relationship management; and (iii) it may be necessary to repay in full certain indebtedness of the GLG Group of an amount around US$300 million in connection with Closing.

In addition, the Man Board have identified potential annual run-rate cost savings of approximately US$50 million with one third of such savings expected to be achieved in the financial year ending

31 March 2011 and the balance expected to be achieved in the first six months of the financial year ending 31 March 2012. The Man Board expects that these cost savings will come from a combination of eliminating overlapping central functions, the integration of infrastructure and operational support areas such as technology, selected real estate savings and the delisting of GLG in due course(2).

4. FINANCIAL EFFECTS OF THE ACQUISITION

On a *pro forma* basis and assuming the Acquisition had completed on 31 March 2010, the Enlarged Group would have had net assets of approximately US$4,521 million (based on the net assets of the Man Group and the GLG Group as at 31 March 2010 as more fully described in Part 9: Unaudited Pro Forma Financial Information of the Enlarged Group.

Following Man's assessment of the actions necessary to achieve the potential cost savings, the Man Board believes that the Acquisition will be earnings accretive in the financial year ending 31 March 2012 and earnings neutral in the financial year ending 31 March 2011(3).

5. BREAK FEE AND OTHER SIMILAR ARRANGEMENTS

Each of GLG and Man has agreed to pay a break fee to the other in circumstances which are summarised below.

GLG has agreed to pay Man a break fee of US$26 million (inclusive of any applicable value added tax or its equivalent) if:

(a) the Merger Agreement is terminated by Man or GLG in connection with:

 (i) (A) the failure of the Closing to occur by or on 31 December 2010, or (B) certain breaches of the Merger Agreement by GLG which occur, in each case, after a Takeover Proposal has been made and, within 9 months of the termination of the Merger Agreement, GLG enters into an agreement relating to, or consummates a transaction contemplated by, a Takeover Proposal involving 40 per cent. or more of the GLG Common Stock or GLG's assets; or

 (ii) the GLG Stockholder Approval is not obtained where such failure occurs after a Takeover Proposal has been made and, within 9 months of the termination of the Merger Agreement, GLG enters into an agreement relating to, or consummates a transaction contemplated by, a Takeover Proposal involving 40 per cent. or more of the GLG Common Stock or GLG's assets; or

(b) the Merger Agreement is terminated by Man following: (i) a withdrawal, qualification or change, in a manner adverse to Man, of the recommendation by the GLG Directors to adopt the Merger Agreement; or (ii) a failure by the GLG Directors to reject a publicly disclosed Takeover Proposal and reconfirm their recommendation to adopt the Merger Agreement if a Takeover Proposal is publicly disclosed; or

(c) the Merger Agreement is terminated by GLG before the GLG Stockholders adopt the Merger Agreement in order for GLG to enter into a transaction that is a Superior Proposal.

The Merger Agreement also permitted Man to terminate the Merger Agreement should the GLG Directors fail to include a recommendation to adopt the Merger Agreement in the Proxy Statement. The Proxy Statement was posted to GLG Stockholders on 13 September 2010, and included such a recommendation. This termination event is therefore no longer applicable.

GLG has also agreed to pay Man's out-of-pocket fees and expenses in connection with the Merger Agreement (subject to a cap of US$15 million) if Man or GLG terminates the Merger Agreement because GLG Stockholders do not adopt the Merger Agreement at the GLG Stockholders Meeting (except in certain circumstances) or Man terminates the Merger Agreement before the GLG Stockholders Meeting is held because of GLG's failure to perform, or its breach of, certain obligations pursuant to the Merger Agreement (but, in each case, where no break fee is otherwise payable by GLG at the time of such termination). If a break fee becomes payable by GLG, any fees and expenses previously reimbursed by GLG shall be deducted from such break fee.

Man also agreed to pay GLG a break fee of US$26 million (inclusive of any applicable value added tax or its equivalent) if GLG terminated the Merger Agreement because the Man Directors withdrew,

(2) Please see note (2) in the Important Information section on page 29 of this prospectus.
(3) Please see note (3) in the Important Information section on page 29 of this prospectus.

qualified or adversely modified their recommendation of the Acquisition as set out in the Circular, except in certain circumstances as set out in paragraph 12 (*Man Material Contracts*) of Part 11: Additional Information. On 1 September 2010, Man Shareholder Approval was obtained at the Man General Meeting and no such withdrawal, qualification or modification of their recommendation was made by the Man Directors. This provision is therefore no longer applicable.

Man had agreed to pay GLG's out-of-pocket fees and expenses in connection with the Merger Agreement (subject to a cap of US$15 million) if the Merger Agreement was terminated by Man or by GLG following a failure to obtain the Man Shareholder Approval (except in certain circumstances). Such out-of-pocket fees and expenses were not required to be paid in circumstances where Man was required to pay the break fee referred to above. As Man Shareholder Approval has now been obtained, this provision is no longer applicable.

6. NON-COMPETE AGREEMENTS

Pursuant to the Share Exchange Agreement, Man and GLG have entered into separate agreements with each of Noam Gottesman, Pierre Lagrange and Emmanuel Roman under which they have given certain non-compete covenants that will last for a period of 3 years from the Closing Date.

7. LOCK-UP AGREEMENTS

Pursuant to the Share Exchange Agreement, each of the GLG Principals has agreed to enter into a share lock-up agreement at Closing in respect of the New Man Shares received in accordance with the Share Exchange, pursuant to which such New Man Shares are restricted from being disposed of for a period of 3 years from the Closing Date (subject to the right of each of the GLG Principals to dispose of up to one third of his New Man Shares which are subject to his lock-up agreement after the second anniversary of the Closing Date). There are certain limited customary exceptions to the lock-up (including, in the case of Noam Gottesman, an exception that permits Noam Gottesman to dispose of certain of the New Man Shares received by him in the first year following the Acquisition in order to realise funds to satisfy tax liabilities incurred by him in connection with the Acquisition).

8. EMPLOYMENT AGREEMENTS

Pursuant to the Share Exchange Agreement, Man, Noam Gottesman, Pierre Lagrange and Emmanuel Roman agree to negotiate in good faith and use reasonable best efforts to enter into, prior to the Closing Date, definitive employment agreements substantially in the form attached as exhibits to the Share Exchange Agreement. These employment agreements are now in agreed form and are expected to be signed prior to Closing.

The draft employment agreements contemplate that Noam Gottesman will be employed by Man Investments USA Holdings Inc., and Pierre Lagrange and Emmanuel Roman will each be employed by Man Group Services Ltd. The draft agreements provide for 12 months' notice of termination of employment to be given by either party. The employer reserves the right to terminate the employment at any time with immediate effect on payment of money in lieu of notice, equal to the base salary that the employee would be entitled to receive during any unexpired part of the notice period.

The employment of each of the employees is terminable with immediate effect (and without payment of money in lieu of notice) if the employee:

- shall have committed any material breach of his obligations under his employment agreement or shall have been guilty of conduct tending to bring himself or the employer or any other company of the Man Group into disrepute; or
- shall have been guilty of any serious misconduct or serious neglect in the discharge of his duties; or
- in the case of Pierre Lagrange and Emmanuel Roman, shall be convicted of any criminal offence other than an offence which in the reasonable opinion of the Man Board does not affect his position as an employee of the employer (bearing in mind the nature of the duties he is engaged in and the capacity in which he is employed), or, in the case of Noam Gottesman, shall be convicted of, or entered a plea of *nolo contendere* to a felony or a misdemeanour of moral turpitude; or
- in the case of Pierre Lagrange and Emmanuel Roman, shall have compounded with his creditors generally or shall have committed an act of bankruptcy or shall be or become prohibited by law from being a director; or

- shall have been guilty of gross personal misbehaviour including aggressive acts and/or physical violence endangering the safety of any employee of the Man Group or of the Man Group's property or likely damage the good name of the Man Group; or
- shall have been guilty of indecent behaviour, sexual harassment, falsification of records or serious breaches of confidence; or
- shall have used for personal ends confidential information relating to the Man Group or to a client's affairs; or
- shall have been guilty of gross negligence or misconduct in the performance of his duties; or
- shall have committed breaches of the Man Group's personal dealing regulations; or
- shall have committed breaches of the rules and regulations of any regulatory authority which regulates the Man Group's business; or
- shall have accepted inducements from or offered inducements to third parties in connection with the Man Group's affairs.

The employees are expected to devote the whole of their working time, attention and abilities to their duties and to use their best endeavours to promote the general interest and welfare of their employer and any other entity of the Man Group with which they are required to be concerned. In return the employees receive the following benefits under the terms of their draft employment agreements:

- base salary of US$1,000,000 per annum;
- eligibility to receive additional remuneration (whether by way of bonus or otherwise) at the absolute discretion of a recommendation from the Remuneration Committee (N.B. this does not apply to Noam Gottesman);
- 30 days paid holiday per annum; and
- other customary benefits, including cover under insurance plans provided by their respective employers (e.g. medical insurance).

The employees are subject to 12 month restrictive covenants following termination of their employment to restrict them from competing with the Man Group, having business dealings with or soliciting clients, prospective clients, intermediaries or prospective intermediaries of Man Group, or soliciting key employees.

9. VOTING AND SUPPORT AGREEMENT

Pursuant to the Voting and Support Agreement, the GLG Exchange Stockholders and TOMS International Ltd (an affiliate of the Gottesman GLG Trust which holds Convertible Notes) have each provided an undertaking to Man to vote in favour of adopting the Merger Agreement at the GLG Stockholders Meeting in respect of their shares of GLG Common Stock and GLG Preferred Shares. The GLG Exchange Stockholders and TOMS International Ltd hold in aggregate approximately 152 million shares of GLG Common Stock and GLG Preferred Shares, representing 49 per cent. of the combined outstanding shares of GLG Common Stock and GLG Preferred Shares as at 14 May 2010, being the last Business Day prior to the date of the Announcement.

10. CONVERTIBLE NOTES

GLG has outstanding Convertible Notes, which are convertible into shares of GLG Common Stock at any time prior to Closing at a conversion price per share of US$3.72. After Closing, holders of Convertible Notes have the option to convert their Convertible Notes into a fixed amount in cash based on the cash consideration payable in the Acquisition, and, for a limited time after Closing, holders would be entitled to a "make-whole premium" adjustment to the conversion rate in accordance with the terms of issue of the Convertible Notes because the consideration in the Acquisition of US$4.50 per share of GLG Common Stock is between US$3.10 and US$12.00 per share of GLG Common Stock. In addition, shortly after Closing, GLG must make an offer to the holders of the Convertible Notes to repurchase the outstanding Convertible Notes at a purchase price of 100 per cent. of the principal amount plus accrued and unpaid interest to the date of such repurchase.

11. FINANCING OF THE CASH CONSIDERATION AND ISSUE OF NEW MAN SHARES

The cash consideration payable of approximately US$1 billion pursuant to the terms of the Acquisition, together with fees and expenses associated with the Acquisition, will be funded from Man's existing cash resources.

Based on the Announcement Date Exchange Ratio, the GLG Exchange Stockholders would receive approximately 163 million New Man Shares in aggregate (representing approximately 9 per cent. of the fully diluted share capital of Man as enlarged by the Acquisition). Based on such Announcement Date Exchange Ratio, the New Man Shares to be issued under the Share Exchange along with the New Man Shares to be issued under the GLG Share Plans (assuming vesting in full) have a value of approximately £570 million(1). Further details of the terms of the Share Exchange are set out in paragraph 12 (*Man Material Contracts*) of Part 11: Additional Information.

The Acquisition is supported by Man's existing Tier 1 regulatory capital position together with the New Man Shares and the Acquisition will not result in the need to raise any additional capital in order to maintain an appropriate regulatory capital position. Man is expected to have surplus regulatory capital of approximately US$300 million following Closing.

12. IMPLEMENTATION OF THE ACQUISITION

The Acquisition will be implemented by way of the Merger, which is governed by the Merger Agreement, and the Share Exchange, which is governed by the Share Exchange Agreement.

The Merger Agreement is subject to a number of conditions, including:

- the affirmative vote in favour of the adoption of the Merger Agreement at the GLG Stockholders Meeting by the holders of (i) a simple majority of the outstanding shares of GLG Common Stock and GLG Preferred Shares, voting as a single class, and (ii) a simple majority of the outstanding shares of GLG Common Stock excluding those held by the GLG Exchange Stockholders and their affiliates, Man and its affiliates, GLG and its affiliates (other than directors who are members of the Special Committee) and employees of GLG which condition to Closing is non-waivable;
- conditions relating to the absence of a material adverse change affecting GLG and there being no material breach of the terms of the Merger Agreement; and
- the Share Exchange being completed in accordance with the terms of the Share Exchange Agreement.

The Merger Agreement was also conditional upon regulatory approvals having been obtained and the affirmative vote in favour of the Acquisition by holders of a majority of Man's outstanding ordinary shares, present and voting at the Man General Meeting. All regulatory approvals which are required in order to close the Acquisition (including approval by the FSA) have now been obtained and, on 1 September 2010, the Acquisition was approved by the requisite number of Man Shareholders at the Man General Meeting. Whilst the Merger Agreement is expressed to be conditional on approval being obtained from the Commission de Surveillance du Secteur Financier (*Grand Duchy de Luxembourg*) (the "**CSSF**"), such approval is not actually required in order to close the Acquisition, and therefore Man and GLG intend to waive that condition. Therefore, subject to Man and GLG waiving the condition relating to obtaining approval from the CSSF, such Conditions have been satisfied.

The Share Exchange Agreement is subject to a number of conditions, including:

- satisfaction (or, where permitted, waiver) of all conditions to the Merger Agreement (save for those relating to the completion of the Share Exchange) and admission of the New Man Shares to listing and trading becoming effective;
- regulatory approvals and anti-trust clearances having been obtained;
- conditions relating to the absence of a material adverse effect on Man and there being no material breach of the terms of the Share Exchange; and
- that there are no discrepancies between the published audited financial statements of Man for the financial year ended 31 March 2010 and the draft of such financial statements prepared as at 14 May 2010 and privately disclosed to GLG and the GLG Exchange Stockholders that would reasonably be expected to be materially adverse to the financial condition, assets, liabilities, business or results of operations of the Man Group.

The Share Exchange Agreement was also conditional upon any waiting period under the HSR Act having been terminated or expired, and upon regulatory approvals having been obtained. On 25 June 2010, early termination of the waiting period under the HSR Act was granted and, as set out above, all regulatory approvals which are required in order to close the Acquisition have now been obtained. Therefore, subject to Man and GLG waiving the condition relating to obtaining approval from the CSSF, such Conditions have been satisfied. It is currently expected that all of the other Conditions will be satisfied (or, where permitted, waived) and Closing will occur on or around 14 October 2010. Either party may terminate the Merger Agreement if Closing has not occurred by or on 31 December 2010.

Man, the GLG Principals and two limited partnerships that held shares of GLG Common Stock for individuals who provide services to GLG and are participants in the GLG equity participation plans namely Sage Summit LP and Lavender Heights Capital LP entered into the Share Exchange Agreement on 17 May 2010. On 21 June 2010, Sage Summit LP and Lavender Heights Capital LP each entered into a Purchase Agreement with Ogier Fiduciary, in its capacity as trustee of each of Blue Hill Trust and Green Hill Trust respectively to sell their entire holdings of shares of GLG Common Stock to Blue Hill Trust and Green Hill Trust (the "**Remainder Trusts**"). Pursuant to the Joinder Agreement, the Remainder Trusts joined as parties to the Share Exchange Agreement and the Voting and Support Agreement and agreed to perform the obligations of Sage Summit LP and Lavendar Heights Capital LP thereunder. Summaries of the Purchase Agreements and the Joinder Agreement are set out in paragraph 12 (*Man Material Contracts*) of Part 11: Additional Information.

GLG posted a Proxy Statement to the GLG Stockholders on 13 September 2010 in connection with the GLG Stockholders Meeting. It is currently expected that the GLG Stockholders Meeting will take place on 12 October 2010.

13. FRACTIONAL ENTITLEMENTS

Fractions of New Man Shares will not be allotted or issued to the GLG Exchange Stockholders. All fractional entitlements to which the GLG Exchange Stockholders would have become entitled will be rounded to the nearest whole number.

14. DIVIDENDS

In light of the timing of the announcement of the Acquisition, the Man Board brought forward the announcement of its decision regarding the level of dividend it intends to recommend for the year ending 31 March 2011. The Man Board intends to recommend a dividend of at least 22 US cents per Man Share in total for that year. The Man Shareholders approved a final dividend of 24.8 US cents per Man Share for the year ended 31 March 2010 at the annual general meeting held on 8 July 2010. This resulted in a total dividend of 44 US cents per share for the year.

15. OVERSEAS JURISDICTIONS

15.1 United States

The New Man Shares have not been nor will they be registered under the Securities Act or under the securities laws or with any securities regulatory authority of any state or other political subdivision of the United States. Accordingly, the New Man Shares may not be offered, sold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons, except in transactions that are exempt from the registration requirements under the Securities Act.

15.2 Other jurisdictions

This Prospectus and any accompanying documents may not be treated as an invitation to acquire or subscribe for any New Man Shares by any person resident or located in any Restricted Jurisdiction. The New Man Shares have not been, and will not be, registered under the applicable securities laws of any Restricted Jurisdiction. Accordingly, the New Man Shares may not be offered, sold, delivered or transferred, directly or indirectly, in or into any Restricted Jurisdiction to or for the account or benefit of any national, resident or citizen of any Restricted Jurisdiction.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any security. None of the securities referred to in this document shall be sold, issued or transferred in any jurisdiction in contravention of applicable law.

For the purposes of this section, "**Restricted Jurisdiction**" means any jurisdiction where any action to be taken or which may be taken in relation to the Acquisition and/or the New Man Shares constitute a violation of the relevant laws and regulations of such jurisdiction or would result in a requirement to comply with any governmental or other consent or any registration, filing or other formality which Man regards as unduly onerous.

16. MAN SHAREHOLDER APPROVAL

Owing to its size, the Acquisition constitutes a Class 1 transaction for the purpose of the Listing Rules. Accordingly, Man has sought and obtained the approval of the Man Shareholders for the Acquisition at the Man General Meeting held on 1 September 2010.

The Resolution set out in the Circular to Man Shareholders will be proposed as an ordinary resolution requiring a simple majority of votes in favour (either in person or by proxy).

17. GLG STOCKHOLDER APPROVAL

The GLG Stockholders Meeting is expected to take place on 12 October 2010. In order to approve the Acquisition, the holders of (i) a simple majority of the outstanding shares of GLG Common Stock and GLG Preferred Shares, voting as a single class, and (ii) a simple majority of the outstanding shares of GLG Common Stock excluding those held by the GLG Exchange Stockholders and their affiliates, Man and its affiliates, GLG and its affiliates (other than directors who are members of the Special Committee) and employees of GLG must vote in favour of adopting the Merger Agreement at the GLG Stockholders Meeting. GLG posted a Proxy Statement to the GLG Stockholders on 13 September 2010 in connection with the GLG Stockholders Meeting.

18. SETTLEMENT, LISTING AND DEALING IN NEW MAN SHARES

The New Man Shares will be issued to the GLG Exchange Stockholders credited as fully paid and will rank *pari passu* in all respects with the existing Man Shares, including the right to receive in full all dividends and other distributions (if any) declared, made or paid by reference to a record date after the Closing Date (but they will not carry any entitlement to any dividend to be declared or recommended or made or paid by Man in respect of the financial year ended 31 March 2010).

Application will be made to the UKLA for the New Man Shares to be admitted to listing on the Official List and application will be made to the London Stock Exchange for the New Man Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Closing will occur and that Admission will become effective and that dealings in the New Man Shares will commence on the London Stock Exchange shortly after all other Conditions are satisfied (or, where permitted, waived).

The New Man Shares will not be, and are not required to be, registered with the SEC under the Securities Act and will be issued to GLG Exchange Stockholders pursuant to applicable exemptions.

19. GLG MANAGEMENT, PARTNERS AND EMPLOYEES

The key members of GLG's management team are Noam Gottesman (Chairman and Co-Chief Executive Officer), Pierre Lagrange (Senior Managing Director) and Emmanuel Roman (Co-Chief Executive Officer).

These individuals are part of the group comprising the GLG Exchange Stockholders being offered New Man Shares in exchange for their Exchange Shares under the Share Exchange in order to incentivise and retain the GLG Principals and to align their interests with Man's interests in continuing to manage and develop GLG's business and the business of the Enlarged Group.

New Man Shares issued to the GLG Principals will be subject to lock-up agreements pursuant to which such New Man Shares are restricted from being disposed of for a period of 3 years from the Closing Date (subject to the right of each of the GLG Principals to dispose of up to one third of his New Man Shares which are subject to his lock-up agreement after the second anniversary of the Closing Date and the right of Noam Gottesman to dispose of certain New Man Shares in the first year following the Acquisition to release funds to satisfy tax liabilities incurred by him in connection with the Acquisition). In addition, Noam Gottesman, Pierre Lagrange and Emmanuel Roman have each entered into non-compete agreements with Man for a period of 3 years from the Closing Date. Further information in relation to these lock-up agreements and non-compete arrangements, together with details of their proposed employment agreements, is set out in paragraphs 6 (*Non-Compete Agreements*), 7 (*Lock-Up Agreements*) and 8 (*Employment Agreements*) above.

Each of Noam Gottesman, Pierre Lagrange and Emmanuel Roman has also agreed to reinvest certain sums which currently he or his related trust has invested in GLG funds, for a further period of 3 years from the Closing Date.

Man attaches great importance to the skills and experience of the management, partners and employees of the GLG Group. The Man Board believes that they will generally have greater opportunities following the Acquisition due to the growth prospects of the Enlarged Group.

20. GLG SHARE PLANS AND GLG EQUITY PARTICIPATION PLANS

Participants in the GLG Share Plans comprise members of two limited liability partnerships who provide services to the GLG Group and have been granted rights to receive shares of GLG Common Stock subject to vesting conditions, and employees of the GLG Group, who have been awarded shares of GLG Common Stock subject to restrictions and vesting conditions.

It is proposed that with effect from Closing, rights to acquire shares of GLG Common Stock held by members of the limited liability partnerships will be exchanged for rights to acquire a number of Man Shares determined by reference to the Exchange Ratio and which will be subject to the same vesting conditions as are applicable to the original rights.

It is further proposed that with effect from Closing, shares of GLG Common Stock subject to restrictions held by employees of the GLG Group will be exchanged for a right to receive an amount of cash equal to the number of such shares multiplied by the amount of cash payable for each share of GLG Common Stock to GLG Public Stockholders under the Acquisition and which will be subject to the same vesting conditions as are applicable to the original shares of GLG Common Stock subject to restrictions, except that vesting of sufficient cash will be accelerated to cover any tax liabilities arising to participants in respect of the exchange.

Certain members of the two limited partnerships are eligible to participate in the GLG equity participation plans under which shares of GLG Common Stock are allocated to members subject to vesting conditions. The shares of GLG Common Stock underlying the GLG equity participation plans are held by two trusts which are GLG Exchange Stockholders and are party to the Share Exchange Agreement. The trusts acquired the shares of GLG Common Stock from the two limited partnerships in exchange for a deferred purchase price payable in Man Shares for the cash value of Man Shares. The shares of GLG Common Stock be replaced by Man Shares in accordance with the terms of the Share Exchange, and the limited partnership members will be entitled to distributions of the purchase price payments with the same vesting provisions applying to those distributions as applied to the shares of GLG Common Stock.

21. DILUTION

Subject to the completion of the Acquisition, approximately 163 million New Man Shares will be issued to the GLG Exchange Stockholders(1) (representing approximately 9 per cent. of the fully diluted share capital of the Enlarged Group). If the Acquisition is completed, Man Shareholders will suffer an immediate dilution as a result of the Acquisition of up to approximately 9 per cent. in the proportion of the issued share capital of Man which they currently hold(1).

PART 2:

INFORMATION ON MAN

The following information should be read in conjunction with the information appearing elsewhere in this Prospectus, including the financial and other information in "Capitalisation and Indebtedness", Part 6: Man Operating and Financial Review and Part 7: Man Financial Information. The financial information included in this Part 2: Information on Man has been extracted without material adjustment from "Capitalisation and Indebtedness" or Part 6: Man Operating and Financial Review or the financial information referred to in Part 7: Man Financial Information which has been incorporated into this Prospectus by reference, or from the accounting records of the Man Group, which formed the underlying basis of the financial information referred to in Part 7: Man Financial Information, which has been incorporated into this Prospectus by reference.

1. INTRODUCTION

Man Group plc ("**Man**") is a leading alternative investment management business delivering a comprehensive range of guaranteed and open-ended products and tailor-made solutions to private and institutional investors globally. Man's investment products are designed to offer performance across market cycles and are developed and structured internally and through partnerships with other financial institutions. Man has a global distribution network and an investment management track record dating back more than 20 years. Funds under management as at 30 September 2010 were approximately US$39.5 billion (30 June 2010: US$38.5 billion; 31 March 2010: US$39.4 billion). Man employs approximately 1,400 permanent employees worldwide, with key centres in London and Pfaeffikon (Switzerland).

2. HISTORY

Man, formerly known as E D & F Man Group plc, was incorporated in England and Wales under the Companies Act 1985 (as amended) (the "**Act**") on 22 April 1994 as a company limited by shares under the name E D & F Man Group Limited, with registered number 02921462. On 5 September 1994, E D & F Man Group Limited was re-registered under the Act as a public company limited by shares of indefinite duration and in the same year was floated on the London Stock Exchange. On 29 September 2000, the name of E D & F Man Group plc was changed to that of Man Group plc. Man's registered office and principal place of business is at Sugar Quay, Lower Thames Street, London EC3R 6DU (telephone +44 20 7144 1000). Man is the parent company of the Man Group of companies, and is the holding company for the various operating entities and divisions which together constitute Man's business.

Man can trace its trading origins back to the late eighteenth century. The asset management division of Man was formed in 1983 and in 1989 Man purchased a majority stake in London-based systematic investment manager AHL, acquiring the remaining minority stake in AHL in 1994, the year in which Man was also admitted to trading on the London Stock Exchange. In 2000, Man completed the acquisition of Glenwood, a US fund of funds business and in 2002, Man acquired Swiss fund of hedge funds manager, RMF. At that time, Man operated two principal divisions: "Asset Management" and "Brokerage". In July 2007, Man de-merged its brokerage business (re-named MF Global Holdings Ltd.) by way of an initial public offering and listing on the New York Stock Exchange, allowing Man to focus purely on the investment management business.

In March 2009, Man brought together the previous separate in-house fund of fund capabilities in RMF, Glenwood and Man Global Strategies to form Man Multi-Manager, a new multi-manager business.

On 17 May 2010, Man announced its proposed recommended acquisition of GLG Partners, Inc., a leading global multi-strategy investment manager, for a value of approximately US$1.6 billion(1). See Part 1: Information on the Acquisition above.

3. STRENGTHS

The Man Board believes that Man's business continues to benefit from a strong competitive position, founded on performance over the mid to long-term, global distribution and structuring capability, financial strength and effective business management.

Performance over the mid to long term

Over the medium and longer term, AHL provides attractive rates of return with a low correlation to other asset classes. For example, while world stocks (represented by the MSCI World Index (hedged to USD (price return)) had a negative three year annualised return to 31 March 2010 of -7.7 per cent., AHL Diversified plc, the largest Fund Product by FUM in which AHL is the sole hedge fund manager, had a positive three year annualised return (net of management fees) of +12.0 per cent. over the same period. In the Man Multi-Manager business, while the hedge fund industry (represented by the HFRI Fund of Funds Index) had a negative three year annualised return to 31 March 2010 of -1.7 per cent., Man Four Seasons Strategies USD I, Man's highly diversified flagship fund, had a negative three year annualised return (net of management fees) to 31 March 2010 of -1.2 per cent., while Man Dynamic Selection USD I, its diversified flagship fund, had a positive three year annualised return (net of management fees) of +3.8 per cent. over the same period. (The sources of this information are noted in "*7. Business Overview – A. Investment Management – (I) AHL – Investment Performance*" and "*7. Business Overview – A. Investment Management – (II) Man Multi-Manager – Investment Performance*" below).

Global distribution and structuring capability

Man's products and solutions are distributed to private investors via a global distribution network of more than 2,200 intermediaries. Institutional investors, such as pension funds, insurance companies or banking institutions, are typically accessed through direct relationships and are coordinated through dedicated relationship managers.

Man has cultivated strong partnerships with investors, intermediaries, regulators and others over many years. These partnerships enable Man to gain subscriptions from investors onshore, as well as internationally.

Financial strength and effective business management

Man, as an entity that is lead-regulated in the UK by the FSA and listed in the UK on the London Stock Exchange, is subject to compliance with transparency and other such obligations resulting from such listed and regulated status. Man has the expertise, relationships and infrastructure to adapt and operate in an environment where the regulatory and policy landscape is continually changing. As at 30 September 2010, Man had a regulatory capital surplus of over US$1.5 billion and cash balances of over US$2.5 billion and, following Closing, Man is expected to have surplus regulatory capital of approximately US$300 million. Man continues to exercise financial discipline in cost management and in the targeted use of its balance sheet to support key business lines. Man believes that its capital resources have positioned it strongly to address opportunities in its industry and to invest further in its business.

4. STRATEGY FOR FINANCIAL YEAR 2011

Man's strategic priorities for the financial year ending 31 March 2011 are as follows:

- to harness new single manager content by executing on acquisitions, in part satisfied by the Acquisition;
- to invest in AHL to ensure it captures the programme's full potential;
- to maximise Man Multi-Manager by rebuilding scale and profitability;
- to deepen Man's distribution reach, specifically in regulated onshore markets and across institutions worldwide; and
- to maintain focus on efficiency by continually evaluating its cost base.

5. FUNDS UNDER MANAGEMENT (FUM) OVERVIEW

Man provides investment management and advisory services to third party investors and fund entities. The fund entities have independent boards of directors with independent governance and decision making powers, including the ability to remove the investment manager. The fund entities' investment performance, assets and liabilities are therefore separate from Man and are not consolidated into the Man Group's financial statements.

The investors' capital is managed by Man in accordance with investment management and advisory mandates. These mandates specify the types of investment that are permitted, subscription and redemption criteria and fees. Investors are charged management fees based on asset exposure and incentive fees based on investment performance. The asset exposure, or FUM, is supported by the investors' capital and any financing provided to the fund entities by banks and prime brokers, referred to as 'leverage'.

Funds under management grow through new investor subscriptions, increased leverage, positive investment performance and foreign currency movement and are reduced by redemptions, reduced leverage, negative investment performance and foreign currency movements.

Generally, there is a strong correlation between investment performance and growth in funds under management. If the products have investment performance in line with the investors' expectations, Man may see increased FUM through increased subscriptions from existing and new investors, which could also increase the leverage component, and lower redemption rates. Where investment performance is less than expected, redemptions may increase, new subscriptions may be lower and negative investment performance will reduce the investors' capital which could also reduce the leverage component.

Funds under management are a key driver of Man's results and prospects, as FUM forms the basis on which its revenue is generated. Man's strategy is to grow funds under management while seeking to maintain its revenue margin.

The table below shows Man's funds under management for each of the three financial years to 31 March 2010, split by private investor and institutional investor, and sub-divided in the case of private investors into those that invest in products that are open-ended and guaranteed.

Funds Under Management	*As at 31 March*		
Type of investor/fund	*2010*	*2009*	*2008*
		(US$ billion)	
Private Investor (total)	26.8	27.8	43.5
Private Investor Open-ended	12.8	11.4	12.5
Private Investor Guaranteed	14.0	16.4	31.0
Institutional	12.6	19.0	31.1
Total funds under management	39.4	46.8	74.6

The gross management and other fees margin (before interest income) relating to private investor funds under management is typically higher than for that relating to institutional investor funds under management.

6. BUSINESS MODEL

Man's business model brings together, in a unified structure, strengths in:

A. Investment Management;

B. Investor Solutions; and

C. Distribution and Client Services.

This structure allows for investment management autonomy, while at the same time generating significant operating leverage potential through centralised structuring, legal, compliance and operations support and centralised access to global distribution capability, supported by a managed approach to risk and capital strength.

7. BUSINESS OVERVIEW

A. Investment Management

(I) AHL

Founded in 1987, AHL is a world-leading managed futures manager, with funds under management of approximately US$21.9 billion as at 30 September 2010, and over 20 years of trading experience.

Investment decisions are systematic, with AHL's trading systems sampling over 4,000 prices daily in order to identify and profit from trends across a broad range of sectors, including currencies, bonds, stocks, energies, interest rates, metals, agriculturals and credit. This high degree of diversification means that the allocation to each position is small, which helps to control risk within portfolios. Investment exposure to this broad range of sectors is accessed predominantly through on-exchange futures and forwards contracts as well as over the counter derivative instruments.

Risk control is of paramount importance, with portfolios targeting a level of volatility rather than return. Risk is controlled in real-time by a dynamic volatility process applied across all positions, which reduces position sizes as volatility increases and vice versa. In addition a variety of risk measures such as value-at-risk, stress testing and leverage are monitored daily to adjust portfolios in accordance with pre-defined limits.

Trades are executed either electronically using AHL's proprietary trade execution platform or by the 21 strong team of non-discretionary execution traders. On average around 3,500 trades are executed daily using a network of over 60 executing brokers. AHL is fully compliant with industry standards for disclosure, risk management, valuation, fund governance and market related issues, as determined and maintained by the Hedge Fund Standards Board.

Investment Performance

AHL's investment performance for each of the three financial years to 31 March 2010, as represented by AHL Diversified plc, the largest Fund Product by funds under management in which AHL is the sole hedge fund manager, is set out in the table below, alongside a world stocks performance comparable over the corresponding period.

		For the year ended 31 March			*Annualised performance last 3 years (to 31 March 2010)*
		2008	*2009*	*2010*	
AHL	Man AHL Diversified plc[1]	41.3%	7.7%	-7.7%	12.0%
World Stocks	MSCI World[2]	-10.9%	-38.4%	43.3%	-7.7%

Source: Man database and Bloomberg. Please note that the HFRI index data over the past 4 months may be subject to change. There is no guarantee of trading performance and past or projected performance is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations.

1) Man AHL Diversified plc is valued weekly; however, for comparative purposes, statistics have been calculated using the last weekly valuation for each month.

2) Represented by MSCI World Index hedged to USD (price return).

Investment in research

AHL's long-term track record is underpinned by a world class research capability and advanced trading infrastructure, benefitting from continued significant investment and development. During the calendar year 2009, 15 people were added to AHL's research team, following the 27 new hires in 2008. AHL's research team now numbers 77, out of a total AHL team of 120, which Man believes is one of the largest research teams in the managed futures industry. With this larger resource comes a richer research pipeline, and in 2008 and 2009 AHL made significant trading model developments, some of which are in the process of being deployed into client programmes.

Current research areas include developing new momentum predictors to enhance the quality of AHL's signals. A new suite of momentum models using a predictor/optimiser framework has been rolled out and will receive an increased portfolio allocation in the coming months. The use of fundamental data is also being researched, which gives AHL a richer information set to advise trades whilst providing a source of uncorrelated returns.

All new trading ideas are extensively researched and tested before being introduced into client trading. As new strategies successfully transition into the final stages of development, one of the final checks is to test them in live trading with proprietary capital. This is a prerequisite before any strategy can trade with client capital.

Man Research Laboratory ("MRL") and the Oxford-Man Institute of Quantitative Finance ("OMI")

AHL's pursuit of research excellence is shown more publicly by Man's unique collaboration with the University of Oxford, which continues to expand and develop. Currently there are 10 full time AHL researchers based at the Man Research Laboratory ("**MRL**") co-located within the Oxford-Man Institute of Quantitative Finance ("**OMI**"). In 2009, the OMI held over 100 seminars, conferences and workshops presented by world leading academics. These seminars and the co-location of the MRL in the same purpose designed building have raised AHL's profile within the academic world and provided Man with unique access to leading scholars across a range of disciplines. As a result, Man often gains very early exposure to the latest academic developments before they reach open publication. Man's close links with the University of Oxford have also afforded it the opportunity to enhance its recruitment capabilities.

All of AHL's research areas are now represented in the MRL, with specialists particularly in the areas of automated trade execution and trading model development working jointly with their counterparts in Man's London office. Extensive work has been devoted to developing adaptive trade execution algorithms, and these have been deployed in approximately 80 of the markets in which AHL trades, leading to significantly reduced transaction costs. During the financial year ending 31 March 2010, Man undertook a major research project spanning both Man's London and Oxford offices. The output of this is the next generation of systematic trading models, which are just entering Man's client portfolios. In August 2009, both the OMI and MRL moved into larger shared premises, reflecting the growth of Man's Oxford initiative.

Investment in trading

Like the MRL, Man continues to invest in AHL's trade execution capability. In 2009, a new trading desk was established in Hong Kong and continued to expand throughout 2009. The presence in Hong Kong enables AHL's execution traders and researchers to build stronger relationships with broker counterparties in the region, which has led to significant enhancements to AHL's execution capabilities throughout the Asia region's markets. It also puts AHL in a strong strategic position to capitalise on innovations in Asian markets.

Investment in technology is an integral component of AHL's success. Trading systems have been upgraded and moved into a state-of-the-art global data centre located outside of London, while research computing facilities were increased three-fold over the financial year ending 31 March 2010. In addition, significant investments have been made to improve AHL's research technology, which have resulted in the faster delivery of new investment strategies. All of these advancements are designed to increase the robustness and resilience of AHL's infrastructure, which is integral to the continued operational efficiency of AHL.

(II) MAN MULTI-MANAGER

Overview

In March 2009, Man announced the launch of Man Multi-Manager, a new multi-manager business which brought together the previous separate in-house fund of fund capabilities in RMF, Glenwood and Man Global Strategies. The new business became operational in July 2009 and as at 30 September 2010 had approximately US$14.4 billion of FUM.

The aim of Man Multi-Manager is to provide investors with attractive long-term, risk-adjusted returns, achieved through controlled risk-taking, with a focus on downside deviation, across multiple underlying hedge fund investment exposures. These hedge fund investment exposures are sourced from Fund Products and/or Underlying Third Party Products. Its investment approach aims to combine structure and process in the selection and monitoring of underlying hedge fund manager content with qualitative judgement and agility, counterbalanced by various risk controls and quantitative analysis.

Investment performance

Over the course of the financial year ending 31 March 2010, Man Multi-Manager delivered performance in line with its targeting an approach which is both diversified and has a low correlation to equity markets (low-beta).

Man Multi-Manager's investment performance for each of the three financial years to 31 March 2010, as represented by various portfolio types (based on their flagship products, being the largest products by FUM in each of the Man Highly Diversified, Man Diversified, Man Thematic and Man Structured product portfolio types), is set out below, together with the annualised return over this three year period and with comparison to various industry index and other comparables.

