INTERIM REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2014

Man Group plc

Man

AHL glg FRM

Innovating to perform

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2014

Key points

- Funds under management (FUM) up 7% to $57.7 billion (31 December 2013: $54.1 billion)
    - Gross sales up 91% to $12.4 billion (H1 2013: $6.5 billion)
    - Redemptions down 17% to $9.6 billion (H1 2013: $11.5 billion)
    - Net inflows of $2.8 billion (H1 2013: net outflows -$5.0 billion)
    - Investment movement of $0.7 billion (H1 2013: $2.5 billion)
    - FX translation effects and other movements of $0.1 billion (H1 2013: -$2.5 billion)
- Mixed absolute performance in the six months to 30 June 2014: AHL Diversified Programme +8.7%; GLG Multi-Strategy -1.9%; FRM Diversified II +1.4%; Japan CoreAlpha -1.4%
- Adjusted profit before tax (PBT) up 10% to $148 million (H1 2013: $134 million)
    - Adjusted net management fee PBT of $83 million (H1 2013: $64 million)
    - Adjusted net performance fee PBT of $65 million (H1 2013: $70 million)
- Adjusted diluted EPS[1] of 7.1 cents (H1 2013: 5.7 cents per share); adjusted diluted management fee EPS of 4.0 cents (H1 2013: 2.6 cents per share)
- Statutory PBT for the six months ended 30 June 2014 of $106 million (H1 2013: $122 million); diluted statutory EPS[1] of 5.0 cents (H1 2013: 5.3 cents per share)
- Acquisition of Numeric (a US based quant manager with $14.7 billion of FUM) on track for completion in Q3 / Q4; Acquisition of Pine Grove (a US based fund of fund credit manager with $1.0 billion of FUM) due to complete shortly
- Completed $115 million share repurchase at an average price of 99.7p (68.8 million shares)
- Surplus regulatory capital of $625 million at 30 June 2014, before acquisition-related usage for Numeric and Pine Grove of $345 million
- Interim dividend of 4.0 cents per share (H1 2013: 2.6 cents per share)

Summary financials	Page ref.	**Six months ended 30 June 2014 $**	**Year ended 31 December 2013 $**	**Six months ended 30 June 2013 $**
Funds under management (end of period)	9	**57.7bn**	**54.1bn**	**52.0bn**
Gross management and other fees[2]	22	404m	979m	535m
Performance fees[3]	22	107m	223m	113m
External distribution costs	23	(59m)	(145m)	(80m)
Net revenues		**452m**	**1,057m**	**568m**
Compensation	24	(196m)	(445m)	(239m)
Other costs	25	(105m)	(270m)	(150m)
Net finance expense[4]	25	(3m)	(45m)	(45m)
Adjusted profit before tax	22	**148m**	**297m**	**134m**
Adjusting items[5]	22	(42m)	(241m)	(12m)
Statutory profit before tax	22	**106m**	**56m**	**122m**

[1] The reconciliation of diluted statutory EPS to adjusted diluted EPS is included in note 11 in the financial statements (page 26)
[2] Includes income from associates
[3] Includes income or gains on investments and other financial instruments
[4] Includes one-off costs related to debt buy-backs of $28 million in the six months to 30 June 2013. Refer to Note 9 in the financial statements (page 25)
[5] Adjusting items primarily relate to amortisation of purchase intangible assets. Refer to Note 2 in the financial statements (page 22) for further detail

Manny Roman, Chief Executive Officer of Man, said:

"In the first half of 2014, we made progress towards our strategic objectives taking significant steps to position the firm for future growth and largely completing our restructuring process. We were delighted to announce the planned acquisitions of Numeric and Pine Grove in June, two highly complementary businesses which will enhance our offering for clients and increase our geographical footprint in the US.

Whilst it has been a positive first half for the firm and we recorded another quarter of net inflows in Q2, we remain cautious as we look to the second half of the year. Investment performance in H1 was mixed amid a continued volatile market environment. AHL performed strongly on an absolute and relative basis across all its alternative strategies. Performance elsewhere was good in credit and discretionary long only but below expectations in equities and macro.

We remain committed to investing in talent, research and technology and building the optimal environment to deliver superior risk adjusted performance for our clients which will ultimately translate into the delivery of value for our shareholders."

Dividend

Man's dividend policy is to pay at least 100% of adjusted management fee earnings per share in each financial year by way of ordinary dividend. In addition, the Group expects to generate significant surplus capital over time, primarily from net performance fee earnings. Available surpluses, after taking into account required capital, potential strategic opportunities and a prudent buffer, will be distributed to shareholders over time, by way of higher dividend payments and/or share repurchases. Whilst the Board continues to consider dividends as the primary method of returning capital to shareholders, it will continue to execute share repurchases when advantageous.

In line with this policy the Board has declared an interim dividend for the year to 31 December 2014 of 4.0 cents per share, being the adjusted management fee earnings per share for the six months to 30 June 2014 (refer to Note 11 to the financial statements (page 26)). The interim dividend will be paid at the rate of 2.37 pence per share.

Dates for the 2014 interim dividend

Ex-dividend date	13 August 2014
Record date	15 August 2014
Dividend paid	3 September 2014

CHIEF EXECUTIVE OFFICER'S REVIEW

Performance across our investment managers was varied in the first half of 2014. AHL's momentum-based strategies benefitted from trends in fixed income markets and delivered strong returns however GLG's equity long short strategies suffered from a strong sector and factor rotation and ended the half with negative performance. Flows continued to be positive, with particularly robust sales in the first quarter, linked primarily to the strong performance at GLG in 2013. We continued to make good progress in developing and building in new business areas in the period and the Numeric acquisition provides us with the opportunity to advance two of our core strategic objectives of building out a diversified quantitative fund management business and developing our presence in the US market. The solid flows in H1 overall drove a 7% increase in funds under management to $57.7 billion at 30 June 2014. Adjusted profit before tax increased by 10% with cost savings and lower interest costs being partially offset by a decline in net management fee revenues.

Market overview

Returns across asset classes were mixed in the first half of 2014 with the S&P 500 up 7.1%, the FTSE 100 up 1.9%, the TOPIX down 1.9% and world bonds and corporate bonds up 3.9% and 9.6% respectively.

At the index level, central bank liquidity continued to drive asset prices in the first six months of 2014 and markets unsurprisingly took the path of least resistance, reaching higher valuations on low volumes and falling volatility. This rather simplified view of markets however masked a strong sector rotation as well as a move from growth to value in equity markets, which significantly detracted from performance of equity long short managers in the second quarter. In particular, value did very well hurting the short side of many hedge funds.

Fixed income markets were unaffected by the instability in equity markets and were helped by the strong rally in US treasury yields with the result that momentum and credit strategies performed well over the period.

Investment performance

Against this backdrop performance across our three investment managers was varied.

After a slow start to the year, performance across all of AHL's trend following strategies picked up in the second quarter resulting in strong positive returns for the half. Trends were pronounced in fixed income, notably in Italy and France, as yields compressed towards German levels. Stock markets also recovered after a difficult first quarter, resuming the upward direction of 2013. The result was that performance for the AHL Diversified Programme was up 8.7% to 30 June 2014 and the AHL Alpha strategy, which runs at lower volatility, was up 6.0%. The AHL Evolution strategy, which trades a range of non-traditional markets not typically traded by CTA managers, continued its run of strong performance and was up 13.3% for the half. AHL's multi-strategy quantitative fund, AHL Dimension, was up 6.7% with positive contributions from all three of its strategy styles, namely momentum, fundamental, and technical. MSS's Europe Plus strategy was up 3.5% to 30 June 2014 underperforming its benchmark by 2.7%, whilst TailProtect was down 6.8% but outperforming its benchmark by 12.6%. This strong performance resulted in AHL recording $70 million of performance fees in the first half, 87% of which were from Evolution.

Discretionary hedge fund performance over the first half was mixed with credit strategies continuing their good run of performance and equity long short strategies suffering in line with the rest of the industry. Some of the stronger performing strategies included Euro Distressed (+5.9%), Market Neutral (+4.0%) and the Cross Asset Value strategy (CRAVE) (+6.8%) while GLG's equity long short strategies had more mixed performance between +1.4% and -6.5% being hit particularly hard by the move from growth to value in the technology sector in March and April. After a volatile start to the year impacted by the move to a 'risk off' environment, performance improved across the majority of GLG's long only strategies in the second quarter with the larger strategies continuing to outperform. The Japan CoreAlpha strategy was down 1.4%, slightly ahead of its benchmark, the Strategic Bond strategy was up 5.5% well ahead of its LIBOR benchmark and the Undervalued Assets Strategy was up 3.2% in the first six months of the year compared to the FTSE All Share Index which was up 1.6%. This performance resulted in GLG recording $26 million of performance fees in the first half, the majority of which were from credit strategies.

FRM products had muted performance in the first six months of the year. Although equity market moves were relatively benign over the period, underneath the surface there were huge rotations in sectors and factors, which impacted the performance of Equity Long-Short managers in the second quarter. Despite this, the strategy was still able to generate positive returns in the first six months, helped by a strong first quarter. Statistical Arbitrage managers were also caught up in the more extreme bouts of sector rotation, but the more diversified nature of their portfolios meant the impact was less severe and the strategy had small positive returns. Credit Long-Short was one of the strongest performing strategies helped by the strong rally in US treasury yields. Global Macro strategies were among the worst performing, with the abnormally low volatility of macro assets resulting in low risk utilisation. The result was mixed investment performance across FRM portfolios. Actively managed diversified portfolios with exposure across strategies, such as FRM Diversified II, made a small positive return of 1.4%. Statistical Arbitrage performance was also a small positive with FRM Equity Alpha +1.6%. Managed futures performance was flat however, with FRM Sigma returning +0.2%.

