



# Man Group plc

Preliminary results for the year  
ended 31 March 2007

31 May 2007

[www.mangroupplc.com](http://www.mangroupplc.com)








### Disclaimer

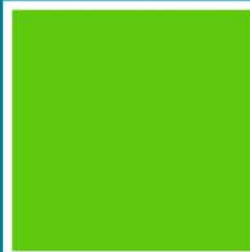
These materials issued by Man Group plc are a summary of certain information contained in the stock exchange announcement dated 31 May 2007 (relating to the preliminary results for the year to 31 March 2007 of Man Group plc) and should be read in conjunction with the full text of those announcements.

Man Group plc  
Preliminary results for the year  
ended 31 March 2007  
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This presentation contains forward-looking statements with respect to the financial condition, results and business of Man Group plc. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Man Group plc's actual future results may differ materially from the results expressed or implied in these forward-looking statements.

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-  Overview – Harvey McGrath, Chairman
-  Asset Management – Peter Clarke, Group Chief Executive
-  Financial Review – Kevin Hayes, Finance Director
-  Q&A
-  Appendix



# Overview

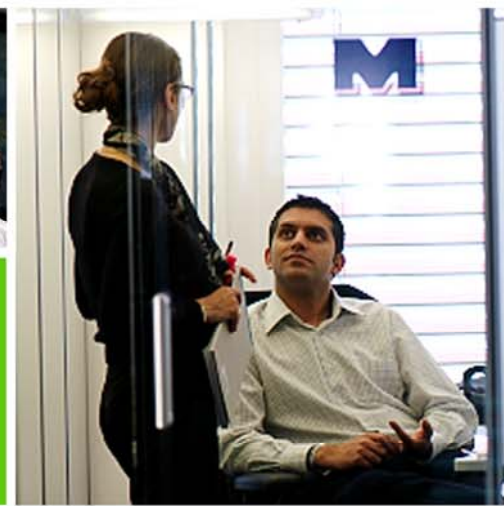


	FY07	FY06	
<b>Asset Management</b>			
Funds sales	\$15.9bn	\$9.1bn	
Funds under management	\$61.7bn	\$49.9bn	+24%
Profit before tax			
Net management fees	\$943m	\$704m	+34%
Net performance fees	\$358m	\$450m	(20%)
Total - continuing operations	\$1,301m	\$1,154m	+13%
<b>Brokerage</b>			
Profit before tax			
Total before exceptionals	\$257m	\$152m	+69%
Exceptional items	\$6m	(\$70m)	

## Group

	<b>FY07</b>	FY06	
Statutory profit after tax	<b>\$1,284m</b>	\$1,014m	+27%
Diluted EPS <sup>1</sup>			
Total operations	<b>63.9c</b>	51.0c	+25%
Continuing operations	<b>55.4c</b>	48.3c	+15%
Underlying - continuing operations <sup>2</sup>	<b>42.0c</b>	30.6c	+37%
Post-tax return on equity	<b>30.9%</b>	33.5%	
Dividend <sup>1</sup>	<b>20.0c</b>	14.3c	+40%

<sup>1</sup>As a result of the company sub-dividing each ordinary share into six new ordinary shares with effect from 14 August 2006, the comparative earnings per share and dividends per share have been restated accordingly (by dividing by six). <sup>2</sup>Underlying earnings per share from continuing operations represents earnings from net management fee income in Asset Management. It therefore excludes net performance fee income in Asset Management, Brokerage and exceptional items.



# Asset Management

**The core components of our business model that generate continued shareholder value**

- People
- Product innovation
- Distribution network
- Investor services
- Governance and risk management
- Performance

# Global Reach

## Central operations

London	Investment management HQ
Switzerland	Global relationship services, marketing and product structuring HQ
Dublin	Shareholder services
Guernsey	Administrative services