Portfolio type	Product Name	For the year ended 31 March 2008	2009	2010	*Annualised performance last 3 years (to 31 March 2010)*
Man Highly Diversified	Man Four Seasons Strategies USD I	5.0%	-15.5%	8.8%	-1.2%
Man Diversified	Man Dynamic Selection USD I	13.4%	-7.3%	6.5%	3.8%
Man Thematic	Man Commodity Strategies USD I	5.3%	-3.2%	4.6%	2.2%
Man Structured product	Man-IP 220[1]	34.7%	-8.3%	-4.6%	5.7%
World Stocks	World stocks[2]	-10.9%	-38.4%	43.3%	-7.7%
Hedge Fund Industry	HFRI Fund of Funds Index	2.3%	-17.6%	12.7%	-1.7%
	HFRX Investible Global Hedge Fund	-0.2%	-20.5%	14.5%	-3.2%

Source: Man database and Bloomberg. Please note that the HFRI index data over the past 4 months may be subject to change. There is no guarantee of trading performance and past or projected performance is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations.

1) Man IP 220 Ltd – USD class bonds.

2) Represented by MSCI World Index hedged to USD (price return).

Manager research and selection

The Man Multi-Manager business has one of the largest hedge fund research teams in the industry with analysts based in London, Singapore, Switzerland and the US. The selection process for underlying hedge fund managers is supported by a proprietary software application which serves as a central information repository designed to create a structured, consistent approach across all research stages relating to manager selection. Drawing on a broad network of industry contacts, the hedge fund research team seeks to identify high-calibre hedge fund managers with the ability to generate alpha on a consistent basis. The team establishes contact with about 300 to 400 managers each year as part of their new manager sourcing efforts, and maintains an approved list of over 150 managers, around half of which are allocated to through managed accounts.

Risk management

Man Multi-Manager takes a holistic approach to risk management, looking at market, credit, liquidity, financial and operational risks throughout the Man Multi-Manager business. Risk management is fully integrated into the investment process with dedicated teams working together to ensure a structured approach at all levels. The risk management's team's reporting lines are completely independent from that for the investment management team. (For further information on Man's risk management processes, see paragraph 8 (*Risk Management and Capital*) below.)

Through thorough risk reporting, Man Multi-Manager seeks to provide investors with a clear picture on the fundamental questions surrounding their investments, namely the sources of returns, the sources of risks and finally, the current level of the relevant investment, its monthly change and its historical positions.

Managed accounts ("MACs")

For more than 12 years, Man has built its managed account capabilities as an investor. MACs are a separate legal entity, owned by the investor, in which the hedge fund manager's involvement is restricted to the role of investment adviser, with third party service providers performing the operational and custodial duties. In addition to providing an investor with greater control of assets and transparency, MACs enable investment policy and risk guidelines to be framed to meet the needs of individual investors through bespoke arrangements. Furthermore, enhanced terms of engagement which may be negotiated include preferential liquidity, authority limits and special termination clauses relative to the master fund on which the MAC is based. Consequently, Man believes that there are numerous benefits to investors in choosing a partner with deeply established MAC capabilities.

Man uses MACs as part of its broader investment strategy, only investing with managers where it believes the strategy and terms will contribute positively to Man's overall portfolio management capabilities. Man believes that its strong investment brand and global scale make it attractive as an investor to underlying managers providing MACs. During the course of the financial year ending 31 March 2010, the Man Multi-Manager business launched 28 new MACs and by March 2010 had over US$7 billion invested across approximately 74 MACs.

Portfolio construction and client offering

All portfolios are structured to optimise returns relative to the level of risk taken across the market cycle and to manage potential downside during adverse market conditions. Portfolios are constructed for clients in three broad categories:

- **Discretionary** portfolios, which provide investors with one-stop-shop access to a range of different hedge fund exposures targeting specific risk/return profiles and with varying levels of allocation discretion mandated to the portfolio manager;
- **Tailor-made** advisory portfolios, which provide investors with access to Man Multi-Manager's approved list of underlying managers, investment infrastructure, including MAC capability, but where the investor may have shared or ultimate discretion on the manager and style allocations;
- **Structured products**, which provide investors with one-stop-shop access to a range of different hedge fund exposures, but with a principal protection or guarantee feature as an integral part of the relevant product.

The Man Multi-Manager business therefore provides a broad suite of investor offerings, ranging from off-the-shelf portfolios, to customised co-managed portfolios, and portfolios run to fit both onshore and offshore product formats, all of which benefit from Man's infrastructure, industry knowledge and risk insight. An example of customisation which has been developed over the course of 2009 and 2010 to provide large, sophisticated institutional investors with direct access to Man's managed account infrastructure and experience is Man's selection, in January 2010, by the Universities Superannuation Scheme ("**USS**") as its preferred provider for a mandate that could potentially allocate up to US$1 billion of funds through Man's managed account platform. USS is the UK's second largest private-sector pension fund.

(III) AFFILIATE RELATIONSHIPS

Man also holds a number of strategic investments in affiliated managers to provide additional sources of diversified return, which include:

- Ore Hill, a US-based credit specialist fund manager – an investment of US$53 million as at 31 March 2010 (2009: US$59 million);
- BlueCrest Capital Management LLP ("**BlueCrest**"), a multi-strategy manager based in Guernsey – an investment of US$256 million as at 31 March 2010 (2009: US$217 million); and
- Nephila Capital Ltd. ("**Nephila**"), a Bermuda-based alternative investment manager, specialising in the management of funds which underwrite natural catastrophe reinsurance and invest in insurance-linked securities and weather derivatives – an investment of US$42 million as at 31 March 2010 (2009: US$41 million).

The investments in Ore Hill and Nephila are treated for accounting purposes as joint ventures as, in each case, Man has joint control through contractual arrangements. Ore Hill, together with Pemba Credit Advisers ("**Pemba**"), the European credit manager subsidiary of Man, represented approximately US$3.2 billion of FUM as at 30 September 2010.

The investment in BlueCrest is treated for accounting purposes as an investment in an associate.

Man derives net management fee income from its relationship with Nephila and a mixture of net performance fee income and net management and other fee income from the other relationships. The majority of this revenue contribution is derived from BlueCrest, whose contribution to the Man Group's profit for the financial year ending 31 March 2010 consisted of US$34 million of net performance fee income and US$39 million of net management and other fee income.

B. Investor Solutions

Over the past twenty years, Man has structured one of the largest suites of blended alternative investment products and solutions in the world, meeting a broad spectrum of client performance, portfolio, legal, taxation, regulatory, principal protection and risk management needs.

Man's global team of financing and product structuring experts work closely with the investment managers and client service teams to develop a wide range of off-the-shelf and bespoke investment vehicles tailored to a wide range of client needs, which include:

- onshore or offshore investment vehicles;
- UCITS III compliant funds;
- open-ended or close-ended vehicles allocating to single managers or multi-manager portfolios; and
- capital guaranteed/principal protected structures.

Man believes that its structuring capabilities give it the potential to generate additional fees, particularly for guaranteed products.

Recent examples of Man's structuring capability include:

(i) *A tailored US institutional solution*

Man formed a partnership with a large US institution which primarily invests in single managers and holds in excess of US$45 billion in total assets. Under the terms of the relationship, Man provides strategic counsel and industry guidance, with the initial solution comprising a portfolio of managed futures and global macro strategies. The scope of the mandate was subsequently extended to include a customised portfolio of real assets (commodities, energy and real estate) and direct access to Man's managed account platform. The initial investment was roughly US$100 million and the relationship has reached nearly US$500 million across the multiple mandates.

(ii) *Undertakings for Collective Investments in Transferable Securities ("**UCITS**") products*

Until recently, many investors wishing to access alternative investment strategies have been prevented from doing so because of high minimum contributions required, applicable long lock-up periods and offshore fund domicile. The Man Group believes that the UCITS III framework addresses many of these issues, simultaneously expanding the range of options available and enhancing diversification potential for many investors.

Man expanded its UCITS business in 2009 by introducing the Man AHL Trend and Man AHL Diversity fund products, comprising UCITS III-compliant products from its AHL programme. Most recently, a fund providing exposure to equity long/short managers trading European equities has been launched, which complements the Man Multi-Manager offering and allows it to offer what Man believes is a compelling alternative to traditional long-only equity strategies.

The expansion of Man's UCITS-compliant funds range, which it has been actively developing since the launch of its first UCITS product in 2008, reflects Man's ability to combine hedge fund structuring and legal expertise with a deep knowledge of the evolving UCITS framework.

From a strategic perspective, the expanded distribution potential (through mainstream channels and fund platforms) conferred by offering UCITS-compliant products provides significant potential for Man to increase its FUM.

UCITS-compliant funds are increasingly seeing interest from non-European investors, such as in Asia. Man, through its extensive distribution network, is therefore exploring opportunities and strategies to promote its UCITS-compliant funds outside Europe.

(iii) *A UK managed account based institutional solution*

The Man Group has recently entered into a three-year agreement with USS, the UK's second largest private-sector pension fund, which could potentially allocate up to US$1 billion of funds through Man's managed account platform. Man has agreed to provide advisory services in operational due diligence and risk management, with the client maintaining responsibility for manager selection.

C. Distribution and Client Services

Overview

Man's products and solutions are distributed to private investors through a global network of more than 2,200 intermediaries. Institutional investors, such as pension funds, insurance companies or banking institutions, are typically accessed through direct relationships and are coordinated through dedicated relationship managers.

Man's longstanding network of regional offices helps place its staff close to investors. Detailed reporting can be provided in both standard and customised format designed specifically to meet the requirements of both private and institutional investors. Its customer service teams include specialised relationship managers, client service professionals embedded in the investment management teams and a network of regional offices around the world.

Man has continued to invest in its distribution network and intermediary relationships. In November 2008 it opened a Dutch office to enhance its presence in the Netherlands, and additional offices for specific markets are under active continual consideration.

Man's investors

Man divides its FUM into two categories: private investor FUM and institutional investor FUM. It also sub-divides its private investor FUM into two further categories, between those that invest in open-ended and guaranteed products.

Private Investors

As at 31 March 2010, the Man Group had US$26.8 billion of private investor FUM. Man generally targets the mass affluent investor segment, where, for example, new onshore regulated products are providing access to hedge fund returns to an expanding global market.

During the financial year ending 31 March 2010, the Man Group achieved a gross management fee margin of over 4 per cent. of FUM in its private investor business, which Man believes reflects the premium attached to private investor products with strong performance and long track records.

Institutional Investors

As at 31 March 2010, the Man Group had US$12.6 billion of institutional investor FUM from around 250 institutional clients, predominantly constituting pension funds, insurance companies, banks, asset managers, sovereign wealth funds and endowments.

During the financial year ending 31 March 2010, the Man Group achieved gross management fee margins of around 1 per cent. in its institutional investor business.

The geographic breakdown for its private investors and institutional investors, respectively, for each of the financial years ending 31 March 2010, 2009 and 2008 is set out below:

	For the year ended 31 March					
Private Investor FUM by geography	*2010*		*2009*		*2008*	
	FUM (US$bn)	*%*	*FUM (US$bn)*	*%*	*FUM (US$bn)*	*%*
Japan	8.8	33	7.1	25	10.3	24
Australia/NZ	3.3	12	3.8	14	5.9	14
SE Asia	2.9	11	3.2	12	2.6	6
Switzerland	2.2	8	3.7	13	5.8	13
Benelux	1.8	7	1.3	5	3.8	9
North America	1.6	6	1.7	6	3.5	8
Germany	1.5	6	1.4	5	1.6	4
Middle East	1.4	5	2.0	7	2.4	6
Latin America	1.1	4	0.5	2	1.4	3
Rest of Europe	1.1	4	1.0	4	3.1	7
United Kingdom	0.8	3	2.1	7	2.8	6
Africa	0.3	1	0.0	0	0.2	1
Other	0.0	0	0.0	0	0.0	0
	26.8	100	27.8	100	43.5	100

Institutional FUM by geography	For the year ended 31 March					
	2010		*2009*		*2008*	
	FUM (US$bn)	*%*	*FUM (US$bn)*	*%*	*FUM (US$bn)*	*%*
Switzerland	3.7	30	8.6	45	14.8	48
United Kingdom	2.2	17	3.0	16	4.3	14
Americas	1.4	11	1.1	6	0.6	2
Germany	1.1	9	1.9	10	4.2	14
Middle East	1.0	8	0.2	1	0.6	2
Rest of Europe	0.9	7	1.7	9	2.7	9
Asia Pacific	0.9	7	1.3	7	1.2	4
Benelux	0.7	6	1.2	6	1.3	4
Italy	0.7	5	0.0	0	1.4	4
Africa	0.0	0	0.0	0	0.0	0
	12.6	100	19.0	100	31.1	100

8. RISK MANAGEMENT AND CAPITAL

Risk Management

Man's approach to risk management is to identify, monitor and evaluate risk throughout the Man Group and to manage these risks within the acceptable risk limits set internally. Man aims to maintain sufficient excess capital and substantial liquidity resources in order to give it flexibility both to continue to finance long-term growth and to operate the business effectively under market stress situations.

The Man Board is ultimately responsible for the framework of risk governance and risk management, as well as for determining risk strategy, setting parameters for Man's risk appetite and ensuring that risk is monitored and controlled effectively. The Man Board has given delegated authority to two committees – the Risk Assurance Committee and the Finance Committee – to provide oversight across all risks faced by the business. These committees comprise senior management from the business and support areas and provide oversight across all risks faced by the business. The principle of individual accountability and responsibility for risk management is an important feature of Man's corporate culture, with senior management within Man's businesses being accountable for all risks assumed in their areas of responsibility and for the execution of appropriate risk management discipline within the framework of policy and delegated authority set out by the Man Board.

Day to day independent and objective assessment and monitoring of risk is provided by various risk control functions at the Man Group level and in the particular business divisions, which control functions include group risk, finance, legal, compliance, human resources and internal audit, with formal reporting lines. In addition, risk management functions reside within each business unit, with formal reporting lines and segregation of duties for the key risk, compliance, legal and finance functions.

Capital

Man is lead-regulated by the FSA and is therefore subject to the FSA's prudential and capital regulation. Its regulatory capital requirements are calculated in accordance with a full scope investment group under the EU Capital Requirements Directive. In addition, it calculates its economic capital using scenario and statistical modelling. Man's economic capital methodology forms part of its Internal Capital Adequacy Assessment Process (ICAAP) submission to the FSA.

Man's capital and liquidity framework is designed to be conservative, allowing it to invest in the growth of its business. Man utilises capital to support the operation of the investment management process, the testing of research ideas and the launch of new fund products. Man has maintained significant excess capital and available liquidity throughout the recent periods of financial crisis, with a regulatory capital surplus of over US$1.5 billion and cash balances of over US$2.5 billion as at 30 September 2010. Following Closing, Man is expected to have surplus regulatory capital of approximately US$300 million.

9. LEGAL AND ARBITRATION PROCEEDINGS

Save as set out below, neither Man nor any member of the Man Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Man is aware) during the 12 months preceding the date of this Prospectus which may have, or have in such period had, a significant effect on the financial position or profitability of Man or the Man Group.

Class action relating to the initial public offering of MF Global

On 19 July 2007, Man disposed of its brokerage business, MF Global, through an initial public offering on the New York Stock Exchange. On 28 February 2008, MF Global announced that it had incurred a significant credit loss. Following this disclosure a number of plaintiffs filed class action lawsuits in the US Federal Court against the Man Group, MF Global, certain of its officers and directors and certain underwriters asserting various causes of action arising out of the US initial public offering. The consolidated class action complaint alleged claims under sections of the Securities Act and alleged, among other things, that the public disclosure documents for the offering contained false and misleading statements concerning risk management and trading risk controls at MF Global. The plaintiffs seek compensatory damages, rescission and attorneys' fees and expenses of an amount which is unquantifiable at this stage. On 16 July 2009, the US District Court dismissed the case on the grounds that the plaintiffs had failed to identify any material misrepresentations or omissions in the disclosure documents. The plaintiffs appealed the ruling to the US Court of Appeals.

On 14 September 2010, the US Court of Appeals affirmed the US District Court's dismissal of certain of the plaintiffs' claims and vacated and remanded the ruling back to the US District Court as to other claims for re-consideration based on a standard the US Court of Appeals clarified. The claims subject to reconsideration by the US District Court include those questioning the accuracy of disclosures concerning MF Global's risk management system as it applied to trading in employee accounts.

In the US District Court, the Man Group, along with the other defendants, intend to move to dismiss the plaintiffs' remaining claims on grounds not reached in the previous decisions. The Man Directors anticipate the US District Court will set a briefing schedule for the motion to dismiss shortly. To the extent the defendants' renewed motions to dismiss may be denied, further proceedings would ensue. The Man Directors continue to believe that the Man Group complied with all applicable laws and regulations in connection with the initial public offering of MF Global.

In addition, Man has been joined as a defendant to the putative class action complaint filed against GLG in relation to the Acquisition. Further details of such action are set out below.

Legal proceedings relating to the Acquisition

On 24 May 2010, Ron Duva, a purported GLG Stockholder, filed a putative class action complaint in the Delaware Court of Chancery on behalf of himself and all other similarly situated GLG Stockholders, captioned *Duva v. GLG Partners, Inc., et al.* ("**Duva**"). On 24 May 2010, Akoleo S.A., a purported GLG Stockholder filed a putative class action complaint in New York Supreme Court on behalf of itself and all other similarly situated GLG Stockholders, captioned *Akoleo S.A. v. GLG Partners, Inc., et al.* ("**Akoleo**"). On 24 May 2010, Tanweer Zia, a purported GLG Stockholder, filed a putative class action complaint in New York Supreme Court on behalf of himself and all other similarly situated GLG Stockholders, captioned *Zia v. GLG Partners, Inc., et al.* ("**Zia**").

The Duva, Akoleo and Zia complaints purport to assert claims against GLG and the members of the GLG Board alleging breaches of fiduciary duty and aiding and abetting breaches of fiduciary duty in connection with the Acquisition. Among other things, the complaints allege that GLG is being sold at an unfair price. Among other relief, plaintiffs in each of these actions are seeking an injunction preventing the completion of the Acquisition, as well as recissionary damages, restitution, and attorneys' fees of an amount which is unquantifiable at this stage. The Duva complaint was amended on 25 June 2010 to add Man as a defendant and to allege that Man aided and abetted such alleged breaches of fiduciary duty in connection with the Acquisition. On 7 July 2010, the New York Supreme Court consolidated the Akoleo and Zia actions under the caption, *In re GLG Partners, Inc. Shareholders Litigation* (the "**New York Action**"), and further ordered that all proceedings in the New York Action be stayed pending the resolution of the Duva action.

On 19 August 2010, Man, GLG and the GLG Directors, as defendants in the Duva action and (those parties other than Man) as defendants in the New York Action, reached an agreement in principle (with no admission of liability) with the plaintiffs in the Duva action and the New York Action providing for the settlement of such actions on the terms and subject to the conditions set out in the MOU. The terms of the MOU include an obligation by GLG to make certain additional disclosures in its Proxy Statement (which disclosures were incorporated) and an obligation by Man and GLG to amend the Merger Agreement to (i) reduce the break fee payable in the circumstances set out in the Merger Agreement by each of Man and GLG from US$48 million to US$26 million; (ii) reduce the period following termination of the Merger Agreement during which, under certain circumstances, the break fee is payable by GLG from 12 months to 9 months; and (iii) reduce the period of time in which Man may amend the terms of the Merger Agreement so that a Superior Proposal is no longer superior from 3 Business Days to 2 Business Days.

The settlement is subject to the execution of definitive settlement documentation and the approval of the Delaware Court of Chancery. Upon effectiveness of the settlement, all claims which were or could have been asserted in the legal proceedings will be fully and completely dismissed.

Also on 19 August 2010, Man and GLG entered into the Amendment Agreement, which gives effect to the amendments to the Merger Agreement contemplated in the MOU.

10. REGULATION

Man is subject to minimum capital requirements set by various regulators of its worldwide businesses. Adherence to the stipulated capital ratios and requirements is extremely important to the ongoing operations and business of the Man Group and the Enlarged Group. The FSA is Man's lead regulator, and supervises Man on a consolidated basis and, every six months, Man submits returns to the FSA on its capital adequacy. Various subsidiaries are directly regulated by the FSA or supervisors in other countries, which set and monitor their capital adequacy. As at 30 September 2010, Man had excess regulatory capital of over US$1.5 billion, and is expected to have surplus regulatory capital of approximately US$300 million following Closing. (See also "*Risk Management and Capital – Capital*" above).

11. EMPLOYEES

Man employs a total of approximately 1,400 permanent employees. Approximately 600 are based in the UK and 450 in Switzerland with approximately 120 working for the AHL division and approximately 170 working for Man Multi-Manager. The remainder are located around the world in regional operating centres, supporting Man's investment managers and servicing investors and distributors, including in the US, Canada, Dubai, Hong Kong, Singapore, Japan, Australia, Italy, Ireland, the Netherlands, Luxembourg, Guernsey and Uruguay.

12. PROPERTY

Man's registered office and principal place of business is located at Sugar Quay, Lower Thames Street, London EC3R 6DU, which is occupied pursuant to a leasehold arrangement. Man expects to move its registered office and principal place of business to new London headquarters located at Riverbank House, 2 Swan Lane, London EC4R 3TN in approximately May 2011, which is expected to be occupied pursuant to a 25 year lease.

13. RECENT DEVELOPMENTS

On 28 July 2010, Man completed the routine, annual process of updating and filing with the UKLA the offering circular for its US$3 billion Euro Medium Term Note Programme.

On 29 July 2010, Man announced an invitation to the holders of its US$400 million Floating Rate Step-Up Subordinated Notes due 2015 (the "**Existing Notes**") to offer to exchange any and all of their Existing Notes for US$ denominated 5.00 per cent. Subordinated Notes due 2017 (the "**2017 Fixed Rate Notes**") to be issued by Man under its US$3 billion Euro Medium Term Note Programme, subject to and in accordance with the terms of such exchange offer (the "**Exchange Offer**"). The aggregate nominal amount of Existing Notes accepted for exchange, and the aggregate nominal amount of 2017 Fixed Rate Notes issued by Man on 9 August 2010, was US$232,089,000. The purpose of the Exchange Offer was to pro-actively manage the capital base of Man in a way which took into account the cost of capital, regulatory capital requirements and prevailing market conditions. Any future decisions by Man as to whether it will exercise calls in respect of the Existing Notes that were not exchanged pursuant to the Exchange Offer will be taken with regard to the economic impact of exercising such calls, regulatory capital requirements and prevailing market conditions.

Current trading, trends and prospects

The following information was released by Man on 28 September 2010 in its pre-close trading update for the six months ending 30 September 2010:

Pre-close trading update for the six months ending 30 September 2010

Key points – operating

- Funds under Management (FUM) at 30 September 2010 of an estimated $39.5 billion (30 June 2010: $38.5 billion)
- Reduced net outflow in Q2 ($0.6 billion) reflects a pick-up in sales driven by funding of institutional mandates and demand for onshore regulated products
- Positive investment movement in Q2 of $0.8 billion, with Man products well suited to current uncertain markets. AHL up 7.6% in the calendar year to 31 Aug; IP220 up 17.5%.

Key points – financial

- Profit before tax and adjusting items for the six months ending 30 September 2010 of an estimated $215 million (H2 2010: $268 million)
  - o Reduction in net management fees reflects lower average FUM
  - o Minimal performance fees, with most of AHL below high water mark
- Diluted earnings per share on continuing operations before adjusting items of an estimated 9.5 cents per share; 7.0 cents per share after adjusting items
- Financial position remains strong, with a regulatory capital surplus of over $1.5 billion and over $2.5 billion in cash. After closing the GLG acquisition, Man expects to retain a regulatory capital surplus of around $300 million.

Transaction update

- Acquisition of GLG expected to close shortly after 12 October GLG stockholder meeting.

Summary financials

	Estimates for six months ending 30 Sept 2010	Six months ended 31 March 2010	Six months ended 30 Sept 2009
	$	$	$
Funds under management (end of period)	39.5bn	39.4bn	44.0bn
Net management fee income	205m	218m	245m
Net performance fee income	10m	50m	47m
Profit before tax and adjusting items	215m	268m	292m
Adjusting items*	(45m)	(29m)	10m
Discontinued operations**	(35m)	—	—
Total profit before tax	135m	239m	302m

* *There are two adjustments to continuing operations in the period – c. $25 million for GLG acquisition costs and c.$20 million for pre-acquisition rationalisation costs, including consultancy advice.*

** *Discontinued operations reflect an arbitration settlement linked to claims made by MF Global regarding their closing balance sheet at the date of their IPO in July 2007.*

Peter Clarke, Chief Executive of Man, said:

"The last six months have seen further mixed macro signals across global economies and continued uncertainty in markets. The industry has experienced significant variations in performance between investment styles and between managers within each style. It has therefore been pleasing to see Man's investment strategies performing well in these difficult conditions, with AHL up 7.6% in the calendar year to 31 August and our flagship principal protected product, IP220, up 17.5% over the same period. Whilst many investors remain reluctant to commit capital amid current market uncertainty, solid performance is the focus for our investors and the mainstay of the medium term sales outlook.

"The hedge fund landscape will be shaped by investor demand for liquid, transparent portfolios, regulated solutions and risk-controlled returns. Man's strong local relationships, global scale and flexible product range enable us to meet these requirements across markets. Our franchise in onshore regulated products continues to grow, with over $450 million now invested in our UCITS formats, originated in 27 countries within and outside the EU. The addition of GLG's products, on completion of the transaction, will be a valuable expansion in both the scale and scope of our onshore offering. On the institutional side, we continue to see high levels of interest for managed account based solutions, which provide controlled, flexible and transparent access to diversifying return streams. Mandates already secured are now funding progressively.

"The strategic rationale for the acquisition of GLG is based on the creation of a performance focused, multi-style investment platform, which is capable of delivering superior, uncorrelated returns from a wide range of investment strategies across market cycles. Since the announcement of the transaction, GLG has reported continued asset raising and strong recent performance across a variety of styles including emerging markets, global macro, equity long/short, market neutral and credit. I am delighted with the progress we have made with integration planning to date, with both firms clearly focused on the powerful investment proposition which will be created by the transaction."

FUNDS UNDER MANAGEMENT

Asset flows

Man expects to see a private investor net outflow in the quarter to 30 September 2010 of $0.7 billion and an inflow of $0.1 billion from institutional investors. There has been a pick-up in sales ($1.4 billion in Q2 compared to $0.7 billion in Q1), driven by the gradual funding of previously announced institutional mandates and continued sales of onshore regulated open-ended product. Annualised redemption rates for private investors are running slightly higher than the historic average and institutional redemptions remain low. The total net outflow for the first half was $1.6 billion.

Quarterly institutional redemptions to be paid on 1 October 2010 are expected to be around $0.2 billion.

Investment performance

Investment performance is expected to contribute around $0.8 billion to FUM in the quarter to 30 September, and $1.0 billion for the first half. This reflects a period of strong outperformance for managed futures, with AHL Diversified plc up 5.3% in the financial year to 31 August compared to world stocks down 9.9%. AHL performed well compared to its peer group by maintaining sufficient exposure to profit from underlying themes and controlling losses as trends reversed. Man Multi-Manager is also performing well in these conditions by running less traditional beta and capturing more alternative alpha in its portfolios, in particular managed futures. This, together with a strong appreciation in guarantee instruments, boosted the performance of Man's structured product range, with Man IP220 up 12.3% in the financial year to 31 August.

FX and other movements

Currency movements are expected to increase FUM by $1.7 billion in the quarter to 30 September, driven by the weakening of the US dollar against the Euro and the Australian dollar. Currency movement for the half year is expected to be a positive $0.6 billion.

Other movements were a negative $0.9 billion for the quarter to 30 September, reflecting negative routine rebalancing of investment exposure in guaranteed products in July and August, and positive rebalancing in September. Other movements for the half year are expected to be a positive $0.1 billion.

FINANCIAL SUMMARY

Income statement

Pre-tax profit before adjusting items for the six months ending 30 September 2010 is expected to be around $215 million (H2 2010: $268 million), reflecting a moderate reduction in net management fees and minimal performance fees. Gross management fee income* is estimated to be around $640 million (H2 2010: $668 million), reflecting largely stable average private investor funds under management

* Includes management fee income from associates

and a decrease in average institutional funds under management. Net management fee income is estimated to be around $205 million. Net performance fee income is estimated to be around $10 million, with AHL still largely below high water marks.

Two adjusting items have been reflected in the first half profit before tax from continuing operations – approximately $25 million for GLG acquisition costs and around $20 million for pre-acquisition rationalisation costs, including consultancy advice.

Diluted earnings per share before adjusting items on continuing operations is expected to be around 9.5 cents; 7.0 cents after adjusting items.

Underlying EPS, which excludes performance fee income and adjusting items, is expected to be around 9 cents.

Discontinued operations of a negative $35 million reflect an arbitration settlement linked to claims made by MF Global regarding their closing balance sheet at the date of their IPO in July 2007.

Financial position

Man's financial position remains strong, with a regulatory capital surplus of $1.5 billion and over $2.5 billion in cash. After completion of the GLG acquisition, the Company expects to retain a regulatory capital surplus of around $300 million.

GLG TRANSACTION UPDATE

Man's acquisition of GLG Partners, Inc., which was approved by Man shareholders by a margin of over 90% on 1 September, remains subject to the approval of GLG stockholders and certain regulatory authorities as well as other conditions referred to in the announcements of 17 May and 29 June 2010. Change of control approval has now been received from the majority of the relevant regulators, including from the UK Financial Services Authority. The GLG stockholder meeting is scheduled to take place on 12 October 2010 and the acquisition is expected to close shortly thereafter.

Post acquisition planning activities have advanced swiftly over the summer months. Emmanuel Roman has been appointed Chief Operating Officer from completion as part of an integrated management team. A governance framework has been defined for the enlarged Group, and the previously identified annual cost savings of approximately $50 million have been confirmed in the integration plan. On the sales front, each regional office within Man has identified the GLG strategies likely to be most attractive to its investor base and training programmes have taken place, so that GLG products can start to be marketed by the Man distribution network immediately after closing.

FUNDS UNDER MANAGEMENT ANALYSIS

Estimated 3 months to 30 September 2010

	Private investor $bn			Institutional $bn	Total $bn
	Guaranteed	Open-ended	Total		
FUM at 30 June 2010	**14.8**	**12.3**	**27.1**	**11.4**	**38.5**
Sales	0.1	0.5	0.6	0.8	1.4
Redemptions	(0.7)	(0.6)	(1.3)	(0.7)	(2.0)
Net inflows/(outflows)	**(0.6)**	**(0.1)**	**(0.7)**	**0.1**	**(0.6)**
Investment movement	0.2	0.5	0.7	0.1	0.8
FX	0.7	0.3	1.0	0.7	1.7
Other	(0.6)	(0.1)	(0.7)	(0.2)	(0.9)
FUM at 30 September 2010	**14.5**	**12.9**	**27.4**	**12.1**	**39.5**

Estimated 6 months to 30 September 2010

	Private investor $bn			Institutional $bn	Total $bn
	Guaranteed	Open-ended	Total		
FUM at 31 March 2010	**14.0**	**12.8**	**26.8**	**12.6**	**39.4**
Sales	0.3	0.8	1.1	1.0	2.1
Redemptions	(1.3)	(1.1)	(2.4)	(1.3)	(3.7)
Net inflows/(outflows)	**(1.0)**	**(0.3)**	**(1.3)**	**(0.3)**	**(1.6)**
Investment movement	0.4	0.6	1.0	—	1.0
FX	0.2	0.1	0.3	0.3	0.6
Other	0.9	(0.3)	0.6	(0.5)	0.1
FUM at 30 September 2010	**14.5**	**12.9**	**27.4**	**12.1**	**39.5**

Funds by manager

	Estimated 30 September 2010 $bn	30 June 2010 $bn	31 March 2010 $bn
AHL	**21.9**	21.2	21.2
Multi-Manager	**14.4**	14.2	14.8
Ore Hill / Pemba	**3.2**	3.1	3.4
Total	**39.5**	38.5	39.4

INVESTMENT PERFORMANCE

	Total return 2 months to 31-Aug-10	Annualised return Financial year to 31-Aug-10	Calendar year to 31-Aug-10	3 years to 31-Aug-10	5 years to 31-Aug-10
Fund of funds					
Man Four Seasons Strategies[1]	1.0%	-1.2%	-0.3%	-2.4%	2.0%
Man RMF Diversified[2]	1.3%	-0.5%	0.9%	-1.8%	2.8%
Structured - principal protected					
Man-IP 220[3]	8.5%	12.2%	17.5%	6.8%	7.7%
Single managers					
Man AHL Diversified plc[4]	4.4%	5.3%	7.6%	11.1%	10.9%
Ore Hill[5]	2.2%	4.5%	22.8%	-1.0%	3.6%
World Stocks[6]	2.0%	-9.9%	-6.1%	-11.5%	-2.3%
HFRI Fund Weighted Composite Index[7]	1.8%	-0.9%	1.5%	0.8%	4.9%
HFRI Fund of Funds Composite Index[7]	0.8%	-1.8%	-0.4%	-3.1%	2.0%
Corporate bonds[8]	6.5%	15.5%	17.5%	10.8%	6.5%

Source: Man database and Bloomberg. There is no guarantee of trading performance and past or projected performance is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations.

1) Represented by Man Four Seasons Strategies – Class ISI4.
2) Represented by Man RMF Investments SICAV Class D.
3) Represented by Man-IP 220 Ltd from 18 December 1996 to 31 December 2005 and Man-IP 220 Ltd – USD class bonds from 1 January 2006.
4) Man AHL Diversified plc is valued weekly, but for comparative purposes the last weekly valuation of the month has been used. The month to date return as at 20 September 2010 is -2.3%.
5) Represented by Ore Hill International II Ltd.
6) Represented by MSCI World Index (price return hedged to USD). Quarterly return to 31 August 2010 of -2.4%.
7) HFRI index performance over the past 4 months is subject to change.
8) Represented by Citigroup High Grade Corporate Bond index (total return).

Note: Certain statements in the information included under "*Current trading, trends and prospects*" above constitute a profit estimate under the Prospectus Rules and have, in accordance with the requirements of these regulations, been reported on by PricewaterhouseCoopers LLP. Further details of the profit estimate and a copy of PricewaterhouseCoopers LLP's report are set out in Part 10: Profit Estimate.

PART 3:

INFORMATION ON GLG

Information on GLG's business is set out in Part III: Information on GLG of the Circular and is incorporated by reference into this Prospectus.

Information on the GLG Group's involvement in certain governmental, legal or arbitration proceedings is set out in Part VII: Additional Information of the Circular in paragraph 8 (*Litigation*) under the heading "*GLG Group*" and is incorporated by reference into this Prospectus.

Ordinary course claims

GLG is subject to various claims, assessments, regulatory enquiries and investigations in the normal course of its business. As at the date of this document, the Man Directors do not expect such matters to have a material adverse effect on the business, financial condition, results of operations of the Man Group and/or the Enlarged Group.

Recent Developments

On 9 August 2010 GLG announced its results for its second fiscal quarter ended 30 June 2010. GLG's total net AUM as of 30 June 2010 were approximately US$23.0 billion (net of assets invested from other GLG managed funds), down 3.0 per cent. from 31 March 2010, up 3.5 per cent. from 31 December 2009, and up 20.2 per cent. from 30 June 2009. For the second quarter of 2010, GLG reported net revenues and other income of US$77.2 million and a GAAP net loss attributable to common stockholders of US$74.6 million, or US$0.32 per fully-diluted share. For the first half of 2010, GLG reported net revenues and other income of US$130.9 million and a GAAP net loss attributable to common stockholders of US$135.4 million, or US$0.59 per fully-diluted share.

Financial Highlights

	Q2 2010	Q2 2009	YoY change	H1 2010	H1 2009	YoY change
	(US$ in millions except per share amounts)					
Closing net assets under management (AUM)	22,956	19,094	20%	22,956	19,094	20%
Net revenues	77.2	86.1	(10%)	130.9	137.9	(5%)
GAAP net (loss) attributable to common stockholders	(74.6)	(24.4)	—	(135.4)	(144.6)	(6%)
GAAP fully diluted EPS	(0.32)	(0.11)	—	(0.59)	(0.67)	(12%)

In keeping with GLG's policy of recognising performance fees when they crystallise, generally on 30 June and 31 December of each year, second quarter and first half 2010 performance fees of US$22.4 million and US$25.1 million, respectively, largely reflect first half performance for 2010. These performance fees were limited by the complexion of GLG's first half 2010 investment returns and the level of AUM in position to earn performance fees entering 2010.

The June 2010 quarter and first half 2010 results include US$9.8 million (pre and after-tax) of expenses related to the Acquisition.

The June 2009 quarter and first half 2009 results reflected a US$84.8 million gain on the extinguishment of debt as a significant item.

GLG's GAAP results include certain significant and largely non-cash expenses associated with its reverse acquisition transaction with Freedom Acquisition Holdings in November 2007 ("**Acquisition-related compensation expense**"). GLG's management assesses the underlying performance of its business based on certain non-GAAP metrics which exclude Acquisition-related compensation expense.

PART 4:

MAN DIRECTORS, MAN SENIOR MANAGERS, EMPLOYEES AND CORPORATE GOVERNANCE

1. MAN DIRECTORS

Name	*Age*	*Position*	*Date appointed to Man Board*	*Date of expiry of current office*
Jon Aisbitt	53	Non-Executive Director, Chairman of Board and Nomination Committee	August 2003	July 2012 – subject to reappointment at the AGM when required
Alison Carnwath	57	Senior Independent Non-Executive Director	January 2001	July 2011 – subject to reappointment at the AGM when required
Peter Clarke	50	Director, Chief Executive	April 1997	Ongoing – subject to reappointment at the AGM when required
Phillip Colebatch	65	Independent Non-Executive Director and Chairman of Remuneration Committee	September 2007	July 2011 – subject to reappointment at the AGM when required
Dugald Eadie	65	Independent Non-Executive Director	January 2002	July 2011 – subject to reappointment at the AGM when required
Kevin Hayes	50	Director, Finance Director	May 2007	Ongoing – subject to reappointment at the AGM when required
Ruud Hendriks	64	Independent Non-Executive Director	August 2009	July 2012 – subject to reappointment at the AGM when required
Frédéric Jolly	48	Independent Non-Executive Director	August 2009	July 2012 – subject to reappointment at the AGM when required
Patrick O'Sullivan	61	Independent Non-Executive Director and Chairman of the Audit and Risk Committee	September 2007	July 2013 – subject to reappointment at the AGM when required

Directors' profiles

The names, business experience and principal business activities outside the Man Group of the current Man Directors are set out below.

Jon Aisbitt

Jon Aisbitt joined the Man Board in August 2003 as a non-executive director and was appointed non-executive Chairman in September 2007. He was previously a Partner and Managing Director in the Investment Banking Division of Goldman Sachs and has 20 years experience in international corporate finance.

Alison Carnwath

Alison Carnwath joined the Man Board as a non-executive director in January 2001. Prior to joining the Man Board she spent 20 years working in investment banking. She is Chairman of Land Securities Group plc, an independent director of Paccar Inc and is a non-executive director of Barclays PLC and Barclays Bank PLC. She was also an independent director of MF Global Holdings Limited until August 2010.

Peter Clarke

Peter Clarke joined the Man Group in 1993 from the investment banking industry, having worked at Morgan Grenfell and Citicorp. He was Head of Corporate Finance & Corporate Affairs and was

Company Secretary from April 1996 to November 2007. He was appointed to the Man Board in 1997, became Finance Director in May 2000 and was Deputy Group Chief Executive from November 2005 until his appointment as Chief Executive in March 2007.