Growth opportunities

Quant (AHL)

At AHL/MSS the marketing of the Evolution strategy continues to progress well with sales of $500 million to date in 2014 and there is further capacity in this strategy to sell in the remainder of the year. We have also started marketing the Dimension strategy and raised $500 million in this strategy in the first half. We continue to see demand for our long only quant strategies with $500 million raised in the MSS Europe plus strategy in the first half and the various equity index plus strategies including Europe Plus, Continental Europe Plus and Asia Plus now have $2.1 billion of assets in total.

On 19 June 2014 we announced the acquisition of Numeric, a Boston-based quantitative equity manager with $14.7 billion of funds under management across a range of long only and long short, fundamentally based strategies. Numeric has an excellent track record of performance across these strategies and has seen substantial growth over the past 2 years.

One of Man's core strategic objectives is to build a broader-based quantitative platform across alternatives and long only, trend-following, technical and fundamental strategies. The acquisition will advance this objective by creating a diversified, global quantitative investment management platform comprising AHL and Numeric with over $25 billion of funds under management with a balance between value, momentum and technical based strategies. Another of our core strategic objectives is to expand our presence in the US. The addition of the Numeric business helps us to establish a credible investment footprint in North America, through a recognised brand, a presence in an important investment centre and relationships with over 25 US based institutional clients.

In addition, Numeric's strong investment track record of relative and absolute performance and the scalability of their wide range of long only and market neutral strategies provide the opportunity to leverage Man's global distribution capability to grow Numeric's asset base over time. The firm has a highly experienced and well regarded team and there is a strong cultural fit with Man. The Numeric management team is led by Mike Even who is the Chief Executive Officer, Robert Furdak who is Co-CIO and Director of Portfolio management and Shanta Puchtler who is Co-CIO and Director of Research. Together these individuals will be responsible for the on-going management of the Numeric business within the enlarged group and Mike and Shanta will be appointed to Man's Executive Committee following completion. In structuring the acquisition, we have endeavoured to align the interests of Numeric management with those of Man's shareholders.

Discretionary (GLG)

We have seen significant growth in GLG assets in the first half of 2014 from $30.2 billion to $34.1 billion with continued flows into strategies that sold well in 2013 including European Long Short, Japan Core Alpha and Euro Distressed. In addition, following strong performance since launch in November 2011 $1.2 billion was raised into the Strategic Bond strategy in H1, $400 million was raised into the Global Long Short strategy which launched in October 2013 and (CRAVE) which has reached its target level of asset raising following strong performance in 2013.

We continue to look for talent to broaden out the Alternatives and Long Only product offering. On the alternatives side, Pierre-Henri Flamand joined at the beginning of June and will focus on a global catalyst-driven strategy across the capital structure. Pierre-Henri brings 20 years of experience to Man having spent 15 years at Goldman Sachs where he was head of the Principal Strategies Group and more recently he ran Edoma Capital Partners, a Europe focused event-driven hedge fund. In our long only business, Rory Powe joined the European equity team managing a focused European equity long-only strategy. Rory has more than 25 years' experience managing portfolios and selecting stocks in Europe and joins GLG from Powe Capital Management, which he launched in 2001. Rory will also continue to manage the PCM Europe Fund, launched in July 2009.

Fund of Hedge Funds (FRM)

At FRM the growth of the business outside of Japan is dependent on working closely with clients on the services that best fit their needs. We raised $0.7 billion from one client into a tailored managed account and saw further flows from existing European clients into our infrastructure managed accounts. In Japan where the client interest is for direct co-investment into our existing platform, we raised $0.5 billion into FRM Diversified strategies.

In early June we announced the acquisition of Pine Grove, a US-based fund of hedge fund manager specialising in the management of credit-focused hedge fund portfolios with approximately $1.0 billion of assets under management. Since inception, the firm's hedge fund selections and portfolio management have delivered attractive risk-adjusted returns across market cycles. Approximately two thirds of Pine Grove's assets are from institutional investors, primarily US-based, with the remaining third from US high net worth individuals and family offices. Pine Grove will further enhance our presence in the US and add to FRM's fund of hedge funds business, reinforcing our efforts to offer clients a wide variety of investment opportunities including SEC-registered US 40 Act funds and complementary fund of hedge fund products.

Distribution effectiveness

The flow picture improved from 2013 with net inflows of $2.8 billion in the half. Gross sales were $12.4 billion, an increase of 91% compared to the first half of 2013 with most of the increase coming from flows into GLG alternatives and long only strategies linked to strong performance in 2013. The majority of the demand continues to come from institutions with institutional sales constituting 66% of total sales. There were some lumpy institutional sales in the first half including $1 billion into the European long short strategy, $0.8 billion into the strategic bond strategy, $0.7 billion into an FRM managed account and $0.4 billion into AHL Dimension. Redemptions were $9.6 billion in the six months, down from $11.5 billion in the first half of 2013 but reflecting mixed levels of absolute investment performance across the product range.

The US remains a key focus for us from a distribution perspective and as outlined earlier the Numeric and Pine Grove acquisitions will help us with this effort with Numeric in particular adding presence in an important investment centre and relationships with a range of institutional clients.

We continue to restructure our retail distribution infrastructure and during the period our retail sales offices in Canada and the Netherlands were sold to the management teams in those regions. We maintain a strong ongoing relationship with these teams enabling us to continue to sell Man products through these offices. Representation on global private banking platforms remains of key importance from a retail distribution perspective and we are now represented on 8 global private banking platforms covering 50 funds. From an institutional perspective we continue to work hard on our consultant relationships and we now have consultant coverage of 116 products with 26 strong buy ratings.

Cost reduction

We remain on track with the implementation of the cost saving programmes announced in 2012 and 2013. Our restructuring programme is nearly complete: H1 total fixed costs were $154 million, $308 million annualised versus the $305 million target set for 2015. H1 fixed compensation costs were $78 million, $156 million annualised versus the $161 million target for 2014. H1 other cash costs were $76 million, $152 million annualised versus the $169 million target for 2014. Underlying cost saving targets for 2015 remain unchanged, despite being ahead of schedule versus the targets for 2014. The inclusion of the fixed costs related to the acquisitions of Numeric and Pine Grove, and the weakening of the US Dollar against Sterling leads to a revised total fixed cost target for 2015 of around $360 million.

Balance Sheet efficiency

Our balance sheet remains strong and liquid with net tangible assets of $0.9 billion or 54 cents per share at 30 June 2014. Gross cash was $0.8 billion compared to $1.0 billion at the end of 2013 and the committed revolving credit facility of $1,525 million is available and undrawn.

On 19 June 2014 we completed the $115 million share repurchase announced in February at an average price of 99.7p, buying back 68.8 million shares. Surplus Capital at 30 June 2014 was $625 million with the decrease from the 31 December 2013 position of $760 million being due to the payment of the final dividend and the share repurchase partially offset by a decrease in the regulatory capital requirement related to lower seed investments, fee receivables and loans to funds. Pro-forma surplus capital is around $300 million after taking into account the impact of Numeric and Pine Grove Acquisitions, interim profits which are not included in the 30 June 2014 figure until they have been audited and the payment of the interim dividend.

KEY PERFORMANCE INDICATORS (KPIs)

Our financial KPIs, as presented on pages 14 and 15 of our Annual Report for the year ended 31 December 2013, illustrate and measure the relationship between the investment experience of our fund investors, our financial performance and the creation of shareholder value over time. The KPIs are used on a regular basis to evaluate progress against our four key priorities: performance, growth, distribution, and efficiency. The results of our KPIs for the six month period to 30 June 2014 reflect the strong positive performance for AHL and mixed performance for GLG and FRM. FUM flows have improved, particularly for GLG, with net inflows of $2.8 billion for the Group in H1 2014. FUM has increased during the period, which has had a positive impact on our profitability and EPS growth.

Investment performance

The investment performance KPI measures the net investment performance for our three managers (AHL, GLG, and FRM), represented by key funds, against relevant benchmarks. The target for this KPI is to exceed the relevant benchmarks. The key funds and the relevant benchmarks are AHL Diversified versus three key peer asset managers for AHL (the target being to beat two of the three peers), GLG Alternative Strategies Dollar-Weighted Composite versus HFRX for GLG, and FRM Diversified II versus HFRI Fund of Funds Conservative Index for FRM. The performance of the key funds compared to the benchmarks gives an indication of the competitiveness of our investment performance against similar alternative investment styles offered by other investment managers. This measures our ability to deliver superior long-term performance to investors. For the six months to 30 June 2014, we are achieving one out of the three performance targets as AHL's performance of 8.7% is exceeding all three relevant peer benchmarks of -0.1%, 1.3% and 6.2%. GLG has performance of -3.2% and is below the relevant benchmark of 1.8%, primarily as a result of the greater proportion of GLG's FUM that is in equity long short strategies compared to the benchmark. FRM has positive performance of 1.4% but is below the relevant benchmark of 2.5%, primarily as their portfolios generally carry less equity market beta than the broader indices.