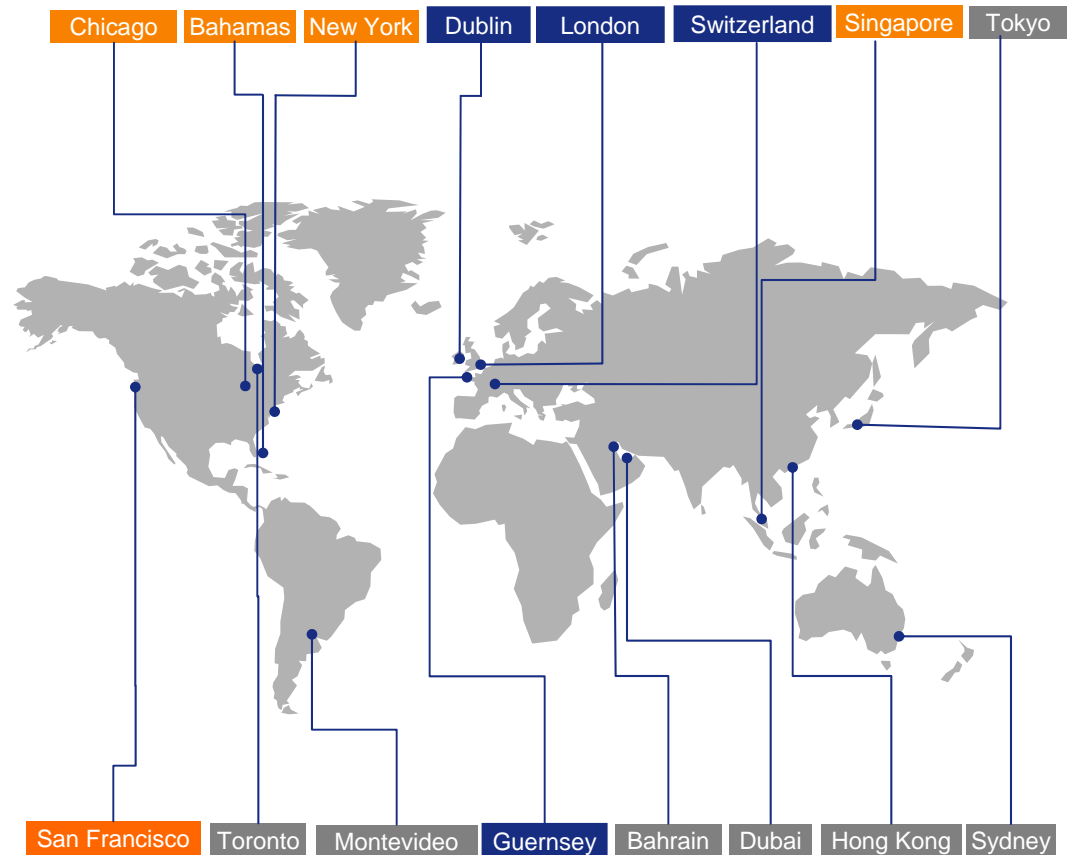
## Regional offices

Bahrain and Dubai	Switzerland
Hong Kong	Sydney
London	Tokyo
Montevideo	Toronto

## Investment management units<sup>1</sup>

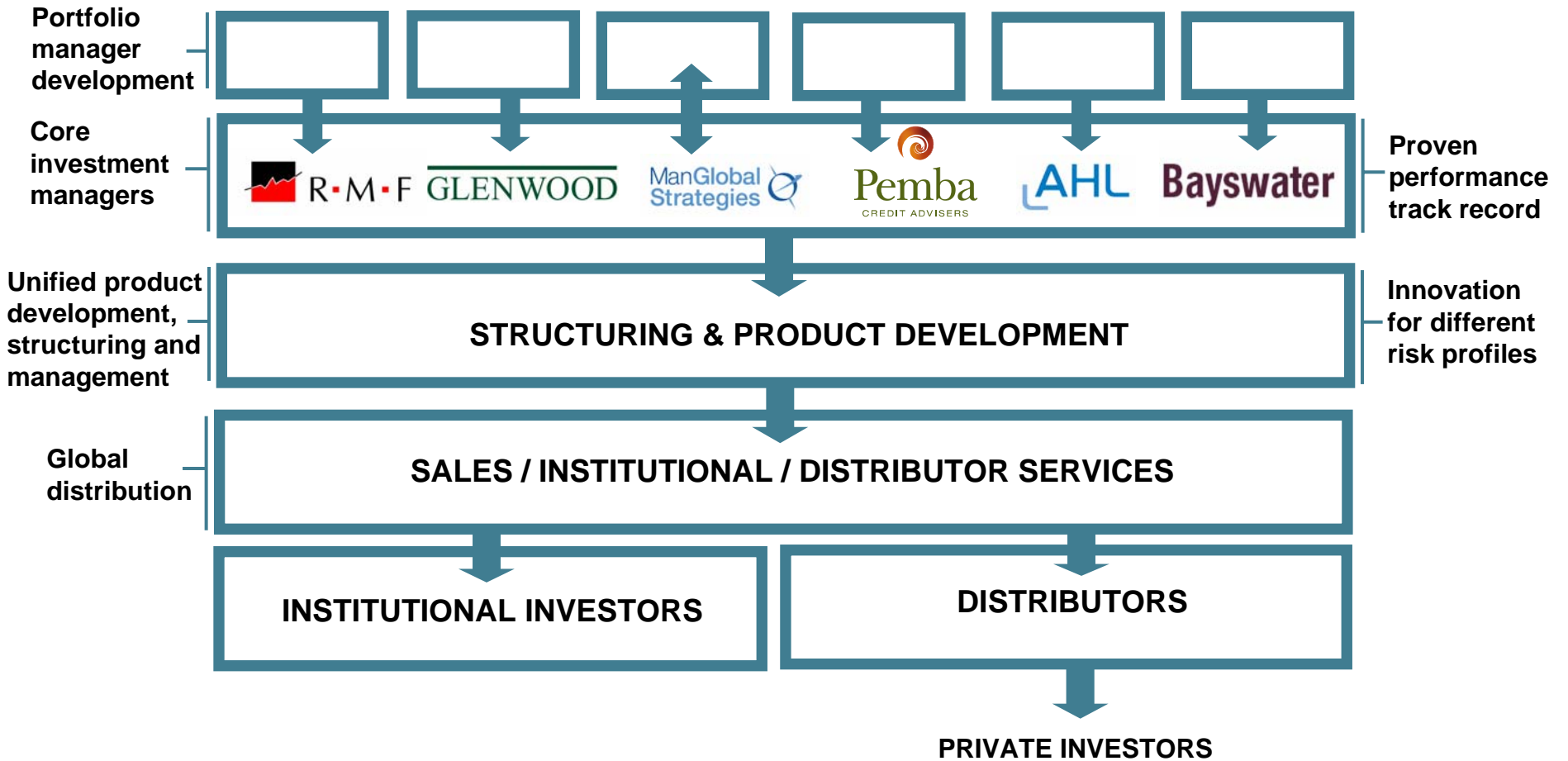
Chicago	Switzerland
London	Sydney
New York	Singapore
Bahamas	San Francisco