Phillip Colebatch

Phillip Colebatch joined the Man Board as a non-executive director in September 2007. He was previously a member of the Executive Boards of Swiss Reinsurance Company and Credit Suisse Group. He is a non-executive director of Insurance Australia Group and Lend Lease Corporation and is on the Boards of Trustees of the LGT Group Foundation and the Prince of Liechtenstein Foundation.

Dugald Eadie

Dugald Eadie joined the Man Board as a non-executive director in January 2002. He has held a number of senior executive positions in the fund management industry. He was most recently Group Managing Director of Henderson plc until his retirement in 1999, following its acquisition by AMP. He is an Honorary Fellow of the Faculty of Actuaries and a Fellow of the UK Society of Investment Professionals.

Kevin Hayes

Kevin Hayes joined the Man Group as Chief Financial Officer in March 2007. He was Company Secretary from November 2007 to July 2009 and was appointed to the Man Board in May 2007. Prior to joining Man, he served in a number of senior finance and strategy positions at Lehman Brothers, latterly as Global Director of Process and Productivity and was a Partner in the financial services practice of Ernst & Young LLP in New York.

Ruud Hendriks

Ruud Hendriks joined the Man Board as a non-executive director in August 2009. He was previously with Goldman Sachs Asset Management where he had been a Managing Director and Co-Head of Sales for Europe, Middle East and Africa. Prior to this, Ruud was Global Head of Institutional Sales for Robeco, a leading international asset manager. Ruud is a member of the International Board of Advisors of Polaris (an Italian-based asset manager), senior advisor, for the Netherlands, to Kohlberg Kravis Roberts & Co. and senior advisor to the Board of Syntrus Achmea.

Frédéric Jolly

Frédéric Jolly joined the Man Board as a non-executive director in August 2009. He was Chief Executive Officer of Russell Investments (Europe, Middle East and Africa) until the summer of 2008. Prior to this, Frédéric was Head of Investment Consulting at The Wyatt Company, Paris (now Watson Wyatt). Frédéric is founding partner of Lexam Partners, an advisory business specialising in financial services.

Patrick O'Sullivan

Patrick O'Sullivan joined the Man Board as a non-executive director in September 2007. He was previously Vice Chairman of the Group Management Board, as well as Group Finance Director, of Zurich Financial Services Group. He is Chairman of Old Mutual plc and a non-executive director of the Bank of Ireland and COFRA Holding AG.

2. MAN SENIOR MANAGERS

Name	*Current position*
Robert Aitken	Management Committee, Head of Man Group Compliance
Tony Gurney	Management Committee, Marketing and Client Services, Global Head of Product & Client Operations
Herbert Item	Management Committee, Chief Investment Officer and Head of Man Multi-Manager
Christoph Möller	Management Committee, Sales
Michael Robinson	Management Committee, Human Resources
Stephen Ross	Management Committee, Product Structuring and Financing and Legal
John Rowsell	Management Committee, Head of Man's Principal Strategies Group
Tim Wong	Management Committee, CEO of AHL
Mike Wright	Management Committee, Technology

Man Senior Managers' profiles

The names and business experience of the current Man Senior Managers are set out below.

Robert Aitken

Robert Aitken joined Man in 2003 from the Financial Services Authority after serving in other operating roles in financial services.

Tony Gurney

Tony Gurney joined Man Investments in 2006. Prior to joining Man Investments he spent four years with Financial Risk Management, a fund of hedge funds manager, as COO. In 2000, he left J.P. Morgan with the senior members of the convertible arbitrage trading team to set up Ferox Capital Management, serving as COO.

Herbert Item

Herbert Item joined Man in 1997 with 10 years of equity and derivatives trading experience. He was appointed CIO of Man's integrated hedge fund multi-manager business in 2009, with responsibility for all investment functions.

Christoph Möller

Christoph Möller joined Man in 1981 and moved to his current position in 2001 after serving in roles in finance and product structuring.

Michael Robinson

Michael Robinson joined Man in 2003 after serving in senior roles at INVESCO and as a main board director of Henderson Global Investors plc and a career in the Royal Navy.

Stephen Ross

Stephen Ross, a lawyer by training, joined Man in 2003 from Clifford Chance LLP, where he was a Partner and Co-head of the Private Funds Group. He is Group General Counsel of Man and Global Head of Product Structuring & Financing.

John Rowsell

Prior to his current responsibilities, John Rowsell was Chief Investment Officer of Man Glenwood and was Chairman of the Investment and Management Committees. Previously, John Rowsell served as Chief Executive Officer for Glenwood Capital Investments L.L.C.

Tim Wong

Tim Wong joined Man in 1991 and moved to his current position as CEO of AHL in 2001.

Mike Wright

Mike Wright joined Man in 2007 after serving in IT leadership roles at Fidelity International (from 2005 to 2007) and Willis Group (from 1997 to 2004). Prior to this he was a consultant at McKinsey.

3. COMPENSATION

For the year ended 31 March 2010, the aggregate total remuneration paid (including contingent or deferred compensation) and benefits in kind granted (under any description whatsoever) to the Man Directors, including amounts reflecting the "economic value" of options or other share-based awards granted to the executive directors of Man, by members of the Man Group was US$13,025,887.[1]

As at 31 March 2010, the non-executive directors' terms of appointment and annual fee levels were as follows:

				Audit and Risk Committee		*Remuneration Committee*			
	Date of Appointment to the Man Board	*Start of current term of office*	*Base Fee £'000*	*Chair £'000*	*Member £'000*	*Chair £'000*	*Member £'000*	*Senior Independent Director £'000*	*Total Board Fees £'000*
Jon Aisbitt	20 August 2003	10 July 2009	450						450
Alison Carnwath	24 January 2001	10 July 2007	65		15		10	10	100
Phillip Colebatch	1 September 2007	9 July 2008	65			15	10		90
Dugald Eadie	29 January 2002	9 July 2008	65		15				80
Ruud Hendriks	1 August 2009	1 August 2009	65				10		75
Frédéric Jolly	1 August 2009	1 August 2009	65		15				80
Patrick O'Sullivan	1 September 2007	9 July 2008	65	15	15				95

As at 31 March 2010, the remuneration of the executive directors was as follows:

	2010					*2009*
Executive directors	*Base Salary[(a)(b)] US$'000*	*Benefits[(c)(d)] US$'000*	*Performance Bonus Cash[(a)] US$'000*	*Performance Bonus with mandatory deferral[(a)(e)] US$'000*	*Total US$'000*	*Total US$'000*
Peter Clarke	925	22	750	1,000	2,697	6,943
Kevin Hayes	625	2	250	850	1,727	3,622
31 March total	1,550	24	1,000	1,850	4,424	10,565
Sterling equivalent (£'000) total	£976	£15	£659	£1,219	£2,869	£6,880

Notes:

(a) Amounts determined in US dollars.

(b) Base salary stated prior to waiver into pension plan.

(c) Benefits provided are car, medical and other benefits.

(d) Sterling equivalent at the relevant foreign exchange rate at payment.

(e) Performance Bonus mandatory share awards deferred for three years.

For the year ended 31 March 2010, the aggregate total remuneration paid (including contingent or deferred compensation), benefits in kind granted (under any description whatsoever) and amounts reflecting the "economic value" of options or other share-based awards granted to the Man Senior Managers by members of the Man Group was US$44,435,390.[1]

Details of share-based awards held by the Man Directors and the Man Senior Managers are to be found under paragraph 6.2 of Part 11: Additional Information of this Prospectus.

Pension and benefit provision

For the year ended 31 March 2010, the total amount set aside or accrued by the Man Group to provide pension, retirement or similar benefits to the Man Directors and the Man Senior Managers was £557,523.49. All executive directors of Man are eligible to participate in Man's pension arrangements generally operating in the jurisdiction in which they work. Alternatively, Man will, at the executive director's request and subject to applicable limits and regulations, make a contribution

1 For the purposes of this paragraph 3 (*Compensation*), "economic value" means that a significant proportion of the amount reflecting the value of options or other share-based awards granted (included for the purposes of calculating the total remuneration paid to the Man Directors and Man Senior Managers) is subject to meeting performance and/or service conditions which may, or may not, be met. The actual amount of remuneration awarded which is eventually received is therefore subject to such conditions. The economic value of performance-based share grants is the face value at the time of grant, multiplied by a performance factor to represent the expected vesting of awards. A binomial lattice valuation factor has been applied to the expected value of grants to estimate the economic value, taking account of share price volatility and dividend yield.

of up to 14 per cent. of pensionable base salary to an alternative arrangement nominated by the director. Other benefits provided are set out in the table below.

Provision	*Policy*
Private Medical Insurance	Family private medical insurance is provided
Life Assurance	Provides a lump sum payment in event of death, this is set at four times base salary subject to a notional earnings cap of £123,600
Permanent Health Insurance	Insurance provides 50 per cent. of base salary less state benefits in the event of inability to carry on normal duties.
Holiday Pay	30 days paid holiday
Other Benefits	Flexible benefits are provided and can be purchased from base salary

4. CORPORATE GOVERNANCE

4.1 The Combined Code

The Man Board is firmly committed to high standards of corporate governance. The principal governance rules applying to UK companies listed on the main market of the London Stock Exchange are contained in the Combined Code on Corporate Governance published in June 2008 by the Financial Reporting Council (the "**Combined Code**"). Man considers that, save as disclosed below, as at the date of this Prospectus, it is in compliance with the provisions of the Combined Code.

Code provisions

A.2.1 Although there has always been a clear and effective division of responsibilities between the Chairman and the Chief Executive in line with their respective roles of running the Man Board and the business, the Man Board has not felt it necessary to document these separate responsibilities in writing.

A.3.1 The Man Board continues to regard Alison Carnwath as an independent non-executive director despite the fact that in July 2010 she completed nine years' service on the Man Board (starting from the date of her first appointment by shareholders). On this basis, the Man Board also regards her as eligible to hold the role of Senior Independent Non-Executive Director and for membership of the Audit and Risk and Remuneration Committees. The Man Board believes that Mrs. Carnwath combines intellectual rigour with an individual and challenging approach to management and therefore remains confident of her continuing independence and the robustness of her judgement.

B.2.2 The remuneration of the Chairman is determined by the Man Board based on the recommendation of the Remuneration Committee. This allows the views of the executive as well as the non-executive directors to be taken into account.

4.2 The Man Board

The Combined Code currently recommends that at least half of the board of directors (excluding the chairman) of a UK listed company should be independent in character and judgment and free from relationships or circumstances which are likely to affect, or could appear to affect, their judgment.

The Man Board comprises the Chairman, the Chief Executive, the Finance Director and six non-executive directors. The non-executive directors, all of whom are considered by the Man Board to be independent, have extensive experience of senior roles in financial institutions and their expertise was broadened by the appointment of two new directors, Ruud Hendriks and Frédéric Jolly in August 2009, who contribute extensive client development, investment management and entrepreneurial skills.

The Combined Code also recommends that the board of directors should appoint one of its independent non-executive directors as a senior independent director and Alison Carnwath has been appointed to fill this role. The senior independent director should be available to shareholders if they have concerns which have not been resolved through contact with the normal channels of Chairman, Chief Executive or Finance Director of Man or for which such contact is inappropriate.

The Man Board held seven meetings during the financial year ended 31 March 2010. The Man Board's practice is to hold one meeting per year at Man's offices in Pfaffikon in Switzerland and at least one other at another overseas location.

Until August 2009, all non-executive directors served on all three principal Man Board Committees. With the appointment of two new non-executive directors, the Man Board was able to restructure and refresh its Committee memberships. The Audit and Risk and Remuneration Committees now have differentiated and clearly focussed memberships. However, it was considered appropriate for all non-executive directors to continue to be members of the Nomination Committee. Most Man Board Committee meetings are scheduled around Man Board meetings in such a way that Committee chairpersons can give a full and timely report to their colleagues on Committee debate and decision making and bring to the Man Board's attention any issues of note or concern. Non-executive directors regularly receive all Committee papers for information, irrespective of membership.

The process for the appointment of directors to the Man Board is led by the Chairman and the Nomination Committee. The terms of non-executive directors' appointments are set out in their letter of appointment. Man's articles of association provide that all directors are subject to appointment by shareholders at the first annual general meeting after their appointment by the Man Board and to reappointment by shareholders thereafter at intervals of not less than three years.

Non-executive directors are appointed for an initial term of three years which may be followed by a second three-year term by mutual agreement. Any extension beyond this period will be subject to rigorous review, taking into account the strengths and profile of the individual and balancing the need for continuity of knowledge and experience and the refreshing of skills and outlook.

The Man Board has established an Audit and Risk, Remuneration and Nomination Committee, with formally delegated duties and responsibilities and written terms of reference.

4.3 Man Board Committees

Audit and Risk Committee

Current members

The current members of Man's Audit and Risk Committee are Patrick O'Sullivan (Committee Chairman), Alison Carnwath, Dugald Eadie and Frédéric Jolly. The Combined Code recommends that the Audit and Risk Committee should be comprised of at least three members who should all be independent non-executive directors and that at least one member should have recent and relevant financial experience. Patrick O'Sullivan is a former Group Finance Director of Zurich Financial Services Group and is considered by the Man Board to have the necessary recent and relevant financial experience for his role as committee chairman. Man therefore considers that it complies with the Combined Code recommendation regarding the composition of the Audit and Risk Committee.

The Audit and Risk Committee held six meetings during the financial year ended 31 March 2010.

Role of the Audit and Risk Committee

The Audit and Risk Committee operates under defined terms of reference and its principal responsibilities include monitoring the integrity of financial information through review and challenge, where necessary, of the actions and judgments of management. The Audit and Risk Committee scrutinises and monitors, among other things, (i) critical accounting policies and practices and any changes in them; (ii) decisions requiring a significant element of judgment; (iii) the extent to which the financial statements are affected by any unusual transaction in the relevant period and the manner in which they are disclosed; (iv) the adequacy and completeness of disclosures; and (v) compliance with applicable accounting standards and compliance with applicable UKLA, stock exchange and other regulatory requirements.

The Audit and Risk Committee reviews the internal audit; approves the appointment or dismissal of the head of internal audit and oversees the co-ordination of internal and external audit activities. The Audit and Risk Committee also reviews the effectiveness of systems for internal financial control, financial reporting and risk management. It conducts periodic reviews of Man's regulatory reporting activities and compliance functions and requests appropriate reports thereon. It meets with the external auditors and the head of internal audit at least once a year and ensures that the internal audit function is adequately resourced.

Remuneration Committee

Current members

The current members of the Remuneration Committee are Phillip Colebatch (Committee Chairman), Jon Aisbitt, Alison Carnwath and Ruud Hendriks. The Combined Code recommends that the Remuneration Committee should be comprised of at least three members who should all be independent non-executive directors. It also allows the Chairman of the Man Board to be a member if he was considered to be independent on appointment as Chairman. Man therefore considers that it complies with the Combined Code provisions regarding the composition of the Remuneration Committee.

The Remuneration Committee meets formally at least four times a year and or otherwise as required.

Role of the Remuneration Committee

The Remuneration Committee operates under defined terms of reference and its principal responsibilities include making recommendations to the Man Board on Man's broad policy on executive director and top management compensation. The Remuneration Committee is responsible for (i) determining the individual elements of the total compensation package for executive directors and top management; (ii) determining the principles for the calculation of the quantum of the staff and executive bonus pool each year; (iii) determining, in consultation with the Chairman and Chief Executive as appropriate the total annual compensation for individual executive directors (salary, bonus and share awards); (iv) reviewing and approving the performance evaluations of the most senior management and their annual compensation (salary, bonus and share awards); (v) approving the design of and determining the performance and vesting criteria attaching to share incentive plans prior to submission to the Man Board and, where necessary, Man Shareholders for approval; (vi) reviewing the vesting criteria of share incentive plans against Man's results each year; (vii) determining the contractual termination terms for executive directors and approving any severance payments or arrangements; (viii) recommending to the Man Board for approval the total compensation for the Chairman of the Man Board; (ix) reviewing or making decisions on any other matters referred to the Remuneration Committee by the Man Board; and (x) reporting to the Man Board on the proceedings of the Remuneration Committee after each meeting. The remuneration of the non-executive directors is a matter for the Chairman and the executive directors of the Man Board.

Nomination Committee

Current members

The current members of the Nomination Committee are Jon Aisbitt (Committee Chairman), Alison Carnwath, Phillip Colebatch, Dugald Eadie, Ruud Hendriks, Frédéric Jolly and Patrick O'Sullivan.

The Combined Code recommends that the majority of the members of the Nomination Committee should be independent non-executive directors. Man therefore considers that it complies with the Combined Code recommendations regarding the composition of the Nomination Committee.

The Nomination Committee meets as required.

Role of the Nomination Committee

The Nomination Committee operates under defined terms of reference and its principal responsibilities include evaluating and keeping under review the size, structure and composition of the Man Board and making recommendations to the Man Board on any proposed changes, taking into account the challenges and opportunities facing Man and the skills, knowledge and experience required. The Nomination Committee is also responsible for identifying and recommending to the Man Board candidates for board appointments, reviewing management development and succession planning for top management and executive board members, reviewing and making recommendations to the Man Board on the reappointment of non-executive directors at the expiry of their term of office and reporting to the Man Board on the proceedings of the Nomination Committee after each meeting.

PART 5:

MAN SELECTED FINANCIAL AND OPERATING INFORMATION

The following is a summary of Man's financial information for the periods indicated. The data has been extracted without material adjustment from Man's Consolidated Financial Statements which are incorporated by reference into this Prospectus as set out in Part 7: Man Financial Information. The summary should be read in conjunction with that information and with Part 6: Man Operating and Financial Review. Potential investors are advised to read the whole of this Prospectus and not rely on the information summarised in this Part 5: Man Selected Financial and Operating Information.

Historical results are not indicative of the results to be expected in the future and results of interim periods are not necessarily indicative of results for the entire year.

Man's Consolidated Financial Statements are prepared in accordance with IFRS. The annual audited consolidated financial statements and notes thereto have been audited by PricewaterhouseCoopers LLP, independent auditors. PricewaterhouseCoopers LLP is a firm of chartered accountants and registered auditors.

Income Statement

	Year to 31 March		
	2010	*2009*	*2008*
		(US$ million)	
Revenue:			
Performance fees	52	627	1,192
Management and other fees	1,293	1,861	2,030
	1,345	2,488	3,222
Gains/(losses) on investments at fair value	39	(260)	(51)
Sales commissions.	(325)	(411)	(391)
Accelerated amortisation of MGS sales compensation	—	(107)	—
Total sales commissions	(325)	(518)	(391)
Compensation	(330)	(463)	(639)
Restructuring costs – compensation	(19)	(37)	—
Total compensation costs	(349)	(500)	(639)
Other costs	(232)	(275)	(238)
Restructuring costs – other	(34)	—	—
Total other costs	(266)	(275)	(238)
Share of after tax profit of associates and joint ventures	70	144	86
Gain on disposal of 50% of subsidiary	—	48	—
Impairment of Ore Hill investments and goodwill	—	(299)	—
Gain/(loss) arising from residual interest in brokerage assets	34	(105)	—
Finance income	29	58	145
Finance expense	(36)	(38)	(55)
Net finance (expense)/income	(7)	20	90
Profit before tax from continuing operations	541	743	2,079
Taxation	(96)	(240)	(362)
Profit after tax from continuing operations	445	503	1,717
Discontinued operations – brokerage	—	—	1,753
Profit for the year	445	503	3,470
Attributable to:			
Equity holders of Man Group plc	445	503	3,471
Equity minority interests	—	—	(1)
	445	503	3,470
Earnings per share			
From continuing operations			
Basic (cents)	25.1	28.7	92.8
Diluted (cents)	24.8	28.4	90.2
From continuing and discontinued operations			
Basic (cents)	25.1	28.7	187.7
Diluted (cents)	24.8	28.4	182.0
Memo:			
Dividends paid in the period	745	718	578
Dividends paid in respect of capital securities	33	25	—

Balance Sheet

	As at 31 March		
	2010	2009	2008
		(US$ million)	
ASSETS			
Cash and cash equivalents	3,229	2,361	1,876
Trade and other receivables	320	413	795
Investments in fund products	784	1,091	1,648
Investments in associates and joint ventures	351	317	267
Property, plant and equipment	72	64	52
Pension asset	69	—	—
Other investments	72	184	322
Goodwill	798	774	813
Total assets	6,032	5,570	6,236
LIABILITIES			
Trade and other payables	376	489	770
Current tax liabilities	180	246	353
Borrowings	1,489	643	402
Total liabilities	2,045	1,378	1,525
NET ASSETS	3,987	4,192	4,711
EQUITY			
Capital and reserves attributable to shareholders	3,987	4,192	4,710
Equity minority interests	—	—	1
Total equity	3,987	4,192	4,711

Cash Flow

	Year to 31 March		
	2010	2009	2008
		(US$ million)	
Cash flows from operating activities – continuing operations			
Cash generated from operations	921	1,968	2,725
Interest paid	(26)	(40)	(32)
Income tax paid	(141)	(312)	(324)
	754	1,616	2,369
Cash flows from operating activities – discontinued operations	—	—	(522)
Cash flows from operating activities – total Man Group	754	1,616	1,847
Cash flows from investing activities – continuing operations			
Acquisition of subsidiaries and joint ventures, net of cash acquired	—	(245)	(18)
Purchase of property, plant and equipment	(44)	(38)	(21)
Purchase of intangible assets	(155)	(250)	(243)
Purchase of other investments	(43)	(172)	(221)
Purchase of additional interests in joint ventures and associates	—	(17)	—
Proceeds from sale of other investments	253	41	25
Proceeds less costs from sale of Brokerage	—	—	2,734
Cash disposed on the IPO of Brokerage	—	—	(1,373)
Net proceeds from sale of Brokerage, net of cash disposed	—	—	1,361
Interest received	26	60	146
Dividends received from associates and other investments	48	141	78
Proceeds from sale of associate	—	25	—
	85	(455)	1,107
Cash flows from investing activities – discontinued operations	—	—	44
Cash flows from investing activities – total Man Group	85	(455)	1,151

	Year to 31 March		
	2010	*2009*	*2008*
		(US$ million)	
Cash flows from financing activities – continuing operations			
Proceeds from issue of ordinary shares	18	53	75
Proceeds from issue of capital securities, net of issue costs	—	293	—
Purchase of treasury shares	—	(280)	(520)
Purchase of own shares by ESOP trust	(61)	(218)	(145)
Disposal of own shares by ESOP trust	—	47	48
Proceeds from borrowings net of issue costs	813	242	—
Repayment of borrowings	(17)	—	(758)
Return of net proceeds from sale of Brokerage	—	(67)	(2,667)
Dividends paid to Man shareholders	(745)	(718)	(578)
Dividend payments in respect of capital securities	(33)	(25)	—
Dividends paid to minority interests	—	(1)	—
Cash flows from financing activities – total Man Group	(25)	(674)	(4,545)
Net increase/(decrease) in cash and bank overdrafts	814	487	(1,547)
Cash and bank overdrafts at the beginning of the year	2,360	1,873	3,420
Cash and bank overdrafts at the end of the year – total Man Group	3,174	2,360	1,873

PART 6:

MAN OPERATING AND FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with Man's Consolidated Financial Statements together with the related notes thereto and other information included elsewhere in this prospectus. For a description of Man's Consolidated Financial Statements, see "Presentation of Man financial information".

In addition, the following discussion contains certain forward-looking statements that reflect the Man Group's plans, estimates and belief and that may involve risks and uncertainties. The Man Group's actual results may also differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such risks, uncertainties and/or differences include, but are not limited to, those discussed below and elsewhere in this prospectus, including under "Risk Factors" and "Important Information – Forward-looking statements".

Overview

Man is a leading alternative investment management business delivering a comprehensive range of guaranteed and open ended products and tailor made solutions to private and institutional investors globally. Man's investment products are designed to offer performance across market cycles and are developed and structured internally and through partnerships with other financial institutions. Man has a global distribution network and an investment management track record dating back more than 20 years. Man employs approximately 1,400 permanent employees worldwide, with key centres in London and Pfaeffikon (Switzerland).

Significant Factors Affecting the Man Group's Financial Results

The Man Group's results have been affected, and are expected to be affected in the future, by a variety of factors, including the following:

Funds under management ("FUM")

The Man Group's revenues from management and administration fees are directly linked to FUM. As a result, the Man Group's future performance will depend on, among other things, its ability to retain FUM and to grow FUM.

The revenues of the Man Group are generated primarily from management fees earned on the amount of FUM and performance fees generated by positive performance of the Man Group's fund products in excess of "high water marks." Any factor which reduces FUM or results in adverse performance of fund products will reduce revenues.

FUM is adversely affected by factors including (but not limited to):

- Adverse investment performance of fund products
- Low levels of sales of fund products
- High levels of redemptions of fund products
- Reduced leverage of certain fund products
- Adverse foreign exchange movements for certain fund products

In addition reduced levels of FUM in certain parts of the business or in certain fund products may result in the impairment of goodwill and/or capitalised sales commissions.

Revenues may also be reduced by lower fee rates.

Fund product performance

The Man Group's revenues from performance fees are linked to the performance of the fund products the Man Group manages. Poor investment performance leads to a direct decline in the amount of FUM and revenues. It may also result in certain funds failing to meet "high water marks" and therefore reduce the performance fee income received by the Man Group. In certain fund products negative investment performance may trigger a reduction in leverage and investment exposure, which would amplify the decline in FUM and revenues.

Performance also affects FUM because it influences investors' decisions to invest assets in, or withdraw assets from, the fund products managed by the Man Group.

Currency exchange rates

The funds the Man Group manages typically offer share classes denominated in multiple currencies and as a result, earn fees in those currencies based on the FUM denominated in those currencies. Consequently, the Man Group's fee revenues are affected by exchange rate movements.

Personnel, systems, controls and infrastructure

The Man Group depends on its ability to attract, retain and motivate leading investment and other professionals. The Man Group's business requires significant investment in its fund management platform, including infrastructure and back-office personnel. The Man Group has in the past paid, and expects to continue to pay, its professional staff at levels which remain competitive through the business cycle.

Other factors

The financial condition and results of operations of the Man Group may also be adversely affected by factors which increase its costs, result in increased liabilities or the impairment of assets, including investments in and loans to fund products, increase the effective tax rate, impair the availability of liquidity or regulatory capital.

In addition, the Man Group's business and results of operations may be affected by a number of external market factors. These include global asset allocation trends, regulatory developments and overall macroeconomic activity. Due to these and other factors, the Man Group's operating results may reflect significant volatility from period to period.

Recent Developments

On 17 May 2010, the Man Board announced that it had reached an agreement on the terms of the recommended acquisition of GLG Partners, Inc. (GLG) (the "**Acquisition**"). On the basis stated in the announcement of 17 May 2010, the Acquisition values the fully diluted share capital of GLG at approximately US$1.6 billion[(1)] and will create a diversified, world-leading alternative investment manager with approximately US$62.5 billion of funds under management. The Acquisition is structured as a cash merger transaction with respect to the GLG public stockholders and a share exchange transaction in respect of the GLG Principals. The Acquisition is expected to close on or around 14 October 2010. On the closing date, GLG will become a wholly owned subsidiary of the Man Group. Closing is conditional upon approval of GLG Stockholders and the other conditions referred to in this Prospectus. Closing was also conditional upon affirmative vote in favour of the Acquisition by holders of a majority of Man's outstanding ordinary shares, present and voting at the Man General Meeting. On 1 September 2010, the Acquisition was approved by the requisite number of Man Shareholders at the Man General Meeting, thereby satisfying the Condition. Change of control approval has now been received from all the regulators from which it is required in order to close the Acquisition, including from the FSA. The cash consideration payable will be funded by existing cash resources. The consideration is likely to be almost entirely allocated to goodwill and other identifiable assets and is expected to result in the Man Group's regulatory capital headroom being reduced to approximately US$300 million at the closing date.

Key Performance Indicators ("KPI's")

The Man Group's financial and non-financial KPIs illustrate and measure the direct relationship between the experience of its fund investors, its economic performance and delivery of shareholder value. They are set in agreement with the Man Board and used on a regular basis to evaluate progress against the Man Group's key objectives. The Man Group's KPIs this year capture the adverse effects of extraordinary market conditions, negative fund performance and significant institutional redemptions.

These KPIs are not measures defined by IFRS. Management has included these measures for the reasons described below; however, these measures should not be used instead of, or considered as alternatives to, the Man Group's historical financial results based on IFRS. Management believe that the presentation of these KPIs enhances an investor's understanding of the Man Group's financial performance. Management uses these KPIs to assess the Man Group's operating performance because it believes that these KPIs are important supplemental measures of its operating performance. In addition, management believes that these KPIs are frequently used by securities analysts, investors and other interested parties in the evaluation of companies that operate in this industry. These KPIs are not presentations made in accordance with IFRS and the use of these terms may vary from others in the Man Group's industry due to differences in accounting policies or differences in the calculation methodology. KPIs have limitations as analytical tools, and should not be considered in isolation, or as substitutes for financial information as reported under IFRS.

The following is a table of our key performance indicators for the years ended 31 March 2008, 2009 and 2010.

	2008	*2009*	*2010*	*Three year performance*
Outperformance versus benchmark – private investor (%)	16.43	(0.42)	(9.74)	3% excess return
Excess return over benchmark – Institutions (%)	2.66	2.13	(3.88)	1.5% excess return
Growth in funds under management (FUM) (US$b)	74.6	46.8	39.4	-14% CAGR
Growth in gross revenue plus income from affiliates (US$m)	3,308	2,632	1,415	-14% CAGR
Growth in adjusted diluted earnings per share – continuing operations (cents)	90.2	57.0	25.5	-23% CAGR
Post tax return on shareholders' equity (ROE)(%)	41.6	13.5	10.1	22% average

Outperformance vs. Benchmark – private investor

The "Outperformance vs. Benchmark – private investor" KPI measures the Man Group's ability to deliver superior long-term performance for private investors. It compares returns for Man's flagship IP220 product compared to a benchmark represented by 100 per cent. Stark 300 Trader Index and 60 per cent. HFRI Fund of Funds Composite Index. In 2010, Man IP220 was composed of allocations to the AHL Diversified Programme and Man Multi-Manager. In 2009, Man IP220 was composed of allocations to the AHL Diversified Programme and Man Glenwood Multi Strategy. It has additional structural level features, such as a capital guarantee and leverage, the value of which are not reflected in this comparison.

Excess return over benchmark – Institutions

The "Excess return over benchmark – Institutions" KPI measures the Man Group's ability to deliver superior long-term performance for institutions. It compares returns for Man Four Seasons Strategies compared to the HFRI Fund of Funds Composite Index.

Growth in funds under management

The growth in funds under management measures the Man Group's ability to create products and portfolio solutions which are constantly attractive to new and existing investors, worldwide. FUM decreased by 16 per cent. as at 31 March 2010 compared to 31 March 2009. The principal drivers were net outflows in the Man Group's institutional business and negative AHL investment performance. FUM decreased by 37 per cent. as at 31 March 2009 compared to 31 March 2008. The principal drivers were the investment management decision to de-risk private investor products with a higher risk/return profile in Man Global Strategies, and an increase in institutional redemptions.

Growth in gross revenue plus income from affiliates

The growth in gross revenue plus income from affiliates measures the Man Group's ability to supply attractive products with margins and customer service levels that support its strong partnerships with intermediaries and institutions. Gross revenue for the year ended 31 March 2010 fell by 46 per cent. compared to the year ended 31 March 2009, reflecting a 30 per cent. decline in gross management fee income in line with the fall in average FUM, and an 88 per cent. decline in gross performance fee income. Gross management fee margins for the year ended 31 March 2010 were in line with 2009. Gross revenue for the year ended 31 March 2009 fell by 20 per cent. compared to the year ended 31 March 2008, reflecting a 7 per cent. decline in gross management fee income and a 43 per cent. decline in gross performance fee income. Gross management fee income margins declined modestly.

Growth in adjusted diluted earnings per share – continuing operations

The growth in adjusted diluted earnings per share from continuing operations measures the overall efficiency and sustainability of the Man Group's business model, for the benefit of its shareholders. Adjusted diluted earnings per share for the year ended 31 March 2010 declined by 55 per cent. compared to the year ended 31 March 2009, reflecting the decrease in profits. Adjusted diluted earnings per share for the year ended 31 March 2009 declined by 37 per cent. compared to the year ended 31 March 2008, reflecting the decrease in profits.

Post tax return on shareholders' equity (ROE)

Post tax return on shareholders' equity, or ROE, measures the efficiency with which the Man Group invests or returns its capital. The decline in ROE during the year ended 31 March 2010 was driven primarily by reduction in funds under management and lower performance fee income. The equity component included a significant level of regulatory capital surplus, which earned a modest return. The decline in ROE during the year ended 31 March 2009 was driven primarily by reduction in funds under management and lower performance fee income.

Funds Under Management

Year Ended 31 March 2010 compared to the Year Ended 31 March 2009

Man provides investment management services to third party investors and fund entities. The fund entities have independent boards of directors with independent governance and decision making powers, including the ability to remove the investment manager. The fund entities' investment performance, assets and liabilities are therefore separate from the Man Group and are not consolidated into the Man Group's financial statements. The investors' capital is managed by Man in accordance with investment management mandates. These mandates specify the types of investment that are permitted, subscription and redemption criteria and fees. Investors are charged management fees based on asset exposure and incentive fees based on investment performance. The asset exposure, or FUM, is supported by the investors' capital and any financing provided to the fund entities by banks and prime brokers, referred to as 'leverage'.

Funds under management grow through new investor subscriptions, increased leverage, positive investment performance and foreign currency movement and are reduced by redemptions, reduced leverage, negative investment performance and foreign currency movements. Generally there is a strong correlation between investment performance and growth in funds under management. If the products have investment performance in line with the investors' expectations the Man Group may see increased FUM through increased subscriptions from existing and new investors, which could also increase the leverage component, and lower redemption rates. Where investment performance is less than expected, redemptions may increase, new subscriptions may be lower and negative investment performance will reduce the investors' capital which could also reduce the leverage component. Management believes that growth in FUM is therefore an indication of the Man Group's performance as an investment manager and the Man Group's ability to grow assets and remain competitive. Funds under management are a key driver of the Man Group's results and prospects, as FUM forms the basis on which the Man Group's revenue is generated.

Movements in FUM during the period are shown below:

	Private Investor			*Institutional*	*2010 Total*
	Guaranteed US$bn	*Open-ended US$bn*	*Total US$bn*	*US$bn*	*US$bn*
Opening FUM – 1 April 2009	16.4	11.4	27.8	19.0	46.8
Sales	1.3	3.7	5.0	0.7	5.7
Redemptions	(0.9)	(1.4)	(2.3)	(5.3)	(7.6)
Net sales	0.4	2.3	2.7	(4.6)	(1.9)
Investment movement	(0.7)	(0.6)	(1.3)	0.7	(0.6)
Foreign currency movement	0.9	0.5	1.4	0.7	2.1
Other	(1.5)	0.2	(1.3)	(1.1)	(2.4)
30 September 2009	15.5	13.8	29.3	14.7	44.0
Sales	0.1	1.6	1.7	0.9	2.6
Redemptions	(0.7)	(1.7)	(2.4)	(2.8)	(5.2)
Net sales	(0.6)	(0.1)	(0.7)	(1.9)	(2.6)
Investment movement	(0.4)	(0.2)	(0.6)	0.1	(0.5)
Foreign exchange movement	—	(0.1)	(0.1)	(0.7)	(0.8)
Other	(0.5)	(0.6)	(1.1)	0.4	(0.7)
Closing FUM – 31 March 2010	14.0	12.8	26.8	12.6	39.4
Growth in FUM in the year	-15%	+12%	-4%	-34%	-16%

Private investor FUM decreased by 4 per cent. during the period primarily as a result of positive net sales being offset by negative fund product performance and the resulting routine re-balancing of investment exposure in the guaranteed product range. Institutional FUM reduced by 34 per cent. during the period as a result of muted sales and significant redemptions, albeit at a reducing run rate.

Analysis of FUM as at 31 March 2010	*Private Investor*		*Institutional*
	Guaranteed US$bn	*Open-ended US$bn*	*US$bn*
IP 220 products	6.6		
OM-IP products	4.1		
Other guaranteed – AHL	2.1		
Other guaranteed – Multi-Manager	1.2		
Open-ended – AHL		10.8	
Open-ended – Multi-Manager		1.8	
Open-ended – UCITS		0.2	
Institutional – AHL			0.8
Institutional – Multi-Manager			8.4
Institutional – Pemba/Ore Hill			3.4
	14.0	12.8	12.6

Sales and Redemptions

A further analysis of sales and redemptions is given below, together with redemption rates:

Private investor – half yearly fund flows	*H2 2010*	*H1 2010*	*H2 2009*	*H1 2009*
Sales (US$bn):				
Guaranteed	0.1	1.3	2.4	3.7
Open-ended	1.6	3.7	1.8	3.4
	1.7	5.0	4.2	7.1
Redemptions (US$bn):				
Guaranteed	0.7	0.9	2.6	2.0
Open-ended	1.7	1.4	3.5	1.0
	2.4	2.3	6.1	3.0
Annualised redemptions/average FUM (%):				
Guaranteed	9.5	11.4	24.2	13.9
Open-ended	25.6	22.2	54.7	15.0

Private investor – quarterly fund flows for 2010	*FY 2010*	*Q4 2010*	*Q3 2010*	*Q2 2010*	*Q1 2010*
Sales (US$bn):					
Guaranteed	1.4	—	0.1	0.4	0.9
Open-ended	5.3	0.6	1.0	1.2	2.5
	6.7	0.6	1.1	1.6	3.4
Redemptions (US$bn):					
Guaranteed	1.6	0.3	0.4	0.3	0.6
Open-ended	3.1	0.9	0.8	0.5	0.9
	4.7	1.2	1.2	0.8	1.5
Annualised redemptions/average FUM (%):					
Guaranteed	10.3	8.0	10.2	7.9	15.4
Open-ended	25.2	28.1	24.1	15.2	30.1

Private investor sales were US$6.7 billion for the year ended 31 March 2010. The majority of the flows came from open-ended AHL formats, where investors have seen buying opportunities at attractive entry levels. In the first half Man launched a guaranteed product in Australia, alongside guaranteed AHL formats, but guaranteed product sales in aggregate were lower than in comparable periods.

During the year ended 31 March 2010 private investor redemptions for the guaranteed products reduced and the annualised redemption percentage returned to the previous historical levels. Redemptions in the year ended 31 March 2010 reduced significantly from the second half of the year ended 31 March 2009, which included redemptions and product switches from the Man Global Strategies products. Redemptions in the open-ended products will generally be higher than guaranteed products as they are influenced more by investors' performance expectations. Open-ended redemptions in the second half of 2009 were high as a result of strong sales in previous periods followed by strong performance from AHL in the quarter to December 2008. Since that period redemptions have moderated.