Net flows

This KPI measures net FUM flows for the period as a percentage of opening FUM, with net flows defined as gross sales less gross redemptions. The target for this KPI is 0%-10% net inflows each year. Net flows are the measure of our ability to attract and retain investor capital. FUM drives our financial performance in terms of our ability to earn management fees. Net flows are within the target range for the six months to 30 June 2014 with an annualised net inflow of 10%, compared to a net outflow of 6.3% for the year to 31 December 2013. The improvement in flows primarily relates to an increase in flows for GLG alternative and long only strategies as a result of strong performance in 2013.

Adjusted management fee EBITDA margin

This KPI measures adjusted management fee EBITDA as a percentage of net revenues (gross management fee revenue and income from associates less external cash distribution costs). The target for this KPI is 25%-40%. Our adjusted management fee EBITDA margin is a measure of our underlying profitability. The adjusted management fee EBITDA margin of 31% is within the target range for the six months to 30 June 2014, compared to 36% for the year to 31 December 2013. This margin has declined since 2013 with the continued decline in FUM for our higher margin guaranteed and open-ended products.

Adjusted management fee EPS growth

This KPI measures our adjusted management fee EPS growth in excess of RPI, where adjusted management fee EPS is calculated using post-tax profits excluding net performance fees (and including the cost of the dividend on the Perpetual Subordinated Capital Securities in 2013), divided by the diluted number of shares. The target is growth of 0%-20% plus RPI each year. Adjusted management fee EPS growth measures the overall effectiveness of our business model, and drives both our dividend policy and the value generated for shareholders. The adjusted management fee EPS growth is just below the target range for the six months to 30 June 2014 at 1.3%, which is higher than the -14% for the year to 31 December 2013, primarily as a result of reduced fixed costs and finance costs, but lower than RPI at 1.9%.

RISK MANAGEMENT

It is a key objective of Man to remain a leader in risk management and governance. As such, risk management is an essential component of our approach, both to the management of investment funds on behalf of investors, and the management of Man's business on behalf of shareholders. Our reputation is fundamental to our business, and maintaining our corporate integrity is the responsibility of everyone at Man. Our approach is to identify, quantify and manage risk throughout the Group, in accordance with the Board's risk appetite. We maintain surplus capital and liquidity to give us strategic and tactical flexibility, both in terms of corporate and fund management.

The principal risks faced by Man are set out on pages 22 to 23 of our 2013 Annual Report. These remain our principal risks for the second half of the financial year – below we set out some highlights and specific activities that have taken place since 31 December 2013.

The risk of the underperformance of the funds is a principal risk to Man shareholders. Persistent underperformance would reduce levels of funds under management and may result in lower subscriptions and higher redemptions. Consequently, this will lower management fees, as well as reduce performance fees. In mitigation of this risk, we maintain a high quality, diversified range of investment styles and products, principally across quantitative (AHL), discretionary (GLG) and fund of funds (FRM) strategies. This diversity gives us protection against concentrated underperformance from any one sector.

In H1 2014, the AHL funds performed well with a strong Q2. The strategies benefited from stronger equity and bond markets, together with lower correlation between asset classes allowing diversification to enhance risk adjusted returns. At GLG, there was good performance in credit strategies, as individual trades were supported by falling credit spreads. Equity strategies had below average performance, as sector rotation and reversals in momentum and value hurt certain parts of the equity market (e.g. technology) in March and April.

As previously stated, in 2013 we took steps to optimise the efficiency of the Group's capital and liquidity structure. The recently announced acquisition of Numeric, a US based asset manager, utilised our balance sheet to add FUM and fund diversification to the overall group. A focus for H2 will be the management of the risks associated with the integration of Numeric into the overall group, following closing.

We actively and closely manage our counterparty risk exposures, both at corporate and fund level. While credit default spreads have remained low in H1, we are conscious of the risk of individual events, or a turn in market sentiment, and continue to take a conservative approach.

We remain focused on outsourcing risk, given the move of several functions to external providers and the integration and simplification of operational processes and technological infrastructure. This risk is mitigated by the methodology used, and the experienced team put in place for the selection, appointment and monitoring of our third party service providers, which ensures that they carry out their services as required.

We continue to devote resource to the management of regulatory risk as we see continuous evolvement in the landscape, such as the implementation of the Alternative Investment Fund Managers Directive (AIFMD), the proposed EU financial transaction tax and new rules on central clearing of OTC derivatives. It is a top priority that we keep abreast of new regulations and understand the implications these will have on the Group.

Furthermore, we are focused on the developments and consequent implications of the proposals by European regulators in relation to the use of dealing commissions. The proposed developments could have a significant impact on the investment management sector, including Man Group. We continue to monitor these developments and assess the implications on the Group.

FUNDS UNDER MANAGEMENT (FUM), FLOWS AND GROSS AND NET MANAGEMENT FEE MARGINS

In the six months to 30 June 2014, FUM increased 7% from $54.1 billion to $57.7 billion with $2.8 billion of net inflows, $0.7 billion of positive investment movement and $0.1 billion of FX gains and other movements.

In aggregate, our total gross margin has decreased from 177 basis points for the year ended 31 December 2013 to 142 basis points for the six months ended 30 June 2014. Our total net margin has decreased from 150 basis points to 121 basis points over the same period. These reductions are due to reduced guaranteed product FUM as well as a mix shift towards institutional money, particularly in the alternatives quant category. This product mix shift and consequent reduction in overall margin is likely to continue as we sell more open ended alternative product, particularly to institutions, and sales of guaranteed product remain negligible.

Six months to 30 June 2014

$bn	FUM at 31 December 2013	Sales	Redemptions	Net inflows / (outflows)	Investment movement	FX	Other	FUM at 30 June 2014
Alternative	**36.5**	**8.1**	**(7.2)**	**0.9**	**0.7**	**0.3**	**(0.2)**	**38.2**
Quant (AHL / MSS)	**8.9**	1.2	(1.8)	**(0.6)**	0.6	0.1	0.0	**9.0**
Discretionary (GLG)	**16.3**	5.2	(2.6)	**2.6**	(0.3)	(0.1)	(0.5)	**18.0**
Fund of funds (FRM)	**11.3**	1.7	(2.8)	**(1.1)**	0.4	0.3	0.3	**11.2**
Long only	**15.3**	**4.3**	**(1.9)**	**2.4**	**0.1**	**0.3**	**0.0**	**18.1**
Quant (AHL / MSS)	**1.5**	0.5	0.0	**0.5**	0.1	0.0	0.0	**2.1**
Discretionary (GLG)	**13.8**	3.8	(1.9)	**1.9**	0.0	0.3	0.0	**16.0**
Guaranteed	**2.3**	**0.0**	**(0.5)**	**(0.5)**	**(0.1)**	**0.0**	**(0.3)**	**1.4**
Total	**54.1**	**12.4**	**(9.6)**	**2.8**	**0.7**	**0.6**	**(0.5)**	**57.7**

Gross and net management fee margins

	Six months ended 30 June 2014		Year ended 31 December 2013	
$bn	**Total gross margin (bps)**	**Total net margin (gross margin net of external distribution costs) (bps)**	**Total gross margin (bps)**	**Total net margin (gross margin net of external distribution costs) (bps)**
Alternative	**149**	**133**	**163**	**142**
Quant (AHL / MSS)	239	205	283	233
Discretionary (GLG)	135	120	137	124
Fund of funds (FRM)	99	96	102	94
Long only	**87**	**67**	**90**	**67**
Quant (AHL / MSS)	28	27	34	32
Discretionary (GLG)	94	72	98	72
Guaranteed	**516**	**369**	**521**	**436**
Total	**142**	**121**	**177**	**150**

Alternatives

Funds under management in alternative strategies increased by 5% in the period to $38.2 billion.

FUM in the quant alternatives category (AHL/MSS) remained flat with $0.6 billion of net outflows offset by $0.6 billion of positive investment movement. Sales of $1.2 billion in the six months to 30 June 2014 continued to be driven by institutional client flows into AHL Evolution and AHL Dimension. Redemptions totalled $1.8 billion, the majority of which were from investors in AHL Diversified and AHL Alpha. The AHL Diversified strategy was up 8.7% in the half which was the main driver of the positive investment movement of $0.6 billion. FX and other movements were negligible in the period. As at 30 June 2014, AHL/MSS open ended FUM (including long only FUM) of $9.5 billion was 5.6% below peak on a weighted average basis.

The quant alternatives (AHL/MSS) gross and net margin reduced by 44 basis points and 28 basis points respectively compared to the year ended 31 December 2013. This is due to the fact that over 85% of the redemptions were from predominantly retail investors in AHL Diversified and AHL Alpha where the margin was 2% to 4% whereas the majority of the sales were from institutional investors into AHL Evolution where the margin is 2% and AHL Dimension where the margin is around 1%. The reduction in margin is lower at a net level due to the fact that there are higher external distribution costs associated with retail FUM than institutional FUM. Looking forward, we would expect this mix shift towards institutional money to continue and hence we would expect the margin to decline further.