Employee numbers	
Content	303
Structuring	67
Distribution	291
Marketing services	362
Other	325
<b>TOTAL</b>	<b>1,348</b>



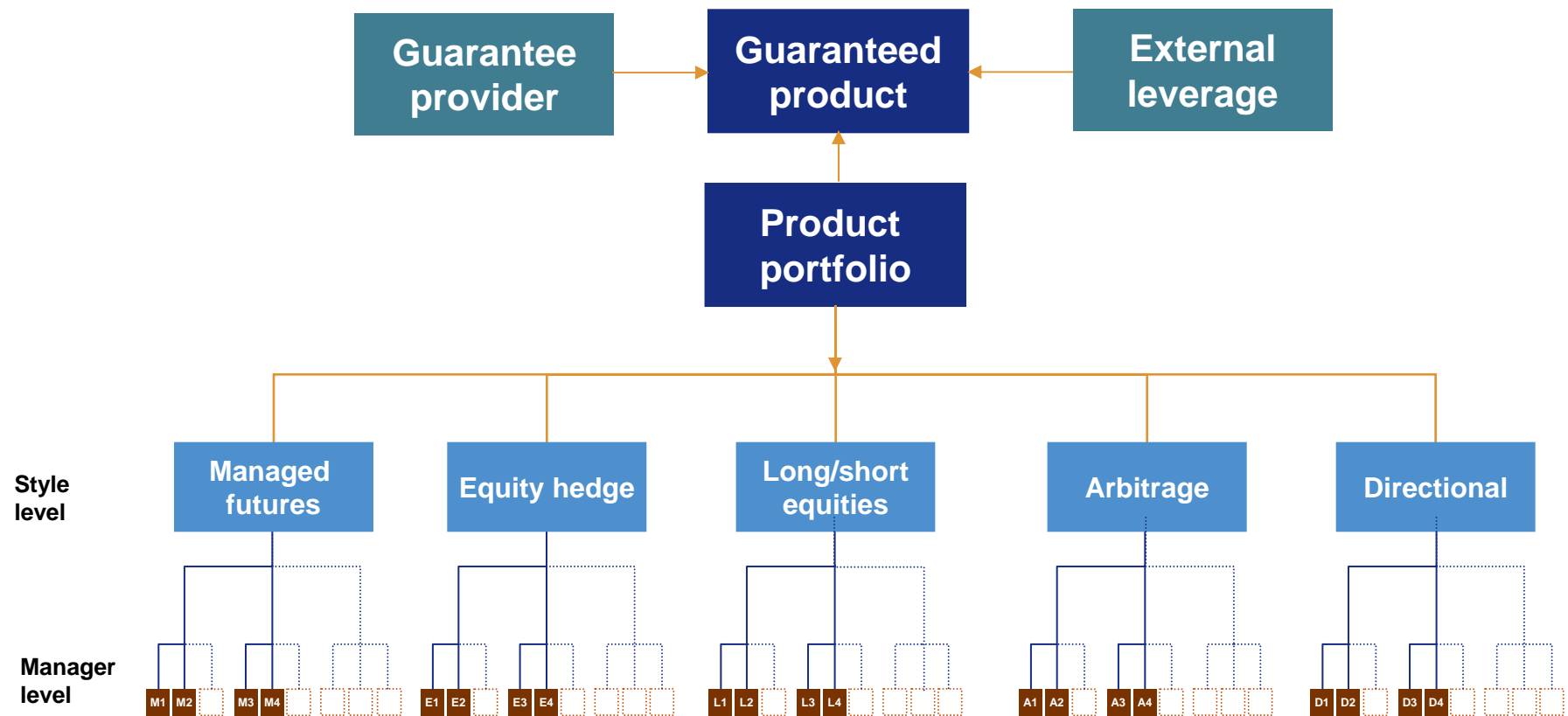
<sup>1</sup>Including strategic alliances with other managers.