Institutional – half yearly fund flows	*H2 2010*	*H1 2010*	*H2 2009*	*H1 2009*
Sales (US$bn)	0.9	0.7	0.5	3.1
Redemptions (US$bn)	2.8	5.3	4.9	3.0
Annualised redemptions/average FUM	41.0%	63.0%	42.8%	20.7%

Institutional – quarterly fund flows for 2010	*FY 2010*	*Q4 2010*	*Q3 2010*	*Q2 2010*	*Q1 2010*
Sales (US$bn)	1.6	0.5	0.4	0.4	0.3
Redemptions (US$bn)	8.1	1.4	1.4	1.7	3.6
Annualised redemptions/average FUM	54.7%	42.6%	39.4%	44.3%	82.3%

The Man Group saw significant redemptions in the institutional business, but these flows have moderated in the course of the year ended 31 March 2010.

During the year ended 31 March 2010 institutional sales remained muted as institutional allocators, particularly in Europe, remained out of the market. Redemptions continued to show a significant quarter on quarter decline, with the level of notified quarterly redemptions for the June 2010 quarter estimated at approximately US$540 million.

Investment Movement

The aggregate investment movement was negative US$1.1 billion for the year ended 31 March 2010. The majority of this investment movement resulted from negative performance in AHL, partly offset by positive performance in the Multi-Manager. AHL gave back a small part of their 2009 gains in the course of 2010, as a lack of clear trends in 2010 made trading difficult. Trading conditions were particularly difficult in the bond sector, with energy and agricultural markets also generating losses. However, AHL did find opportunities within equities, interest rate and credit markets which helped offset some of the losses incurred from other sectors. Over the course of 2010 the Multi-Manager delivered performance in line with its targeted low-beta, diversified approach. In general this approach saw it underperform in the beta-driven markets of 2010 but outperform in 2009, giving an annualised three year performance in line with its peer group, but with lower levels of volatility.

Foreign Exchange Impact on FUM

Investors choose the underlying currency of their fund products to match their investment strategy. Man's functional currency is US dollars and therefore FUM and revenue are reported in US dollars. Changes in FUM as a result of foreign currency are not relevant to the investor, however, as FUM is a measure of the Man Group's earning base, changes in FUM denominated in foreign currencies affect the revenue that Man earns and this creates a foreign currency exposure. This exposure is not hedged.

Funds under management denominated in foreign currencies increased in the first half of the year ended 31 March 2010 as a result of a weaker US dollar, but this trend partially reversed in the second half of the year ended 31 March 2010, driven by the euro weakening against the US dollar.

FUM by currency	*2010*		*2009*	
	FUM US$bn	*FX gain/ (loss) US$bn*	*FUM US$bn*	*FX gain/ (loss) US$bn*
US dollar	21.0	—	24.1	—
Euro	10.6	0.2	14.7	(2.8)
Australian dollar	3.5	0.9	3.6	(0.9)
Swiss franc	1.2	—	1.2	(0.1)
Japanese yen	2.1	0.1	2.1	(0.3)
Other	1.0	0.1	1.1	(0.1)
	39.4	1.3	46.8	(4.2)

Other Movements

Other movements reflect the change in leverage as a result of the routine re-balancing of investment exposure in the guaranteed product range. Negative performance in AHL was the primary cause of the US$2.4 billion reduction in private investor FUM during the year ended 31 March 2010 as a result of this re-balancing. This effect can reverse following periods of positive performance. Institutional investor redemption from products with structural leverage such as, Four Seasons 2XL resulted in a reduction of FUM of US$0.7 billion during the year ended 31 March 2010.

Year Ended 31 March 2009 compared to the Year Ended 31 March 2008

Movements in FUM during the year ended 31 March 2009 are shown below:

	Private Investor				*2009*	*2008*
	Guaranteed US$bn	*Open-ended US$bn*	*Total US$bn*	*Institutional US$bn*	*Total US$bn*	*Total US$bn*
Opening FUM – 1 April 2008	31.0	12.5	43.5	31.1	74.6	61.7
Sales	6.1	5.2	11.3	3.6	14.9	15.9
Redemptions	(4.6)	(4.5)	(9.1)	(7.9)	(17.0)	(10.7)
Net sales	1.5	0.7	2.2	(4.3)	(2.1)	5.2
Investment movement	(1.8)	0.3	(1.5)	(5.1)	(6.6)	5.6
Foreign exchange movement	(1.7)	(0.3)	(2.0)	(2.2)	(4.2)	4.0
De-risking	(12.1)	—	(12.1)	—	(12.1)	—
Other	(0.5)	(1.8)	(2.3)	(0.5)	(2.8)	(1.9)
Closing FUM – 31 March 2009	16.4	11.4	27.8	19.0	46.8	74.6

Sales and Redemptions

A further analysis of sales and redemptions by half year is given below, together with redemption rates:

Private investor – half yearly fund flows	*H2 2009*	*H1 2009*	*H2 2008*	*H1 2008*
Sales (US$bn):				
Guaranteed	2.4	3.7	1.3	3.2
Open-ended	1.8	3.4	2.3	1.0
	4.2	7.1	3.6	4.2
Redemptions (US$bn):				
Guaranteed	2.6	2.0	1.9	1.3
Open-ended	3.5	1.0	1.2	0.8
	6.1	3.0	3.1	2.1
Annualised redemptions/average FUM (%):				
Guaranteed	24.2	13.9	12.4	9.0
Open-ended	54.7	15.0	21.0	16.5

Institutional	*H2 2009*	*H1 2009*	*H2 2008*	*H1 2008*
Sales (US$bn)	0.5	3.1	4.3	3.8
Redemptions (US$bn)	4.9	3.0	3.2	2.3
Annualised redemptions/average FUM (%)	42.8	20.7	21.7	17.3

The increase in private investor open-ended redemptions in the second half of 2009 followed strong sales in the first half and strong performance from AHL, which returned 8 per cent. in the financial year. This is a pattern that has often been seen in the past. Although the increase in private investor guaranteed redemptions was higher in the second half of 2009, the redemption rate increased significantly as a result of the decline in guaranteed FUM following the MGS de-risking exercise. Institutional redemptions also increased significantly in the second half of 2009 as investors looked to balance their portfolios and took liquidity where it was available.

Investment movement

The aggregate investment movement was negative US$6.6 billion in 2009. Managed futures as an asset strategy and AHL in particular delivered stand-out performance, reinforcing the non-correlated nature and benefits of this style. In line with the hedge fund industry as a whole, the RMF, MGS and Glenwood (now known as the Man Multi-Manager) performance suffered as a result of market events.

Foreign Exchange Impact on FUM

The table below shows that FUM reduced during the year ended 31 March 2009 as a result of the strengthening of the US dollar. This has also had an impact on the Man Group's non-US dollar fee income in the year ended 31 March 2009, which has been lower by approximately US$23 million in US dollar terms as a result of movements in average exchange rates, primarily in relation to the weakening of the Australian dollar. This impact has been offset by favourable exchange rate movements in relation to the Man Group's operating costs, a significant proportion of which are denominated in sterling and Swiss francs. The weakening of sterling against the US dollar during the year ended 31 March 2009, partly offset by the strengthening of Swiss francs, has reduced its costs in 2009 in US dollar terms by approximately US$18 million.

FUM by currency	*2009*		*2008*	
	FUM US$bn	*FX gain/ (loss) US$bn*	*FUM US$bn*	*FX gain/ (loss) US$bn*
US dollar	24.1	—	46.3	—
Euro	14.7	(2.8)	20.1	3.0
Australian dollar	3.6	(0.9)	3.9	0.4
Swiss franc	1.2	(0.1)	1.5	0.3
Japanese yen	2.1	(0.3)	1.5	0.2
Other	1.1	(0.1)	1.3	0.1
	46.8	(4.2)	74.6	4.0

De-risking

The reduction of investment exposure across the MGS product range to protect investor capital and the associated product rebalancing, which was primarily undertaken in the third quarter of the year ended 31 March 2009, had been completed as at 31 March 2009. This reduced FUM by US$12.1 billion during the year ended 31 March 2009. Certain MGS products retained an ability to increase their investment exposure, and these have done so progressively from 1 April 2009.

Other Movements

Other movements included the net effect in the change of leverage relating to redemptions and prior year sales of US$2.0 billion; maturities of US$0.7 billion; return of capital of the China Methane Recovery Fund of US$0.5 billion; restructuring of an Ore Hill fund of US$0.4 billion; partially offset by the acquisition of the Man Group's share of Ore Hill FUM of US$0.8 billion.

Margins

Gross management and other fees represent management fees earned on funds under management, management fees from associates and joint ventures, interest on loans to funds and other fees. The table below shows gross margins both including and excluding interest income earned on loans to funds, as the level of loans to funds can change based on the requirements of the product to re-balance. Gross margins are also shown to indicate the margin after deducting sales commission costs.

	H2 2010	*H1 2010*	*FY 2010*	*2009*	*2008*
Average FUM in period (US$bn):					
Private investor	27.8	27.8	27.8	38.4	39.6
Institutional	14.2	15.4	14.8	26.7	29.7
Total Average FUM	42.0	43.2	42.6	65.1	69.3
Private investor:					
Gross management and other fees(1) (US$m)	601	593	1,194	1,662	1,771
Interest income earned from funds (US$m)	8	8	16	50	74
Sales commission costs (US$m)	(171)	(139)	(310)	(398)	(374)
Gross management fee margin (%)	4.32	4.27	4.30	4.33	4.47
Gross management fee margin before interest income from funds (%)	4.27	4.21	4.24	4.20	4.29
Gross margin after sales commission (%)	3.10	3.27	3.18	3.29	3.53

	H2 2010	H1 2010	FY 2010	2009	2008
Institutional:					
Gross management and other fees[(1)] (US$m)	67	70	137	252	297
Sales commission costs (US$m)	(8)	(7)	(15)	(12)	(18)
Gross management fee margin (%)	0.94	0.91	0.93	0.94	1.00
Gross margin after sales commission (%)	0.83	0.82	0.83	0.90	0.94
Man Group total:					
Net management fee margin after deducting all expenses[(2)] (%)			1.12	1.33	1.52

(1) Includes management and other fee income from associates.

(2) Net management fee income is before net finance income and excludes adjusting items.

Year Ended 31 March 2010 compared to the Year Ended 31 March 2009

The gross management and other fees margin (before interest income) for private investors was 424 bp in 2010, compared to 420 bp for 2009. The primary reason for the small increase during the year ended 31 March 2010 was the relative increase in FUM relating to high margin products, for example IP 220 and AHL products, as a proportion of the total private investor FUM. The impact of associates added 14 bp to the overall private investor gross margin.

The gross margin (excluding interest income) on guaranteed products was approximately 463 bp and approximately 356 bp on open-ended products during the year ended 31 March 2010. The margins net of sales commission costs were 325 bp and 278 bp for guaranteed and open-ended products respectively. The difference between the two margins primarily relates to a structuring fee earned on guaranteed products. The private investor margin after sales commission costs has been impacted in the second half of 2010 by the incurrence of around US$30 million of non-recurring sales commission items.

	Guaranteed	Open-ended	Associates	Private Investor Total
Average FUM (US$ billions)	15.5	12.3	—	27.8
Gross management and other fees (US$ millions)	718	438	38	1,194
Sales commission costs (US$ millions)	(214)	(96)	—	(310)
Gross management fee margin (%)	4.63	3.56	—	4.30
Gross management fee margin after sales commission costs (%)	3.25	2.78	—	3.18

The gross management and other fees margin for institutional investors was 93 bp, in 2010, in line with the 94 bp for 2009. During 2010 the Man Group merged the three fund of funds businesses, RMF (previously the institutional business) and Glenwood and MGS (previously the private investor business) into one Multi Manager business. As a result the investment management infrastructure was merged into one covering both private and institutional assets. Management believes that this resulted in both process and cost synergies. While the FUM remains identifiable between private and institutional investors, it is not practicable to specifically allocate the investment management infrastructure costs across the two investor types. The gross margins is therefore shown net of commissions and the aggregate net management fee margins at the group level.

At the group level, the net management and other fees margin is after deducting all costs but excludes net finance expense/income, and also the adjusting items, which are deemed to be non-recurring. The net management fee margin for the Man Group declined to 112 bp in 2010 from 133 bp in the 2009. The primary reason relates to fixed compensation costs and other costs decreasing to a lesser extent than the fall in FUM.

Year Ended 31 March 2009 compared to the Year Ended 31 March 2008

The gross management and other fees margin (before interest income) for private investors was 420bp for the year ended 31 March 2009 as compared to 429bp for the year ended 31 March 2008. The primary reasons for the reduction in the gross margin from 2008 to 2009 were:

- a switch in the relative proportion of total private investor FUM relating to guaranteed products (relatively higher margin) and open-ended products (relatively lower margin) such that the proportion of open-ended products increased compared to 2008 (impact: 7bp); and
- reduced fee loads on some MGS products prior to the MGS de-risk exercise (impact: 2bp).

The gross management and other fees margin for institutional investors was 94bp for the year ended 31 March 2009, compared with 100bp in the year ended 31 March 2008. The decrease in this margin was primarily a result of a reduction in management fee income as some of our larger, long-standing investors switched into new, lower fee earning products. Excluding the margin impact of known redemptions from significant institutional investors, the gross management and other fees margin for institutional investors for the year ended 31 March 2009 would have been slightly lower at 90bp.

The net management fees margin excludes net finance income, which principally relates to interest income earned on free cash deposits less finance costs on the Man Group's debt, and also the adjusting items, which are deemed to be non-recurring. The increase in compensation and other expenses reduced net margins for private investors by around 11bp for the year ended 31 March 2009. This was partly the result of: a higher proportion of variable compensation being allocated to management fee income in periods of reduced performance fee income; and the acceleration of the amortisation charge relating to previously issued share awards. In addition, other expenses increased, particularly in technology, to support the robustness of the Man Group's infrastructure. Sales commissions reduced the net margins for private investors by around 10bp, reflecting the higher amortisation charge on upfront sales commissions.

Results of Operations

The following is a discussion of the principal drivers of the Man Group's results of operation for the periods under review.

Year Ended 31 March 2010 compared to the Year Ended 31 March 2009

The following table sets forth income statement data for the years ended 31 March 2010 and 2009.

	2010	*2009*	*Change*
		(US$ in millions)	
Revenue:			
Performance fees	52	627	(575)
Management and other fees	1,293	1,861	(568)
	1,345	2,488	(1,143)
Gains/(losses) on investments and other financial instruments	39	(260)	299
Sales commissions	(325)	(411)	86
Accelerated amortisation of MGS sales commissions	—	(107)	107
Total sales commissions	(325)	(518)	193
Compensation	(330)	(463)	133
Restructuring costs – compensation	(19)	(37)	18
Total compensation costs	(349)	(500)	151
Other costs	(232)	(275)	43
Restructuring costs – other	(34)	—	(34)
Total other costs	(266)	(275)	9
Share of after tax profit of associates and joint ventures	70	144	(74)
Gain on disposal of 50% of subsidiary	—	48	(48)
Impairment of Ore Hill investments and goodwill	—	(299)	299
Gain/(loss) arising from residual interest in brokerage assets	34	(105)	139
Finance income	29	58	(29)
Finance expense	(36)	(38)	2
Net finance (expense)/income	(7)	20	(27)
Profit before tax	541	743	(202)
Taxation	(96)	(240)	144
Profit for the year	445	503	(58)

Revenues

Performance Fees. Gross performance fee income for the year ended 31 March 2010 was US$52 million as compared US$627 million to for the year ended 31 March 2009 of which US$48 million was contributed by AHL as compared to US$609 million for the year ended 31 March 2009.

Management and Other Fees. Management fee revenue for the year ended 31 March 2010 was US$1,293 million, compared to US$1,861 million in the year ended 31 March 2009. Gross management and other fees decreased 31 per cent. as a result of the average FUM for the year declining. Interest income from amounts owed by fund products for the year ended 31 March 2010 was US$16 million as compared to US$35 million for the year ended 31 March 2009.

Gains/(losses) on Investments and Other Financial Instruments

Gains/(losses) on investments and other financial instruments include fair value movements on Investments in fund products and other investments, which are fair valued through profit and loss. Gains/(losses) on investments and other financial instruments for the year ended 31 March 2010 amounted to a gain of US$39 million as compared to a loss of US$260 million in the year ended 31 March 2009, which included seeding and other investment net gains of US$52 million (2009: US$289 million loss) and a gain of US$30 million (2009: US$29 million) on the sale of exchange shares, partly offset by losses of US$39 million arising from credit default swaps and costs in respect of the wind down of the Man Group's trade credit insurance and reinsurance business, Empyrean Re.

Sales commissions

Sales commission expense during the year ended 31 March 2010 comprised the following:

	2010	*2009*
	(US$ in millions)	
Upfront sales commissions	171	240
Trail commissions	154	171
Total sales commissions	325	411

The decrease in the upfront sales commissions charge was the result of a decrease in private investor sales for the year ended 31 March 2010. Trail commission costs declined as a result of lower funds under management as compared to the year ended 31 March 2009. The impact of these factors was partially offset by the incurrence of around US$30 million of non-recurring sales commission items. These came from two main sources. Firstly, some "catch-up" trail commission paid to a large distributor following the settlement of an outstanding liability; and secondly, the accelerated amortisation of commission payments on some legacy products, where negative AHL performance over the last year made their intended re-gear less likely in the near term.

Accelerated Amortisation of MGS sales commissions

In the year ended 31 March 2009 as a result of the MGS de-gearing process, the useful economic life of these products was reviewed and reduced, resulting in an accelerated amortisation charge of US$107 million being recognised. There was no further material charge in the year ended 31 March 2010.

Compensation

Compensation costs amounted to US$330 million in the year ended 31 March 2010, compared to US$463 million in the year ended 31 March 2009, reflecting the decrease in discretionary employee bonus compensation and the impact of a lower headcount. In addition to the amounts shown below, US$42 million of sales commissions relating to employees were included in the Man Group income statement charge for upfront sales commissions in the year ended 31 March 2010 as compared to US$62 million in the year ended 31 March 2009.

	2010	*2009*
	(US$ in millions)	
Wages and salaries – fixed	145	173
– variable	92	180
Share-based payment charge	50	71
Social security costs	26	20
Pension costs	17	19
	330	463

Restructuring Costs – Compensation

In March 2009 the Man Group announced that it had implemented a plan to reduce the cost base of the business. During the year ended 31 March 2010, a further US$19 million of one-off compensation costs arose associated with this restructuring as compared to US$37 million in the year ended 31 March 2009, comprising US$13 million in wages and salaries (2009: US$22 million), and US$6 million in accelerated share-based payment charges (2009: US$15 million).

Other Costs

	2010	*2009*
	(US$ in millions)	
Occupancy	40	42
Travel and entertainment	14	21
Technology	28	31
Communication	13	16
Consulting and professional services	36	46
Depreciation and amortisation	45	39
Charitable donations	3	10
Other	53	70
Total other costs	232	275

Other costs decreased to US$232 million in the year ended 31 March 2010 from US$275 million in the year ended 31 March 2009. The Man Group reduced its discretionary costs, in particular around consultancy and professional fees. The decrease in the other category primarily relates to staff recruitment, relocation and other personnel related costs. The Man Group continues to invest in its technology platforms and in AHL research.

Included in depreciation and amortisation above was US$22 million of amortisation of other intangible assets in the year ended 31 March 2010 as compared to US$17 million in the year ended 31 March 2009 and US$23 million of depreciation of property, plant and equipment in the year ended 31 March 2010 as compared to US$22 million in the year ended 31 March 2009.

Restructuring Costs – Other

An additional US$34 million of other costs associated with the restructuring arose in the year ended 31 March 2010, mainly onerous contract provisions in respect of leasehold properties. In respect of the excess leasehold space where the Man Group has an ongoing contractual arrangement from which it does not expect to receive any economic benefit, a provision of US$18 million for the onerous or non-productive element of the contract was recognised. An impairment charge of US$11 million was also recognised in relation to capitalised fixed assets associated with the unused floor space, consisting predominantly of leasehold improvements and office fixtures and fittings.

Share of After Tax Profit of Associates and Joint Ventures

The Man Group has one principal investment in an associate, BlueCrest Capital Management Services Limited and BlueCrest Capital Management LLP ("**BlueCrest**"). Income from associates largely related to the Man Group's investment in BlueCrest, whose contribution to profit consisted, in the year ended 31 March 2010, of US$34 million (2009: US$88 million) of net performance fee income and US$39 million (2009: US$50 million) of net management and other fee income.

Gain on Disposal of 50 per cent. of Subsidy/Impairment of Ore Hill Investments and Goodwill

In the year ended 31 March 2009, the Man Group acquired a 50 per cent. interest in Ore Hill, and simultaneously disposed of 50 per cent. in Pemba. The disposal of Pemba resulted in a gain of US$48 million being recognised.

As a result of the subsequent deterioration in market conditions during the year ended 31 March 2009, the investment in Ore Hill was reviewed for impairment and the Man Group recognised an impairment charge of US$214 million against the carrying value of the investment in Ore Hill. In addition, the carrying value of the Man Group's interest in the Ore Hill Designated Investments (DI) Portfolio was reviewed for impairment as at 31 March 2009 and a impairment charge of US$75 million against this investment was recognised.

Subsequently, the Man Group's equity interest in Pemba increased back to 100 per cent., through a deemed re-acquisition of its original 50 per cent. shareholding, at nil cost, with no further profit or loss arising. There was a further US$10 million charge relating to the impairment of MTM Capital goodwill. There was no further gain or loss in respect of these items in the year ended 31 March 2010.

Gain/(loss) arising from Residual Interest in Brokerage Assets

In August 2009 the Man Group sold its remaining stake in MF Global under a Variable Forward Sale ("**VFS**") Agreement, at a sale price of US$5.95 per share. The VFS Agreement guaranteed that the Man Group will achieve a minimum of US$5.35 per share, while retaining a capped participation in future share price appreciation over a three to four year period. The VFS provided the Man Group with gross initial disposal proceeds of US$112 million, resulting in a net gain of US$34 million.

In the year ended 31 March 2009, MF Global shares, which were classified as available-for-sale financial assets were reviewed for impairment, following a significant decrease in the underlying share price, resulting in an impairment charge of US$126 million. Other net gains of US$21 million arose from the Man Group's residual interest in brokerage assets in 2009.

Net Finance (Expense)/Income

Net finance expense included interest expense on borrowings and other debt of US$36 million during the year ended 31 March 2010 as compared to US$38 million during the year ended 31 March 2009, reflecting the decrease in US dollar interest rates, offset by increased borrowing. Finance income was US$29 million during the year ended 31 March 2010 as compared to US$58 million during the year ended 31 March 2009, which included interest income on cash and cash equivalents of US$22 million (2009: US$42 million) and other finance fees and related income of US$7 million (2009: US$16 million).

Taxation

The tax charge for the year ended 31 March 2010 amounts to US$96 million compared to US$240 million for the year ended 31 March 2009. The effective tax rate on profits before adjusting items was 18.6 per cent. in 2010, compared to 20.3 per cent. for the year ended 31 March 2009. The lower rate was principally a result of the reduced level of performance fee income in the year, which is generally subject to higher tax rates. The effective tax rate for the year including adjusting items was 17.7 per cent., compared to 32.3 per cent. for the prior year. The majority of the Man Group's profit continues to be earned in Switzerland and in the UK and the current effective tax rate is consistent with this profit mix.

Profit for the Year

Profit for the year ended 31 March 2010 was US$445 million compared to US$503 million in the year ended 31 March 2009 as a result of the factors discussed above.

Year Ended 31 March 2009 compared to the Year Ended 31 March 2008

The following table sets forth income statement data for the years ended 31 March 2009 and 2008.

	2009	*2008*	*Change*
	(US$ in millions)		
Revenue:			
Performance fees	627	1,192	(565)
Management and other fees	1,861	2,030	(169)
	2,488	3,222	(734)
Gains/(losses) on investments at fair value	(260)	(51)	(209)
Sales commissions	(411)	(391)	(20)
Accelerated amortisation of MGS sales commissions	(107)	—	(107)
Total sales commissions	(518)	(391)	(127)
Compensation	(463)	(639)	176
Restructuring	(37)	—	(37)
Total compensation costs	(500)	(639)	139
Other costs	(275)	(238)	(37)
Share of after tax profit of associates and joint ventures	144	86	58
Gain on disposal of 50% of subsidiary	48	—	48
Impairment of Ore Hill investments and goodwill	(299)	—	(299)
Loss arising from residual interest in brokerage assets	(105)	—	(105)
Finance income	58	145	(87)
Finance expense	(38)	(55)	17
Net finance income	20	90	(70)
Profit before tax from continuing operations	743	2,079	(1,336)
Taxation	(240)	(362)	122
Profit after tax from continuing operations	503	1,717	(1,214)
Discontinued operations – brokerage	—	1,753	(1,753)
Profit of the year	503	3,470	(2,967)

Revenue

Revenue for the year ended 31 March 2009 was US$2,488 million, compared to US$3,222 million for the year ended 31 March 2008, and included gross performance fees income of US$627 million, a decrease of 47 per cent. compared to the year ended 31 March 2008.

Performance Fees. For the year ended 31 March 2009, within performance fees, AHL contributed US$609 million compared to US$1,043 million for the year ended 31 March 2008 and other managers earned US$18 million compared to US$150 million for the year ended 31 March 2008.

Management and other Fees. Gross management and other fees decreased 8 per cent. to US$1,861 million for the year ended 31 March 2009, as a result of: the average funds under management for the year ended 31 March 2009 declining 6 per cent. to US$65.1 billion from US$69.3 billion for the year ended 31 March 2008; and to a small fall in gross margins primarily caused by a shift in the proportion of total private investor FUM relating to the higher margined guaranteed products to slightly lower margined open-ended products.

Gains/(losses) on investments at fair value

For the year ended 31 March 2009 net losses on investments amounted to US$260 million compared to US$51 million for the year ended 31 March 2008, which includes seeding and other investment losses of US$287 million, net of a gain of US$27 million on the sale of exchange shares in the first half. The Man Group holds seeding investments for various reasons including: to establish track records on products; to seed new alpha strategies; to seed single managers to test alpha generation; and to co-invest with institutional investors. The decrease in these investments from the prior year was the result of management action to reduce the overall level of the portfolio and as a result of losses.

Sales Commissions

Sales commissions were US$411 million (excluding the accelerated amortisation of MGS sales commissions) for the year ended 31 March 2009 compared with US$391 million for the year ended 31 March 2008. Included in sales commissions was US$240 million relating to upfront commissions (also known as placement fees), compared to US$216 million in the year ended 31 March 2008, and US$171 million relating to trail commission (also known as servicing fees), which were down from US$175 million in the year ended 31 March 2008. Typically, upfront commissions are paid at a rate of 4 per cent. on investor money raised and trail commissions are paid at a rate of 0.5 per cent. of the product's net asset value, quarterly in arrears.

Accelerated Amortisation of MGS Sales Commissions

The accelerated amortisation charge of US$107 million for the year ended 31 March 2009 related to unamortised upfront sales commission associated with MGS products and was recorded in the first half of 2009. Following the decision to de-risk many of the MGS products to protect investor capital, it was considered unlikely that the capitalised commissions will be fully covered by future fee income and therefore a significant proportion of the capitalised commissions relating to these products has been written down in the year ended 31 March 2009.

Compensation

Excluding the restructuring costs (discussed below), compensation costs for the year ended 31 March 2009 decreased by US$176 million to US$463 million from US$639 million for the year ended 31 March 2008 reflecting the decrease in discretionary employee bonus compensation partly offset by the impact of a higher headcount. Compensation as a percentage of revenue was 20.8 per cent. for the year ended 31 March 2009 compared to 20.2 per cent. for the year ended 31 March 2008. The Man Group continued to maintain tight controls and significant cost flexibility in its total expense base and in particular compensation expense.

Restructuring

The restructuring costs of US$37 million for the year ended 31 March 2009 comprised the redundancy costs associated with 272 permanent employees. Of the US$37 million cost, US$17 million related to cash items and US$20 million to non-cash items and of the cash items, US$3 million was paid out by the 2009 year-end with the remainder having been paid in the following financial year. Recognising the decrease in FUM, this cost-saving initiative was designed to reduce the Man Group's fixed cost base by US$60 million on an annual run-rate basis.

Other Costs

Other costs amounted to US$275 million for the year ended 31 March 2009, up from US$238 million for the year ended 31 March 2008. The significant increase in technology costs during the year related to a number of strategic technology projects to increase the scalability and robustness of the Man Group's infrastructure and to support growth of its business in the future. Some technology costs were incurred in the year ended 31 March 2009 in relation to the integrated hedge fund management business, and further costs relating to this project were incurred in the 2009/10 financial year. To accomplish this the Man Group grew its temporary headcount, as by using people on short-term contracts it could access the technical expertise it required while maintaining its cost flexibility.

Share of After Tax Profit of Associates and Joint Ventures

In the year ended 31 March 2009 income from associates largely related to the Man Group's investment in BlueCrest, whose contribution to its profit consisted of US$88 million of net performance fee income compared to US$41 million for the year ended 31 March 2008 and US$50 million of net management and other fee income compared to US$30 million for the year ended 31 March 2008.

Gain on Disposal of 50 per cent. of Subsidiary

Following the transfer of a 50 per cent. interest in Pemba to Ore Hill's principals as part of the acquisition of a 50 per cent. interest in Ore Hill, a book gain of US$48 million was recognised in the year ended 31 March 2009. Since this disposal, the credit markets had continued to deteriorate, which has severely affected the Pemba business. Accordingly, Pemba was restructured and as part of this exercise, in February 2009, the Man Group took back its 50 per cent. shareholding from the Ore Hill principals at nil cost, with no further profit or loss arising.

Impairment of Ore Hill Investments and Goodwill

This was offset by the recognition of an impairment charge of US$214 million against the carrying value of the Ore Hill investment, following a deterioration in market conditions since the acquisition, and US$75 million against the carrying value of the Man Group's interest in Ore Hill's Designated Investment portfolio. In addition, the goodwill of US$10 million relating to MTM was impaired in the year ended 31 March 2009.

Loss Arising from Residual Interest in Brokerage Assets

Loss arising from residual interest in brokerage assets of US$105 million for the year ended 31 March 2009 primarily arose from the impairment of the Man Group's residual equity interest in MF Global.

Net Finance (Expense)/Income

Net finance income for the year ended 31 March 2009 was US$20 million compared to US$34 million for the year ended 31 March 2008, excluding interest income from the proceeds from the MF Global IPO (US$56 million). Interest expense was US$38 million for the year ended 31 March 2009 compared to US$55 million for the year ended 31 March 2008, reflecting the decrease in US dollar interest rates. Interest income on cash and cash equivalents was US$58 million for the year ended 31 March 2009, compared with US$89 million for the year ended 31 March 2008.

Profit before Tax from Continuing Operations

Man Group profit before tax from continuing operations was down 64 per cent. to US$743 million for the year ended 31 March 2009, reflecting a 62 per cent. decrease in net performance fee income to US$358 million, a 23 per cent. decrease in net management fee income to US$885 million compared to the year ended 31 March 2008 and non-recurring costs (adjusting items) of US$500 million as detailed above. Adjusted Man Group profit before tax was down 40 per cent. to US$1,243 million for the year ended 31 March 2009. Adjusted pre-tax margin was 52 per cent. compared with 64 per cent. for the year ended 31 March 2008, reflecting reduced performance fees partly offset by reduced compensation expenses.

Taxation

The tax charge for the year ended 31 March 2009 amounted to US$240 million. The effective tax rate on profits before the adjusting items was 20.3 per cent. (tax charge of US$253 million on profit before the adjusting items of US$1,243 million), compared with 17.4 per cent. for the year ended 31 March 2008. The rate for the year ended 31 March 2008 was lower principally as a result of favourable foreign exchange differences arising in the Man Group's Swiss entities, which did not recur in the year ended 31 March 2009. Additionally, in the year ended 31 March 2009 the tax rate increased as a result of losses on seed investments, which are generally subject to lower tax rates, and a reduction in tax relief on employee share schemes, as a result of the fall in the Man Group's share price impacting on the related deferred tax asset. The effective tax rate for the year ended 31 March 2009 including the adjusting items was 32.3 per cent.. The primary reason for this higher rate was that in respect of the majority of the adjusting items, tax relief was not available or has not been recognised given the uncertainty of recoverability of the potential deferred tax asset.

Discontinued Operations

On 19 July 2007 the Man Group disposed of its brokerage business, renamed 'MF Global', through an IPO on the New York Stock Exchange. Its results, up to the date of separation, are presented in the Man Group's Consolidated Financial Statements as a discontinued operation. Profit after tax from discontinued operations was US$1,753 million for the year ended 31 March 2008.

Profit for the Year

Profit for the year ended 31 March 2009 was US$503 million compared to US$3,470 million in the year ended 31 March 2008 as a result of the factors discussed above.

Liquidity and Capital Resources

Liquidity is a measurement of the Man Group's ability to meet potential cash requirements, including ongoing commitments to repay borrowings, pay compensation, and satisfy other general business requirements. The Man Group's primary sources of funds for liquidity consist of cash flows provided by operating activities, primarily the management fees and performance fees paid by the fund products the Man Group manages.

Cash Flows

For the year ended 31 March 2010 Compared to 31 March 2009

The net increase in the Man Group's net cash position of US$814 million (2009: US$487 million) during the year ended 31 March 2010 was primarily the result of: cash generated from operating activities of US$754 million during the year ended 31 March 2010 as compared to US$1,616 million during the year ended 31 March 2009; cash realised from other financial assets of US$327 million during the year ended 31 March 2010 as compared to US$242 million during the year ended

31 March 2009, including the proceeds of the sale of the Man Group's residual stake in MF Global and the remaining exchange shares; the proceeds of new borrowings of US$813 million (2009: US$242 million); against cash outflows relating to the payment of ordinary dividends in the year of US$745 million (2009: US$718 million); the payment for intangible assets, property, plant and equipment and other investments of US$242 million (2009: US$460 million); and the purchase of own shares by the ESOP trust of US$61 million (2009: US$218 million).

For the year ended 31 March 2009 Compared to 31 March 2008

The Man Group had a net cash position of US$1.7 billion (excluding the hybrid instrument) as at 31 March 2009 compared to a net cash position of US$1.5 billion as at 31 March 2008. Cash generated from operations for the year ended 31 March 2009 was US$2.0 billion, compared with Man Group profit before tax for the year ended 31 March 2009 of US$0.7 billion. The difference principally related to a decrease in working capital requirements of US$0.5 billion, income from associates and net finance income of US$0.2 billion, and non-cash amortisation charges relating to sales commission and employee share awards of US$0.4 billion and impairment charges of US$0.4 billion. The increase in the Man Group's net cash position since 31 March 2008 was primarily the result of cash generated from operating activities (US$1.6 billion) and cash realised from other financial assets (US$0.2 billion), offset by the Ore Hill and Nephila acquisitions (US$0.2 billion) and shareholder distributions of US$1.0 billion (dividend and share buy-backs).

Capital Resources

During the periods presented, the Man Group met its cash needs principally through free cash flow and borrowings.

As at 31 August 2010, the Man Group's liquidity facilities were comprised as follows:

31 August 2010	*Total*
	(US$ in millions)
Drawn:	
2013 Fixed Rate Notes	228
2015 Fixed Rate Notes	757
2017 Fixed Rate Notes	231
Subordinated Floating Rate Notes	168
Perpetual Subordinated Capital Securities	300
Undrawn:	
Committed syndicated loan facility	2,430
Total facilities	**4,114**
Bank overdrafts	(5)
Cash balances	2,707
Total available liquidity (cash plus undrawn committed facilities)	**5,131**

As at 31 March 2010, 2009 and 2008, the Man Group's borrowing comprised the following:

	2010		*2009*		*2008*	
	Fair value US$m	*Carrying amounts US$m*	*Fair value US$m*	*Carrying amounts US$m*	*Fair value US$m*	*Carrying amounts US$m*
Bank overdrafts	55	55	1	1	3	3
Fixed rate notes	1,083	1,034	225	243	—	—
Floating rate notes – subordinated debt	366	400	208	399	385	399
	1,504	1,489	434	643	388	402

On 9 August 2010 the Man Group issued an aggregate nominal amount of US$232,089,000 subordinated notes due 2017 ("**2017 Fixed Rate Notes**") under the Man Group's US$3 billion Euro Medium Term note Programme dated 21 December 2007 ("**EMTN Programme**"). The 2017 Fixed

Rate Notes have a coupon of 5.0 per cent. per annum payable annually in arrears up to and including the maturity date.

On 18 February 2010 the Man Group issued €600 million fixed rate notes due 18 February 2015 ("**2015 Fixed Rate Notes**") under the EMTN Programme. The 2015 Fixed Rate Notes have a coupon of 6.0 per cent. per annum payable annually in arrears up to and including the maturity date.

On 1 August 2008 the Man Group issued US$250 million fixed rate notes due 1 August 2013 ("**2013 Fixed Rate Notes**") under the EMTN Programme. The 2013 Fixed Rate Notes have a coupon of 6.5 per cent. per annum payable semi-annually in arrears up to and including the maturity date. On 18 February 2010 US$17 million of the 2013 Fixed Rate Notes were repurchased leaving US$233 million outstanding as at 31 March 2010.

The subordinated floating rate notes consist of US$400 million Eurobonds issued 21 September 2005 and due 22 September 2015. The notes may be redeemed in whole at the option of the Man Group on any interest payment date falling on or after 22 September 2010, subject to FSA approval. The interest rate is 3-month US dollar LIBOR plus 1.15 per cent. until 22 September 2010 and thereafter is 3-month US dollar LIBOR plus 1.65 per cent.

Except for the 2017 Fixed Rate Notes, the 2015 Fixed Rate Notes and 2013 Fixed Rate Notes above, all of the Man Group's other borrowings are subject to floating interest rates.

The Man Group's liquidity risk management strategy is to maintain sufficient liquidity to give it the flexibility to support the business through different market conditions and business cycles. The amount of the potential requirement for liquidity is modelled based on scenarios that assume stressed market conditions, including reduced bank advance rates, de-risking of FUM, investor redemption bridging requirements, gating by underlying managers and the risk of a substantial adverse move in AHL and the consequential request to fund margin calls in those structured products that include an AHL allocation.

Liquidity is available in the form of a committed syndicated loan facility and cash which is invested in short-term bank deposits. Liquidity adequacy is monitored on a daily basis and the stress scenarios are updated regularly. The Man Board reviews the Man Group's funding resources at each Board meeting and on an annual basis as part of the strategic planning process.

The Man Group's liquid resources as at 31 March 2010 included cash balances of US$3.2 billion as compared to US$2.4 billion as at 31 March 2009 and a committed syndicated loan facility (the Revolving Facility) of US$2.4 billion (2009: US$2.4 billion), which was undrawn as at 31 March 2010 and 31 March 2009, and total debt of US$1,489 million (2009: US$643 million). The committed syndicated loan facility was drawn for 184 days during the year, with an average drawdown of US$167 million and a maximum drawdown of US$428 million. US$0.6 billion of this facility matures in June 2012, with the balance maturing in June 2013. The following table summarises the Man Group's available facilities (drawn and undrawn) by maturity as at 31 March 2010 based on contractual maturity.

As at 31 March 2010	Total	Less than 1 year	1-3 years	3-5 years	Over 5 years
			(US$ in millions)		
Drawn:					
EMTN 2013 Senior Notes	228	—	228	—	—
EMTN 2015 Senior Notes	806	—	—	806	—
Subordinated FRN	400	—	—	—	400
Perpetual Subordinated Capital Securities	300	—	—	—	300
Undrawn:					
Committed syndicated loan facility	2,430	—	630	1,800	—
Total facilities	4,164	—	858	2,606	700
Bank overdrafts	(55)				
Cash balances	3,229				
Total available liquidity (cash plus undrawn committed facilities)	5,604				

Capital

The Man Group has a conservative capital and liquidity framework which allows it to invest in the growth of the business. It utilises capital to support the operation of the investment management process, the testing of research ideas and the launch of new fund products.