FUM in discretionary alternatives (GLG) increased by 10% in the period to $18.0 billion driven by net inflows of $2.6 billion. Sales for the six months were $5.2 billion with flows of $3.6 billion into Equity long short strategies (including $1.0 billion from one client into the European long short strategy) and $0.8 billion into Euro distressed and Convertibles strategies linked to strong performance in 2013. Discretionary alternatives redemptions totalled $2.6 billion. Within this $1.8 billion came from equity long short strategies, $0.5 billion from credit strategies and $0.3 billion from macro and emerging markets strategies. Investment performance across the GLG alternatives range was negative in the six months and reduced FUM by $0.3 billion. FX movements were negligible. Other movements relate to Pemba and Ore Hill maturities of $0.4 billion and $0.1 billion respectively. 39% of GLG performance fee eligible funds (including long only) of $15.6 billion were at peak at 30 June 2014 and 28% were within 5% of peak.

Gross and net margins in the discretionary alternatives category remained stable compared to the year ended 31 December 2013.

Funds under management in the alternatives fund of fund (FRM) category remained at $11.2 billion. Alternative fund of fund sales were $1.7 billion and included $0.7 billion from one client into a separate managed account, $0.3 billion of inflows into infrastructure mandates and $0.5 billion into FRM Diversified strategies. Redemptions totalled $2.8 billion, $1.3 billion of which related to redemptions from legacy Man multi-manager products and there is $1.7 billion of FUM left in these products. There were also $1 billion of redemptions from two institutional clients in other FRM products in the period. Performance in the six months was positive overall across FRM's strategies and increased FUM by $0.4 billion in the period. FX movements (mainly in relation to the strengthening of the Japanese Yen against the US dollar) increased FUM by $0.3 billion. Notified quarterly redemptions for 1 July were $0.4 billion. Other movements of $0.3 billion in the half relate to exposure adjustments to bring the methodology for reporting legacy FRM funds under management into line with the rest of the Group.

The gross margin in the alternatives fund of fund category remained broadly stable compared to the year ended 31 December 2013.

Long only

Long only funds under management rose 18% to $18.1 billion, driven by net inflows of $2.4 billion in the six month period.

FUM in the quant long only category (AHL/MSS) increased by $0.6 billion driven by net inflows of $0.5 billion into the MSS Europe plus strategy. The gross and net margin reduced slightly in this category due to the inflows having a slightly different fee mix between management and performance fees than the existing FUM.

Discretionary (GLG) long only sales were $3.8 billion in the half with $2.0 billion into the Japan CoreAlpha strategy and $1.8 billion into other long only strategies including $1.2 billion into the Strategic

Bond strategy. Redemptions totalled $1.9 billion with $1.3 billion from Japan CoreAlpha and $0.6 billion from other long only strategies. Investment performance was broadly flat in the period with negative performance in Japan Core Alpha being offset by positive performance across the majority of the other long only strategies. FX movements increased FUM by $0.3 billion due to the strengthening of the Japanese Yen and sterling against the US dollar.

Guaranteed products

Guaranteed product funds under management reduced by 39% in the six months to 30 June 2014, from $2.3 billion to $1.4 billion. Redemptions were $0.5 billion ($0.3 billion of which was switched into other Man products) and investment movement reduced FUM by $0.1 billion in the period. The net de-gear in the period was $0.3 billion with de-gears of $0.4 billion in the first four months of the year being offset by re-gears of $0.1 billion in total in May and June. There were further re-gears of $0.1 billion on 1 July and $0.3 billion on 1 August. FX movements were negligible in the period.

The guaranteed gross and net margin reduced by 5 basis points and 67 basis points respectively compared to the year ended 31 December 2013. The main reason for the more significant reduction in margin at a net level was due to placement fee write offs related to the net de-gear in the period and excluding this impact the net margin would be 404 basis points versus 436 basis points last year.

Three months to 31 March 2014

$bn	FUM at 31 December 2013	Sales	Redemptions	Net inflows / (outflows)	Investment movement	FX	Other	FUM at 31 March 2014
Alternative	**36.5**	**4.4**	**(3.5)**	**0.9**	**(0.2)**	**0.2**	**(0.4)**	**37.0**
Quant (AHL / MSS)	8.9	0.7	(0.9)	**(0.2)**	(0.3)	0.1	0.0	8.5
Discretionary (GLG)	16.3	3.1	(1.0)	**2.1**	0.0	(0.1)	(0.3)	18.0
Fund of funds (FRM)	11.3	0.6	(1.6)	**(1.0)**	0.1	0.2	(0.1)	10.5
Long only	**15.3**	**2.1**	**(0.8)**	**1.3**	**(0.4)**	**0.1**	**0.0**	**16.3**
Quant (AHL / MSS)	1.5	0.2	0.0	**0.2**	0.1	0.0	0.0	1.8
Discretionary (GLG)	13.8	1.9	(0.8)	**1.1**	(0.5)	0.1	0.0	14.5
Guaranteed	**2.3**	**0.0**	**(0.2)**	**(0.2)**	**(0.1)**	**0.0**	**(0.3)**	**1.7**
Total	**54.1**	**6.5**	**(4.5)**	**2.0**	**(0.7)**	**0.3**	**(0.7)**	**55.0**

Three months to 30 June 2014

$bn	FUM at 31 March 2014	Sales	Redemptions	Net inflows / (outflows)	Investment movement	FX	Other	FUM at 30 June 2014
Alternative	**37.0**	**3.7**	**(3.7)**	**0.0**	**0.9**	**0.1**	**0.2**	**38.2**
Quant (AHL / MSS)	8.5	0.5	(0.9)	**(0.4)**	0.9	0.0	0.0	9.0
Discretionary (GLG)	18.0	2.1	(1.6)	**0.5**	(0.3)	0.0	(0.2)	18.0
Fund of funds (FRM)	10.5	1.1	(1.2)	**(0.1)**	0.3	0.1	0.4	11.2
Long only	**16.3**	**2.2**	**(1.1)**	**1.1**	**0.5**	**0.2**	**0.0**	**18.1**
Quant (AHL / MSS)	1.8	0.3	0.0	**0.3**	0.0	0.0	0.0	2.1
Discretionary (GLG)	14.5	1.9	(1.1)	**0.8**	0.5	0.2	0.0	16.0
Guaranteed	**1.7**	**0.0**	**(0.3)**	**(0.3)**	**0.0**	**0.0**	**0.0**	**1.4**
Total	**55.0**	**5.9**	**(5.1)**	**0.8**	**1.4**	**0.3**	**0.2**	**57.7**

FUM by manager

$bn	30 June 2014	31 March 2014	31 December 2013
Quant styles	**12.1**	**11.3**	**11.9**
- AHL	9.4	**9.0**	**9.9**
- MSS	2.7	**2.3**	**2.0**
GLG Alternatives	**18.1**	**18.2**	**16.4**
- Equity			
- Europe	6.4	6.4	4.8
- North America	2.2	2.5	3.0
- UK	0.3	0.3	0.3
- Other equity alternatives	0.8	1.0	0.1
- Credit and Convertibles			
- Convertibles	4.4	3.9	3.5
- Market Neutral	1.2	1.1	1.0
- Ore Hill	0.8	0.7	0.9
- Pemba	1.5	1.6	1.9
- Macro			
- Emerging markets	0.2	0.5	0.5
- Macro	0.3	0.2	0.4
GLG Long only	**16.0**	**14.5**	**13.8**
- Japan	10.6	9.7	9.7
- Other	5.4	4.8	4.1
FRM	**11.5**	**11.0**	**12.0**
Total	**57.7**	**55.0**	**54.1**

Investment performance

	Total Return		Annualised Return	
	3 months to 30 Jun 2014	6 months to 30 Jun 2014	3 years to 30 Jun 2014	5 years to 30 Jun 2014
AHL/MAN SYSTEMATIC STRATEGIES				
AHL Diversified[1]	11.2%	8.7%	1.9%	1.8%
AHL Alpha[2]	7.2%	6.0%	2.3%	3.0%
AHL Evolution[3]	11.2%	13.3%	n/a	n/a
AHL Dimension[4]	6.1%	6.7%	4.1%	4.5%
MSS TailProtect[5]	-4.1%	-6.8%	-4.0%	n/a
MSS Europe Plus[6]	1.6%	3.5%	9.9%	n/a
GLG ALTERNATIVES				
Equity				
Europe				
GLG European Long Short Fund[7]	-5.0%	-5.4%	2.9%	5.0%
GLG European Equity Alternative UCITS Fund[8]	-5.2%	-5.7%	3.0%	n/a
GLG European Alpha Alternative UCITS Fund[9]	-0.5%	1.4%	3.0%	4.4%
North America				
GLG North American Opportunity Fund[10]	1.9%	0.4%	-0.5%	4.3%
GLG North American Equity Alternative UCITS Fund[11]	0.2%	-0.9%	-2.9%	n/a
UK				
GLG Alpha Select Fund[12]	-3.3%	-0.9%	2.3%	3.5%
GLG Alpha Select UCITS Fund[13]	-3.2%	-0.8%	1.8%	n/a
Other equity alternatives				
GLG Global Opportunity Fund[14]	-1.2%	-1.5%	-0.9%	2.8%
Convertibles				
GLG Global Convertible Fund[15]	0.1%	1.2%	3.7%	7.3%
GLG Global Convertible UCITS Fund[16]	0.4%	2.5%	5.2%	8.6%
Market neutral				
GLG Market Neutral Fund[17]	1.7%	4.0%	8.2%	23.7%
GLG European Distressed Fund[18]	2.7%	5.9%	7.8%	n/a
Macro and Special Situations				
GLG Atlas Macro Fund[19]	-9.6%	-16.9%	-5.3%	0.8%
GLG Atlas Macro Alternative UCITS Fund[20]	-9.5%	-16.9%	-5.1%	n/a
Multi-strategy				
GLG Multi-Strategy Fund[21]	-1.4%	-1.9%	1.1%	5.8%
GLG LONG ONLY				
GLG Japan Core Alpha Equity Fund[22]	4.8%	-1.4%	16.9%	8.2%
GLG Global Equity UCITS Fund[23]	3.6%	1.9%	9.9%	12.0%
GLG Strategic Bond Fund[24]	2.7%	5.5%	n/a	n/a
GLG Undervalued Assets Fund[25]	-1.5%	3.2%	n/a	n/a