# Business Model



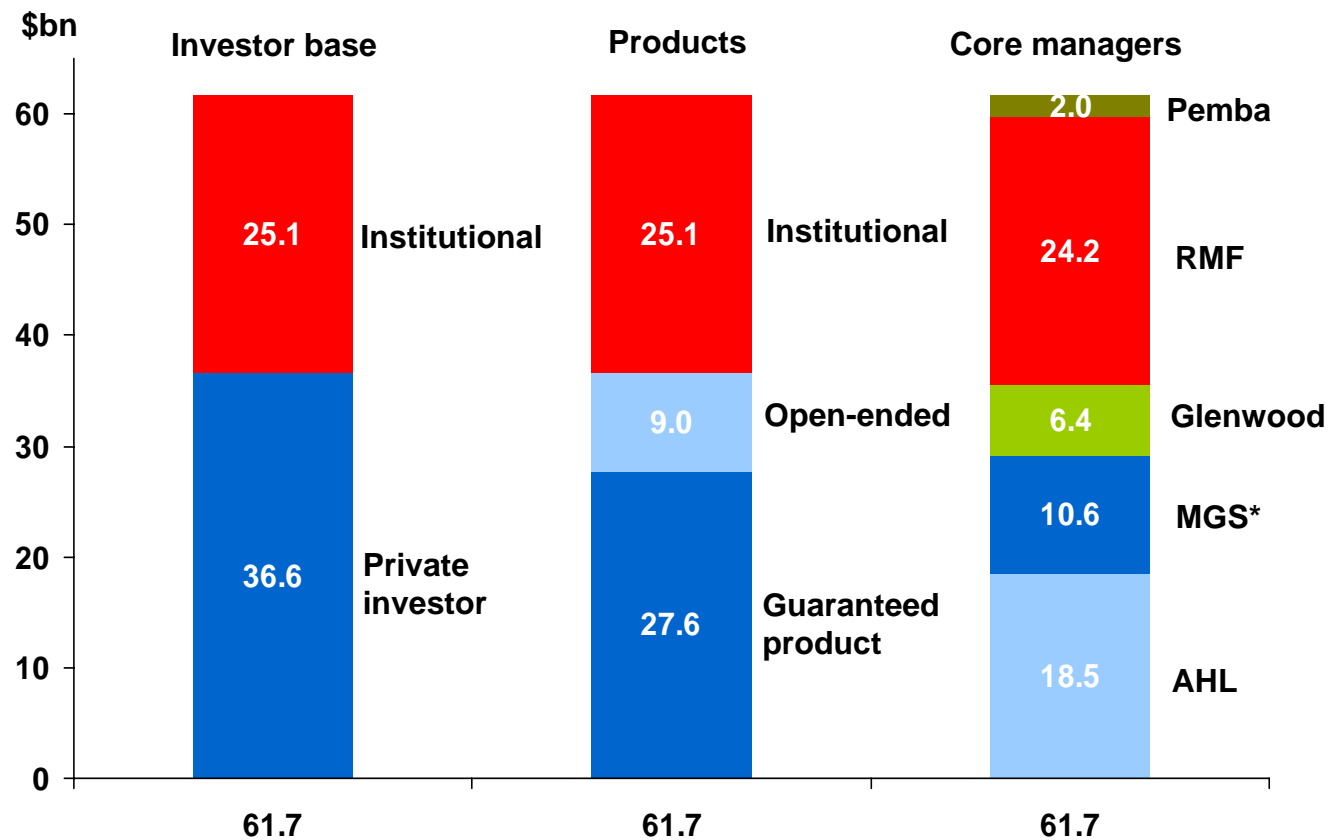
# Product Structuring

## Multi-manager / multi-style product development



# Funds under Management

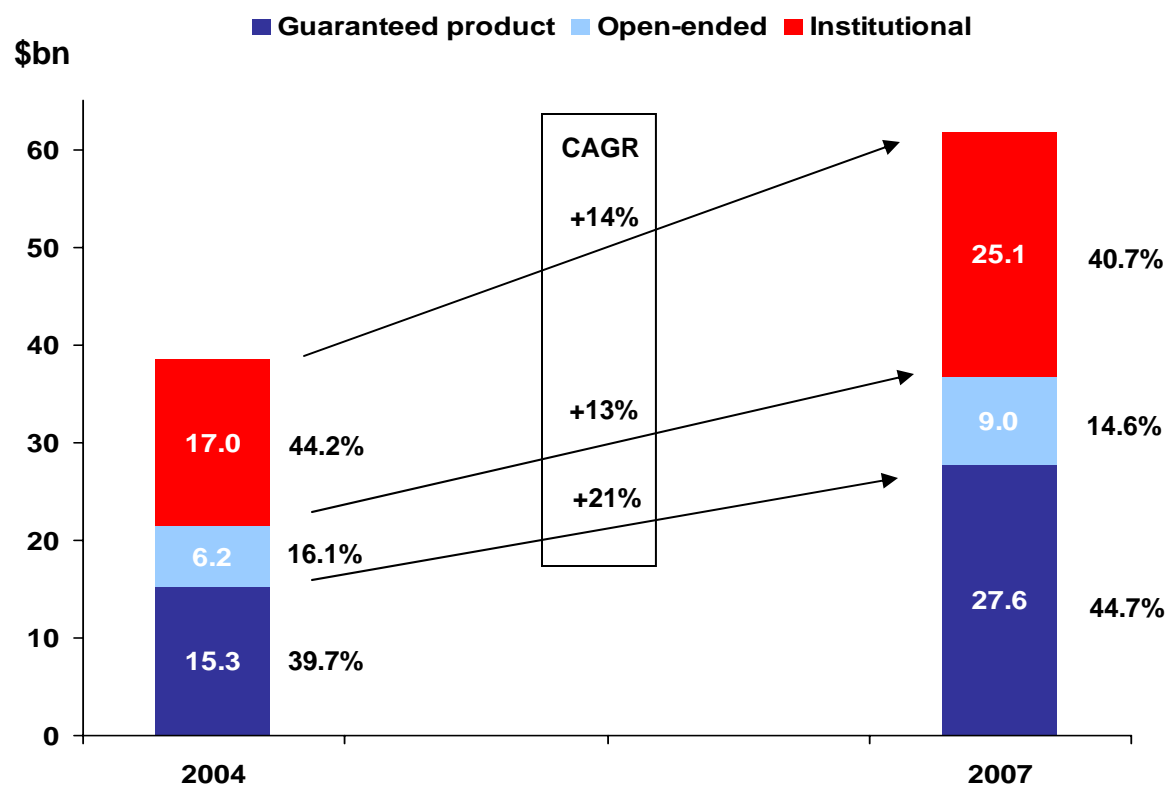