The Man Group is regulated by the Financial Services Authority (FSA) and is therefore subject to prudential and capital regulation in the same manner as its bank intermediaries and counterparties. The Man Group's regulatory capital requirements are calculated in accordance with a full scope investment group under the Capital Requirements Directive. In addition it calculates its economic capital using scenario and statistical modelling. The Man Group's economic capital methodology forms part of its Internal Capital Adequacy Assessment Process (ICAAP) submission to the FSA.

With regards to the Man Group's regulatory capital, the majority of its requirements relate to acquisition goodwill and intangibles which are supported by Tier 1 capital (i.e. shareholders equity and perpetual capital securities). With regards to acquisition goodwill, its economic capital model likewise assumed that this is supported with Tier 1 qualifying capital. The remaining financial resource requirements are supported by available Tier 1 and Tier 2 capital. These requirements include charges for credit risk relating to loans to funds and market risk arising from fund investments. The operational risk requirements are modelled on the basis of scenarios which take into account insurance, internal controls and diversification benefits. The following table sets out the Man Group's regulatory capital position as at 31 March 2010, 2009 and 2008.

	31 March 2010	31 March 2009	31 March 2008
		(US$ in millions)	
Permitted share capital and reserves	3,524	3,843	4,028
Innovative Tier 1 Perpetual Subordinated Capital Securities	300	300	—
Less goodwill and other intangibles:			
Goodwill on acquisitions of subsidiaries	(798)	(774)	(813)
Goodwill on acquisitions of associates/JVs	(282)	(277)	(194)
Commission intangible asset (FEL)	(278)	(317)	(427)
Other intangibles	(59)	(49)	(36)
Available Tier 1 group capital	2,407	2,726	2,558
Tier 2 capital – subordinated debt	400	399	399
Tier 2 capital – revaluation reserve	—	—	74
Material holdings deductions	(200)	(382)	(412)
Group Financial Resources	2,607	2,743	2,619
Less Financial Resources Requirement	(1,127)	(1,030)	(1,007)
Net excess of group capital	1,480	1,713	1,612

Commitments and Contingent Liabilities

Contractual Obligations

The Man Group has various contractual obligations and commercial commitments to make future payments, including debt agreements, guarantees, lease obligations and certain other committed obligations. The following table summarises the Man Group's future obligations under these contracts due by the periods indicated as at 31 March 2010.

Financial liabilities	*Less than 1 year*	*1-5 years*	*Over 5 years*	*Total*
		(US$ in millions)		
Borrowings, including interest	(135)	(1,728)	(8)	(1,871)
Trade and other payables	(305)	(29)	—	(334)
	(440)	(1,757)	(8)	(2,205)

Guarantees and commitments	*Less than 1 year*	*1-5 years*	*Over 5 years*	*Total*
		(US$ in millions)		
Financial guarantees and commitments: Committed purchase agreements	(556)	—	—	(566)
MF Global brokerage account	(50)	—	—	(50)
Intra-day credit facility	(400)	—	—	(400)
Operating lease commitments	(22)	(78)	(416)	(516)
	(1,028)	(78)	(416)	(1,522)

Other than as the guarantees and commitments set forth in the table above, the Man Group does not have any off-balance sheet arrangements.

Contingent Liabilities

On 28 February 2008, MF Global announced that it had incurred a significant credit loss. Following this disclosure a number of plaintiffs filed class action lawsuits in the US Federal Court against the Man Group, MF Global, certain of its officers and directors and certain underwriters asserting various causes of action arising out of the US initial public offering. The consolidated class action complaint alleged claims under sections of the Securities Act and alleged, among other things, that the public disclosure documents for the offering contained false and misleading statements concerning risk management and trading risk controls at MF Global. The plaintiffs seek compensatory damages, rescission and attorneys' fees and expenses. On 16 July 2009, the US District Court dismissed the case on the grounds that the plaintiffs had failed to identify any material misrepresentations or omissions in the disclosure documents. The plaintiffs appealed the ruling to the US Court of Appeals.

On 14 September 2010, the US Court of Appeals affirmed the US District Court's dismissal of certain of the plaintiffs' claims and vacated and remanded the ruling back to the US District Court as to other claims for re-consideration based on a standard the US Court of Appeals clarified. The claims subject to reconsideration by the US District Court include those questioning the accuracy of disclosures concerning MF Global's risk management system as it applied to trading in employee accounts.

In the US District Court, the Man Group, along with the other defendants, intend to move to dismiss the plaintiffs' remaining claims on grounds not reached in the previous decisions. The Man Directors anticipate the US District Court will set a briefing schedule for the motion to dismiss shortly. To the extent the defendants' renewed motions to dismiss may be denied, further proceedings would ensue. The Man Directors continue to believe that the Man Group complied with all applicable laws and regulations in connection with the initial public offering of MF Global.

Qualitative Disclosures About Market Risk

Counterparty Credit Risk

The Man Group's counterparties are externally rated and amounts owed by fund products are rated using an internal rating methodology. Loans to funds are subject to strict limits consistent with the Man Board's risk appetite and loans are monitored and leverage reduced according to the Man Group's de-risking process where necessary. Deposit limits for bank counterparties are set by the Man Board on the basis of external long-term credit ratings and movements in credit default swap rates and counterparties' share prices.

As at 31 March 2010, the Man Group's single largest counterparty exposure was US$557 million held with an 'A' rated bank (2009: US$608 million). The largest loan to a fund product was US$18 million (2009: US$39 million). The amount of these exposures can change significantly each month.

Foreign Exchange and Interest Rate Risk

The Man Group's net assets are exposed to the effect of movements in the exchange rate on financial assets and liabilities where balances are not denominated in the functional currency of the subsidiary. The main foreign exchange sensitivity is to fluctuations in the US dollar exchange rate against sterling, euro, Australian dollar and Swiss franc balances. The Man Group, from time to time, puts in place short-term foreign currency contracts to hedge these costs. As at 31 March 2010, a 10 per cent. strengthening/weakening of the US dollar against all other currencies, with all other variables held constant, would have resulted in a foreign exchange gain/loss of US$2 million, with a corresponding impact on equity (2009: US$12 million loss/gain).

In respect of those of the Man Group's monetary assets and liabilities which earn/incur interest indexed to floating rates, as at 31 March 2010, a 50bp increase/decrease in interest rates, with all other variables held constant, would have resulted in a US$14 million increase/US$9 million decrease in net interest income, with a corresponding impact on equity (2009: US$10 million increase/decrease).

Operational Risk Management

Operational risk arises from the potential for the Man Group to suffer losses due to failures in processes or procedures in its business. Examples of significant risks include fraud, mis-selling of products or errors in fund prospectuses, failures of due diligence or breach of investment mandate, failures by third party providers of critical services, technology failures and fund valuation errors. Operational risk is mitigated by the Man Group's control environment. The organisation's culture emphasises the importance of effective risk management, strong internal controls, sound governance and a clear understanding of the competitive advantage and value of maintaining its reputation. The Man Group pays particular attention to operational and reputational risks relating to product suitability, sales practices at intermediaries and the accuracy of its valuation and investor reporting processes. The Man Group's aim is to operate only through regulated intermediaries in all jurisdictions where investment advice is a regulated activity and continues to invest heavily in technology to improve its investor servicing.

Independent valuation service providers are used for the valuation of fund products and underlying third party managers where a managed account is in place. A dedicated team monitors the quality and reliability of administration and valuation service providers. A Valuation Committee, chaired by the Chief Risk Officer of the investment management business meets monthly to review and approve any issues relating to valuation.

Significant resources are devoted to protecting the resilience of the Man Group's information technology systems, including formal business continuity plans and remote data back-up and disaster recovery facilities for each of its key locations. Business continuity for its core activities is regularly tested to maintain effectiveness.

The system of internal control is subject to regular review by Internal Audit, based on an audit programme approved annually by the Audit and Risk Committee of the Man Board. The programme covers the business areas and processes which management believes are the most significant in terms of the Man Group's risk profile and where there are key controls on which the Man Group relies. An insurance programme provided by a syndicate of third party insurers is tailored to its risk profile and designed to maximise breadth of cover and certainty of response in respect of key third party liabilities, loss of Man Group assets, business interruption and people-related exposures.

Critical Accounting Policies – Judgments

A detailed description of significant accounting policies management uses in preparing Man's Consolidated Financial Statements is set forth in the Man's Consolidated Financial Statements.

In the preparation of the consolidated financial statements management is required to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Areas where a higher degree of judgement or complexity arises and where assumptions and estimates are significant to the consolidated financial statements together with the relevant accounting policy relate to the impairment assessment of the Goodwill attaching to the Man Multi-Manager business ("**MMB**") and the use of fair values in the valuation of investments in fund products and other investments, as described below.

Goodwill

As at 31 March 2010 the most significant amount of goodwill related to the MMB. The Man Group identified two cash generating units for impairment review purposes: AHL and the MMB. The MMB cash generating unit included the goodwill relating to the RMF and Glenwood acquisitions and an allocation of the goodwill relating to the Man Investments Australia acquisition. The remaining Man Investments Australia goodwill was allocated to the AHL cash generating unit.

The MMB cash generating unit exhibited objective evidence that the goodwill may have been impaired as the FUM had declined from US$23.0 billion as at 31 March 2009 to US$14.8 billion as at 31 March 2010.

The value in use of the MMB goodwill was assessed as at 31 March 2010 by applying a discounted future cash flow model, which used as a basis the detailed budget for the financial year ending March 2011 and the three year strategic plan to 31 March 2013, which were approved by the Man Board and which factored in expected sales, redemptions, fee margins, performance and cost estimates. Cash flows for a further two years were generated assuming modest growth assumptions, which management considered appropriate for the purposes of the impairment review exercise. A perpetuity growth rate of 2 per cent. has been assumed, being a prudent approximation of historic US long-term growth rates. For modelling purposes the future cash flows have been split into net management fee income and net performance fee income and have been risk adjusted for each financial year to take account of the risk attached to estimating future income streams. Accordingly, net management fee income cash flows have been adjusted down by 5-10 per cent. and net performance fee income cash flows by 30-40 per cent.. A pre-tax discount rate of 10 per cent. has been applied to these risk-adjusted cash flows.

The result of the value in use calculation suggests that there was approximately US$110 million of headroom over the goodwill balance and therefore no impairment was considered appropriate. A sensitivity analysis around the key assumptions applied in the discounted cash flow analysis has been performed. The sensitivity analysis highlighted that the value in use calculation used to support the level of goodwill relating to the MMB is largely dependent on the timing of sales being realised and the 2011 sales budget being achieved. The time over which the MMB is expected to realise the full benefits from the new business platform is likely to extend beyond the current financial year, and an impairment may therefore be triggered prior to the full benefits being achieved. The results of the sensitivity analysis are outlined below:

- If sales were US$0.5 billion lower than the 2011 budget, the headroom of discounted fee income over the goodwill balance would reduce to be approximately US$25 million;
- If the discount rate was increased by 1 per cent. to 11 per cent., there would be a shortfall of discounted fee income over the goodwill balance of approximately US$25 million; and
- If fund performance was flat in the financial year ending 31 March 2011, instead of the assumed 8 per cent. return, there would be a shortfall of discounted fee income over the goodwill balance of approximately US$100 million.

Use of Fair Values in the Valuation of Investments in Fund Products and Other Investments

Available-for-sale financial assets and financial assets at fair value through profit or loss are carried at fair value in the balance sheet. The fair values of quoted investments are based on current bid prices. There are certain other assets, if the market for a financial asset is not active (and for unlisted securities) for example the Ore Hill DI portfolio, the Man Group establishes fair value by using appropriate valuation techniques which include comparisons with similar financial instruments for which observable prices exist and discounted cash flow analysis.

The fair values of investments in fund products are derived from the reported Net Asset Values (NAVs) of each of the fund products, which in turn are based upon the value of the underlying assets held within each of the fund products and the timings of being able to redeem the fund product. The valuation of the underlying assets within each fund product is determined by external valuation service providers ('VSP') based on an agreed valuation policy and methodology. Whilst these valuations are performed independently of the Man Group, the Man Group has established oversight procedures and due diligence processes to ensure that the net asset values reported by the VSP are reliable and appropriate. The Man Group makes adjustments to NAVs where the timing of being able to redeem the fund product or events or circumstances indicate that the NAVs are not reflective of fair value.

Given the uncertainty and subjective nature of valuing assets at fair value, it is possible that the outcomes within the next financial year could be different from the assumptions used and this could therefore result in a significant adjustment to the carrying amount of assets and liabilities measured using fair values. This is particularly the case where the Man Group established the fair value of assets by using appropriate valuation techniques.

Recent Accounting Pronouncements

A number of new standards and amendments to existing standards and interpretations have been issued, some of which are mandatory for the financial year beginning 1 April 2009, with the remaining becoming effective in future periods. The new standards and amendments to existing standards effective for the financial year ended 31 March 2010 that have had an impact, and have been adopted by the Man Group, are as follows:

- IAS 1 (Revised) – 'Presentation of financial statements';
- IFRS 8 – 'Operating Segments';
- Amendments to IFRS 7, 'Improving Disclosures about Financial Instruments'; and
- IFRS 2 – 'Share-based Payment' amendment (relating to vesting conditions).

As a result of the adoption of IAS 1 (Revised), the Man Group Statement of Recognised Income and Expense has been replaced with the Man Group Statement of Comprehensive Income, and the Man Group Statement of Changes in Equity is now presented separately as a primary statement.

The impact of these new standards and amendments to existing standards and interpretations on the Consolidated Financial Statements has not been significant.

The following accounting standards and amendments to standards have been issued by the IASB but are not effective for the year ended 31 March 2010 and have not been applied in preparing the Consolidated Financial Statements.

IFRS 3 (Amended) 'Business combinations'. The main impact on the Man Group of the amendments to IFRS 3 will be the requirement for costs relating to business combinations to be expensed, where previously they were capitalised and for adjustments to contingent consideration to be recognised within the income statement. The Man Group's accounting policy in respect of business combinations has been amended for financial periods after 31 March 2010.

IFRS 9 'Financial instruments'. IFRS 9 has not yet been endorsed by the European Union. As it currently stands, the new standard replaces the classification and measurement models for financial assets in IAS 39 with two classification categories: amortised cost and fair value. The appropriate classification is driven by the Man Group's business model for managing the financial assets and the contractual characteristics of those assets. The Man Group's decision as to how it wishes to reclassify such instruments will determine the impact of the new standard.

Other new or revised standards and interpretations issued but not yet effective include those listed below, but none of them are expected to have a significant impact of the financial statements of the Man Group:

- An amendment to IAS 27 to specify that a change in a parent's ownership interest that does not result in a loss of control must be accounted for as an equity transaction;
- Embedded directives: amendments to IFRIC 9 and IAS 39;
- Group cash settled share-based payment transactions: amendments to IFRS 2;
- IAS 24: related party transactions;
- IAS 32: amendments relating to classification of rights issues;
- IFRIC 17: distribution of non-cash assets to owners;
- IFRIC 18: transfers of assets from customers;
- IFRIC 19: extinguishing financial liabilities with equity instruments; and
- Improvements to IFRS 2008 and 2009.

PART 7:

MAN FINANCIAL INFORMATION

The following documents which have been filed with the FSA are available as described in the section headed "*Relevant Documentation and Incorporation by Reference*":

- Man's audited consolidated financial statements for the financial year ended 31 March 2010 (prepared in accordance with IFRS), contained in Man's Annual Report 2010, together with the audit report in respect of that year;
- Man's audited consolidated financial statements for the financial year ended 31 March 2009 (prepared in accordance with IFRS), contained in Man's Annual Report 2009, together with the audit report in respect of that year; and
- Man's audited consolidated financial statements for the financial year ended 31 March 2008 (prepared in accordance with IFRS), contained in Man's Annual Report 2008, together with the audit report in respect of that year.

The table below sets out the sections of the above documents which contain information incorporated by reference into, and forming part of, this Prospectus. Only information in the parts of the above documents identified in the list below is incorporated into and forms part of this Prospectus.

Reference document	*Information incorporated by reference into this Prospectus*	*Page number in reference document*
For the financial year ended 31 March 2010		
Man Annual Report 2010........	Auditors' Report on the Group's Financial Statements	77
Man Annual Report 2010........	Group Income Statement	36
Man Annual Report 2010........	Group Balance Sheet	35
Man Annual Report 2010........	Group Cash Flow Statement	39
Man Annual Report 2010........	Group Statement of Comprehensive Income	37
Man Annual Report 2010........	Group Statement of Changes in Equity	38
Man Annual Report 2010........	Basis of Preparation	40 to 41
Man Annual Report 2010........	Notes to the Group Financial Statements	43 to 75
For the financial year ended 31 March 2009		
Man Annual Report 2009........	Auditors' Report on the Group's Financial Statements	74
Man Annual Report 2009........	Group Income Statement	75
Man Annual Report 2009........	Group Balance Sheet	76
Man Annual Report 2009........	Group Cash Flow Statement	77
Man Annual Report 2009........	Group Statement of Recognised Income and Expense	78
Man Annual Report 2009........	Principal Accounting Policies	79 to 82
Man Annual Report 2009........	Notes to the Group Financial Statements	83 to 116
For the financial year ended 31 March 2008		
Man Annual Report 2008........	Auditors' Report on the Group's Financial Statements	84
Man Annual Report 2008........	Group Income Statement	85
Man Annual Report 2008........	Group Balance Sheet	86
Man Annual Report 2008........	Group Cash Flow Statement	87
Man Annual Report 2008........	Group Statement of Changes in Recognised Income and Expense	88
Man Annual Report 2008........	Principal Accounting Policies	89 to 92
Man Annual Report 2008........	Notes to the Group Financial Statements	93 to 127

PART 8:

GLG FINANCIAL INFORMATION

Financial information in relation to GLG is set out Part IV (*Financial Information in Relation to GLG*) of the Circular and is incorporated by reference into this Prospectus.

PART 9:

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

Section A: Unaudited *pro forma* financial information of the Enlarged Group as at 31 March 2010

The unaudited *pro forma* statement of net assets of the Enlarged Group in this Part 9: Unaudited Pro Forma Financial Information of the Enlarged Group has been prepared to illustrate the effect of the Acquisition on the net assets of the Man Group as if the Acquisition had taken place as at 31 March 2010. The unaudited *pro forma* statement of net assets has been prepared on the basis of the notes set out below and in accordance with the requirements of items 1 to 6 of Annex II to the Prospectus Directive Regulation.

The unaudited *pro forma* statement of net assets has been prepared for illustrative purposes only and, because of its nature, it addresses a hypothetical situation and does not represent the Enlarged Group's actual financial position or results.

		Adjustments		
As at 31 March 2010	*Man Group net assets Note (a)*	*GLG net liabilities under the Man Group's IFRS accounting policies Note (b)*	*Acquisition accounting Note (c)*	*Pro forma Enlarged Group*
		(US$ million)		
Note (d)				
Assets				
Cash and cash equivalents	3,229	200	(1,031)	2,398
Trade and other receivables	320	115	—	435
Investments in fund products	784	32	—	816
Other investments	72	—	—	72
Investments in associates and joint ventures	351	—	—	351
Property, plant and equipment	72	9	—	81
Pension asset	69	—	—	69
Other intangible assets	337	35	—	372
Goodwill	798	1	1,664	2,463
Total assets	6,032	392	633	7,057
Liabilities				
Trade and other payables	376	172	23	571
Current tax liabilities	180	—	—	180
Borrowings	1,489	478	(182)	1,785
Total liabilities	2,045	650	(159)	2,536
Net assets/(liabilities)	3,987	(258)	792	4,521

Notes:

Note (a): The consolidated financial information of the Man Group as at 31 March 2010 has been extracted without material adjustment from the audited consolidated financial statements of the Man Group for the year ended 31 March 2010.

Note (b): The unaudited consolidated financial information of GLG as at 31 March 2010 has been extracted from Part IV(D) (Unaudited GAAP reconciliation of GLG Partners, Inc. and subsidiaries) of the Circular and reflects the US GAAP consolidated financial information of GLG as at 31 March 2010 as included in its Quarterly Report on Form 10-Q filed with the SEC on 7 May 2010, following:

i. Adjustments for material differences between the accounting policies of the Man Group and GLG; and

ii. Reclassifications in order to present the information on a basis consistent with the consolidated financial statements of the Man Group.

Note (c): The unaudited *pro forma* statement of net assets has been prepared on the basis that the Acquisition will be accounted for using the acquisition method of accounting. The excess of consideration over the IFRS-adjusted book value of the net liabilities acquired has been reflected as goodwill. A fair value exercise will be completed post Acquisition; therefore no account has been taken of any additional intangible assets or fair value adjustments which may arise on the Acquisition.

Acquisition costs of US$40 million have been included in gross consideration, however at the point that the Acquisition completes the Man Group will be recognising the Acquisition under the requirements of IFRS3 (Revised), which requires that acquisition costs are expensed. The amount of goodwill has been calculated as follows:

	Note	*US$m*	*US$m*
Cash consideration		991	
Share consideration	(i)	534	
Share schemes' obligations	(i)	23	
Costs of acquisition		40	
Gross consideration			1,588
GLG's net liabilities at 31 March 2010 under the Man Group's IFRS accounting policies		258	
Repurchase of Convertible Notes adjustment	(ii)	(182)	
			76
Goodwill			1,664

(i) Share consideration of US$534 million includes the cost of (a) issuing a total of 162,732,446 New Man Shares in relation to (i) the shareholdings of the GLG Principals (ii) the shareholdings of Blue Hill Trust and Green Hill Trust applying IFRS3 and (b) awards that have been granted under existing GLG share schemes and which will convert into awards over Man Shares (in each case, at an assumed share price of US$3.50). The share schemes' obligations represent a liability of US$23 million being recognised in respect of future cash obligations relating to existing GLG share schemes applying IFRS3 (cash of US$4.50).

(ii) The adjustments include the effect of repurchasing the Convertible Notes in connection with the Acquisition thereby reducing the net liabilities of GLG as at 31 March 2010 under the Man Group's IFRS accounting policies by US$182 million.

Note (d): No adjustment has been made to reflect the trading results of the Man Group or GLG since 31 March 2010.

Section B: Report on unaudited *pro forma* financial information of the Enlarged Group as at 31 March 2010

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

The Directors
Man Group plc
Sugar Quay
Lower Thames Street
London EC3R 6DU

Merrill Lynch International (the "**Sponsor**")
2 King Edward Street
London EC1A 1HQ

8 October 2010

Dear Sirs

Man Group plc (the "Company")

We report on the unaudited *pro forma* statement of net assets (the "**Pro forma statement of net assets**") set out in Section A of Part 9 (Unaudited Pro Forma Financial Information of the Enlarged Group) of the Company's prospectus dated 8 October 2010 (the "**Prospectus**") which has been prepared on the basis described in the notes to the Pro forma statement of net assets, for illustrative purposes only, to provide information about how the Acquisition (as defined in the Prospectus) might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing its financial statements for the period ended 31 March 2010. This report is required by item 20.2 of Annex I to the Prospectus Directive Regulation and is given for the purpose of complying with that Prospectus Directive Regulation and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company to prepare the Pro forma statement of net assets in accordance with item 20.2 of Annex I to the Prospectus Directive Regulation.

It is our responsibility to form an opinion, as required by item 7 of Annex II to the Prospectus Directive Regulation as to the proper compilation of the Pro forma statement of net assets and to report our opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma statement of net assets nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.5.3.R(2)(f) of the Prospectus Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I to the Prospectus Directive Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma statement of net assets with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma statement of net assets has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

(a) the Pro forma statement of net assets has been properly compiled on the basis stated; and

(b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Rule 5.5.3 R(2)(f) we are responsible for this report as part of the Prospectus and we declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Item 1.2 of Annex I to the Prospectus Directive Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

PART 10:

PROFIT ESTIMATE

Section A: Profit Estimate for the Man Group Plc for the six months ending 30 September 2010

Pre-Close Trading Statement

Man Group included the following summary financials and financial commentary on 28 September 2010 within its pre-close trading update for the six months ending 30 September 2010:

Summary financials

	Estimates for six months ending 30 September 2010 $	*Six months ended 31 March 2010 $*	*Six months ended 30 September 2009 $*
Net management fee income	*205m*	*218m*	*245m*
Net performance fee income	*10m*	*50m*	*47m*
Profit before tax and adjusting items	*215m*	*268m*	*292m*
*Adjusting items**	*(45m)*	*(29m)*	*10m*
*Discontinued operations***	*(35m)*	*—*	*—*
Total profit before tax	*135m*	*239m*	*302m*

**There are two adjustments to continuing operations in the period – c. $25 million for GLG acquisition costs and c. $20 million for pre-acquisition rationalisation costs, including consultancy advice.*

***Discontinued operations reflect an arbitration settlement linked to claims made by MF Global regarding their closing balance sheet at the date of their IPO in July 2007.*

FINANCIAL SUMMARY

Income statement

Pre-tax profit before adjusting items for the six months ending 30 September 2010 is expected to be around $215 million (H2 2010: $268 million), reflecting a moderate reduction in net management fees and minimal performance fees. Gross management fee income is estimated to be around $640 million (H2 2010: $668 million), reflecting largely stable average private investor funds under management and a decrease in average institutional funds under management. Net management fee income is estimated to be around $205 million. Net performance fee income is estimated to be around $10 million, with AHL still largely below high water marks.*

Two adjusting items have been reflected in the first half profit before tax from continuing operations – approximately $25 million for GLG acquisition costs and around $20 million for pre-acquisition rationalisation costs, including consultancy advice.

Diluted earnings per share before adjusting items on continuing operations is expected to be around 9.5 cents; 7.0 cents after adjusting items.

Underlying EPS, which excludes performance fee income and adjusting items, is expected to be around 9 cents.

Discontinued operations of a negative $35 million reflect an arbitration settlement linked to claims made by MF Global regarding their closing balance sheet at the date of their IPO in July 2007.

** Includes management fee income from associates*

The above extracts from the pre-close trading update for the six months ending 30 September 2010 constitute a profit estimate for the purposes of the Prospectus Rules (the ‘‘**Profit Estimate**’’). The Man Directors have considered and reconfirm the Profit Estimate as at the date of this document. Section B of this Part 10: Profit Estimate contains an accountant’s report on the Profit Estimate.

Basis of preparation

The Profit Estimate has been prepared on a basis consistent with the accounting policies of the Man Group, which are in accordance with IFRS and those standards that the Man Group anticipates will be applicable for the half year ending 30 September 2010.

The Man Directors have prepared the Profit Estimate based on the unaudited management accounts for the five month period ended 31 August 2010 together with the Directors' estimate of results for the one month period to 30 September 2010.

Section B: Report on Profit Estimate

PRICEWATERHOUSECOOPERS

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The Directors
Man Group plc
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Lower Thames Street
London EC3R 6DU

Merrill Lynch International
2 King Edward Street
London EC1A 1HQ

8 October 2010

Dear Sirs

Man Group plc

We report on the profit estimate comprising the statement by Man Group plc (the "**Company**") and its subsidiaries (together the "**Group**") for the six months ended 30 September 2010 (the "**Profit Estimate**"). The Profit Estimate and the basis on which it is prepared is set out in Section A of Part 10 (Profit Estimate) of the prospectus issued by the Company dated 8 October 2010 (the "**Prospectus**").

This report is required by item 13.2 of Annex I to the PD Regulation and is given for the purpose of complying with that Regulation and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the "**Directors**") to prepare the Profit Estimate in accordance with the requirements of items 13.1 and 13.3 of Annex I to the PD Regulation. In preparing the Profit Estimate the Directors are responsible for correcting errors that they have identified which may have arisen in unaudited management accounts used as the basis of preparation for the Profit Estimate.

It is our responsibility to form an opinion as required by item 13.2 of Annex I to the PD Regulation as to the proper compilation of the Profit Estimate and to report that opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.5.3R(2)(f) of the Prospectus Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I to the PD Regulation, consenting to its inclusion in the Prospectus.

Basis of Preparation of the Profit Estimate

The Profit Estimate has been prepared on the basis stated in Section A of Part 10 (Profit Estimate) of the Prospectus and is based on the unaudited management accounts for the five months ended 31 August 2010 and an estimate for the month to 30 September 2010. The Profit Estimate is required to be presented on a basis consistent with the accounting policies of the Group.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included evaluating the basis on which the historical financial information for the five months to 31 August 2010 included in the Profit Estimate has been prepared and considering whether the Profit Estimate has been accurately computed using that information and whether the basis of accounting used is consistent with the accounting policies of the Group.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Profit Estimate has been properly compiled on the basis stated.

However the Profit Estimate has not been audited. The actual results reported, therefore, may be affected by revisions required to accounting estimates due to changes in circumstances, the impact of unforeseen events and the correction of errors in the management accounts. Consequently, we can express no opinion as to whether the actual results achieved will correspond to those shown in the Profit Estimate and the difference may be material.

Opinion

In our opinion, the Profit Estimate has been properly compiled on the basis stated and the basis of accounting used is consistent with the accounting policies of the Group.

Declaration

For the purposes of Prospectus Rule 5.5.3R(2)(f), we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I to the PD Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

PART 11:

ADDITIONAL INFORMATION

1. RESPONSIBILITY

Man and the Man Directors (whose names appear in the section headed "*Man Directors, Company Secretary, Registered Office and Advisers*") accept responsibility for the information contained in this Prospectus. To the best of the knowledge of Man and the Man Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

2. INFORMATION

2.1 Man was incorporated and registered in England and Wales under the Companies Act 1985 as a public company limited by shares with registered number 02921462.

2.2 The principal legislation under which Man operates is the Acts and the regulations made thereunder.

2.3 Man's registered office and principal place of business is at Sugar Quay, Lower Thames Street, London EC3R 6DU, United Kingdom (telephone number: +44 20 7144 1000).

3. SHARE CAPITAL

3.1 The issued and fully paid share capital of Man as at 31 March 2010 was as follows:

		Issued and fully paid	
	Nominal Value	*Number*	*Amount*
Ordinary shares	$3^3/_7$ US cents each	1,712,341,544	US$58,709,342.18
Deferred sterling shares	£1 each	50,000	£50,000

3.2 Based on the Announcement Date Exchange Ratio and the current issued share capital as at 7 October 2010 being the latest practicable date prior to the date of this Prospectus, the issued and fully paid share capital of Man immediately following Closing is expected to be as follows:

		Issued and fully paid	
	Nominal Value	*Number*	*Amount*
Ordinary shares	$3^3/_7$ US cents each	1,875,734,853	US$64,311,445.17
Deferred sterling shares	£1 each	50,000	£50,000

3.3 The following table shows the changes in the issued ordinary share capital of Man which have occurred between 31 March 2007 and 7 October 2010, being the latest practicable date prior to the date of this Prospectus:

		Issued share capital		
Date	*Man ordinary shares*	*Number*	*Balance of issued shares*	*Nominal Value*
At 30 September 2010			1,713,002,407	58,732,000.53
	Allotment of shares pursuant to exercise of employee options	660,863		22,658.35
At 31 March 2010			1,712,341,544	58,709,342.18
	Allotment of shares pursuant to exercise of employee options	4,445,053		152,403.09
At 31 March 2009			1,707,896,491	58,556,939.09
	Allotment of shares pursuant to exercise of employee options	5,650,788		193,742.92
	Issue of shares in relation to acquisitions	17,523,209		600,800.74
	Reduction of ordinary shares in issue pursuant to purchase and cancellation of own shares	-30,546,992		-1,047,334.17

		Issued share capital		
Date	*Man ordinary shares*	*Number*	*Balance of issued shares*	*Nominal Value*
At 31 March 2008			1,715,269,486	58,809,729.60
	Allotment of shares pursuant to exercise of employee options	490,056		
At 26 Nov 2007	Consolidation of share capital		1,714,779,430	58,792,927.54
	Allotment of shares pursuant to exchange of bonds	116,366,171		3,989,730.54
	Allotment of shares pursuant to exercise of employee options	9,188,086		315,022.72
	Reduction of ordinary shares in issue pursuant to purchase and cancellation of own shares	-45,860,019		-1,572,356.61
At 31 March 2007			1,880,067,290	

3.4 Existing Shareholder Authorities

At the annual general meeting of Man held on 8 July 2010, an ordinary resolution was passed granting the Man Directors the authority to allot relevant securities up to an aggregate nominal amount of US$19,569,781 for the period up to the date of the next annual general meeting of Man after the passing of the resolution (or, if earlier, until the close of business on 30 September 2011).

At the same annual general meeting, two special resolutions were passed empowering the Man Directors to:

(a) allot equity securities for cash, up to an aggregate nominal value of US$2,935,467 as if section 561 of the 2006 Act did not apply to the allotment for the period up to the date of the next annual general meeting of Man after the passing of the resolution or, if earlier, 30 September 2011; and

(b) to make one or more market purchases of up to 171,234,154 Man ordinary shares for the period up to the date of the next annual general meeting of Man after the passing of the resolution or, if earlier, 7 January 2012, at a minimum purchase price of $3^3/7$ US cents per ordinary share or the sterling equivalent of $3^3/_7$ US cents (calculated on the basis of the spot rate of exchange in London (as derived from Reuters) for the purchase of US dollars with sterling at 6.00 p.m. on the day before the relevant purchase) and a maximum price of the higher of (i) 105 per cent. of the average market value of an ordinary share in Man for the five Business Days prior to the day the purchase is made; and (ii) the value of an ordinary share calculated on the basis of the higher of the price quoted for the last independent trade of, and the highest current independent bid for, any number of Man's ordinary shares on the London Stock Exchange.

4. MEMORANDUM AND ARTICLES OF ASSOCIATION

4.1 The Articles of Association (and the memorandum appended thereto) are available for inspection at the address specified at paragraph 18 (*Documents for Inspection*) of this Part 11: Additional Information.

4.2 The Articles of Association adopted pursuant to a resolution passed on 8 July 2010 contain the provisions set out in paragraphs 4.4 (*Share Capital*) to 4.14 (*Failure to Disclose Interests in Shares*) below.

4.3 Objects of Man

Man's Articles of Association do not contain an objects clause, and its objects are therefore unrestricted.

4.4 Share Capital

The share capital of Man is divided into ordinary shares of $3^3/_7$ US cents each, and deferred sterling shares of £1 each (the "**Deferred Sterling Shares**"). The Deferred Sterling Shares were issued in connection with Man's re-registration as a public limited company, in order to satisfy the minimum share capital requirements under the Acts.

4.5 **Rights Attaching to Shares**

(a) Voting Rights of Man Shareholders

(i) General

Subject to any special terms as to voting for the time being attached to any class of shares and subject to disenfranchisement in the event of non-payment of any call or other sum due and payable in respect of any share or non compliance with any statutory notice requiring disclosure of the beneficial ownership of any shares, on a show of hands every Man Shareholder present in person or by proxy has one vote, and where a proxy has been appointed by more than one Man Shareholder, such proxy shall have one vote for each way directed by the Man Shareholders. On a poll, every Man Shareholder present in person or by proxy has one vote for every share of which he is a holder. In the case of joint holders of a share, only the vote of the person whose name stands first in the register of Man Shareholders (and any proxy duly authorised by him), may be counted by Man.

A Man Shareholder in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) relating to a mental disorder may vote (whether on a show of hands or on a poll) by any person authorised to do so on that Man Shareholder's behalf by such court. Such authorised person may, on a poll, vote by proxy.

(ii) Deferred Sterling Shares

Holders of a Deferred Sterling Share shall not be entitled in respect of such holding to receive notice of any general meeting nor to attend, speak or vote at any general meeting.

(b) Dividends

(i) General

Subject to the Acts and the Articles of Association, Man may by ordinary resolution declare dividends to be paid to the Man Shareholders in accordance with their respective rights and interests in the profits available for distribution, provided that no dividend may exceed the amount recommended by the Man Board.

Subject to the Acts and if the profits of Man justify such payments, the Man Board may pay the fixed dividend on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly, or other, dates prescribed for this payment, and the Man Board may also decide when to pay interim dividends on shares of any class. If the Man Board acts in good faith it shall not incur any liability to the holders of shares with preferred rights for any loss they may suffer as a consequence of the payment of an interim dividend on shares having non-preferred, or deferred, rights.

Except as otherwise provided by the rights attached to, or the terms of issue of, shares, dividends shall be apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For these purposes, no amount paid on a share in advance of a call may be treated for these purposes as paid up on the share.

Any dividend, which has remained unclaimed for twelve years from the date it was declared or became due for payment, is forfeited, and ceases to remain owing by Man. The payment of any unpaid dividend, interest or other sum payable by Man in respect of a share into a separate account shall not render Man a trustee of such sum.

No dividend or other amount payable by Man in respect of a share shall bear interest against Man. The Man Board may deduct from any dividend or other amounts payable to a person in respect of a share amounts due from him to Man (on account of a call or for any other reason in relation to the shares).

Man may, with the prior recommendation of the Man Board, by ordinary resolution, direct that payment of a dividend may be satisfied wholly or in part by the distribution of specific assets (and in particular of paid up shares or debentures of another company) and the Man Board shall give effect to such resolution.

Where any difficulty arises in regard to the distribution, the Man Board may settle it as it thinks fit, and in particular, without limitation, may (i) issue fractional certificates, (ii) fix the value for distribution of the specific assets (or any part of them), (iii) decide that a cash payment be made to a Man Shareholder based on the value that the Man Board has fixed, and (iv) vest assets in trustees on trust for the persons entitled to the dividend as seems expedient to the Man Board.

The Man Board may, by ordinary resolution, offer Man Shareholders the right to elect to receive shares instead of a cash dividend. The Man Board may suspend or terminate this right to make such an election. On an election for shares, the Man Shareholder would get shares as close as possible to, but not exceeding, the equal value of the cash amount that the Man Shareholder would otherwise have received. The Man Shareholder may not receive a fraction of a share. The dividend will not be payable on the shares which the Man Shareholder has so elected to receive, but in all other regards the shares will rank *pari passu* with the fully paid shares then in issue. However, the Man Board will only proceed with any election if they have sufficient authority to allot shares and the Company has sufficient reserves or sufficient funds that may be capitalised.

Man may pay any dividend, interest or other amount payable in respect of a share by such method as the Man Directors, in their absolute discretion, may decide without limitation, the Man Directors may decide that payment can be made wholly or partly (i) by inter-bank transfer, (ii) by cheque or warrant or, (iii) if the Man Board so decides, by means of a relevant system in respect of any uncertificated share. Payment by cheque, warrant, electronic transfer or in any other way, is made at the risk of the people entitled to the money. Man is not responsible for any payment which is lost or destroyed. In the case of joint holders of shares, Man may pay any dividend, interest or other amount to any one joint holder and such holder may give an effective receipt for the payment.

(ii) Deferred Sterling Shares

The holder of a Deferred Sterling Share shall not receive any dividends in respect of such holding.