	Total Return		Annualised Return	
	3 months to 30 Jun 2014	6 months to 30 Jun 2014	3 years to 30 Jun 2014	5 years to 30 Jun 2014
FRM				
AA Diversified[26]	0.8%	1.0%	1.2%	2.9%
FRM Diversified II[27]	0.9%	1.4%	2.4%	4.4%
FRM Dynamic Selection[28]	1.6%	2.3%	1.2%	1.9%
Indices				
World Stocks[29]	4.4%	5.5%	13.0%	14.5%
World Bonds[30]	1.8%	3.9%	4.4%	3.9%
Corporate Bonds[31]	3.7%	9.6%	9.4%	10.2%
Hedge fund indices				
HFRI Fund of Funds Composite Index[32]	1.5%	1.9%	3.2%	4.2%
HFRI Fund Weighted Composite Index[32]	2.0%	3.2%	4.0%	6.5%
HFRX Global Hedge Fund Index	0.6%	1.8%	1.5%	3.0%
Style indices				
Barclay BTOP 50 Index[33]	1.9%	0.4%	-0.5%	0.1%
HFRI Equity Hedge (Total) Index[32]	2.1%	3.6%	4.9%	7.4%
HFRI EH: Equity Market Neutral Index[32]	0.3%	1.5%	2.4%	2.5%
HFRI Macro (Total) Index[32]	1.2%	0.9%	-0.5%	1.4%
HFRI Relative Value (Total) Index[32]	2.4%	4.8%	6.4%	9.1%

Source: Man database, Bloomberg, MSCI and Source. 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 AHL Diversified plc from 26 March 1996 to 29 October 2012, and by Man AHL Diversified (Guernsey) USD Shares – Class A from 30 October 2012 to date. The representative product was changed at the end of October 2012 due to legal and/or regulatory restrictions on Man AHL Diversified plc preventing the product from accessing the Programme's revised target allocations. Both funds are valued weekly; however, for comparative purposes, statistics have been calculated using the best quality price that is available at each calendar month end, using estimates where a final price is unavailable. Where a price, either estimate or final is unavailable on a calendar month end, the price on the closest date prior to the calendar month end has been used.

2) Represented by AHL Alpha plc from 17 October 1995 to 30 September 2012, and by AHL Strategies PCC Limited: Class Y AHL Alpha USD Shares from 1 October 2012 to 30 September 2013. The representative product was changed at the end of September 2012 due to the provisioning of fund liquidation costs in October 2012 for AHL Alpha plc, which resulted in tracking error compared with other Alpha Programme funds. Both funds are valued weekly; however, for comparative purposes, statistics have been calculated using the best quality price that is available at each calendar month end, using estimates where a final price is unavailable. Where a price, either estimate or final is unavailable on a calendar month end, the price on the closest date prior to the calendar month end has been used. Both of the track records have been adjusted to reflect the fee structure of AHL Alpha (Cayman) Limited - USD Shares. From 30 September 2013, the actual performance of AHL Alpha (Cayman) Limited - USD Shares is displayed.

3) Represented by AHL (Cayman) SPC - Class A1 Evolution USD Shares.

4) Represented by AHL Strategies PCC Limited: Class B AHL Dimension USD Shares until 31 May 2014, and by AHL Dimension (Cayman) Ltd - Class F USD Shares from 1 June 2014 to date.

5) Represented by TailProtect Limited Class B.

6) Represented by the official performance of Man GLG Europe Plus Source ETF net of a 0.75% p.a. management fee and no performance fee. Provided by Source.

7) Represented by GLG European Long Short Fund - Class D Unrestricted – EUR.

8) Represented by GLG European Equity Alternative IN EUR.

9) Represented by GLG European Alpha Alternative IN EUR.

10) Represented by GLG North American Opportunity Fund - Class A Unrestricted – USD.

11) Represented by GLG North American Equity Alternative IN USD.

12) Represented by GLG Alpha Select Fund - Class C – EUR.

13) Represented by GLG Alpha Select Alternative IN H EUR.

14) Represented by GLG Global Opportunity Fund - Class Z – USD.

15) Represented by GLG Global Convertible Fund - Class A – USD.

16) Represented by GLG Global Convertible UCITS Fund - Class IL T USD to Class IM USD (08/06/2009).

17) Represented by GLG Market Neutral Fund - Class Z Unrestricted – USD.

18) Represented by GLG European Distressed Fund - Class A – USD.

19) Represented by GLG Atlas Macro Fund - Class A – USD.

20) Represented by GLG Atlas Macro Alternative IN USD.

21) Represented by the gross return of Man GLG Multi-Strategy Fund – Class A – USD Shares until 31 December 2012. From 1 January 2013 the actual gross performance of Man GLG Multi-Strategy Fund – Class G – USD Shares is displayed.

22) Represented by GLG Japan CoreAlpha Equity Fund - Class C to Class I JPY (28/01/2010).

23) Represented by GLG Global Equity Fund - Class I T USD to Class I USD (13/05/2011).

24) Represented by GLG Strategic Bond Fund Class A.

25) Represented by GLG Undervalued Assets Fund - C Accumulation Shares.

26) Represented by Absolute Alpha Fund PCC Ltd Diversified – USD.

27) Represented by FRM Diversified II Fund SPC - Class A USD.

28) Represented by FRM Dynamic Selection USD I.

29) Represented by MSCI World Net Total Return Index hedged to USD.

30) Represented by Citigroup World Government Bond Index hedged to USD (total return).

31) Represented by Citigroup High Grade Corp Bond TR.

32) HFRI index performance over the past 4 months is subject to change.

33) The historic BarclayHedge data is subject to change.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors confirm that this condensed set of financial statements in respect of Man Group plc for the period ended 30 June 2014 has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union, and that the six month review herein includes a fair review of the information required by the Financial Conduct Authority's Listing Rules, including the Disclosure and Transparency Rules 4.2.7 and 4.2.8, namely:

- an indication of important events that have occurred during the six months ended 30 June 2014 and their impact on the condensed interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year ending 31 December 2014; and

- material related party transactions in the six months ended 30 June 2014 and any material changes in the related party transactions described in the last annual report.

The Directors of Man Group plc are as listed in the Annual Report for the year ended 31 December 2013, subject to the following change:

- Frederic Jolly retired as a Non-Executive Director on 9 May 2014.

By order of the board

Manny Roman
Chief Executive Officer
1 August 2014

Jonathan Sorrell
Chief Financial Officer
1 August 2014

INTERIM FINANCIAL STATEMENTS

Group income statement

$m	Note	**Six months to 30 June 2014**	Six months to 30 June 2013
Revenue:			
Gross management and other fees	3,4	**399**	529
Performance fees	3,4	**101**	90
		500	619
Income or gains on investments and other financial instruments		**6**	30
Distribution costs	5	**(59)**	(80)
Asset services	6	**(16)**	(15)
Amortisation of acquired intangible assets	12	**(33)**	(33)
Compensation	7	**(196)**	(239)
Other costs	8	**(93)**	(135)
Share of after tax profit of associates		**5**	6
(Loss)/gain on disposal of subsidiaries and other interests	2	**(4)**	16
Finance expense	9	**(6)**	(54)
Finance income	9	**2**	7
Profit before tax		**106**	122
Taxation	10	**(16)**	(13)
Profit for the period attributable to owners of the parent		**90**	109
Earnings per share	11		
Basic (cents)		**5.1**	5.4
Diluted (cents)		**5.0**	5.3
Adjusted profit before tax	2	**148**	134

Group statement of comprehensive income

$m	**Six months to 30 June 2014**	Six months to 30 June 2013
Profit for the period attributable to owners of the parent	90	109
Other comprehensive (expense)/income:		
Items that will be reclassified to profit or loss:	(2)	(26)
Available-for-sale investments:		
Valuation gains taken to equity	-	(1)
Cash flow hedges:		
Valuation gains/(losses) taken to equity	7	(5)
Transfer to income statement on sale or impairment	(11)	-
Net investment hedge	(13)	18
Foreign currency translation	14	(38)
Recycling of FX revaluation on disposal of subsidiaries	1	-
Items that will not be reclassified to profit or loss:	(13)	13
Remeasurements of defined benefit plans	(16)	17
Tax credited/(charged)	3	(4)
Total comprehensive income attributable to owners of the parent	75	96