Composition of funds under management (\$bn) March 2007



\*Affiliated manager and third party component of MGS Portfolio

# Funds under Management

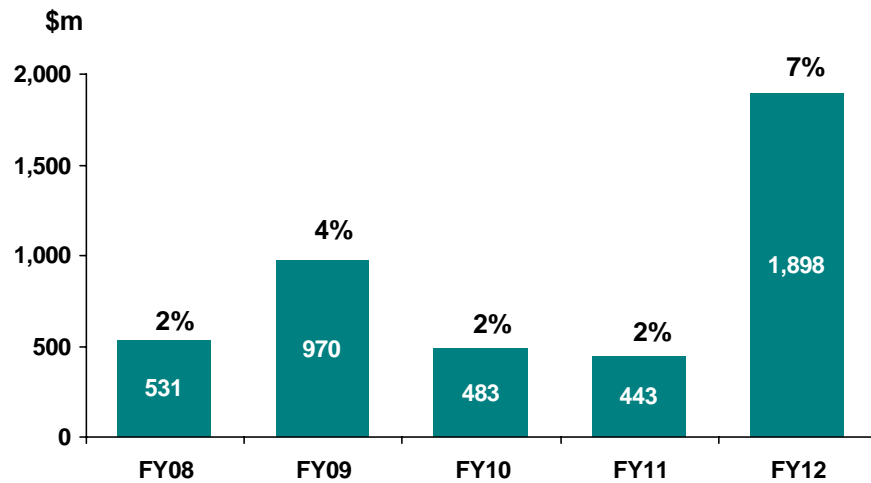
Significant increase in guaranteed product over the last three years