(c) Return of Capital

(i) General

On the winding up of Man (whether the liquidation is voluntary, under supervision, or by the Court) the liquidator may, on obtaining any sanction required by the Acts, divide among the Man Shareholders in specie or kind the whole or any part of the assets of Man (whether they shall consist of property of the same kind or not) and may, for such purpose, set such values as he deems fair upon any assets to be divided, and may determine how such division shall be carried out as between the Man Shareholders or different classes of Man Shareholders. The liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Man Shareholders. The liquidation of Man may be closed and Man dissolved. The liquidator may not, however, distribute to a Man Shareholder without his consent an asset to which there is attached a liability or potential liability for the owner.

(ii) Deferred Sterling Shares

Holders of Deferred Sterling Shares do not have any right to participate in any distribution of Man's assets on a winding up or other distribution, except that after the return of the nominal amount paid up and the distribution of £100,000,000,000 to each holder of every other class of share, an amount equal to the nominal value of the Deferred Sterling Share will be distributed to each holder for each Deferred Sterling Share held by him.

4.6 **Transfer of Shares**

(a) Certificated Shares

Subject to the Articles of Association, any Man Shareholder may transfer all or any of his certificated shares by an instrument of transfer in writing in any usual form, or in such other form as the Man Board may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (in the case of a share which is not fully paid) by or on behalf of the transferee. Subject to the Listing Rules, the Man Board may refuse to register the transfer of a certificated share which is not fully paid up or on which Man has a lien provided that such refusal would not disturb the market in those shares. The Man Board may also refuse to register any transfer unless all of the following conditions are satisfied:

(i) the instrument of transfer is in respect of only one class of shares;

(ii) the instrument of transfer is in favour of a holder or not more than four joint holders;

(iii) the instrument of transfer is duly stamped (if required); and

(iv) the instrument of transfer is lodged at the transfer office, accompanied by the certificate for the shares to which it relates and such other evidence as the Man Board may reasonably require to show the right of the transferor to make the transfer.

If the Man Board refuses to register the transfer it shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged at the transfer office, send notice of the refusal to the transferee together with its reasons for refusal. Man may retain all instruments of transfer which are registered.

(b) Uncertificated Shares

(i) A Man Shareholder may transfer all or any of his uncertificated shares in accordance with the Regulations, Pursuant to the Regulations, the transferor of a share is deemed to remain the holder until the name of the transferee is entered in the register in respect of it.

(ii) In accordance with and subject to the provisions of the Regulations, the operator of the relevant system (the "**Operator**") shall register a transfer of title to any uncertificated share or any renounceable right of allotment of a share which is a participating security held in uncertificated form unless the Regulations permit the Operator of the relevant system to refuse to register such transfer in certain circumstances in which case the said Operator may refuse such registration.

(iii) In accordance with the Regulations, if the Operator of the relevant system refuses to register the transfer of an uncertificated share or of any such uncertificated renounceable right of allotment it shall, as soon as practicable and in any event within two months after the date on which the relevant system member instruction or issuer instruction was received by the Operator, send notice of the refusal to the relevant system member or participating issuer.

(iv) In accordance with and subject to the provisions of the Regulations, where title to an uncertificated share is transferred by means of a relevant system to a person who is to hold such share in certificated form thereafter, the Company as participating issuer shall register the transfer in accordance with the relevant Operator instruction, but so that the Company may refuse to register such a transfer in any circumstance permitted by the Regulations.

(v) In accordance with the Regulations, if the Company as participating issuer refuses to register the transfer of title to an uncertificated share transferred by means of a relevant system to a person who is to hold such share in certificated form thereafter, it shall, as soon as practicable and in any event within two months after the date on which the Operator instruction was received by the Company, send notice of the refusal to the transferee.

4.7 **Variation of Rights**

(a) General

Subject to the Acts, the rights attached to any class of shares may be varied or abrogated either (i) with the consent in writing of the holders of at least three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or (ii) with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class validly held in accordance with the Articles of Association.

The rights attached to a class of shares are not, unless otherwise expressly provided for in the rights attaching to those shares, deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

(b) Deferred Sterling Shares

In addition to the provisions set out at 4.7(a), any issue or allotment of further shares or reduction in the share capital shall be deemed not to vary the rights attaching to Deferred Sterling Shares.

4.8 **Man's Lien on Partly Paid Shares**

Man has a first and paramount lien on all partly paid shares for any amount payable in respect of such shares, whether the due date for payment has arrived or not. Such lien shall apply to all dividends declared or other moneys payable in respect of such shares. The Man Board may generally or in any particular case waive any lien or declare a share to be wholly or partly exempt from the lien. The Man Board may enforce a lien by selling the shares after the giving of written notice to the defaulting shareholder in accordance with the Articles of Association.

4.9 **Forfeiture**

Man may serve notice on the Man Shareholders in respect of any amounts unpaid on their shares. The Man Shareholder shall be given not less than seven days notice to pay the unpaid amount, together with any interest and all expenses incurred by Man by reason of the non-payment. In the event of non-compliance, a share in respect of which the notice is given may be forfeited by resolution of the Man Board. Such forfeiture shall include all dividends declared but not yet paid in respect of the forfeited shares. Notwithstanding the forfeiture, amounts owing in respect of forfeited shares (together with all interest and expenses) at the time of forfeiture will continue to be payable, together with interest thereon, by the person ceasing to be a Man Shareholder.

Failure to give notice to the relevant holder of the share will not invalidate the forfeiture. Forfeited shares shall be deemed to be the property of Man until they are cancelled in accordance with the Acts.

4.10 **Redeemable Shares**

Subject to the Acts and to any rights attached to existing shares, any shares may be issued on terms that they are to be redeemed or, at the option of Man or the holder, are liable to be redeemed.

4.11 **General Meetings**

An annual general meeting shall be called by not less than 21 clear days' written notice. Subject to the Acts, all other general meetings of Man may be called by not less than 14 clear days' written notice.

The notice of meeting shall be given to Man Shareholders entitled to receive notice from Man and to Man's auditors. However, an accidental omission to give notice of a general meeting or the non-receipt of such notice by any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

The notice of the meeting shall include details of any arrangements made for the meeting to be held in multiple locations, in accordance with the articles.

All Man Shareholders present in person, and their duly appointed proxy or proxies shall be entitled to attend and to speak at all general meetings of Man and, such proxy or proxies are entitled to vote instead of such Man Shareholder both on a show of hands and on a poll. A proxy need not also be a Man Shareholder. A Man Shareholder may appoint more than one proxy in relation to a meeting provided each proxy is appointed to exercise the rights attached to different shares held by that Man Shareholder.

Holders of Deferred Sterling Shares are not entitled to receive notice or attend any general meeting.

4.12 Notices and Communications

(a) Except where the Articles of Association expressly require otherwise, any notice, document or information to be sent or supplied by Man may be sent or supplied in accordance with the 2006 Act in hard copy form, in electronic form or by means of a website.

(b) In the case of joint holders of a share, a notice, document or information shall be validly sent or supplied to all joint holders if sent or supplied to one of the joint holders.

(c) Any such notice, document or information sent by first class post and addressed to a Man Shareholder at his registered address or address for service in the United Kingdom is deemed to be given to or received by the intended recipient on the day after it was put in the post. In proving such service, it shall be sufficient to prove that the envelope containing the notice, document or information was properly addressed, pre-paid and posted.

(d) A notice, document or information sent or supplied by electronic means to an address specified for the purpose by the Man Shareholder is deemed to have been given to or received by the intended recipient twenty-four hours after it was sent, and in proving service it is sufficient to prove that the communication was properly addressed and sent.

(e) A notice, document or information sent or supplied by means of a website is deemed to have been given to or received by the intended recipient when (i) the material was first made available on the website or (ii) if later, when the recipient received (or is deemed to have received) notification of the fact that the material was available on the website.

(f) A notice, document or information served or delivered by Man by any other means authorised in writing by the Man Shareholder concerned is deemed to be served when Man has taken the action it has been authorised to take for that purpose.

(g) A Man Shareholder present at a meeting of the holders of a class of shares is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called.

4.13 Man Directors

(a) Number of Man Directors

Unless otherwise determined by ordinary resolution of Man, there shall be no fewer than three and no more than eighteen Man Directors. If there is a vacancy in the number of Man Directors, the continuing Man Directors may act notwithstanding such vacancy, provided that if the number of Man Directors is less than the prescribed minimum, the remaining Man Director or Man Directors (or Man in general meeting by passing an ordinary resolution) shall forthwith appoint the number of additional Man Director(s) necessary to achieve the prescribed minimum. Subject to the Articles of Association, any such additional Man Director so appointed by the Man Directors shall hold office only until the dissolution of the next annual general meeting following the appointment, unless he is re-elected during such annual general meeting, in which case he will not be considered in determining the rotation of retirement of Man Directors at such meeting.

(b) Appointment

There is no age limit for Man Directors. A Man Director need not be a Man Shareholder (although Man Directors are encouraged to hold shares in Man in line with the policies of the Remuneration Committee). Man Directors may be appointed by Man by ordinary resolution or by the Man Board. However, as set out above, any Man Director so appointed by the Man Board shall hold office only until the next annual general meeting.

(c) Remuneration

Unless otherwise decided by ordinary resolution, Man shall pay to the Man Directors (but not to alternate directors) by way of fees for their services such aggregate sum as the Man Board decides (and, in the case of Man Directors that are not executive directors, such sum shall not exceed £1,500,000 per annum, or such larger amount as Man may by ordinary resolution decide).

A Man Director shall also be entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by him in the performance of his duties as director, including the expenses of attending the meetings of the Man Board or general meetings.

Subject to the Acts, the Man Directors shall have the power to make arrangements to provide a Man Director with funds to meet expenditure incurred or to be incurred by him for the purposes of Man or for the purpose of enabling him properly to perform his duties or to enable him to avoid incurring such expenditure.

A Man Director who, at the request of the Man Board, goes or resides abroad for any purposes of Man or who performs services which, in the opinion of the Man Board, go beyond the ordinary duties of a director, may be paid such reasonable additional remuneration and expenses as the Man Board may decide.

(d) Indemnity

To the extent permitted by the Acts, every person who is or was a Man Director or other officer of Man shall be kept indemnified out of the assets of Man against all liabilities incurred by him (whether in connection with any negligence, default, breach of duty or breach of trust or otherwise) in relation to Man or its affairs, other than (broadly) any liability to Man or a member of the Group, any criminal or regulatory fine or the costs of defending any criminal proceedings in which such person is convicted.

(e) Removal by ordinary resolution

Man may by ordinary resolution of which special notice has been given in accordance with the Acts, remove any Man Director before the expiration of his term of office, and may also by ordinary resolution appoint a replacement Man Director, who will hold office only for so long as the removed Man Director would have if he had not been removed.

(f) Retirement by Rotation

At each annual general meeting one third of the Man Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not exceeding one third, shall retire from officee. Notwithstanding the above, each Man Director shall retire from office no later than the third annual general meeting following that of their appointment or reappointment.

A Man Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

Subject to the Acts and the Articles of Association, the Man Directors to retire by rotation at an annual general meeting include, (i) a Man Director who wishes to retire and not offer himself for reappointment, and (ii) those Man Directors who have been longest in office since their last appointment or reappointment. As between two or more Man Directors who have been in office an equal length of time, the Man Director to retire (unless agreed between them) shall be determined by lot. A Man Director retiring at a meeting shall retain office until the dissolution of such meeting. A retiring Man Director shall be eligible for re-election.

(g) Directors' Interests

The Man Board may authorise any matter proposed to it which would, if not so authorised, involve a breach of duty by a Man Director under section 175 of the 2006 Act. Only Man Directors who have no interest in the matter under consideration will count in the quorum at the meeting at which the matter is considered and will be entitled to vote. The Man Board may give any authorisation upon such terms as it thinks fit and may vary or terminate any such authorisation at any time.

A Man Director shall be under no duty to Man with respect to any information which he obtains or has obtained otherwise than as a Director of Man and in respect of which he owes a duty of confidentiality to another person.

A Man Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with Man shall declare the nature and extent of his interest to the other Man Directors before Man enters into the transaction or arrangement. Such declaration may (but need not) be made at a meeting of the Man Directors or by general notice.

A Man Director who is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by Man shall declare the nature and extent of his interest to the other Man Directors as soon as is reasonably practicable (unless the interest has already been declared as above). Such declaration must be made at a meeting of the Man Directors or by general notice.

(h) General Voting and Quorum Requirements

Unless otherwise provided by the Articles of Association, a Man Director shall not vote on or be counted in any quorum in relation to a resolution of the Man Board in respect of any transaction in which he is materially interested. Notwithstanding the above but subject to the Acts, this prohibition does not apply to a resolution concerning, *inter alia*, any of the following matters:

(i) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by such Man Director or for the benefit of Man or any of its subsidiary undertakings;

(ii) the giving of a guarantee, security or indemnity in respect of a debt or obligation of Man or any of its subsidiary undertakings for which such Man Director has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;

(iii) a transaction or arrangement concerning an offer of shares, debentures or other securities of Man or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub underwriting of which he is to participate;

(iv) a transaction in which the Man Director is interested by virtue of his interest in shares or debentures or other securities of Man, or due to any other interest in or through Man;

(v) a transaction or arrangement concerning any other company, other than companies in which the Man Director or any person connected with him holds an interest in shares representing one per cent., in which he is interested (directly or indirectly) whether as an officer, shareholder, creditor or otherwise;

(vi) a transaction or arrangement for the benefit of the employees of Man or any of its subsidiary undertakings (including any pension fund or retirement, death or disability scheme) which does not award that Man Director a privilege or benefit not generally awarded to the employees to whom it relates; or

(vii) a transaction or arrangement concerning the purchase or maintenance of any insurance policy for the benefit of Man Directors or for the benefit of persons including Man Directors.

A Man Director shall not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any office or place of profit with Man (or any company in which Man is directly or indirectly interested), including fixing or varying the terms of his appointment or the termination thereof.

Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Man Directors to offices or places of profit with Man (or any body corporate in which Man is directly or indirectly interested), such proposals may be divided and considered in relation to each Man Director separately, in which case each of the Man Directors concerned (if not otherwise debarred from voting under the Articles of Association) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

Subject to the Articles of Association, the Man Board may exercise or cause to be exercised the voting powers conferred by shares in the capital of another company held or owned by Man, or a power of appointment to be exercised by Man, in any manner it thinks fit (including in order to vote in favour of any resolution appointing themselves as directors or officers or employees of such company or providing for the payment of remuneration to the directors or officers of such other company).

(i) Executive Directors

Subject to the Acts, the Man Board may appoint one or more of the Man Directors to hold an executive office within Man for such term and on such other terms and conditions as the Man Board thinks fit.

The Man Board may revoke or terminate an appointment, without prejudice to a claim for damages for breach of the service contract between the Man Director and Man or otherwise.

The salary or remuneration of any executive Man Director may be decided by the Man Board, and may be in addition to or instead of a fee payable to him for his services as Man Director.

4.14 **Failure to Disclose Interests in Shares**

(a) If any Man Shareholder or other person appearing to be interested in shares of Man has been duly served with a notice under section 793 of the 2006 Act and is in default for the prescribed period from the date of service of the notice in supplying to Man the information thereby required, then the Man Board may impose restrictions upon the relevant shares.

(b) The restrictions available are the suspension of voting or other rights conferred by membership in relation to meetings of Man in respect of the relevant shares and, additionally, in the case of shares representing at least 0.25 per cent. of their class of shares (excluding any shares of their class held as treasury shares), the withholding of payment on dividends on, and in certain cases the restriction of transfers of, the relevant shares.

(c) The restrictions shall cease to apply after the earlier of, receipt by Man of notice of an excepted transfer (but only in relation to the shares transferred) and, receipt by Man (in a form satisfactory to the Man Board) of all the information required by the section 793 notice.

5. OTHER DIRECTORSHIPS

5.1 In addition to their directorships of Man (in the case of the Man Directors), the Man Directors and the Man Senior Managers hold or have held the following directorships (except, in the case of the Man Directors, directorships of subsidiaries of Man), and are or were members of the following partnerships, within the past five years.

Directors

Name	*Current directorship/ Partnership*	*Previous directorship/ Partnership*
Jon Aisbitt..............................	New Philanthropy Capital New Forests Company Holdings Limited New Forests Company Mozambique UK Limited New Forests Company Tanzania UK Limited New Forests Company Uganda UK Limited Celtic Pharma GP Ltd Celtic Pharma Management Limited	The Aisbitt Foundation Ocean Rig ASA Redburn Partners Holding Company Limited
Alison Carnwath	ISIS EP LLP Land Securities Group Plc MF Global Holdings Europe Limited C for C Limited Paccar Inc. Barclays Bank PLC Barclays PLC	Glas Cymru Cyfyngedig ISIS Equity Partners Plc Dwr Cymru Cyfyngedig Friends Provident public limited company Gallaher Group PLC Tresises (Printers) Limited MF Global Holdings Ltd.
Peter Clarke............................	Hedge Fund Standards Board Limited	The Locked-In Syndrome Foundation
Phillip Colebatch....................	IAG RE Australia Limited	IAG UK Holdings Limited

Name	*Current directorship/ Partnership*	*Previous directorship/ Partnership*
	Insurance Australia Group Limited Lend Lease Corporation Ltd Lend Lease Responsible Entity Limited Swann Insurance (Aust) Pty Ltd Prince Of Leichtenstein Foundation LGT Group Foundation Antipodean Lands Limited Te Hau Station Limited Moanui Farm Limited	IAG International Pty Limited Swiss RE Life & Health Australia Limited Fox-Pitt, Kelton Group Limited Fox-Pitt, Kelton Limited Swiss Re Capital Markets Limited Swiss Re GB Plc
Dugald Eadie	No such position currently held.	Martin Currie Income & Growth Trust Plc F & C Event Driven Ltd
Kevin Hayes	No such position currently held.	Southern Pacific Mortgages Limited
Ruud Hendriks........................	Supervisory Board of Financial Assets Taler Group International Board of Advisors of Polaris	Goldman Sachs Asset Management Executive Board of Syntrus Achmea
Frédéric Jolly...........................	Lexam Partners LLP	Pantheon Holdings Limited Russell Investments Limited Russell Systems Limited
Patrick O'Sullivan	Governor And Company Of The Bank Of Ireland Cofra Holding AG Old Mutual Plc	Collins Stewart Plc Allied Zurich Limited Zurich Financial Services (UKISA) Limited

Man Senior Managers

Name	*Current directorship/Partnership*	*Previous directorship/Partnership*
Robert Aitken	None	None
Tony Gurney...........................	None	None
Herbert Item...........................	HERIT AG	None
Christoph Möller.....................	None	None
Michael Robinson	London Human Resource Group Limited Cambria Mews Limited	None
Stephen Ross...........................	None	None
John Rowsell...........................	None	None
Tim Wong	None	None
Mike Wright............................	None	None

5.2 Within the period of five years preceding the date of this Prospectus none of the Man Directors or Man Senior Managers:

(a) has any convictions in relation to fraudulent offences;

(b) has been a director or senior manager (who is relevant to establishing that a company has the appropriate expertise and experience for the management of that company) of any company at the time of any bankruptcy, receivership or liquidation of such company; or

(c) has received any official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

5.3 None of the Man Directors or Man Senior Managers has any potential conflicts of interests between their duties to Man and their private interests or other duties.

6. DIRECTORS' AND OTHER INTERESTS

6.1 The table below sets out the interests of the Man Directors and persons connected with them within the meaning of section 252 of the 2006 Act in the issued share capital of Man (all of which are beneficial unless otherwise stated) at the close of business on 7 October 2010 (being the latest practicable date prior to the date of this Prospectus) and, based on the Announcement Date Exchange Ratio, immediately following Closing[1].

Man Directors

	Number of Man Shares as at 7 October 2010	*% of voting rights in respect of issued ordinary share capital as at 7 October 2010*	*Number of Man Shares following Closing*	*% of voting rights in respect of issued ordinary share capital following Closing*
Jon Aisbitt	1,631,250	0.0952	1,631,250	0.0870
Alison Carnwath	234,357	0.0137	234,357	0.0125
Peter Clarke[a]	4,958,281	0.2894	4,958,281	0.2643
Phillip Colebatch	10,000	0.0006	10,000	0.0005
Dugald Eadie	360,000	0.0210	360,000	0.0192
Kevin Hayes[a]	790,736	0.0462	790,736	0.0422
Ruud Hendriks	101,246	0.0059	101,246	0.0054
Frédéric Jolly	9,705	0.0006	9,705	0.0005
Patrick O'Sullivan	86,353	0.0050	86,353	0.0046

Notes:

(a) Peter Clarke and Kevin Hayes also hold the following leveraged equity linked warrants relating to Man Shares. **Peter Clarke**: Number of Man Shares to which the warrants relate: 1,128,722. Number of warrants purchased: 1,128,722. Price per warrant: 57.59 pence. **Kevin Hayes:** Number of Man Shares to which the warrants relate: 260,474. Number of warrants purchased: 260,474. Price per warrant: 57.59 pence. Each warrant purchased will entitle the holder to the payment, at the end of three years, of an amount representing a proportion of the difference between the strike price of the warrant and the average price of a Man Share over the three year period from 29 September 2008, being the date of issue.

The table below sets out the interests of the Man Senior Managers in the issued share capital of Man at the close of business on 7 October 2010 (being the latest practicable date prior to the date of this Prospectus) and, based on the Announcement Date Exchange Ratio, immediately following Closing[1].

Man Senior Managers

	Number of Man Shares as at 7 October 2010	*% of voting rights in respect of issued ordinary share capital as at 7 October 2010*	*Number of Man Shares following Closing*	*% of voting rights in respect of issued ordinary share capital following Closing*
Robert Aitken	162,887	0.0095	162,887	0.0087
Tony Gurney	94,282	0.0055	94,282	0.0050
Herbert Item	387,642	0.0226	387,642	0.0207
Christoph Möller	6,229,477	0.3637	6,229,477	0.3321
Michael Robinson	227,394	0.0133	227,394	0.0121
Stephen Ross	0	0	0	0
John Rowsell	441,534	0.0258	441,534	0.0235
Tim Wong	5,308,322	0.3099	5,308,322	0.2830
Mike Wright	104,100	0.0061	104,100	0.0055

6.2 The tables below set out the outstanding options and stock awards that have been granted to Man Directors under the Man Share Schemes at the close of business on 7 October 2010 (being the latest practicable date prior to the date of this Prospectus):

Man Directors

Shares under option under the Man Group Executive Share Option Scheme 2001 – subject to performance conditions

	Number of Outstanding Options[a]				
Executive directors	*Date of grant*	*No. of shares*	*Option price*	*Earliest exercise date*	*Latest exercise date*
Peter Clarke	June 2006	93,789	399.83p	June 2009	June 2016
	June 2008	157,306	604.50p	June 2011	June 2018
	July 2009	478,941	239.25p	July 2012	July 2019
	June 2010	484,179	258.30p	June 2013	June 2020
Kevin Hayes	June 2008	106,288	604.50p	June 2011	June 2018
	July 2009	323,609	239.25p	July 2012	July 2019
	June 2010	327,148	258.30p	June 2013	June 2020

Notes:

(a) For all grants from June 2006 to June 2008, 50 per cent. of each option will vest if Man's underlying earnings per share growth in the single three year performance period matches or exceeds the growth in RPI plus 5 per cent. per annum, with the entire option vesting at RPI plus 10 per cent. per annum. For grants made from June 2009, vesting is subject to achieving cumulative three-year net management fee income growth (NMFIG) and average three-year adjusted return on equity (AROE). There is no vesting if there is negative AROE. Vesting commences at 8 per cent. where there is positive AROE and NMFIG is 10 per cent. or above. Vesting increases incrementally with full vesting achieved where (a) NMFIG is at least 30 per cent. and AROE is at least 10 per cent.; or (b) NMFIG is at least 20 per cent and AROE is at least 30 per cent. with incremental vesting between these thresholds.

Share awards and matching awards under the Performance Share Plan

	Performance Share Plan – Share Awards[a] Number of Outstanding Awards		
Executive directors	*Date of award*	*No. of shares*	*Transfer date*
Peter Clarke	June 2007	19,907	June 2011
	June 2008	77,335	June 2012
	July 2009	225,824	July 2013
	June 2010	251,212	June 2014
Kevin Hayes	June 2008	52,253	June 2012
	July 2009	152,584	July 2013
	June 2010	169,738	June 2014

	Performance Share Plan – Matching Awards[a] Number of Outstanding Awards		
Executive directors	*Date of award*	*No. of shares*	*Transfer date*
Peter Clarke	June 2007	210,786	June 2011
	June 2008	1,128,674	June 2012
	July 2009	1,464,802	June 2013
	June 2010	271,581	June 2014
Kevin Hayes	June 2008	327,110	July 2012
	July 2009	732,401	June 2013
	June 2010	230,843	June 2014

	Performance Share Plan – Bonus Deferral Awards Number of Outstanding Awards		
Executive directors	*Date of award*	*No. of shares*	*Transfer date*
Peter Clarke	June 2010	280,967	June 2013

Notes:

(a) For grants prior to 2009, no award will be transferred unless the Man Group maintains an average annual return on equity of at least 20 per cent. across the performance period; awards will be transferred at levels above this on a linear sliding scale; full benefits of an award can only be transferred when annual return on equity has averaged 30 per cent. or more over the performance period. For grants made from June 2009, vesting is subject to achieving cumulative three-year net management fee income growth (NMFIG) and average three-year adjusted return on equity (AROE). There is no vesting if there is negative AROE. Vesting commences at 8 per cent. where there is positive AROE and NMFIG is 10 per cent. or above. Vesting increases incrementally with full vesting achieved where (a) NMFIG is at least 30 per cent. and AROE is at least 10 per cent.; or (b) NMFIG is at least 20 per cent. and AROE is at least 30 per cent. with incremental vesting between these thresholds. Entitlements are subject to an additional one-year restriction on transfer to participants dependent upon continued employment with the Man Group.

Man Group 2010 Deferred Bonus Share and Option Plan

Executive Directors	*Date of Grant*	*No. of shares*	*Option price*	*Earliest exercise date*	*Latest exercise date*
Peter Clarke.........	June 2010	2,997,442	280.1799p	June 2013	June 2020
Kevin Hayes	June 2010	749,360	280.1799p	June 2013	June 2020

Matching share awards under the Man Group's Co-Investment Plan

	No. of shares
Kevin Hayes[(a)]	468,916

Notes:

(a) Kevin Hayes was granted matching awards under this scheme prior to his appointment as a director.

Shares under option under the Man Group's Sharesave Scheme

	Date of grant	*No. of shares*	*Option price*	*Earliest exercise date*	*Latest exercise date*
Peter Clarke..................	June 2009	4,653	195p	August 2012	January 2013
Kevin Hayes.................	June 2010	8,174	189p	August 2015	January 2016

Man Senior Managers

As at 7 October (being the latest practicable date prior to the date of this Prospectus) the number of Man Shares outstanding pursuant to employee share plans (including options) in respect of the Man Senior Managers was 15,753,496.

6.3 As at 7 October 2010 (being the latest practicable date prior to the date of this Prospectus), by virtue of notifications made to Man pursuant to the Disclosure and Transparency Rules, the following persons hold directly or indirectly 3 per cent. or more of Man's voting rights (calculated exclusive of voting rights attached to treasury shares):

	Number of voting rights	*% of voting rights in respect of issued ordinary share capital*
BlackRock, Inc. (via its funds)..	205,961,834	12.02%
AXA (via its funds)..	71,094,807	4.15%
Legal & General (via its funds)..	63,454,675	3.70%

As at 7 October 2010 (being the latest practicable date prior to the date of this Prospectus), based on the Announcement Date Exchange Ratio, it is expected that immediately following Closing, the following persons will hold directly or indirectly 3 per cent. or more of Man's voting rights (calculated exclusive of voting rights attached to treasury shares):

	Number of voting rights	*% of voting rights in respect of issued ordinary share capital*
Noam Gottesman (held individually and through the Gottesman GLG Trust)	63,947,261	3.41%
Pierre Lagrange (held individually and through Point Pleasant Ventures Ltd.)	63,947,261	3.41%

6.4 Except as set out in paragraph 6 (*Directors' and Other Interests*) of this Part 11: Additional Information, Man is not aware of any person who holds, or who will immediately following Closing hold, as shareholder, directly or indirectly, 3 per cent. or more of Man's voting rights.

6.5 None of the Man Shareholders referred to in sub-paragraph 6.3 of this paragraph 6 (*Directors' and Other Interests*) has different voting rights from any other holder of Man Shares in respect of any Man Shares held by them.

6.6 Except as set out in paragraph 6 (*Directors' and Other Interests*) of this Part 11: Additional Information, Man is not aware of any person who immediately following Closing directly or indirectly, jointly or severally, will own or could exercise control over Man.

7. DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

7.1 Executive Directors' Service Contracts

	Effective date	*Annual salary (US$)*	*Notice period*
Peter Clarke.............	1 April 1997	925,000	Not more than 12 months' notice
Kevin Hayes............	31 May 2007	625,000	Not more than 12 months' notice

The executive directors of Man, being Peter Clarke and Kevin Hayes, each have service contracts which do not have a fixed term but which provide for termination on the expiry of not more than 12 months' written notice by either party or at the end of the month during which, in the case of Peter Clarke, he has attained the age of 60 and, in the case of Kevin Hayes, he has attained the age of 65. The service contracts contain no contractual entitlement to any fixed amount of bonus or right of participation in any of the Man Group's share based incentive schemes, participation in which is at the Remuneration Committee's discretion. To protect Man's business interests, executive directors' service contracts contain covenants which restrict the executives' ability to solicit or deal with clients and also restrict their ability to solicit senior employees, to the extent permitted under the law of the relevant jurisdiction. Under their service contracts, external appointments require the consent of the Man Board.

The executive directors' service contracts do not include any fixed provision for termination compensation except base salary and benefits for the notice period. The treatment of share awards on termination is covered under the relevant shareholder approved plan rules.

7.2 Non-Executive Directors' Letters of Appointment

The non-executive directors of Man, being Jon Aisbitt, Alison Carnwath, Phillip Colebatch, Dugald Eadie, Ruud Hendriks, Frédéric Jolly and Patrick O'Sullivan, have letters of appointment which do not contain any notice provisions or provision for compensation in the event of early termination. The Chairman, Jon Aisbitt, has a contract with Man which provides that his appointment as Chairman is terminable on three months' notice; there are no notice provisions relating to his appointment as a director.

The non-executive directors receive a base fee for service on the Man Board and Nomination Committee of £65,000 per annum and additional fees for chairmanship and membership of other committees of the Man Board and other additional responsibilities. The Chairman's remuneration, which was £450,000 per annum as at 31 March 2010, is recommended by the Remuneration Committee and approved by the Man Board and includes remuneration in respect of his chairmanship of the Man Board and the Nomination Committee. The non-executive directors do not participate in any share option or share incentive schemes.

As at 31 March 2010, the non-executive directors' terms of appointment and annual fee levels were as follows:

				Audit and Risk Committee		Remuneration Committee			
	Date of Appointment to the Man Board	*Start of current term of office*	*Base Fee £'000*	*Chair £'000*	*Member £'000*	*Chair £'000*	*Member £'000*	*Senior Independent Director £'000*	*Total Board Fees £'000*
Jon Aisbitt	20 August 2003	10 July 2009	450						450
Alison Carnwath	24 January 2001	10 July 2007	65		15		10	10	100
Phillip Colebatch	1 September 2007	9 July 2008	65			15	10		90
Dugald Eadie	29 January 2002	9 July 2008	65		15				80
Ruud Hendriks	1 August 2009	1 August 2009	65				10		75
Frédéric Jolly	1 August 2009	1 August 2009	65		15				80
Patrick O'Sullivan	1 September 2007	9 July 2008	65	15	15				95

8. SHARE OPTION SCHEMES

The principal features of the Man Share Schemes are described in sub-paragraphs (a) to (k) of this paragraph 8 (*Share Option Schemes*) below. The principal Man Share Schemes are summarised in sub-paragraphs (a) to (g) of this paragraph 8 (*Share Option Schemes*) below. The remaining Man Share Schemes summarised in sub-paragraphs (h) to (k) of this paragraph 8 (*Share Option Schemes*) are schemes under which Man has not made awards since 2008 and under which it does not currently anticipate making further awards in the future although there are subsisting awards under those plans. Sub-paragraph (l) of this paragraph 8 contains information on dividends applicable in relation to certain options granted under Man Share (*Share Option Schemes*) Schemes.

8.1 Principal Man Share Schemes

(a) The Man Group Executive Share Option Scheme 2001 (the "**ESOS**")

(i) General

The operation of the ESOS is supervised by the Remuneration Committee.

There are two parts to the ESOS. The "approved" part of the ESOS has been approved by HMRC under which "approved" options over Man Shares may be granted. The other part of the ESOS (the "unapproved part") is not approved by HMRC and permits the grant of options over Man Shares in excess of the £30,000 limit on approved options granted under the ESOS. Both parts are broadly the same unless indicated to the contrary in this summary. The ESOS also enables tax favoured qualifying stock options to be granted to US employees and tax favoured options to be granted to French employees.

(ii) Eligibility

Selected employees and executive directors of Man and its subsidiaries are eligible to participate in the ESOS at the discretion of the Remuneration Committee. Participants in the ESOS must be required to devote the whole, or substantially the whole, of their working time to Man's business.

(iii) Grant of options

Options may be granted in the six week period following the announcement by Man of its results for any period and at other times in circumstances considered by the Remuneration Committee to be exceptional.

No options may be granted later than ten years after the approval of the ESOS by shareholders.

No payment is required for the grant of an option, which is personal to the participant and may not be transferred except on death. Benefits under the ESOS are not pensionable.

(iv) Exercise price

The price per share payable upon the exercise of an option is not less than the higher of:

- the middle market quotation of a Man Share on LSE on the dealing day preceding the day on which the option is granted or such other dealing day or days within the 30 days before the grant date which, in the case of approved options, is agreed with HMRC (but not prior to the announcement of results in any case); and
- for options over new issue shares, the nominal value of a share.

(v) Limits on the issue of shares under the ESOS

No more than 5 per cent. of Man's issued ordinary share capital from time to time may be subscribed on the exercise of options or awards granted over a ten year period under the ESOS and any other executive share scheme of Man.

In addition, no more than 10 per cent. of Man's issued ordinary share capital from time to time may be subscribed on the exercise of options or awards granted over a ten year period under the ESOS and any other employee share scheme of Man.

(vi) Limits on grants of options to individuals in any year

The aggregate value of the Man Shares over which options may be granted to an individual participant under the ESOS in any calendar year shall not normally exceed two times basic salary. This limit may be exceeded in respect of option grants at the time of recruitment, or in other exceptional circumstances.

(vii) Exercise and lapse of options

An option is only normally exercisable between three and ten years following its grant and normally only provided that any applicable performance condition has been satisfied.

Performance for options granted on or after 1 June 2009 is measured by reference to adjusted return on equity and cumulative three-year net management fee growth. Details of the performance criteria are set out in Man's annual report to shareholders for its financial year ending 31 March 2010.

Options normally lapse on cessation of employment. Exercise may, however, be permitted for a limited period (irrespective of the period for which the option has been held) following death, cessation of employment by reason of ill-health, injury, disability, redundancy, retirement or where the participant's employer or the business in which he is employed ceases to be within the Man Group or in other circumstances at the discretion of the Remuneration Committee. Unless the Remuneration Committee decides otherwise, the performance condition will continue to apply in these circumstances and will normally be measured over the relevant performance period up to the end of the financial year of Man ending immediately before the participant's cessation of employment.

In the event of an amalgamation, takeover, reconstruction or winding-up of Man, options will become exercisable early (within specified periods), but the performance conditions will continue to apply in these circumstances unless the Remuneration Committee decides otherwise.

The Remuneration Committee has a discretion under the unapproved part of the ESOS to pay a sum equal to the gain on the option when it is exercised, rather than transferring shares to the option holder, for example where the acquisition of shares is impracticable due to local securities law or exchange controls.

(viii) Rights attaching to Man Shares

Man Shares allotted under the ESOS will rank equally with all other shares of the same class for the time being in issue (except for rights arising by reference to a record date prior to their allotment).

(ix) Adjustment of options

In the event of any increase or variation of share capital, or (in the case of unapproved options) the payment of a capital dividend or demerger or like event affecting Man, appropriate adjustments may be made to the total number of shares subject to options and the price payable on the exercise of options. Any such adjustment will require prior approval by HMRC to the extent that it relates to approved options.

(x) Exchange of options

In the event of a takeover of Man, an option holder may, in certain circumstances, exchange any option which has not lapsed for a new option relating to shares in a different company (whether the acquiring company or some other company permitted by the rules).

(xi) Alterations to the ESOS

The ESOS may at any time be altered by the Remuneration Committee in any respect, provided that the prior approval of shareholders in general meeting must be obtained for alterations or additions to the advantage of participants to the rules governing eligibility, limits on participation, terms of exercise and adjustment of options, and the amendment of the ESOS, except for minor amendments to benefit the administration of the ESOS, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or any member of the Man Group.

(b) The Man Group Sharesave Scheme (the "**Sharesave Scheme**")

(i) Eligibility

The Sharesave Scheme is approved by HMRC. All directors (who work at least 25 hours per week excluding meal breaks) and employees of Man and its subsidiaries who are UK tax resident are eligible to participate subject to any qualifying period of employment with Man or a subsidiary of Man that may be set by the Man Board. The Man Board can specify any qualifying period up to five years and can allow directors and employees to participate if they do not satisfy these various requirements.

(ii) Issue of invitations

Directors and employees eligible to participate in the Sharesave Scheme are invited to apply for the grant of options to acquire Man Shares. Invitations can only be made during defined grant periods set out in the rules of the Sharesave Scheme. These are, broadly, six weeks following the announcement by Man of its results for any period and any change in the legislation affecting sharesave schemes and at other times in circumstances considered by the Remuneration Committee to be exceptional.

Eligible employees wishing to participate in the Sharesave Scheme must agree to enter into a savings contract under which they save a fixed amount each month for a three or five year period. This must currently be between £5 and £250 (or such lower maximum amount as the Man Board may specify). A tax-free bonus is payable at the rate set by HMRC on maturity of the savings contract.

(iii) Grant of options

Applications to participate in the Sharesave Scheme must be received within a specified period. If applications are received for more Man Shares than are available at the time, applications will be scaled down. The Man Board may determine that applications to save more than a specified amount per month are scaled down first.

Generally, options must be granted to employees within 30 days of the day by reference to which the option price is determined. No payment is required for the grant of an option. Options must generally be granted at an option price not less than 80 per cent. of the middle market quotation of Man Shares on the dealing day immediately before invitations are sent out to eligible employees (or average quotation over the three dealing days preceding the issue of invitations, if the Man Board determines).

No option may be granted later than ten years after the approval of the Sharesave Scheme by Man Shareholders.

No payment is required for the grant of an option, which is personal to the participant and may not be transferred except on death. Benefits under the Sharesave Scheme are not pensionable.

(iv) Limits on the issue of shares under the Sharesave Scheme

No more than 10 per cent. of Man's issued ordinary share capital from time to time may be subscribed on the exercise of options or awards granted over a ten year period under the Sharesave Scheme and any other employee share scheme adopted by Man.

(v) Exercise and lapse of options

Generally, options can only be exercised within the period of six months following completion of the savings contract. Options can only be exercised by applying the proceeds of the savings contract (together with any tax-free bonus).