Group balance sheet

$m	Note	**At 30 June 2014**	At 31 December 2013
ASSETS			
Cash and cash equivalents	14	**820**	992
Fee and other receivables		**377**	388
Investments in fund products and other investments	15	**205**	273
Pension asset	15	**81**	71
Investments in associates		**30**	31
Leasehold improvements and equipment		**57**	68
Goodwill and acquired intangibles	12	**1,299**	1,328
Other intangibles	13	**19**	26
		2,888	3,177
Non-current assets held for sale	15	**107**	56
Total assets		**2,995**	3,233
LIABILITIES			
Trade and other payables		**500**	633
Provisions	1	**82**	92
Current tax liabilities		**51**	37
Deferred tax liabilities		**58**	58
		691	820
Non-current liabilities held for sale		**40**	6
Total liabilities		**731**	826
NET ASSETS		**2,264**	2,407
EQUITY			
Capital and reserves attributable to owners of the parent	16	**2,264**	2,407

Group statement of changes in equity

Six months to 30 June 2014 $m	Note	Equity attributable to owners of the parent Share capital and capital reserves	 Revaluation reserves and retained earnings	Non-controlling interest	Total
At 1 January 2014		**1,191**	**1,216**		**2,407**
Profit for the period		-	90	-	90
Other comprehensive expense		-	(15)	-	(15)
Total comprehensive income for the period		-	75	-	75
Share-based payments		2	6	-	8
Purchase of own shares by ESOP trust		-	(15)	-	(15)
Repurchase of own shares		-	(116)	-	(116)
Dividends*		-	(95)	-	(95)
At 30 June 2014	16	**1,193**	**1,071**	**-**	**2,264**

Six months to 30 June 2013 $m	Note	Equity attributable to owners of the parent Share capital and capital reserves	 Revaluation reserves and retained earnings	Non-controlling interest	Total
At 1 January 2013		1,187	1,423	300	2,910
Profit for the period		-	109	-	109
Other comprehensive expense		-	(13)	-	(13)
Total comprehensive income for the period		-	96		96
Perpetual capital securities coupon		-	(13)	-	(13)
Share-based payments		4	-	-	4
Dividends*		-	(230)	-	(230)
At 30 June 2013		1,191	1,276	300	2,767

*Relates to the final dividend paid for the year ended 31 December 2013 of 5.3 cents per share (six months to 30 June 2013: final dividend paid for year ended 31 December 2012 of 12.5 cents).

Group cash flow statement

$m	**Six months to 30 June 2014**	Six months to 30 June 2013
Cash flows from operating activities		
Profit for the period	**90**	109
Adjustments for:		
Income tax	**16**	13
Net finance expense	**4**	47
Share of after tax profit of associates	**(5)**	(6)
Loss/(gain) on disposal of subsidiaries and other interests	**4**	(11)
Depreciation and impairment of leasehold improvements and equipment	**11**	22
Amortisation of other intangible fixed assets	**38**	44
Share-based payments expense	**8**	22
Difference between pension contributions and pension cost charged	**(23)**	(19)
Other non-cash movements	**(5)**	(9)
	138	212
Changes in working capital:		
Decrease in receivables	**3**	17
Decrease in other financial assets	**71**	19
Decrease in payables	**(144)**	(79)
Cash generated from operations	**68**	169
Interest paid	**(2)**	(65)
Income tax received/(paid)	**2**	(48)
Cash flows from operating activities	**68**	56
Cash flows from investing activities		
Payment of placement fees and purchase of capitalised computer software	**(2)**	(3)
Purchase of investments, including those used to hedge fund product awards	**(44)**	(48)
Net proceeds from sale of other investments, including those held for fund product awards	**24**	27
Interest received	**2**	6
Dividends received from associates	**6**	7
Proceeds from sale of interest in Nephila and other interests	**-**	21
Cash flows from investing activities	**(14)**	10
Cash flows from financing activities		
Proceeds from issue of ordinary shares	**2**	4
Purchase of own shares by ESOP trust	**(17)**	(20)
Repurchase of own shares	**(116)**	-
Repayment of borrowings	**-**	(685)
Dividends paid to Company shareholders	**(95)**	(230)
Dividend payments in respect of perpetual subordinated capital securities	**-**	(17)
Cash flows from financing activities	**(226)**	(948)
Net decrease in cash	**(172)**	(882)
Cash at the beginning of the period	**992**	2,000
Cash at the end of the period	**820**	1,118

1. Basis of preparation

The interim financial statements for the six months ended 30 June 2014 have been prepared in accordance with IAS 34 'Interim Financial Reporting' and the Disclosure and Transparency Rules of the Financial Conduct Authority.

The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the interim financial statements.

The financial information contained herein is unaudited and does not constitute statutory accounts as defined by Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2013, which were prepared in accordance with International Financial Reporting Standards (IFRS) and relevant IFRIC interpretations issued by the International Accounting Standards Board (IASB) and IFRIC Committee respectively and adopted by the European Union (EU) and upon which the auditors have given an unqualified and unmodified report and which contained no statement under Section 498 of the Companies Act 2006, have been delivered to the Registrar of Companies and were posted to shareholders on 12 March 2014.

The accounting policies applied in these interim financial statements are consistent with those set out and applied in Man's Annual Report for the year ended 31 December 2013, except for the adoption of:

- IFRS 10 – 'Consolidated financial statements'
- Amendments to IAS 36 – 'Impairment of assets'

The adoption of IFRS 10 has resulted in the consolidation of one fund at 30 June 2014, in which Man has a 67% holding and is the investment manager. This fund, which we subscribed to in the period, is classified on the balance sheet as non-current assets/liabilities held for sale (Note 15). The impact of consolidating this fund is to increase gross assets and liabilities in the Group balance sheet by $10 million. There is no impact on the Group income statement.

The impact of other new and amended international financial reporting standards during the period has not been significant.

A change in presentation of the balance sheet has been made in the period to separate 'provisions' from 'trade and other payables'. Provisions at 30 June 2014 comprise: onerous property lease contracts of $41 million (31 December 2013: $43 million); potential legal claims in connection with the Lehman bankruptcy of $30 million (31 December 2013: $30 million); and redundancy costs of $11 million (31 December 2013: $19 million). The movement in provisions in the six months ended 30 June 2014 primarily relates to the utilisation of the redundancy provision as part of the ongoing cost saving initiatives.

The areas of significant judgement are: the evaluation of goodwill and intangible assets; whether the Group controls certain funds through its investments in fund products and is required to consolidate them; taxation liabilities; and the determination of fair values for investments, contingent consideration, illiquid investments, deferred compensation awards, and pension obligations.

The income statement and cash flow statement presentation in these interim financial statements shows the six months ended 30 June 2014 together with the six months ended 30 June 2013 (H1 2013). The balance sheet is presented as at 30 June 2014 together with comparatives as at 31 December 2013.

2. Adjusted profit before tax

Statutory profit before tax is adjusted to give a fuller understanding of the underlying profitability of the business. The directors consider that the Group's profit is most meaningful when considered on a basis which excludes restructuring costs, amortisation and impairment of intangible assets and certain non-recurring gains or losses, which therefore reflect the recurring revenues and costs that drive the Group's cash flow. The directors are consistent in their approach to the classification of adjusting items period to period.

$m	Note	**Six months to 30 June 2014**	Six months to 30 June 2013
Profit before tax		**106**	122
Adjusting items:			
Loss/(gain) on disposal of subsidiaries and other interests		**4**	(16)
Other costs – acquisition related costs	8	**4**	-
Revaluation of contingent consideration		**-**	(7)
Unwind of contingent consideration discount	9	**1**	2
Amortisation of acquired intangible assets	12	**33**	33
Adjusted profit before tax		**148**	134
Tax		**(22)**	(18)
Adjusted net income		**126**	116

In May 2014, the group sold two of its subsidiaries to local management, which resulted in a loss on disposal of $4 million. The prior period gain on disposal of other interests relates primarily to a gain of $11 million on the disposal of a 6.25% stake in Nephila on 23 January 2013, reducing our stake to 18.75%, and a gain on disposal of Lehman claims of $5 million.

3. Net management and performance fee income

$m	**Six months to 30 June 2014**	Six months to 30 June 2013
Gross management and other fees	**399**	529
Share of after tax profit of associates	**5**	6
Less:		
Distribution costs	**(59)**	(80)
Asset services	**(16)**	(15)
Compensation	**(154)**	(196)
Other costs	**(89)**	(135)
Net finance expense	**(3)**	(45)
Adjusted net management fees	**83**	64
Performance fees	**101**	90
Income or gains on investments and other financial instruments	**6**	23
Less Compensation	**(42)**	(43)
Net performance fees	**65**	70
Adjusting items (see Note 2)	**(42)**	(12)
Profit before tax	**106**	122

Net management fees
Adjusted net management fees for the six months ended 30 June 2014 were $83 million (H1 2013: $64 million), calculated as gross management fees plus the share of profits from associates less distribution costs, fixed compensation and discretionary bonus compensation and all other costs. The increase in net management fees compared to the comparative period primarily relates to a reduction in distribution, compensation, other costs and net finance expense, partly offset by a reduction in gross management fees.

Net performance fees
Net performance fees for the six months ended 30 June 2014 were $65 million (H1 2013: $70 million), calculated as gross performance fees plus income or gains on investments and other financial instruments less related performance based compensation. The decrease in net performance fees compared to H1 2013 is a result of lower income or gains on investments and other financial instruments of $6 million compared to $23 million for H1 2013.