# Embedded Value of Guaranteed Product

**Guaranteed products have contractual maturity which increases the tenor of the FUM**

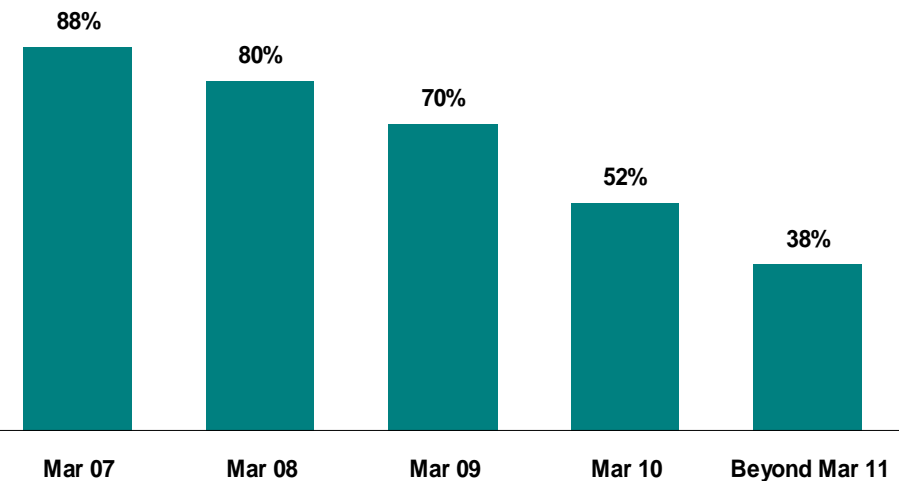
Private investor funds maturing over the next five years  
(% of guaranteed products FUM)