Options normally lapse on cessation of employment. Exercise, however, is permitted for a limited period following death, cessation of employment by reason of ill-health, injury, disability, redundancy, retirement at age 60 or where the participant's employer or the business in which he is employed ceases to be with any member of Man or any associated company of Man or where the option holder ceases employment with Man or any associated company of Man more than three years after the grant of an option by reason of pregnancy or early retirement.

In the event of an amalgamation, takeover, reconstruction or winding-up of Man or on the option holder reaching age 60 but not leaving employment, options will become exercisable (within specified periods).

(vi) Rights attaching to Man Shares

Shares allotted under the Sharesave Scheme will rank equally with all other shares of the same class for the time being in issue (except for rights arising by reference to a record date prior to their allotment).

(vii) Adjustment of options

In the event of any increase or variation of share capital, appropriate adjustments may be made to the total number of shares subject to options and the price payable on the exercise of options. Any such adjustment will require prior approval by HMRC to the extent that it relates to approved options.

(viii) Exchange of options

In the event of a takeover of Man, an option holder may, in certain circumstances, exchange any option which has not lapsed for a new option relating to shares in a different company (whether the acquiring company or some other company permitted by the rules).

(ix) Alterations to the Sharesave Scheme

The Sharesave Scheme may at any time be altered by the Man Board in any respect, provided that the prior approval of shareholders in general meeting must be obtained for alterations or additions to the advantage of participants to the rules governing eligibility, limits on participation, terms of exercise and adjustment of options, and the amendment of the Sharesave Scheme, except for minor amendments to benefit the administration of the Sharesave Scheme, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment.

(c) The Man Group 2010 Sharesave Scheme (the "**2010 Sharesave Scheme**")

Man has obtained shareholder approval at its 2010 annual general meeting for a new sharesave scheme, the terms of such are not materially different from the terms of the Sharesave Scheme described above.

(d) The Man Group 2006 Long-Term Incentive Plan (the "**LTIP**")

(i) Eligibility

Awards may be granted to employees (including executive directors) of Man and its subsidiaries who are selected by the Remuneration Committee.

(ii) Grant of awards

Awards may normally only be granted in the six week period following the announcement by Man of its results for any period. Awards may be granted outside these periods in exceptional circumstances.

No awards may be granted more than 10 years after the adoption of the LTIP. Awards are personal to participants and may not be transferred except on death. Awards are not pensionable.

Awards may be made in several forms, as determined by the Remuneration Committee at the date of grant in the light of (for example) accounting and tax consequences. These include: (a) a conditional award (i.e. a contingent right to acquire Man Shares at no cost), (b) a nil or nominal priced option over Man Shares, (c) a gift of Man Shares forfeitable in the event that specified conditions are not met or (d) such other form as has substantially the same economic effect. To date, awards have been made in the form of conditional awards.

Furthermore, awards may take the form of basic awards ("**Basic Awards**"), bonus deferral awards granted under Schedule 2 to the LTIP ("**Bonus Deferral Awards**") or matching awards ("**Matching Awards**").

Bonus Deferral Awards are in two parts: 50 per cent. of the Man Shares subject to such awards are granted as a bonus award (to date made in the form of a nil-cost option)("**Bonus Awards**") and 50 per cent. of the Man Shares subject to such awards are granted as a Matching Award (to date made in the form of a conditional award). The provisions of the LTIP apply to Matching Awards granted under Schedule 2 to the LTIP as they apply to Basic Awards.

Alternatively, under Schedule 3 to the LTIP, Matching Awards may be granted to employees who acquire Man Shares ("**Bonus Investment Shares**") with their post-tax bonus and deposit the Bonus Investment Shares with trustees appointed by Man. The value of each Matching Award is the pre-tax amount of the bonus that has been used to acquire Bonus Investment Shares. Matching Awards have to date been made in the form of conditional awards. The provisions of the LTIP apply to Matching Awards as they apply to Basic Awards.

(iii) Individual limit

The initial value of an award (excluding any Bonus Awards or Matching Awards) granted in any one financial year of Man will be determined by the Remuneration Committee up to a maximum of 100 per cent. of basic salary.

The number of Man Shares which are the subject of an award will be calculated by dividing the value of the award by the average middle market quotations of Man Shares on LSE over the 5 dealing days prior to the date of the award.

(iv) Overall limits

The LTIP contains the following limits on the issue of Man Shares:

(A) in any ten year period, the number of Man Shares that may be issued or placed under option or award under the LTIP and under any other executive share scheme established by Man may not exceed 5 per cent. of the issued ordinary share capital of Man from time to time; and

(B) in any ten year period, the number of Man Shares which may be issued or placed under option or award under the LTIP and under any employees' share scheme established by Man may not exceed 10 per cent. of the issued ordinary share capital of Man from time to time.

Shares may be transferred out of treasury to satisfy awards under the LTIP, but any shares so transferred will be treated as issued for the purposes of the limits in (i) and (ii) above, unless institutional shareholder guidelines are amended so that this is no longer required. The LTIP may also operate in conjunction with shares held by the Man Group's discretionary trust.

(v) Performance condition

The LTIP provides that the performance condition shall be as set out below, unless the Remuneration Committee determines that another condition shall apply (the performance condition will apply to both Basic Awards and Matching Awards but not to Bonus Awards or Bonus Investment Shares). The proportion of the award, if any, that an executive will ultimately receive will depend upon Man's performance during a three-year period commencing at the beginning of the financial year of Man in which the award is made.

Performance for Basic Awards and Matching Awards granted on or after 1 June 2009 is measured by reference to adjusted return on equity and cumulative three-year net management fee growth. Details of the performance criteria are set out in Man's annual report to shareholders for its financial year ending 31 March 2010.

(vi) Timing of release

Shares subject to Basic Awards and Matching Awards will not normally be released until the fourth anniversary of the grant date.

Bonus Awards may not be exercised before the first anniversary of the date on which the Bonus Award was granted. If a participant exercises his Bonus Award before the end of the 3 year performance period the number of shares subject to his matching award is reduced proportionately. In the case of a matching award, a participant may not exercise his corresponding bonus award until the end of the 3 year performance period, unless exercise is permitted by the Remuneration Committee.

If a participant withdraws any of his Bonus Investment Shares before the end of the 3 year performance period which applies to his corresponding Matching award the number of Man Shares subject to his Matching Award is reduced proportionately. In the case of a Matching Award granted on or after 1 January 2010, a participant may not withdraw his corresponding Bonus Investment Shares from the LTIP until the end of the 3 year performance period, unless withdrawal is permitted by the Remuneration Committee.

(vii) Entitlement to dividends

To the extent that an award vests at the end of the performance period, the Remuneration Committee may decide that a cash amount, equivalent to the dividends that would have been paid on the vested shares since the grant date of the award, will be paid to participants when the Man Shares are released. Alternatively, Basic Awards (or Matching awards) may be granted on terms whereby, in respect of vested shares only, dividends received from the date of grant of the award are deemed to have been reinvested in Man Shares, thus increasing the number of Man Shares to which the award relates.

(viii) Forfeiture and cessation of employment

In principle, a participant who ceases employment with any member of the Man Group before the release date will forfeit any awards then held by him.

If a participant ceases employment with any member of the Man Group before an award vests, the following provisions apply and references to "award" includes Matching awards but not Bonus Awards.

If the participant ceases employment by reason of death, his award will vest immediately based on the Remuneration Committee's assessment of Man's performance up to the date of death and on the basis that the number of Man Shares in respect of which an award may vest early shall be reduced proportionately on a time basis, unless the Remuneration Committee decides otherwise.

If the participant ceases employment due to ill-health, permanent disability, retirement with the agreement of the employer or redundancy or by reason of his employment being with a company or business which is transferred out of the Man Group, or for any other reason at the discretion of the Remuneration Committee, the award will vest at the end of the performance period (or the date of termination if later), but only to the extent that the performance conditions have been met over the performance period. The number of Man Shares in respect of which an award may vest shall be reduced proportionately on a time basis, unless the Remuneration Committee decides otherwise. The Remuneration Committee may alternatively allow awards to vest following termination of employment, based on the Remuneration Committee's assessment of Man's performance up to that time and on the basis that the number of Man Shares in respect of which an award may vest early shall be reduced proportionately on a time basis, unless the Remuneration Committee decides otherwise.

If a participant ceases employment for any reason his Bonus Award may be exercised for a period of 6 months (or such longer period as the Remuneration Committee may permit).

(ix) Change of control

In the event of a takeover, reconstruction or winding-up of Man, Man Shares may be released early on the basis of performance up to the event in question, but with the number of shares in respect of which an award may vest being reduced proportionately on a time basis. The Remuneration Committee has a discretion to vary the number of shares that vest on this basis if it considers it to be appropriate to do so. Internal reorganisations are not treated as a change of control for these purposes.

(x) Variation of capital

In the event of a variation of share capital, the Remuneration Committee may make such adjustments to the number of shares subject to an award as it considers appropriate.

(xi) Alterations

The Remuneration Committee has the right to alter the rules of the LTIP or the terms of any award. The prior approval of Man in general meeting must be obtained in the case of any amendment to the advantage of participants which is made to the provisions relating to eligibility, limits, variations of capital, the maximum entitlement for any one participant and the basis for determining a participant's entitlement to shares. However, any minor amendment to benefit the administration of the LTIP or to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or any member of the Man Group, may be made without the prior approval of Man in a general meeting. Any amendment that is to the disadvantage of participants requires their majority consent.

(e) The Man Group 2010 Deferred Bonus Share and Option Plan (the "**DBSOP**")

(i) Eligibility

Awards (which may be either conditional awards or options) may be granted to employees (including executive directors) of Man and its subsidiaries. Only employees who are eligible to receive a bonus may be selected by the Remuneration Committee to receive awards.

(ii) Grant of awards

Awards may normally only be granted in the six week period following the announcement by Man of its results for any period. Awards may be granted outside this period in exceptional circumstances.

Awards may not be granted more than ten years after the adoption of the DBSOP. Awards are personal to participants and may not be transferred except on death. Awards are not pensionable.

(iii) Option price

In the case of an award made in the form of an option, the Remuneration Committee has discretion to determine on or before the grant date the exercise price of the option. The option price may be 10 per cent (or such other percentage as may be determined by the Remuneration Committee) greater than the market value of a Man Share on the date of grant provided that the option price shall not be less than 100 per cent of the market value of a Man Share on the date of grant. For these purposes, market value is the middle market quotation of a share (from the LSE daily official list) on the dealing day before the date of grant or, if the Remuneration Committee so determines, the average of the middle market quotations for a period not exceeding 5 dealing days prior to the grant date.

(iv) Vesting

Awards normally vest on the third anniversary of the grant date, unless earlier vesting occurs where a participant ceases employment or there is a corporate event. Awards made in the form of options may not be exercised more than 10 years after the date of grant.

(v) Entitlement to dividends

Unless the Remuneration Committee determines otherwise, the number of shares subject to a conditional award (but not an option) will be increased by reference to dividends paid on that number of shares to which the award relates between the date of grant and the date of vesting.

(vi) Cash alternative

Following the vesting of an award, the Man Board may determine that in substitution for his right to acquire shares, a participant will instead be paid a cash sum equal to the value of the vested shares.

(vii) Cessation of employment and lapse

If a participant ceases employment with any member of the Man Group before an award vests, his award will lapse immediately except in the circumstances set out below.

If the participant ceases employment by reason of death his award will vest immediately and in full. In the case of an option the participant's personal representative has 12 months to exercise the option, after which it lapses.

If the participant ceases employment due to retirement with the agreement of his employer, ill-health or disability, redundancy, or by reason of his employment being with a company or business which is transferred out of the Man Group, cessation with the agreement of his employer (provided that the participant has organised and performed an orderly handover to the satisfaction of the Remuneration Committee) or for any other reason if the Remuneration Committee at its discretion so decides, his option or award vests at the end of the normal vesting period provided that the employee has not entered into any activity which is detrimental to any member of the Man Group. In that case, any part of his award which has not vested will lapse on the commencement of any detrimental activity. Participants are subject to annual self-certification of continued non-detrimental activity.

(viii) Change of control

In the event of a takeover, reconstruction or winding up of Man, awards vest early and options may be exercised within a limited period of the relevant event, after which they lapse. Internal reorganisations are not treated as a change of control for these purposes.

(ix) Variation of capital

In the event of a variation of share capital, the Remuneration Committee may make such adjustments as it considers appropriate to the number of shares comprised in an award, and in the case of an option, the option price.

(x) Alterations

The Remuneration Committee may make alterations to the rules of the DBSOP or the terms of any award, provided that any alteration which is to the material disadvantage of participants requires their majority consent.

(f) Man Group plc Deferred Share Plan ("**DSP**")

(i) Eligibility

Awards may be granted to employees (excluding executive directors of Man) of Man and its subsidiaries. Only employees who are eligible to receive a bonus may be selected by the Remuneration Committee to receive awards. Awards are normally made in the form of conditional awards or nil-price options to acquire Man Shares, although the DSP also allows for the grant of "KEOP" (Key Executive Option Plan) options with an exercise price at least equal to market value on the grant date, cash conditional awards and cash options. Cash conditional awards and cash options give a right to receive cash equal in value to the shares to which such awards and options relate. To date awards have generally been granted in the form of nil-price options, although a small number of KEOP options have also been granted.

(ii) Grant of awards

Awards may normally only be granted in the six week period following the announcement by Man of its results for any period. Awards may be granted outside this period in exceptional circumstances.

Awards are personal to participants and may not be transferred except on death. Awards are not pensionable.

(iii) Vesting

In connection with the introduction of DSP, transitional vesting provisions apply to awards made in respect of financial years 2008, 2009 and 2010 of Man, such that each award vests as to 10 per cent. one year after grant, 15 per cent. two years after grant, 20 per cent. three years after grant, with the balance of 55 per cent. vesting four years after grant.

For awards after financial year 2010 of Man, the default vesting terms contained in the rules of the DSP are that 25 per cent. of an award vests on each of the first four anniversaries of the date of grant although the Remuneration Committee has discretion to set alternative vesting terms for future awards.

KEOP options normally vest 3 years after grant.

Awards made in the form of options may not be exercised more than 10 years after the date of grant.

(iv) Cash alternative

Following the vesting of a conditional award, nil-price option or a KEOP option, the Board may determine that in substitution for his right to acquire shares, a participant will instead be paid a cash sum. In the case of a conditional award this will be an amount equal to the value of the shares to which his conditional award relates. In the case of an option, it will be the value of such shares minus any price payable on exercise of the option.

(v) Entitlement to dividends

Unless the Man Board determines otherwise (and, except in the case of a KEOP option), the number of shares subject to an award granted on or after 1 June 2009 will be increased by reference to dividends paid on that number of shares to which the award relates between the date of grant and the date of vesting.

(vi) Cessation of employment and lapse

If a participant ceases employment with any member of the Man Group before an award vests, his award will lapse immediately except in the circumstances set out below.

If the participant ceases employment by reason of death, his award will vest immediately. If the participant ceases due to retirement at normal retirement age, ill health, injury or disability, redundancy or by reason of his employment being with a company or business which is transferred out of the Man Group or for any exceptional reason if the Man Board decides, his award vests in accordance with the normal vesting period. Where a participant ceases by reason of retirement at normal retirement age, ill-health, injury or disability this is subject to the proviso that the participant has not entered into any activity which is detrimental to the Man Group. In that case, any part of his award which has not vested will lapse on the commencement of any detrimental activity. Participants are subject to annual self-certification of continued non-detrimental activity.

(vii) Change of control

In the event of a takeover, reconstruction or winding-up of Man, awards vest early and options may be exercised within a limited period of the relevant event, after which they lapse. Internal reorganisations are not treated as a change of control for these purposes.

(viii) Variation of capital

In the event of a variation of share capital, the Remuneration Committee may make such adjustments as it considers appropriate to the number of shares comprised in an award.

(ix) Alterations

The Remuneration Committee may make alterations to the rules of the DSP or the terms of any award provided that any alteration which is to the material disadvantage of participants requires their majority consent.

(g) The Man Group plc Fund Product Plan (the "**FPP**")

(i) Eligibility

Awards may be granted to employees (excluding executive directors of Man) of Man and its subsidiaries. Only executives who are eligible to receive a bonus may be selected by the Remuneration Committee to receive awards.

Participants in the FPP are involved in the management of one of or more Man funds (each such being referred to as the "**Fund Product**").

(ii) Grant of awards

Awards may only be granted at a time when there is no restriction on dealings by directors or employees of Man or any of its subsidiary companies in any of the assets to which awards made under the FPP relate.

Awards may be made in the form of options, conditional awards, cash conditional awards or cash options. Cash awards and cash options give a right to receive a cash sum equal to the value of the assets to which the award or option relates. Awards are personal to participants and may not be transferred except on death. Awards are not pensionable.

To date all participants in the FPP have been granted nil-price options which relate to a holding in the relevant Fund Product. On exercise of the option a participant acquires Man Shares (not the Fund Product) and the number of Man Shares he acquires is derived from the redemption proceeds of the holding of the relevant Fund Product to which his option relates at the time of exercise.

FPP also allows participants may be made an award which allows them to acquire assets of the relevant Fund Product, instead of Man Shares equal in value to the Fund Product.

(iii) Vesting

In connection with the introduction of FPP, transitional vesting provisions apply to awards made in respect of financial years 2008, 2009 and 2010 of Man, such that each award vests (or in the case of an option becomes exercisable) as to 10 per cent. one year after grant, 15 per cent. two years after grant, 20 per cent. three years after grant, with the balance of 55 per cent. vesting four years after grant.

For awards after financial year 2010 of Man, the default vesting terms contained in the rules of the FPP are that 25 per cent. of an award vests on each of the first four anniversaries of the date of grant although the Remuneration Committee has discretion to set alternative vesting terms for future awards.

Options may not be exercised more than 7 years after the date of grant.

(iv) Cash alternative

Following the vesting of an award, the Man Board may determine that in substitution for his right to acquire shares, a participant will instead be paid a cash sum. This will be an amount equal to the sale proceeds of the shares to which his award relates.

(v) Cessation of employment and lapse

If a participant ceases employment with any member of the Man Group before an award vests, his award will lapse immediately except in the circumstances set out below.

If the participant ceases employment by reason of death, his award will vest immediately. If the participant ceases due to retirement at normal retirement age, ill-health, injury, disability, redundancy or by reason of his employment being with a company or business which is transferred out of the Man Group or for any exceptional reason if the Man Board decides, his award vests in accordance with the normal vesting period. Where a participant ceases by reason of retirement at normal retirement age, ill-health, injury or disability this is subject to the proviso that the participant has not entered into any activity which is detrimental to the Man Group. In that case, any part of his award which has not yet vested will lapse on the commencement of any detrimental activity. Participants are subject to annual self-certification of continued non-detrimental activity.

(vi) Change of control

In the event of a takeover, reconstruction or winding-up of Man, awards vest early and options may be exercised within a limited period of the relevant event, after which they lapse. Internal reorganisations are not treated as a change of control for these purposes.

(vii) Variation of capital

In the event of a variation of share capital the Remuneration Committee may make such adjustments as it considers appropriate to awards.

(viii) Alterations

The Remuneration Committee may make such alterations to the rules of the FPP or the terms of any award, provided that any alteration which is to the material disadvantage of participants requires their majority consent.

8.2 **Remaining Man Share Schemes**

No awards have been made under the Man Share Schemes summarised in paragraphs (h) to (k) below since 2008.

(h) The Man Group Pre-Tax Co-Investment Plan (the "**Pre-Tax CIP**")

The last grants of awards the Pre-Tax CIP were made in 2004 and vested in 2007 and it is not currently anticipated that further awards will be made under it.

(i) Eligibility

Awards may be granted to any employee (who is not a director) of Man and its subsidiaries.

(ii) Grant of awards

Awards may only be granted under the Pre-Tax CIP at a time when there is no restriction on dealings in shares by directors of Man and within the period of 10 years beginning with the date on which the Pre-Tax CIP was adopted.

Awards consist of two parts:

(A) 20 per cent. of the Man Shares shall be comprised in the part of the award referred to as the Pre-Tax CIP bonus award; and

(B) 80 per cent. of the Man Shares shall be comprised in the part of the award referred to as the Pre-Tax CIP matching award.

Awards are made in the form of options and the price payable on exercise of an award is £1 in total.

(iii) Vesting

Pre-Tax CIP bonus awards normally vest on the third anniversary of the date on which they were granted.

Pre-Tax CIP matching awards normally vest on the earlier of (i) the fourth anniversary of the date on which they were granted and (ii) such day as the Man Board may determine following the announcement by Man of its annual results in the fourth year following the date of grant.

Awards may not be exercised more than 7 years after the date on which they were granted.

(iv) Cessation of employment

If a participant ceases to be a director or an employee of any member of the Man Group for any reason, his Pre-Tax CIP bonus award may be exercised within six months of cessation, unless the Man Board permits a longer exercise period.

In the case of Pre-Tax CIP matching awards, if a participant ceases to be a director or employee of any member of the Man Group by reason of death, injury, disability, redundancy or retirement at normal retirement age or by reason of his office or employment being with a company or business which is transferred out of the Man Group, his Pre-Tax CIP matching award is exercisable within six months of the date of cessation, unless the Man Board permits a longer exercise period. A Pre-Tax CIP matching award is exercisable only in respect of a pro-rated number of Man Shares to which it relates to reflect the proportion of the three year period from grant which has elapsed at the point of cessation of employment.

If a participant ceases to be a director or employee for any other reason, his Pre-Tax CIP matching award may not be exercised unless the Man Board decides otherwise.

(v) Change of control

In the event of a takeover, reconstruction or winding-up of Man, Pre-Tax CIP bonus awards and Pre-Tax CIP matching awards may be exercised within one month of the relevant event.

(vi) Variation of capital

In the event of a variation of share capital, the Man Board may make such adjustments as it considers appropriate to the number of shares comprised in an award.

(vii) Alterations

The Man Board may make alterations to the rules of the Pre-Tax CIP or the terms of any award, provided that any alteration which is to the disadvantage of participants requires their majority consent.

(i) The Man Group Post-Tax Co-Investment Plan (the "**Post-Tax CIP**")

The last grants of awards the Post-Tax CIP were made in 2007 and it is not currently anticipated that further awards will be made under it.

(i) Eligibility

Awards under the Post-Tax CIP may be granted to any employee (who is not a director) of Man and its subsidiaries.

(ii) Grant of awards

Awards may only be granted under the Post-Tax CIP at a time when there is no restriction on dealings in shares by directors of Man and within the period of 20 years beginning with the date on which the Post-Tax CIP was adopted.

Awards may be granted only to employees who acquire shares ("**Post Tax-CIP Bonus Investment Shares**") with their post-tax bonus and deposit the Post-Tax CIP Bonus Investment Shares with trustees appointed by Man.

The market value of the shares (as determined by the Board) subject to an award is four times the amount of the pre-tax amount of the bonus which the participant used to purchase his Post-Tax CIP Bonus Investment Shares.

Awards are made in the form of options and the price payable on exercise of an award is £1 in total.

(iii) Vesting

Awards normally vest on the earlier of (i) the fourth anniversary of the date on which they were granted and (ii) such day as the Man Board may determine following the announcement by Man of its annual results in the fourth year following the date of grant.

Awards granted before 1 January 2004 may not be exercised more than 7 years after the date on which they were granted. Awards granted on or after 1 January 2004 may not be exercised more than 10 years after the date on which they were granted.

(iv) Withdrawal of bonus investment shares

If a participant withdraws any of his Post-Tax CIP Bonus Investment Shares before the earlier of (i) the third anniversary of the date on which they were granted and (ii) such day as the Man Board may determine following the announcement by Man of its annual results in the third year following the date of grant the number of shares subject to his award is reduced proportionately.

(v) Cessation of employment

If a participant ceases to be a director or employee of any member of the Man Group by reason of death, injury, disability, redundancy or retirement or by reason of his office or employment being with a company or business which is transferred out of the Man Group, his award is exercisable within six months of the date of cessation, unless the Man Board permits a longer exercise period. An award is exercisable only in respect of a pro-rated number of Man Shares to which it relates to reflect the proportion of the three year period from grant which has elapsed at the point of cessation of employment.

If a participant ceases to be a director or employee for any other reason, his award may not be exercised unless the Man Board decides otherwise.

(vi) Change of control

In the event of a takeover, reconstruction or winding-up of Man, the awards may be exercised within one month of the relevant event.

(vii) Variation of capital

In the event of a variation of share capital, the Man Board may make such adjustments as it considers appropriate to the number of shares comprised in an award.

(viii) Alterations

The Man Board may make alterations to the rules of the Post-Tax CIP or the terms of any award, provided that any alteration which is to the disadvantage of participants requires their majority consent.

(j) The Pemba Credit Advisers Retention Plan (the "**Pemba Plan**")

Grants were made under the Pemba Plan in 2008 but no further awards will be made under it in the future.

Pemba established the Pemba Plan as part of the joint venture arrangements with Ore Hill Partners LLC in 2008. The joint venture arrangements have now ceased and Pemba Credit Advisers is fully integrated into the Man Group. Under the Pemba Plan, participants were granted in 2008 an award over Man Shares as well as awards relating to a notional investment in the shares of Ore Hill International Fund II Limited (the "**Ore Hill Fund**").

In August 2009, the terms of awards under the Pemba Plan were varied with the agreement of Man Group employees in August 2009 as a result of which participants agreed to release their awards over Man Shares in exchange for an equivalent award over Man Shares granted under the DSP. However, the awards in respect of the Ore Hill Fund remain outstanding under the Pemba Plan.

Under the terms of the agreement, Man Group employees receive five cash payments equal to the value of their award (to reflect the five fund redemption dates of the Ore Hill Fund), subject to their continued employment with the Man Group. Four of the five cash payments have now been paid. The final fund redemption date was 30 September 2010. It is expected that employees who hold outstanding awards under the Pemba Plan will receive their cash payments (less statutory deductions) in respect of the final redemption date by November 2010.

(k) Assisted Purchase Plan ("**APP**")

Man has established and contributed to a discretionary employee trust for the benefit of employees of Man and its subsidiaries to facilitate the acquisition of Man Shares as long-term holdings under the APP. The trustees (who are independent of the Man Group) have in the past acquired Man Shares in the market, which they have sold at the prevailing market price to employees of Man and its subsidiary companies on deferred payment terms. The APP was last operated in 2008 and the Man Board does not currently expect to operate it again.

(l) Dividends relating to certain options

Participants in certain Man Share Schemes who hold vested (but unexercised) options may receive dividends in respect of the Man Shares subject to such options. Where the Man Shares to which the vested options relate are held by the trustees of Man's discretionary employee trust, the trustees appoint the dividends received on the Man Shares to the participants.

9. SUBSIDIARIES

9.1 Man is the holding company of the Man Group.

9.2 Man has the following significant subsidiary undertakings, each of which is incorporated or organised in and has its registered office as set out below, and is wholly-owned, either directly or indirectly, by Man and consolidated into Man's annual financial statements:

Company Name	*Country of Incorporation or Organisation*	*Registered Office*	*Principal Activities*	*Percentage held by Man or by subsidiary undertakings of Man*
Man Investments Limited	England	Sugar Quay Lower Thames Street London EC3R 6DU	Asset Management	100%
Man Investments AG	Switzerland	Etzelstrasse 27, 8808 Pfaffikon SZ, Switzerland	Asset Management	100%
Man Investments (USA) LLC	US	123 N. Wacker Drive, Suite 2800, Chicago IL 60606, United States	Asset Management	100%
Man Investments (CH) AG	Switzerland	Etzelstrasse 27, 8808 Pfaffikon SZ, Switzerland	Asset Management	100%
Man Group UK Limited	England	Sugar Quay Lower Thames Street London EC3R 6DU	Group Holding Company	100%
E D & Man Investments Limited	Jersey	PO Box 560, 11 – 15 Seaton Place, St. Helier, Jersey, JE4 8XP,	Group Holding Company	100%
Man Group Holdings Limited	England	Sugar Quay Lower Thames Street London EC3R 6DU	Group Holding Company	100%
E D & F Man Limited	England	Sugar Quay Lower Thames Street London EC3R 6DU	Management Service Provider	100%
Man Investment Finance Limited	England	Sugar Quay Lower Thames Street London EC3R 6DU	Group Treasury and Holding Company	100%

10. WORKING CAPITAL

Man is of the opinion that, taking account of bank facilities and cash available to the Man Group, the Man Group has sufficient working capital for its present requirements, that is for at least 12 months following the date of publication of this Prospectus.

11. SIGNIFICANT CHANGE

There has been no significant change in the trading or financial position of the Man Group since 31 March 2010, the date to which the Man Group's last audited consolidated financial statements (which are incorporated by reference into this Prospectus) were prepared.

12. MAN MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by a member of the Man Group within the two years immediately preceding the date of this Prospectus and are, or may be, material or have been entered into at any time by any member of the Man Group and contain provisions under which any member of the Man Group has an obligation or entitlement which is, or may be, material to the Man Group at the date of this Prospectus:

Merger Agreement

Man, Man Subsidiary and GLG entered into the Merger Agreement to regulate the parties' rights and obligations in relation to the implementation of the Merger and to provide certain assurances and confirmations between them, including in relation to the following:

Merger

The Merger Agreement sets out the steps for the implementation of the Merger whereby Man Subsidiary will be merged with and into GLG and GLG will become the surviving corporation and a wholly owned subsidiary of Man. At Closing, all the shares of GLG Common Stock will be cancelled and converted into the right for GLG Public Stockholders to receive US$4.50 per share of GLG Common Stock that is cancelled.

Conditionality

The obligations of each party to the Merger Agreement are subject to satisfaction or, where permitted, waiver, of a number of conditions. The GLG Stockholder Approval must be obtained, which requires the affirmative vote in favour of the adoption of the Merger Agreement at the GLG Stockholders Meeting of the holders of: (i) a simple majority of the outstanding shares of GLG Common Stock and GLG Preferred Shares, voting as a single class; and (ii) a simple majority of the outstanding shares of GLG Common Stock excluding those held by the GLG Exchange Stockholders and their affiliates, Man and its affiliates and GLG and its affiliates (other than directors who are members of the Special Committee) and employees of GLG. The obtaining of the GLG Stockholder Approval is a non-waivable condition. The Acquisition was also conditional on the affirmative vote in favour of the Acquisition of the holders of a majority of Man's outstanding ordinary shares present and voting at the Man General Meeting. On 1 September 2010, Man Shareholder Approval was obtained at the Man General Meeting, and as such, this condition has now been satisfied.

The Acquisition was also conditional on obtaining anti-trust clearances (which have now been obtained) and on obtaining regulatory approval from the FSA, the Cayman Islands Monetary Authority and the Irish Financial Services Regulatory Authority. The regulatory approvals were obtained on 16, 14 and 13 September 2010 respectively and, as such, these conditions have now been satisfied. Whilst the Merger Agreement is expressed to be conditional on approval being obtained from the CSSF, such approval is not actually required in order to close the Acquisition, and therefore Man and GLG intend to waive that Condition. Therefore, subject to Man and GLG waiving the condition relating to obtaining approval from the CSSF, such Conditions have been satisfied.

In addition, the representations and warranties given by each of GLG, Man and Man Subsidiary must be brought down to the Closing Date subject to the applicable standards of accuracy specified in the Merger Agreement and each party must perform in all material respects all obligations required to be performed by them under the Merger Agreement. The transactions contemplated by the Share Exchange Agreement must also have been consummated for the Merger Agreement to become unconditional.

Warranties and representations

Each of GLG and Man has made limited customary warranties and representations to the other (in relation to matters such as corporate power and authority to enter into the Merger Agreement). In addition, GLG has made certain warranties and representations in relation to the business and affairs of the GLG Group.

Conduct of business

The Merger Agreement includes customary limitations regarding the conduct of GLG's business pending Closing, including an obligation to conduct the business of the GLG Group in all material respects in the ordinary course consistent with past practice, as well as restrictions on GLG taking certain actions, unless, in each case, Man provides its consent (such consent not to be unreasonably withheld, delayed or conditioned).

Recommendations

If the Man Directors withdrew, qualified or adversely modified their recommendation of the Acquisition as set out in the Circular, except in limited circumstances, GLG was entitled to terminate the Merger Agreement and to receive a break fee of US$26 million (inclusive of any applicable value added tax or its equivalent) as described below. On 1 September 2010, Man Shareholder Approval was obtained at the Man General Meeting and without any such withdrawal, qualification or modification by the Man Directors of their recommendation of the Acquisition. This provision is therefore no longer applicable.

The GLG Directors have (following the unanimous recommendation of the Special Committee) unanimously resolved to recommend that the GLG Stockholders adopt the Merger Agreement. Further details relating to this recommendation are set out below.

Non solicitation covenants

GLG has undertaken, amongst other things, not to solicit, facilitate, encourage or otherwise seek to procure a Takeover Proposal or participate in any discussions or negotiations with any third party regarding a Takeover Proposal. However, GLG may respond to an unsolicited Takeover Proposal that does not involve a breach of the Merger Agreement or any standstill agreement, received prior to the GLG Stockholder Approval, and the GLG Board reasonably determines in good faith (after consultation with outside legal counsel and an outside financial adviser) that such Takeover Proposal is reasonably likely to lead to a Superior Proposal and the failure of the GLG Board to take action would be inconsistent with its fiduciary duties to the GLG Stockholders under applicable law, then GLG may engage in discussions and negotiations regarding such Takeover Proposal, provided, among other things, that GLG notifies Man and enters into a confidentiality agreement with the third party proposing the Takeover Proposal.

The GLG Directors may not: (a) (i) withdraw, qualify or change (or publicly propose to withdraw, qualify or change), in a manner adverse to Man, their recommendation; (ii) approve or recommend a Takeover Proposal or an indication of interest, (iii) authorise GLG or any of the GLG Group to enter into any merger, acquisition, share exchange or other agreement (other than a confidentiality agreement) with respect to a Takeover Proposal; or (iv) authorise or take any action to make any applicable anti-takeover law inapplicable to any transaction contemplated by a Takeover Proposal, or (b) release any third party from, waive, terminate or fail to enforce any "standstill" or similar obligation of any third party. Notwithstanding the above, the GLG Directors may take such action as described in (i) and (ii) of clause (a) above or enter into an agreement with respect to a Takeover Proposal if GLG has received a Takeover Proposal that the GLG Directors reasonably determine in good faith, after consultation with legal counsel and a financial adviser, to be a Superior Proposal, if GLG concurrently terminates the Merger Agreement and pays Man a break fee of US$26 million (inclusive of any applicable value added tax or its equivalent) as described below. Prior to such termination and payment of break fee, GLG must provide Man with two business days' written notice of its intention to terminate the Merger Agreement in these circumstances, which notice must specify the terms and conditions of the Superior Proposal and the identity of the third parties making the Superior Proposal and, upon Man's request, must enter into good faith negotiations with Man during such two business day period to amend the Merger Agreement in a manner such that the failure of the GLG Directors to terminate the Merger Agreement would not be inconsistent with their fiduciary duties under applicable law.

Break fee and other similar arrangements

GLG has agreed to pay Man a break fee of US$26 million (inclusive of any applicable value added tax or its equivalent) if:

(a) the Merger Agreement is terminated by Man or GLG in connection with:

  (i) (A) the failure of the Closing to occur by or on 31 December 2010, or (B) certain breaches of the Merger Agreement by GLG which occur, in each case, after a Takeover Proposal has been made and, within 9 months of the termination of the Merger Agreement, GLG enters into an agreement relating to, or consummates a transaction contemplated by, a Takeover Proposal involving 40 per cent. or more of GLG's common stock or GLG's assets; or

  (ii) the GLG Stockholder Approval is not obtained where such failure occurs after a Takeover Proposal has been made and, within 9 months of the termination of the Merger Agreement, GLG enters into an agreement relating to, or consummates a transaction contemplated by, a Takeover Proposal involving 40 per cent. or more of GLG's common stock or GLG's assets; or

(b) the Merger Agreement is terminated by Man following: (i) a withdrawal, qualification or change, in a manner adverse to Man, of the recommendation by the GLG Directors to adopt the Merger Agreement; or (ii) a failure by the GLG Directors to reject a publicly disclosed Takeover Proposal and reconfirm their recommendation to adopt the Merger Agreement if a Takeover Proposal is publicly disclosed; or

(c) the Merger Agreement is terminated by GLG before the GLG Stockholders adopt the Merger Agreement in order for GLG to enter into a transaction that is a Superior Proposal.

The Merger Agreement also permitted Man to terminate the Merger Agreement should the GLG Directors fail to include a recommendation to adopt the Merger Agreement in the Proxy Statement. The Proxy Statement was posted to GLG Stockholders on 13 September 2010, and included such a recommendation. This termination event is therefore no longer applicable.

GLG has also agreed to pay Man's out-of-pocket fees and expenses in connection with the Merger Agreement (subject to a cap of US$15 million) if Man or GLG terminates the Merger Agreement because GLG Stockholders do not adopt the Merger Agreement at the GLG Stockholders Meeting (except in certain circumstances) or Man terminates the Merger Agreement before the GLG Stockholders Meeting is held because of GLG's failure to perform, or its breach of, certain obligations pursuant to the Merger Agreement (but, in each case, where no break fee is otherwise payable by GLG at the time of such termination). If a break fee becomes payable by GLG, any fees and expenses previously reimbursed by GLG shall be deducted from such break fee.

Man also agreed to pay GLG a break fee of US$26 million (inclusive of any value added tax or its equivalent) if GLG terminated the Merger Agreement because the Man Directors withdrew, qualified or adversely modified their recommendation of the Acquisition as set out in the Circular, except where the following circumstances had occurred or were occurring:

- where GLG had: (i) breached certain covenants regarding the GLG Stockholders Meeting, preparation of the Proxy Statement and Takeover Proposals; or (ii) failed to perform or breached any of its representations and warranties or other covenants or agreements set out in the Merger Agreement, which failure to perform or breach would have given rise to a failure of a condition to Closing and could not or was not cured within certain specified time periods;
- other than in circumstances where the Man Directors had withdrawn, qualified or adversely modified their recommendation or where Man was in breach of the Merger Agreement, where (i) the GLG Board had withdrawn, qualified or changed (or publicly proposed to withdraw, qualify or change) its recommendation to adopt the Merger Agreement, or approved or recommended a Superior Proposal; (ii) the GLG Board had not included its recommendation to adopt the Merger Agreement in the Proxy Statement; or (iii) the GLG Board had not rejected a publicly disclosed Takeover Proposal and reconfirmed its recommendation to adopt the Merger Agreement if a Takeover Proposal was publicly disclosed; or
- where an event which had a material adverse effect on GLG had occurred.

On 1 September 2010, Man Shareholder Approval was obtained at the Man General Meeting and without any such withdrawal, qualification or modification by the Man Directors of their recommendation of the Acquisition. This provision is therefore no longer applicable.

Man had agreed to pay GLG's out-of-pocket fees and expenses in connection with the Merger Agreement (subject to a cap of US$15 million) if the Merger Agreement was terminated by Man or by GLG following a failure to obtain the Man Shareholder Approval (except in certain circumstances). Such out-of-pocket fees and expenses were not required to be paid in circumstances where Man is required to pay the break fee referred to above. As Man Shareholder Approval has now been obtained, this provision is no longer applicable.