4. Revenue

Revenue for the six months to 30 June 2014 was $500 million, which is 19% lower than the $619 million in H1 2013.

Management fee revenue for the period was $399 million, compared to $529 million in H1 2013, as a result of a decrease in the overall average gross margin from the further decline in funds under management (FUM) for higher margin guaranteed products and a decrease in the gross margin for alternative quant products.

Revenue from performance fees has increased from $90 million in H1 2013 to $101 million in the six months to 30 June 2014, as a result of positive investment performance from performance fee eligible funds for AHL.

5. Distribution costs

Distribution costs were $59 million for the period (H1 2013: $80 million), comprising product placement fees of $8 million (H1 2013: $9 million) and investor servicing fees of $51 million (H1 2013: $71 million).

Placement fees relate to the amortisation of prior placement fees of $3 million (H1 2013: $5 million), redeemed products of $4 million (H1 2013: $3 million), and fees expensed upfront of $1 million (H1 2013: $1 million). The capitalised placement fees at 30 June 2014 were $13 million (31 December 2013: $20 million) with a weighted average remaining amortisation period of 1.9 years (31 December 2013: 1.5 years). Placement fees are lower this period as a result of no new payments and the amortisation charge recognised for the period. Servicing fee expense was lower as a result of lower guaranteed product and quant alternatives FUM.

6. Asset services

Asset services include valuation, fund accounting and registrar functions performed by third parties under contract to Man, on behalf of the funds. Total asset services costs for the period were $16 million (H1 2013: $15 million).

7. Compensation

$m	**Six months to 30 June 2014**	Six months to 30 June 2013
Salaries – fixed	**67**	87
Salaries – variable	**72**	81
Share-based payment charge	**8**	22
Fund product-based payment charge	**17**	15
Internal commissions – variable	**13**	11
Social security costs	**15**	15
Pension costs	**4**	8
Total compensation costs	**196**	239

Compensation costs were $196 million (H1 2013: $239 million). Fixed compensation has decreased as a result of the ongoing cost saving initiatives. Variable compensation has decreased as a result of decreased performance fee related bonus accruals in the period for GLG.

The directors have determined that going forward all share-based and fund product-based awards relate entirely to future services, which is consistent with the approach currently adopted for GLG awards, and hence the amortisation charge relating to future awards to the rest of the Group will be spread over the vesting period from the date of grant. The revised application of the deferred compensation policy results in a lower charge to the income statement of around $6 million in H1 2014, compared to the approach applied in the comparative period.

The decrease in the share-based payment charge is also due to a lower amortisation charge relating to awards granted in prior years, and as a result of a greater proportion of deferred awards being granted in fund products compared to shares in Man Group plc.

Total internal commission costs for the period were $17 million (H1 2013: $17 million), with $2 million (H1 2013: $3 million) included in the share-based payment charge line and $2 million (H1 2013: $3 million) included in the fund product based payment charge line.

The unamortised deferred compensation at 30 June 2014 was $47 million (31 December 2013: $24 million), which has a weighted average remaining vesting period of 1.8 years (31 December 2013: 1.4 years).

8. Other costs

$m	**Six months to 30 June 2014**	Six months to 30 June 2013
Occupancy	**17**	25
Technology and communication	**17**	18
Temporary staff, recruitment, consultancy and managed services	**13**	18
Legal fees and other professional fees	**8**	15
Benefits	**6**	8
Insurance	**4**	4
Travel and entertainment	**4**	5
Audit, accountancy, actuarial and tax fees	**4**	6
Marketing and sponsorship	**3**	4
Other cash costs	**-**	4
Total other costs before depreciation, amortisation and adjusting items	**76**	107
Depreciation and amortisation	**13**	28
Other costs - before adjusting items	**89**	135
Acquisition related costs (Note 2)	**4**	-
Total other costs	**93**	**135**

Other costs before adjusting items were $89 million, compared to $135 million in H1 2013 and $103 million for H2 2013, which reflects the impact of the various previously announced cost saving initiatives to realign the cost base of the Group.

9. Finance expense and finance income

$m	**Six months to 30 June 2014**	Six months to 30 June 2013
Finance income:		
Interest on cash deposits and US Treasury bills	**2**	7
Total finance income	**2**	7
Finance expense:		
Interest payable on borrowings	**(5)**	(20)
Premium paid on debt buyback and other	**-**	(32)
Total finance expense - before adjusting items	**(5)**	(52)
Unwind of contingent consideration discount (Note 2)	**(1)**	(2)
Total finance expense - after adjusting items	**(6)**	(54)

In the current period the interest payable on borrowings of $5 million primarily relates to the costs associated with the $1.5 billion committed revolving credit facility, together with bank charges and other finance costs. In the comparative period a similar amount was incurred, in addition to interest payable on debt.

Finance expense in the prior period includes $28 million of charges relating to the debt buy backs made during 2013.

10. Taxation

The tax charge for the period is $16 million. The effective tax rate on profits before adjusting items of 15% (H1 2013: 13%) reflects the estimated rate for the year ending 31 December 2014. The majority of the Group's profit continues to be earned in the UK and Switzerland. The forecast full year effective tax rate is consistent with this profit mix.

11. Earnings per share (EPS)

The calculation of basic earnings per ordinary share is based on: a basic post-tax profit for the period, after payments to holders of the perpetual subordinated capital securities (H1 2014: nil due to repayment of the perpetual subordinated capital securities during 2013, H1 2013: $13 million after tax), of $90 million (H1 2013: post-tax profit of $96 million); and ordinary shares of 1,774,380,754 (H1 2013: 1,782,801,348), being the weighted average number of ordinary shares in issue during the period after excluding the shares owned by the Man Employee Trusts. For diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares, being ordinary shares of 1,795,842,162 (H1 2013: 1,813,448,506). The decrease in the weighted average number of shares relates to the execution of the share repurchase in the period.

The reconciliation of basic and diluted weighted average number of shares is provided below:

	Six months to 30 June 2014 (millions)	Six months to 30 June 2013 (millions)
Basic weighted average number of shares	**1,774.4**	1,782.8
Dilutive potential ordinary shares		
Share awards under incentive schemes	**18.5**	27.7
Employee share options	**2.9**	3.0
Dilutive weighted average number of shares	**1,795.8**	1,813.5

The reconciliation of EPS to an adjusted EPS is given below:

	Six months to 30 June 2014			
	Basic post-tax earnings $m	**Diluted post-tax earnings $m**	**Basic earnings per share cents**	**Diluted earnings per share cents**
Earnings per share	**90**	**90**	**5.1**	**5.0**
Items for which EPS has been adjusted (Note 2)	42	42	2.4	2.4
Tax on the above items	(6)	(6)	(0.4)	(0.3)
Adjusted earnings per share	**126**	**126**	**7.1**	**7.1**
Net performance fee income (Note 3)	(65)	(65)	(3.7)	(3.7)
Tax on the above item	10	10	0.6	0.6
Adjusted management fee earnings per share	**71**	**71**	**4.0**	**4.0**

	Six months to 30 June 2013			
	Basic post-tax earnings $m	Diluted post-tax earnings $m	Basic earnings per share cents	Diluted earnings per share cents
Earnings per share[1]	96	96	5.4	5.3
Items for which EPS has been adjusted (Note 2)	12	12	0.7	0.7
Tax on the above items	(5)	(5)	(0.3)	(0.3)
Adjusted earnings per share	103	103	5.8	5.7
Net performance fee income (Note 3)	(70)	(70)	(3.9)	(3.9)
Tax on the above item	14	14	0.8	0.8
Adjusted management fee earnings per share	47	47	2.7	2.6

1 The difference between post-tax profit and basic and diluted post-tax profit/(loss) in H1 2013 is the adding back of the expense in the period relating to the perpetual subordinated capital securities, totalling $13 million.

12. Goodwill and acquired intangibles

$m	**Goodwill**	**IMCs and other acquired intangibles**	**Total**
Net book value at 1 January 2014	**808**	**520**	**1,328**
Currency translation difference	5	-	5
Disposal of a subsidiary	(1)	-	(1)
Amortisation	-	(33)	(33)
Net book value at 30 June 2014	**812**	**487**	**1,299**
Made up as follows:			
GLG	201	461	662
FRM	140	26	166
AHL	471	-	471

Allocation of goodwill to cash generating units and calculation of recoverable amounts

The Group has three identified cash-generating units for impairment review purposes: GLG, FRM, and AHL.

Goodwill must be tested for impairment annually, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of the Group's CGUs are assessed each year using a value in use calculation.

GLG cash generating unit (CGU)

For the six months to 30 June 2014, GLG's funds under management (FUM) are higher than the modelled FUM in the value in use calculation at 31 December 2013 as a result of better than forecast net flows, particularly for alternatives. As growth in FUM for the year to date is higher than anticipated, with margins and costs as expected, there were no indicators of impairment for the GLG goodwill during the six months to 30 June 2014. As a result, no impairment test of GLG's goodwill has been undertaken at 30 June 2014.

FRM cash generating unit

For the six months to 30 June 2014, FRM's growth in FUM is higher than that modelled in the value in use calculation at 31 December 2013 as a result of better than anticipated flows for fund of funds products. As FUM is higher than anticipated and there were no adverse changes to margins and costs, there were no indicators of impairment. As a result, no impairment test of FRM's goodwill has been undertaken at 30 June 2014.