Average life to maturity 9.7 years

**No fee load – however early redemption fees**

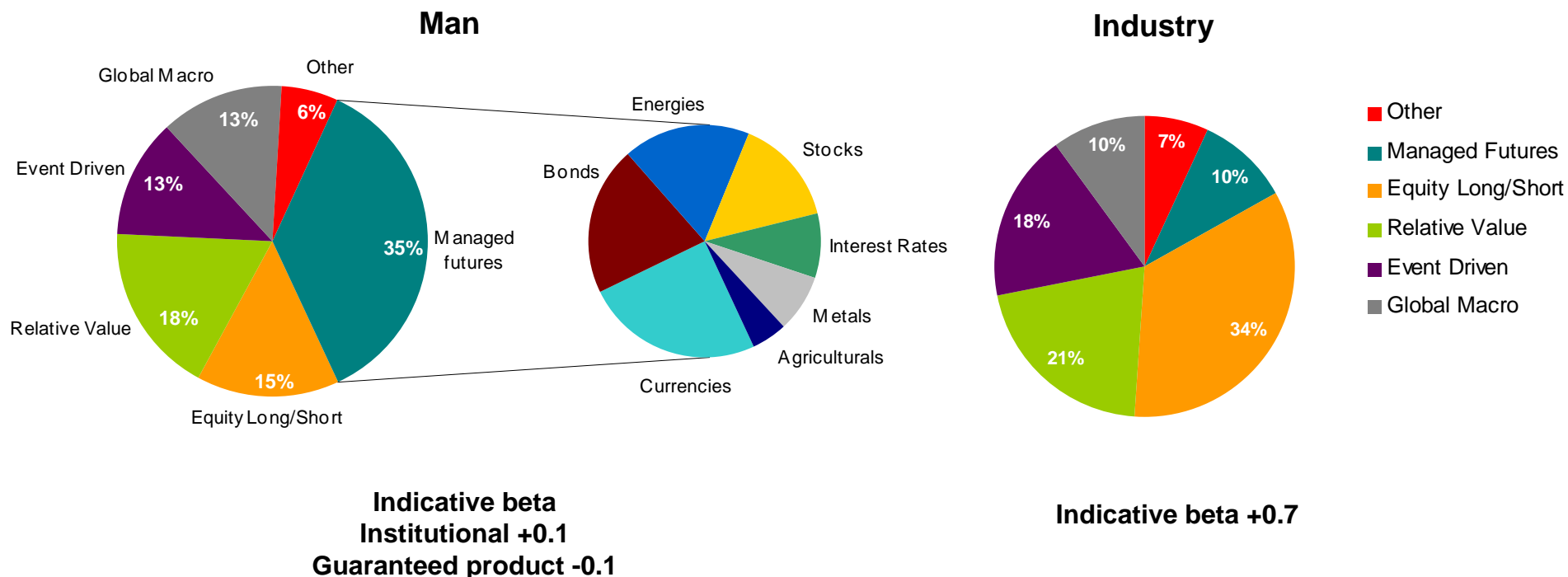
Early redemption fees



% of current FUM of \$27.6 billion on which early redemption fees continue to be payable

# Positioning - Diversification

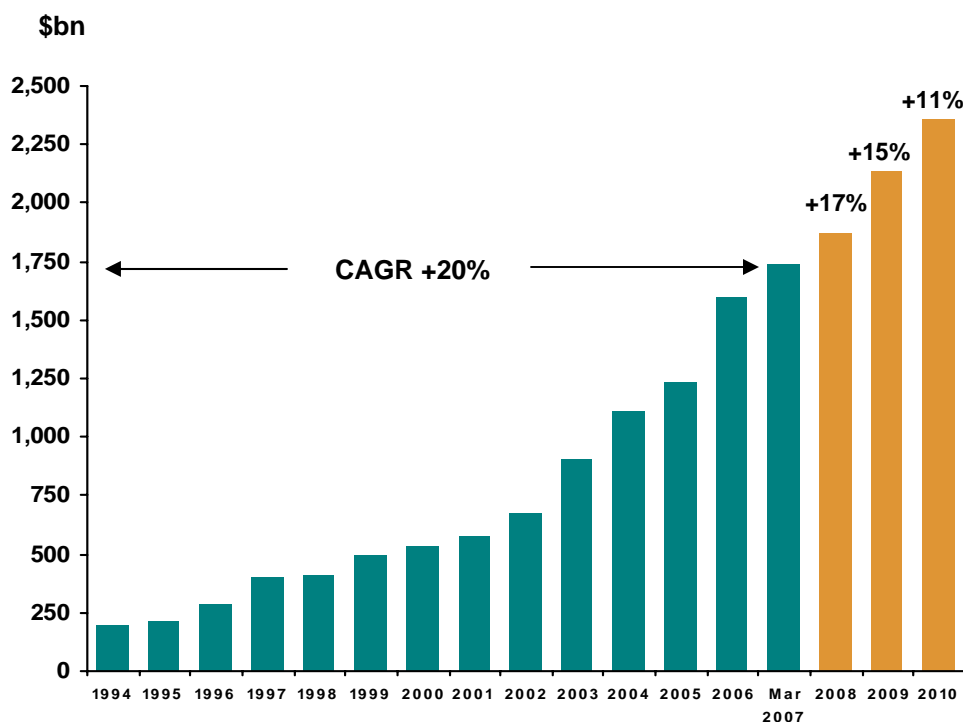
“Designed to deliver absolute return with a low correlation to equity and bond market benchmarks”



Source: Hedge Fund Research Inc and The Barclay Group  
 Industry indicative beta from Hedge Fund Research Inc – Fund weighted Composite Index 5 year correlation to S&P 500 Index.  
 Institutional as represented by beta of RMF Absolute Return Strategies I and Guaranteed Product by Man Multi-Strategy Guaranteed Ltd. All betas calculated over 5 years versus S&P 500 Index.