Termination rights

The Merger Agreement may be terminated in certain circumstances, including:

- by the mutual consent of GLG and Man;
- by either GLG or Man if Closing does not take place by on or before 31 December 2010; if any governmental authority fails to issue an order or ruling which is required to consummate the Merger or a final non-appealable law, ruling or decree enjoins, restrains or prevents consummation of the Merger or the Share Exchange; or if the GLG Stockholder Approval shall not have been obtained;
- by Man in circumstances where GLG: (i) has breached certain covenants regarding the GLG Stockholders Meeting, preparation of the Proxy Statement and Takeover Proposals; or (ii) fails to perform or breaches any of its representations and warranties or other covenants or agreements set out in the Merger Agreement, which failure to perform or breach would give rise to a failure of a condition to Closing and cannot be or is not cured within certain specified time periods; if the GLG Directors withdraw, qualify or change, in a manner adverse to Man, the recommendation that GLG Stockholders accept the Merger Agreement or if they recommend or approve a Takeover Proposal or any indication of interest, or if the GLG Directors have not rejected any publicly disclosed Takeover Proposal within 10 days of the public disclosure thereof (including by taking no position regarding a tender offer or exchange offer) and have not publicly reconfirmed their recommendation to adopt the Merger Agreement within five days after receipt of a written request from Man that it do so following the making of a publicly disclosed Takeover Proposal; or if, after the date of the Merger Agreement a material adverse event occurs with respect to GLG; or
- by GLG in circumstances where Man has committed a material breach of the terms of, including certain warranties and representations contained in, the Merger Agreement; or, if, prior to GLG Stockholder Approval, GLG receives, approves and enters into a transaction that is a Superior Proposal concurrently with payment of the break fee described above.

The Merger Agreement could also be terminated (i) if the GLG Directors did not recommend that GLG Stockholders adopt the Merger Agreement in the Proxy Statement; and (ii) if the Man Directors either did not recommend the Acquisition to Man Shareholders or withdrew, qualified or adversely modified such recommendation. The Proxy Statement was posted to GLG Stockholders on 13 September 2010 and included the required recommendation from the GLG Directors and, on 1 September 2010, Man Shareholder Approval was obtained at the Man General Meeting in accordance with the recommendation of the Man Directors. These termination events are therefore no longer applicable.

Warrants

GLG has commenced offers to purchase all of the outstanding warrants to purchase shares of GLG Common Stock at a purchase price of US$0.129 per warrant, in cash, without interest thereon, for a total purchase price of approximately US$7 million upon the terms and subject to the conditions set out in the offer to purchase. The offers are conditional upon Closing. Warrants that remain outstanding at Closing will, in accordance with their terms, become the right to receive the cash consideration under the Merger upon exercise of the warrants. Man has agreed to reimburse GLG for costs incurred in connection with the offers to purchase and to indemnify GLG and its subsidiaries from claims, losses, and damages arising in connection with such offers.

Share Exchange Agreement

Man, the GLG Principals, Sage Summit LP and Lavender Heights Capital LP entered into the Share Exchange Agreement to regulate the parties' rights and obligations in relation to the implementation of the Share Exchange. On 21 June 2010, Sage Summit LP and Lavender Heights Capital LP entered into the Purchase Agreements summarised below to sell their entire holdings of shares of GLG Common Stock to the Remainder Trusts. Pursuant to the Joinder Agreement summarised below, the

Remainder Trusts, as permitted transferees of Sage Summit LP and Lavender Heights Capital LP, joined as parties to the Share Exchange Agreement and agreed to perform the obligations of Sage Summit LP and Lavender Heights Capital LP under such agreement.

Share Exchange

Pursuant to the Share Exchange Agreement, the GLG Exchange Stockholders have agreed to exchange their Exchange Shares for New Man Shares, on the basis of the Exchange Ratio.

Consideration

Pursuant to the Share Exchange and applying the Announcement Date Exchange Ratio, the GLG Exchange Stockholders will receive 1.0856 New Man Shares for each of their Exchange Shares, valuing each Exchange Share at US$3.50[(1)]. In the event that the implied value of an Exchange Share would exceed US$4.25 under the Share Exchange at Closing, the number of New Man Shares issued in respect of each Exchange Share will be reduced to maintain a maximum implied value of US$4.25 per Exchange Share at Closing.

Based on the Announcement Date Exchange Ratio, the GLG Exchange Stockholders would receive approximately 163 million New Man Shares in aggregate (representing approximately 9 per cent. of the fully diluted share capital of Man as enlarged by the Acquisition)[(1)].

Conditions

The obligations of each party under the Share Exchange Agreement are subject to satisfaction of certain conditions on or prior to the Closing Date. The conditions under the Merger Agreement must have been satisfied by the party responsible for fulfilling the relevant condition (save for the condition relating to the completion of the Share Exchange), or, to the extent permissible under applicable law, waived by the party entitled to the benefit of the relevant condition. In addition, the Exchange Shares must be listed on the Official List and admitted to trading on the London Stock Exchange. The Share Exchange Agreement was also conditional upon any waiting period under the HSR Act having been terminated or expired. On 25 June 2010, early termination of the waiting period under the HSR Act was granted thereby satisfying such condition.

The representations and warranties given by each GLG Exchange Stockholder and Man must be brought down to the Closing Date subject to the standards of accuracy specified in the Share Exchange Agreement and each party must perform in all material respects all obligations required to be performed by them under the Share Exchange Agreement.

There are conditions relating to the absence of a material adverse effect on Man and there being no material breach of the terms of the Share Exchange.

Each of the GLG Principals must have executed a lock-up agreement in the form annexed to the Share Exchange Agreement, further details of which are set out below.

Finally, there must be no discrepancies between the published audited financial statements of Man for the financial year ending 31 March 2010 and the draft of such financial statements prepared as at 14 May 2010 and privately disclosed to GLG and the GLG Exchange Stockholders that would reasonably be expected to be materially adverse to the financial condition, assets, liabilities, business or results of operations of the Man Group.

Warranties

Each of the GLG Exchange Stockholders on the one hand and Man on the other hand has made warranties to the other. Man's warranties include a limited number of warranties relating to regulatory compliance, the absence of certain changes, the accuracy of certain information published in any reports, shareholder circulars, prospectuses or regulatory announcements under the Listing Rules, the Prospectus Rules and/or the Disclosure and Transparency Rules and/or the rules of the London Stock Exchange in the last two years, and the conduct of its business since 30 September 2009.

Reinvestment

Each of Noam Gottesman, Pierre Lagrange and Emmanuel Roman has agreed to reinvest certain sums which currently he or his related trusts has invested in certain of GLG's funds, for a further period of 3 years following the Closing Date.

Termination rights

The Share Exchange Agreement will be terminated upon termination of the Merger Agreement in accordance with its terms.

In addition, the Share Exchange Agreement may be terminated in certain circumstances including:

- by the mutual consent of GLG and Man; or
- by GLG Principals holding a majority of the Exchange Shares (a "**Majority of GLG Principals**") upon an amendment or other modification to the Merger Agreement or any waiver by GLG of any material covenant or condition thereof that is effected without the prior written consent of a Majority of GLG Principals, **provided that** this termination right will not apply to any amendment, modification or waiver that is not adverse to GLG or any of the GLG Exchange Stockholders.

Voting and Support Agreement

Pursuant to the Voting and Support Agreement, the GLG Exchange Stockholders and TOMS International Ltd have each provided an undertaking to Man to (i) vote in favour of adopting the Merger Agreement and (ii) vote against any Takeover Proposal or any other agreement, amendment or other action that is intended or could reasonably be expected to prevent, impede, interfere with, delay, postpone or discourage consummation of the Merger at the GLG Stockholders Meeting in respect of their shares of GLG Common Stock and GLG Preferred Shares. The GLG Exchange Stockholders and TOMS International Ltd hold in aggregate approximately 152 million shares of GLG Common Stock and GLG Preferred Shares, representing approximately 49 per cent. of the combined outstanding shares of GLG Common Stock and GLG Preferred Shares as at 14 May 2010, being the last Business Day prior to the date of the Announcement.

The Voting and Support Agreement will terminate upon on the first to occur of (i) the termination of the Merger Agreement in accordance with its terms; (ii) the termination of the Share Exchange Agreement in accordance with its terms; and (iii) the Closing. In addition, the Voting and Support Agreement may be terminated by the mutual consent of the GLG Exchange Stockholders, TOMS International Ltd and Man.

Purchase Agreements

On 21 June 2010, Sage Summit LP and Lavender Heights Capital LP each entered into a Purchase Agreement to sell its entire holding of 8,460,854 shares and 5,640,570 shares of GLG Common Stock respectively, to Blue Hill Trust and Green Hill Trust (the "**Remainder Trusts**"), respectively in exchange for a deferred payment obligation, payable in instalments on specified dates on delivery of: (A) (i) New Man Shares received by the Remainder Trusts in exchange for their Exchange Shares; or (ii) in lieu of all or a portion of the New Man Shares described in (i) above, an amount in cash equal to the net proceeds of the sale of the New Man Shares not delivered pursuant to (i) above, in ordinary sales transactions on the LSE, together with (B) an amount in cash equal to the cumulative value of dividends, distributions and other income received in respect of such New Man Shares. Sage Summit LP and Lavender Heights Capital LP each have the right to rescind their Purchase Agreement with the respective Remainder Trust and reacquire the shares of GLG Common Stock prior to Closing (or such other date as agreed).

Joinder Agreement

On 21 June 2010, Man, Man Subsidiary, GLG, Sage Summit LP, Lavender Heights Capital LP and the Remainder Trusts entered into the Joinder Agreement pursuant to which the Remainder Trusts joined as parties to the Share Exchange Agreement and the Voting and Support Agreement and agreed to perform the obligations of Sage Summit LP and Lavender Heights Capital LP under such agreements.

US$2.5 billion Revolving Credit Facility

On 28 June 2007, Man Group Finance Limited, Man Group Finance Inc., Man Investments Finance Limited, Man Investments Finance Inc. (as borrowers and guarantors) and Man (as guarantor) entered into an agreement (the "**Revolving Facility Agreement**") with Barclays Bank plc as agent, Barclays Bank plc (New York) as US swingline agent and the financial institutions listed therein for an unsecured US$2,500,000,000 (the "**Committed Amount**") revolving facility (the "**Revolving Facility**"). In 2007, Man Group Finance Inc, and in 2008, Man Group Finance Limited and Man

Investments Finance Inc., resigned as borrowers and guarantors in accordance with the terms of the Revolving Facility Agreement. In March 2010, Lehman Commercial Paper Inc., UK Branch was removed from the list of financial providers under the Revolving Facility, resulting in a reduction of the Committed Amount to US$2,430,000,000.

The Revolving Facility comprises a multicurrency revolving facility with a US dollar swingline facility as a sub-division. The purpose of the Revolving Facility is for financing the general corporate purposes of the Man Group. Each advance made under the Revolving Facility Agreement is to be repaid on the last day of the interest period applicable to that advance and may be re-borrowed. The initial maturity date of the Revolving Facility is 28 June 2012, but pursuant to the exercise by the borrowers of an extension option US$1,800,000,000 remains available until 28 June 2013. The Revolving Facility Agreement contains mandatory prepayment provisions which may be triggered in circumstances such as a change of control of Man.

The prompt performance by the borrowers of their obligations under the finance documents including the Revolving Facility Agreement is guaranteed by the guarantors. The representations, warranties, undertakings and events of default contained in the Revolving Facility Agreement are of a type usual for a transaction of this nature entered into at that time.

Sponsor's Agreement

On 6 August 2010, an agreement was entered into between Man and Merrill Lynch, whereby Merrill Lynch agreed to act as sponsor to Man in connection with the applications for Admission and the publication of this Prospectus and the Circular. Pursuant to this agreement, Man has agreed to provide Merrill Lynch with certain indemnities, undertakings and warranties in connection with its role as Man's sponsor. The indemnities provided by Man indemnify Merrill Lynch against claims made against it or losses incurred in connection with its role as sponsor subject to certain exceptions.

13. MAN RELATED PARTY TRANSACTIONS

Save as disclosed in the following paragraphs, there are no related party transactions between Man and its related parties that were entered into during financial years ended 31 March 2008, 2009 and 2010 or during the period between 1 April 2010 and 7 October 2010 (being the latest practicable date prior to the date of this Prospectus).

During the financial year ended 31 March 2008 and as disclosed in note 27 of the Man Group financial statements for such period, Man entered into arm's length asset management transactions in the ordinary course of business with associates and joint ventures with a total value of US$1,149 million.

During the financial year ended 31 March 2009 and as disclosed in note 27 of the Man Group financial statements for such period, Man entered into arm's length asset management transactions with related parties with a total value of US$458 million.

During the financial year ended 31 March 2010 and as disclosed in note 24 of the Man Group financial statements for such period, Man entered into arm's length asset management transactions with related parties with a total value of US$445 million.

14. SOURCES OF INFORMATION AND BASES OF CALCULATION

14.1 Unless otherwise stated, financial information relating to Man or the Man Group has been extracted or provided (without material adjustment) from Man's annual reports and audited consolidated financial statements for the financial years ended 31 March 2010, 2009 and 2008.

14.2 Unless otherwise stated, financial information relating to GLG and the GLG Group has been extracted or provided (without material adjustment) from the combined and consolidated financial statements of GLG for each of the financial years ended 31 December 2007, 2008 and 2009 and the unaudited condensed consolidated financial statements for the quarterly period ended 31 March 2010.

14.3 As at 7 October 2010, being the last Business Day prior to the date of this Prospectus, Man had 1,713,002,407 Man Shares in issue.

14.4 As at 7 October 2010, being the last Business Day prior to the date of this Prospectus, GLG had 310,721,370 shares of GLG Common Stock, GLG Preferred Shares and GLG Exchangeable Shares in issue.

14.5 Assuming Closing occurs on 14 October 2010, the Convertible Notes would convert into a maximum of 66,083,140 shares of GLG Common Stock.

14.6 As at 7 October 2010, the number of shares of GLG Common Stock, the GLG Preferred Shares and the GLG Exchangeable Shares in issue, assuming conversion of the Convertible Notes in accordance with paragraph 14.4 above, is therefore 376,804,510. Of these 376,804,510 shares of GLG Common Stock, GLG Preferred Shares and GLG Exchangeable Shares 149,900,926 are subject to the Share Exchange and 226,903,584 are subject to the Merger. Of the 149,900,926 shares of GLG Common Stock subject to the Share Exchange, 135,799,502 of the shares of GLG Common Stock are owned by the GLG Principals.

14.7 The above number of shares of GLG Common Stock excludes 12,929,481 shares of GLG Common Stock which were unissued and unvested as at 7 October 2010. These shares of GLG Common Stock are to be issued under GLG Share Plans and will be replaced at Closing by rights to acquire Man Shares on the basis described in paragraph 20 of Part 1: Information on the Acquisition of this Prospectus.

14.8 Valuing both the 149,900,926 shares of GLG Common Stock and the 12,929,481 shares of GLG Common Stock referred to above at US$3.50 (the value based on the Announcement Date Exchange Ratio) and the 226,903,584 shares of GLG Common Stock referred to above at US$4.50 (the cash price payable per share of GLG Common Stock under the Merger) implies a value for GLG's fully diluted share capital of approximately US$1.6 billion.

14.9 The value referred to in paragraph 14.7 above, excludes any offer for publicly traded warrants over shares of GLG Common Stock (such offer is expected to amount to 12.9 US cents per warrant, or approximately US$7 million in aggregate).

14.10 The value of the Share Exchange of US$3.50 per share of GLG Common Stock is based on Man's closing share price on 14 May 2010 (being the last Business Day prior to the Announcement) of 221.5 pence, the Exchange Ratio of 1.0856 and a pounds sterling/US dollar exchange rate of 1.45555 as quoted on WM/Reuters for the London market close on 14 May 2010.

14.11 Certain financial analyses and synergies analyses for Man prepared by Perella Weinberg Partners (the "**Man Analyses**") and certain financial projections and sensitivity analyses for GLG (the "**GLG Analyses**") (together, the "**Analyses**") are contained in the Transaction Statement on Schedule 13E-3 (the "**Schedule 13E-3**") filed with the SEC by Man and certain other filing persons and the Proxy Statement filed with the SEC by GLG, portions of which are incorporated by reference into the Schedule 13E-3. The Analyses have not been voluntarily disclosed for or on behalf of Man or GLG and are deemed to contain profit forecasts for the purpose of the Listing Rules. The Analyses are contained in the Proxy Statement and the Schedule 13E-3 in order to comply with US securities laws and regulations (Item 9 of Schedule 13E-3 (a transaction statement pursuant to Section 13(e) of the Securities Exchange Act of 1934 and Rule 13e-3 thereunder) which requires filing persons to furnish the information required in Item 1015 of Regulation M-A, which in turn requires a reasonably detailed description of each presentation, discussion or report held with or presented by an outside party that is materially related to a Rule 13e-3 transaction, whether oral or written. In addition, Item 16 of Schedule 13E-3 and related Item 1016 of Regulation M-A require that all such relevant reports, opinions or appraisals be filed as exhibits to the Schedule 13E-3).

The Man Directors do not believe the Analyses need to be included in this Prospectus as the information is not necessary to enable potential investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of Man and the Man Group.

15. CONSENTS

15.1 Merrill Lynch has given and has not withdrawn its written consent to the inclusion in this Prospectus of its name and the references thereto in the form and context in which they are included.

15.2 Perella Weinberg Partners UK LLP has given and has not withdrawn its written consent to the inclusion in this Prospectus of its name and the references thereto in the form and context in which they are included.

15.3 PricewaterhouseCoopers LLP, whose address is 1 Embankment Place, London, WC2N 6RH, United Kingdom, is a member firm of the Institute of Chartered Accountants in England and Wales and has given and not withdrawn its written consent to the inclusion of its report in Part 9: Unaudited Pro Forma Financial Information of the Enlarged Group of this Prospectus and its report on the Profit Estimate in Section B of Part 10: Profit Estimate in the forms and contexts in which they appear, and has authorised the contents of those parts of this Prospectus which comprise those reports for the purposes of paragraph 5.5.3R(2)(f) of the Prospectus Rules.

16. TAXATION

16.1 No withholding tax will be deducted from dividends received on the New Man Shares.

17. GENERAL

17.1 The total costs, charges and expenses payable by Man in connection with the Acquisition are estimated to be approximately £24.4 million (exclusive of VAT).

17.2 The New Man Shares will be admitted with ISIN GB00B28KQ186.

17.3 In the event Man is required to publish a supplementary prospectus pursuant to section 87G of FSMA and paragraph 3.4 of the Prospectus Rules, any investor who, prior to the date of publication of such supplementary prospectus, has agreed to buy or subscribe for New Man Shares will have a statutory right to withdraw their acceptance before the end of the period of two working days beginning with the first working day after the date on which the supplementary prospectus was published pursuant to section 87Q of FSMA. To the extent permitted by law, the GLG Exchange Stockholders have agreed to waive their right to withdraw their acceptance in such circumstances.

18. DOCUMENTS FOR INSPECTION

18.1 Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturday, Sundays and public holidays excepted) at the offices of Man at Sugar Quay, Lower Thames Street, London EC3R 6DU and the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ until Admission:

(a) Man's Articles of Association;

(b) the report by PricewaterhouseCoopers LLP in respect of Man's Profit Estimate in Part 10: Profit Estimate;

(c) the report by PricewaterhouseCoopers LLP in respect of the unaudited *pro forma* financial information set out in Part 9: Unaudited Pro Forma Financial Information of the Enlarged Group;

(d) Man's Consolidated Financial Statements;

(e) the Circular; and

(f) this Prospectus.

Dated: 8 October 2010

PART 12:

DEFINITIONS

The following definitions apply throughout this Prospectus unless the context otherwise requires:

"**1985 Act**"	the Companies Act 1985 of the United Kingdom.
"**2006 Act**"	the Companies Act 2006 of the United Kingdom.
"**2010 Sharesave Scheme**"	the Man Group 2010 Sharesave Scheme.
"**Acquisition**"	the recommended acquisition by Man of all outstanding shares of GLG Common Stock to be effected by means of the Merger and the Share Exchange on the terms of and subject to the conditions set out in the Acquisition Agreements.
"**Acquisition Agreements**"	means the Merger Agreement, the Share Exchange Agreement, the Voting and Support Agreement and the associated and ancillary arrangements contemplated by such agreements.
"**Acts**"	the 1985 Act and the 2006 Act, as amended or re-enacted.
"**Admission**"	the admission of the New Man Shares to the Official List in accordance with the Listing Rules and to trading on the LSE's main market for listed securities.
"**Amendment Agreement**"	the agreement between Man, Man Subsidiary and GLG dated 17 August 2010 amending the Merger Agreement to reflect certain amendments contemplated in the MOU.
"**Announcement**"	the press announcement in relation to the Acquisition made by Man pursuant to the Listing Rules, dated 17 May 2010.
"**Announcement Date Exchange Ratio**"	1.0856 reflecting the closing price of a Man Share on the London Stock Exchange on 14 May 2010 (being the last Business Day prior to the date of the Announcement) and converted to US dollars at the closing US$:£ rate quoted by WM/Reuters on that date and divided by US$3.50.
"**APP**"	the Man Assisted Purchase Plan.
"**Articles of Association**"	means the articles of association of Man.
"**Audit and Risk Committee**"	the audit and risk committee of the Man Board.
"**Business Day**"	a day (other than Saturday or Sunday or a public holiday) on which banks are generally open in London and, where applicable, New York, for the transaction of general banking business.
"**certificated form**"	in relation to a share, a title to which is recorded in the relevant register as being held in certificated form (that is, not in CREST).
"**Circular**"	the circular dated 6 August 2010 sent to Man Shareholders in connection with the Acquisition.
"**Closing**"	the point in time at which the Merger becomes effective in accordance with the terms of the Merger Agreement.
"**Closing Date**"	the date on which the Closing takes place.
"**Combined Code**"	the Combined Code on Corporate Governance published in June 2008 by the Financial Reporting Council.
"**Conditions**"	the conditions to the implementation of the Acquisition as described in paragraph 12 (*Implementation of the Acquisition*) of Part 1: Information on the Acquisition of this Prospectus.
"**Consolidated Financial Statements**"	Man's audited consolidated financial statements for the years ended 31 March 2010, 2009 and 2008 (each prepared in accordance with IFRS in effect at the time of their respective preparation and incorporated by reference into this Prospectus).

"**Convertible Notes**"	5 per cent. US Dollar-Denominated Convertible Subordinated Notes due 15 May 2014 issued pursuant to the Indenture between GLG and The Bank of New York Mellon, as Trustee, dated 15 May 2009.
"**CREST**"	the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator (as defined in the Regulations).
"**DBSOP**"	the Man Group 2010 Deferred Bonus Share and Option Plan.
"**Disclosure and Transparency Rules**"	the disclosure and transparency Rules made by the FSA under Section 73A of the FSMA.
"**DSP**"	the Man Group plc Deferred Share Plan.
"**Enlarged Group**"	the Man Group as enlarged by, if Closing occurs, the GLG Group.
"**ESOS**"	the Man Group Executive Share Option Scheme 2001.
"**Euroclear**"	Euroclear UK & Ireland Limited.
"**European Commission**"	the Commission of the European Union.
"**European Union**"	the economic and political union of European nations created on 1 November 1993 by the Treaty on European Union.
"**Exchange Ratio**"	means the Announcement Date Exchange Ratio, provided that, if the product of the Man Dollar Closing Price multiplied by the Announcement Date Exchange Ratio is greater that US$4.25, then the "Exchange Ratio" shall equal the quotient obtained by dividing US$4.25 by the Man Dollar Closing Price.
"**Exchange Shares**"	the shares of GLG Common Stock held by the GLG Exchange Stockholders which will be exchanged for New Man Shares immediately prior to Closing pursuant to the terms of the Share Exchange Agreement.
"**FPP**"	the Man Group plc Fund Product Plan.
"**FSA**"	the UK Financial Services Authority or any successor entity or entities.
"**FSMA**"	the Financial Services and Markets Act 2000 of the United Kingdom as amended and for the time being in force.
"**FUM**"	funds under management.
"**Fund Product**"	any or all of the following, as the context may require: (i) a collective investment scheme, company, unit trust, partnership, note or derivative instrument, bond or other investment vehicle or arrangement in which investors invest and in respect of which any subsidiaries and/or joint ventures of Man and/or of any member within the Man Group or, following Closing, any member of the Enlarged Group directly or indirectly provides investment management, advisory, structuring, risk management, operational or other services; and/or (ii) a collective investment scheme, company, unit trust, partnership, note or derivative instrument, bond or other investment vehicle or arrangement owned, managed or advised by any subsidiaries and/or joint ventures of Man and/or of any member within the Man Group or, following Closing, any member of the Enlarged Group and used directly or indirectly to facilitate or effect the allocation of investor capital to underlying hedge fund strategy and other investment exposures from an investor-facing investment vehicle in respect of which any subsidiaries and/or joint ventures of Man and/or of any member within the Man Group or, following Closing, any member of the Enlarged

	Group directly or indirectly provides investment management, advisory, structuring, risk management, operational or other services.
"**GLG**"	GLG Partners, Inc., a Delaware corporation.
"**GLG Board**" or "**GLG Directors**"	the board of directors of GLG.
"**GLG Closing Price**"	the closing price for a share of GLG Common Stock on the New York Stock Exchange.
"**GLG Common Stock**"	the common stock of US$0.0001 each in the capital of GLG.
"**GLG Exchange Stockholders**"	the GLG Principals (other than TOMS International Ltd.) and the Remainder Trusts who hold shares of GLG Common Stock for individuals who provide services to GLG and are participants in the GLG equity participation plans.
"**GLG Exchangeable Shares**"	the ordinary class B shares of US$0.0001 each in the capital of FA Sub 2 Limited.
"**GLG Group**"	GLG, its subsidiaries and its subsidiary undertakings and, where the context premises, each of them.
"**GLG Preferred Shares**"	the preferred stock of US$0.0001 each in the capital of GLG.
"**GLG Principals**"	Noam Gottesman, Pierre Lagrange and Emmanuel Roman, together with their related trusts and affiliate entities.
"**GLG Public Stockholders**"	holders of shares of GLG Common Stock other than (i) the GLG Exchange Stockholders in respect of their Exchange Shares, (ii) any treasury shares owned by GLG or by certain subsidiaries of GLG, (iii) shares owned by Man or the Man Subsidiary, (iv) shares held by dissenting GLG Stockholders, (v) restricted shares under the GLG stock and incentive plans, and (vi) awards under GLG's stock and incentive plans representing a right to receive shares of GLG Common Stock; but including the GLG Exchange Stockholders in respect of their Open Market Shares and any shares of GLG Common Stock issued upon conversion of their Convertible Notes.
"**GLG Share Plans**"	the GLG Restricted Stock Plan, the GLG Long Term Incentive Plan and the GLG 2009 Long Term Incentive Plan.
"**GLG Stockholder Approval**"	the affirmative vote in favour of the adoption of the Merger Agreement at the GLG Stockholders Meeting of the holders of: (i) a simple majority of the outstanding shares of GLG Common Stock and GLG Preferred Shares, voting as a single class; and (ii) a simple majority of the outstanding shares of GLG Common Stock excluding those held by the GLG Exchange Stockholders and their affiliates, Man and its affiliates, GLG and its affiliates (other than directors who are members of the Special Committee) and employees of GLG.
"**GLG Stockholders**"	holders of GLG Common Stock.
"**GLG Stockholders Meeting**"	the meeting of the GLG Stockholders (including any adjournment thereof) to be convened for the purpose of considering and, if thought fit, approving the Merger.
"**HMRC**"	HM Revenue and Customs.
"**HSR Act**"	Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.
"**IFRS**"	international financial reporting standards and international accounting standards and interpretations thereof, approved or published by the International Accounting Standards Board and adopted by the European Union.

"**Joinder Agreement**"	the joinder agreement between Man, Man Subsidiary, GLG, Sage Summit LP, Lavender Heights Capital LP and the Remainder Trusts relating to the Share Exchange Agreement and the Voting and Support Agreement dated 21 June 2010, further details of which are set out in paragraph 12 (*Man Material Contracts*) of Part 11: Additional Information.
"**LIBID**"	the London Interbank Bid Rate.
"**LIBOR**"	the London Interbank Offered Rate.
"**Listing Rules**"	the rules and regulations of the UKLA, as amended from time to time and contained in the UKLA's publication of the same name;
"**Lock-Up**"	the restrictions applicable to the disposal of the New Man Shares issued to the GLG Principals for a period of 3 years from the Closing Date (subject to the release of one third of the New Man Shares from these restrictions after the second anniversary of the Closing Date) in accordance with the terms of the share lock-up agreements to be entered into at Closing, as further described in paragraph 7 (*Lock-Up Agreements*) of Part 1: Information on the Acquisition of this Prospectus.
"**LSE**"	the London Stock Exchange plc or its successor.
"**LTIP**"	the Man Group 2006 Long-Term Incentive Plan.
"**Majority of GLG Principals**"	GLG Principals holding a majority of the Exchange Shares.
"**Man**"	Man Group plc, registered in England and Wales with registered number 02921462.
"**Man Board**"	the board of directors of Man.
"**Man Directors**"	the directors of Man.
"**Man Closing Price**"	the closing middle market price of a Man Share as derived from SEDOL.
"**Man Dollar Closing Price**"	the average of the daily volume weighted average price of a Man Share in pounds sterling on the London Stock Exchange for the ten consecutive trading days prior to, but not including, the Closing Date, converted into US$ using the closing US$/£ rate quoted by WM/Reuters on each such trading day.
"**Man General Meeting**"	the general meeting of Man that was held at 10 a.m. on 1 September 2010 at Sugar Quay, Lower Thames Street, London, EC3R 6DU (and any adjournment thereof) for the purposes of considering and approving the Resolution.
"**Man Group**"	Man, its subsidiaries and its subsidiary undertakings and, where the context permits, each of them.
"**Man Senior Managers**"	the senior managers of Man as set out in paragraph 2 (*Man Senior Managers*) of Part 4: Man's Directors, Man Senior Managers, Employees and Corporate Governance.
"**Man Shares**"	the ordinary shares of $3^{3}/_{7}$ US cents each in the issued share capital of Man.
"**Man Shareholder Approval**"	approval of the Resolution by the Man Shareholders at the Man General Meeting.
"**Man Shareholders**"	holders of Man Shares.
"**Man Share Schemes**"	the ESOS, the Sharesave Scheme, the 2010 Sharesave Scheme, the LTIP, the DBSOP, the DSP, the FPP, thePre-Tax CIP, the Post-Tax CIP, the Pemba Plan and the APP.
"**Man Subsidiary**"	Escalator Sub 1, Inc., a Delaware corporation formed to consummate the Merger and wholly-owned (directly or indirectly) by Man.

"**Merger**"	the merger of Man Subsidiary with and into GLG in accordance with the General Corporation Law of the State of Delaware, resulting in GLG becoming a wholly-owned subsidiary of Man in accordance with the terms of the Merger Agreement.
"**Merger Agreement**"	the agreement and plan of merger between Man, Man Subsidiary and GLG dated 17 May 2010, as amended by the Amendment Agreement, relating to the Merger to implement the Acquisition, further details of which are set out in Part 1: Information on the Acquisition.
"**Merrill Lynch**"	Merrill Lynch International.
"**MF Global**"	MF Global Holdings Ltd.
"**MOU**"	the memorandum of understanding entered into between Man, GLG and the GLG Directors on 19 August 2010 setting out, *inter alia*, the amendments to the Merger Agreement required to give effect to the settlement of the legal proceedings as described in paragraph 9 (*Legal and Arbitration Proceedings*) of Part 2: Information on Man.
"**New Man Shares**"	the new Man Shares proposed to be issued and credited as fully paid to the GLG Exchange Stockholders pursuant to the Share Exchange.
"**Nomination Committee**"	the nomination committee of the Man Board.
"**Official List**"	the Official List of the UKLA.
"**Ogier Fiduciary**"	Ogier Fiduciary Services (Cayman) Limited.
"**Open Market Shares**"	the 1,658,360 shares of GLG Common Stock held by the GLG Exchange Stockholders and acquired by them in the open market prior to 17 May 2010, which will be cancelled pursuant to the Merger Agreement and converted into the right to receive US$4.50 per share of GLG Common Stock.
"**Pemba Plan**"	the Pemba Credit Advisers Retention Plan.
"**Perella Weinberg**"	Perella Weinberg Partners UK LLP.
"**pounds sterling**", "**sterling**", "**£**", "**pence**" or "**p**"	have the meaning given to them on pages 8-9 of this prospectus.
"**Pre-Tax CIP**"	the Man Group Pre-Tax Co-Investment Plan.
"**Post-Tax CIP**"	the Man Group Post-Tax Co-Investment Plan.
"**Profit Estimate**"	has the meaning given to it on page 105 of this Prospectus.
"**Prospectus**"	this document.
"**Prospectus Directive**"	the Directive of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (No 2003/71/EC).
"**Prospectus Directive Regulation**"	Regulation 809/2004 of the European Commission.
"**Prospectus Rules**"	the rules made for the purposes of Part IV of the FSMA in relation to the offer of securities to the public and the admission to trading on a regulated market.
"**Proxy Statement**"	the proxy statement on Schedule 14A to be filed with the SEC and mailed to GLG Stockholders by GLG in connection with the Acquisition for the purpose of convening the GLG Stockholders Meeting.
"**Purchase Agreements**"	the purchase agreement between Ogier Fiduciary, acting in its capacity as trustee of the Blue Hill Trust and Sage Summit LP dated 21 June 2010 relating to the sale of 8,460,854 shares of GLG Common Stock and the purchase agreement between Ogier Fiduciary, acting in its capacity as trustee of the Green Hill Trust

	dated 21 June 2010 relating to the sale of 5,640,570 shares of GLG Common Stock; further details of which are set out in paragraph 12 (*Man Material Contracts*) of Part 11: Additional Information.
"**Registrar**"	Equiniti Limited.
"**Regulations**"	the Uncertificated Securities Regulations 2001 of the United Kingdom.
"**Remainder Trusts**"	Blue Hill Trust and Green Hill Trust.
"**Remuneration Committee**"	the remuneration committee of the Man Board.
"**Resolution**"	the ordinary resolution to be proposed at the Man General Meeting to, among other matters, approve the Acquisition.
"**Restricted Jurisdiction**"	any jurisdiction where sending the Prospectus or issuing New Man Shares or making available information concerning the Acquisition to GLG Stockholders in such jurisdiction would violate the laws of that jurisdiction or would require registration of the New Man Shares.
"**Revolving Facility**"	has the meaning given to it on page 143 of this Prospectus.
"**SEC**"	the US Securities and Exchange Commission.
"**Securities Act**"	the United States Securities Act of 1933 (as amended) and the rules and regulations promulgated thereunder.
"**Securities Exchange Act**"	the US Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.
"**SEDOL**"	the Stock Exchange Daily Official List.
"**Share Exchange**"	the exchange of the shares of GLG Common Stock held by the GLG Exchange Stockholders for New Man Shares in accordance with the terms of the Share Exchange Agreement.
"**Share Exchange Agreement**"	the share exchange agreement between Man, the GLG Principals (other than TOMS International Ltd.) and Sage Summit LP and Lavender Heights Capital LP dated 17 May 2010 to which the Remainder Trusts were joined as parties pursuant to the Joinder Agreement, further details of which are set out in paragraph 12 (*Man Material Contracts*) of Part 11: Additional Information.
"**Sharesave Scheme**"	the Man Group Sharesave Scheme.
"**Special Committee**"	the special committee of independent directors of the GLG Board formed in order to assess the merits of the Acquisition.
"**Sponsor**"	Merrill Lynch International.
"**subsidiary**"	shall be construed in accordance with the 2006 Act.
"**subsidiary undertaking**" and "**undertaking**"	shall be construed in accordance with the 2006 Act.
"**Superior Proposal**"	any *bona fide* written offer made by a third-party to GLG entered into after the date of the Merger Agreement not involving a breach of the Merger Agreement or any "standstill" agreement, to acquire, directly or indirectly, more than 50 per cent. of the equity securities of GLG or all or substantially all of the assets of GLG and its subsidiaries on a consolidated basis, which offer is on terms and conditions which the GLG Board or any authorised committee thereof reasonably determines in good faith, after consultation with outside legal counsel and an outside financial adviser, to be more favorable from a financial point of view to the holders of GLG Common Stock (in their capacity as such) than the Merger, taking into account all the terms and conditions of such proposal (including the likelihood and timing of consummation thereof based upon, among other things, the availability of financing and the expectation of obtaining required approvals) and the Merger

	Agreement (including any changes to the terms of the Merger Agreement committed to by Man to GLG in writing).
"**Takeover Proposal**"	any inquiry, proposal or offer from any person (other than Man and its subsidiaries or group of persons) relating to, in a single transaction or series of related transactions, any (A) acquisition of assets of GLG and its subsidiaries (including securities of subsidiaries, but excluding sales of assets in the ordinary course of business) equal to 15 per cent. or more of the GLG's consolidated assets or to which 15 per cent. or more of GLG's revenues or earnings on a consolidated basis are attributable, (B) acquisition of beneficial ownership (within the meaning of Section 13 under the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "**Exchange Act**")) of 15 per cent. or more of the outstanding shares of GLG Common Stock or any other class of equity securities of GLG, (C) tender offer or exchange offer that if consummated would result in any person (or "group," as defined under Section 13 of the Exchange Act) beneficially owning 15 per cent. or more of the outstanding shares of GLG Common Stock or (D) merger, consolidation, share exchange, business combination, recapitalisation, liquidation, dissolution or similar transaction involving GLG; in each case, other than the transactions contemplated in the Acquisition Agreements.
"**Third Party**"	any central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction.
"**UCITS**"	Undertakings for Collective Investments in Transferable Securities.
"**UK**" or "**United Kingdom**"	the United Kingdom of Great Britain and Northern Ireland.
"**UKLA**"	the UK Listing Authority, being the FSA acting in its capacity as the competent authority for the purposes of Part VI of the FSMA.
"**uncertificated**" or "**in uncertificated form**"	in relation to a share, title to which is recorded in the relevant register as being held in uncertificated form, in CREST, and title to which, by virtue of the Regulations may be transferred by means of CREST.
"**Underlying Third Party Product**"	any collective investment scheme, company, unit trust, partnership, note or derivative instrument, bond or other investment vehicle or arrangement in respect of which any third party hedge fund manager or adviser provides investment management or advisory services and to which a Fund Product directly or indirectly allocates capital or otherwise procures investment exposure.
"**United States**", "**USA**" or "**US**"	the United States of America, its territories and possessions, any state of the United States and the District of Columbia.
"**US GAAP**"	generally accepted accounting principles in the US.
"**US Person**"	a US person as defined in Regulation S under the US Securities Act.
"**Voting and Support Agreement**"	the voting and support agreement entered into between Man, Sage Summit LP and Lavender Heights LP dated 17 May 2010 to which the Remainder Trusts joined as parties pursuant to the Joinder Agreement, further details of which are set out in paragraph 12 (*Man Material Contracts*) of Part 11: Additional Information.

All times referred to are London time unless otherwise stated.

All references to legislation in this Prospectus are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.