AHL cash generating unit

For the six months to 30 June 2014, AHL's growth in FUM is slightly higher than that modelled in the value in use calculation at 31 December 2013, but the mix has changed with a lower overall gross margin. However, this has not had a significant adverse impact on overall revenue and costs are as expected, and as there was significant headroom as at 31 December 2013, it is deemed that there were no indicators of impairment. As a result, no impairment test of AHL's goodwill has been undertaken at 30 June 2014.

13. Other intangibles

$m	Other intangible assets: Placement fees	Capitalised Computer Software	Total
Net book value at 1 January 2014	**20**	**6**	**26**
Amortisation	(3)	(2)	(5)
Additions	-	2	2
Redemptions/disposals	(4)	-	(4)
Net book value at 30 June 2014	**13**	**6**	**19**

14. Cash, liquidity and borrowings

Total liquidity resources aggregated to $2,345 million at 30 June 2014 (31 December 2013: $2,517 million) and comprised cash and cash equivalents of $820 million (31 December 2013: $992 million) and the undrawn committed revolving credit facility of $1,525 million (31 December 2013: $1,525 million).

Cash and cash equivalents at period end comprises $236 million (31 December 2013: $291 million) of cash at bank on hand and $584 million (31 December 2013: $701 million) in short-term deposits. During 2013 all outstanding senior fixed rate bonds and subordinated notes and bonds were repurchased, and the perpetual subordinated capital securities were redeemed.

The net cash position at 30 June 2014 was $820 million, compared to $992 million at 31 December 2013. The movement in cash is analysed in the cash flow statement. The decrease of $172 million in Man's net cash position during the period is primarily the result of dividends on ordinary shares of $95 million, the share repurchase of $116 million, offset partially by cash inflows from operating activities.

The following table summarises Man's available liquidity at the end of the period:

$m	**At 30 June 2014**	At 31 December 2013
Cash and cash equivalents	**820**	992
Undrawn committed revolving credit facility	**1,525**	1,525
Total available liquidity (cash plus undrawn committed facilities)	**2,345**	2,517

15. Investments in fund products and other investments

$m	At 30 June 2014	At 31 December 2013
Investments in fund products and other investments comprise:		
Loans to fund products	**69**	99
Other investments in fund products	**130**	168
Other investments	**6**	6
	205	273

	At 30 June 2014	At 31 December 2013
Pension asset	**81**	71

Other investments in fund products relate to our on-going business to build our product breadth and to trial new investment strategies before we market the products to investors. In addition this balance includes $81 million (31 December 2013: $61 million) of fund products which are held against outstanding deferred compensation arrangements.

The pension asset has increased due to pension contributions partly offset by an increase in the revaluation of the pension liabilities.

Seed capital invested into funds may at times be significant, and therefore the fund may be deemed to be controlled by the Group. Where the Group acquired the controlling stake exclusively with a view to subsequent disposal through sale or dilution and it is considered highly probable that it will relinquish control within a year, the investment in the controlled fund is classified as held for sale. The seeded fund is recognised in the Group balance sheet as non-current assets and liabilities held for sale, with the interests of any other parties included within non-current liabilities held for sale.

The non-current assets and liabilities held for sale were as follows:

	At 30 June 2014	At 31 December 2013
Non-current assets held for sale	**107**	56
Non-current liabilities held for sale	**(40)**	(6)
Investments in fund products held for sale	**67**	50

16. Share capital and reserves

$m	At 30 June 2014	At 31 December 2013
Share capital	**61**	63
Share premium account	**7**	5
Merger reserve	**491**	491
Reorganisation reserve	**632**	632
Capital redemption reserve	**2**	-
Revaluation reserves and retained earnings	**1,071**	1,216
	2,264	2,407

The capital redemption reserve represents the notional value of the shares repurchased in the period to offset the reduction in share capital. The share repurchases, including costs, amounting to $116 million have been deducted from the retained earnings reserve in the period.

The final dividend for the year to 31 December 2013 of $95 million was approved and paid in May 2014 and was therefore deducted from the retained earnings reserve in the six months ended 30 June 2014.

17. Related party transactions

The related party transactions during the period are consistent with the categories disclosed in the Annual Report for the year ended 31 December 2013. Total revenue from fund entities deemed to be associates was $29 million (H1 2013: $26 million), which relate to the investment management agreements with fund products in which we also hold an investment. Total fee receivables and loan balances with fund entities deemed to be associates totalled $28 million (31 December 2013: $40 million). In addition, at 30 June 2014 Man had entered into committed purchase agreements totalling $1 million (31 December 2013: $1 million) and has payables of $6 million (31 December 2013: $1 million) with fund entities deemed to be associates.

18. Fair value of financial assets/liabilities

The fair value of financial assets and liabilities held at fair value can be analysed as follows:

30 June 2014

$m	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets held at fair value:				
Investments in fund products and other investments (Note 15)	**5**	**79**	**52**	**136**
Derivative financial instruments	**-**	**16**	**-**	**16**
	5	**95**	**52**	**152**
Derivative financial instruments	**-**	**2**	**-**	**2**
Contingent consideration	**-**	**-**	**46**	**46**
Other payables	**-**	**2**	**46**	**48**

31 December 2013

$m	Level 1	Level 2	Level 3	Total
Financial assets held at fair value:				
Investments in fund products and other investments (Note 15)	5	102	67	174
Derivative financial instruments	-	20	-	20
	5	122	67	194
Derivative financial instruments	-	1	-	1
Contingent consideration	-	-	44	44
Other payables	**-**	1	44	45

Level 1, 2 and 3 financial assets and liabilities are defined in Note 26 to the financial statements in the 2013 Annual Report.

During the period, there were no significant changes in the business or economic circumstances that affected the fair value of Man's financial assets and no significant transfers of financial assets or liabilities held at fair value between categories. For investments in fund products, Level 2 investments comprise holdings primarily in unlisted, open-ended, active and liquid funds, such as seeding investments, which have weekly or daily pricing derived from third party information.

A transfer into Level 3 would be deemed to occur where the level of prolonged activity, as evidenced by subscriptions and redemptions, is deemed insufficient to support a Level 2 classification. This, as well as other factors such as a deterioration of liquidity in the underlying investments or inability to redeem the investment within a reasonable time frame, would also result in a Level 3 classification. Liquidity premium adjustments of $5 million (31 December 2013: $6 million) have been applied for gated, suspended, side pocketed or otherwise illiquid Level 3 investments in fund products, which amount to $30 million (31 December 2013: $33 million) before the adjustment. Reasonable changes in the liquidity premium assumptions would not have a significant impact on the fair value.

The basis of measuring the fair value of investments in fund products is outlined in Note 15 in the Annual Report for the year ended 31 December 2013. Movement in Level 3 financial assets and financial liabilities, measured at fair value, during the period can be analysed as follows:

$m	Financial assets at fair value through profit or loss	Available - for-sale financial assets	Total	Financial liabilities at fair value through profit or loss	Total
Level 3 financial assets/liabilities held at fair value					
At beginning of the period	**66**	**1**	**67**	**(44)**	**23**
Total gains in comprehensive income	**1**	**1**	**2**	**(3)**	**(1)**
Included in profit for the period*	**1**	**-**	**1**	**(3)**	**(2)**
Included in other comprehensive income	**-**	**1**	**1**	**-**	**1**
Purchases	**3**	**-**	**3**	**-**	**3**
Settlements	**(20)**	**-**	**(20)**	**1**	**(19)**
At period end	**50**	**2**	**52**	**(46)**	**6**
Total gains for the period included in the statement of comprehensive income for assets/liabilities held at period end	**1**	**-**	**1**	**(3)**	**(2)**

*primarily classified in income or gains on investments and other financial instruments.

The financial liabilities in Level 3 relate to the contingent consideration payable to former shareholders of FRM Holdings Limited. The fair value is based on a discounted cash flow calculation, based on the expected run rate management fee level for the legacy FRM business up to three years after the original acquisition date of July 2012, and is determined using a combination of inputs, such as weighted average cost of capital, high water mark levels, net management fee margins and the growth in FUM. The most significant inputs into the valuation relate to the expectations of the weighted average net management fee margin over the future period of 0.8% and the compound growth in average FUM over three years of 5.6%.

19. Other matters

Man Group is subject to various claims, assessments, regulatory enquiries and investigations in the normal course of its business. Notably, GLG Partners LP (a member of the Man Group), together with Credit Suisse International, are defending claims brought in the Commercial Court in London by Richard Desmond and trustees of a pension scheme for Mr Desmond's benefit that relate to transactions in 2007. Man considers the claims to be unsubstantiated and is vigorously defending them. Unless the claims are resolved or withdrawn, they are due to be tried by the Commercial Court in London in January 2015. The directors do not expect such matters to have a material adverse effect on the financial position of the Man Group.

INDEPENDENT REVIEW REPORT TO MAN GROUP PLC

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2014 which comprises the income statement, the balance sheet, the statement of changes in equity, the cash flow statement and related Notes 1 to 19. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors’ responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

As disclosed in Note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting,” as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2014 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

Deloitte LLP

Chartered Accountants and Statutory Auditor
London, UK
1 August 2014