# Industry Growth

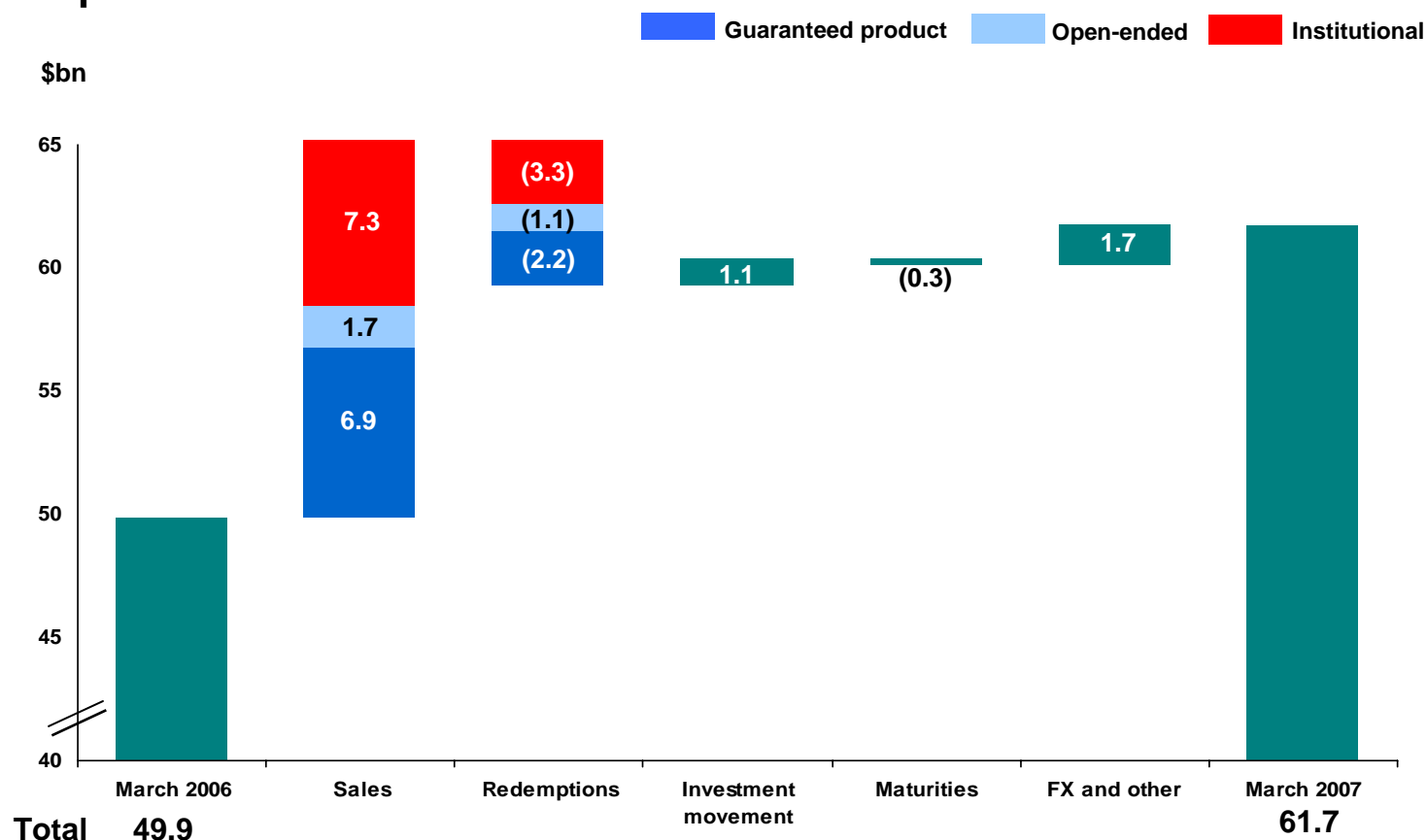
The alternative investments industry continues to grow, driven by secular trends and structural reform



- Investor demographics
- Increasing population of mass affluent
- Increasing sophistication of the investing public
- Changes in regulation allows for greater access to the hedge fund market
- Maturing hedge fund industry
- Fiscal changes

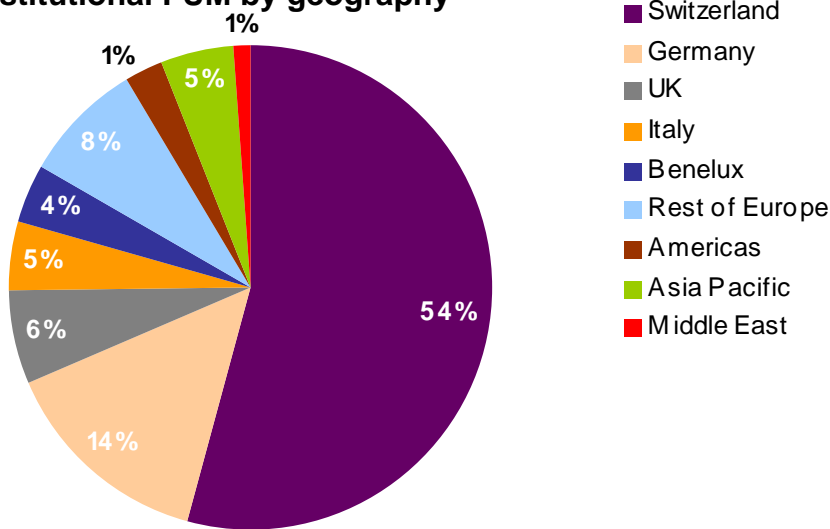
# Funds under Management

Funds under management have grown as a result of strong sales and continuing low redemptions

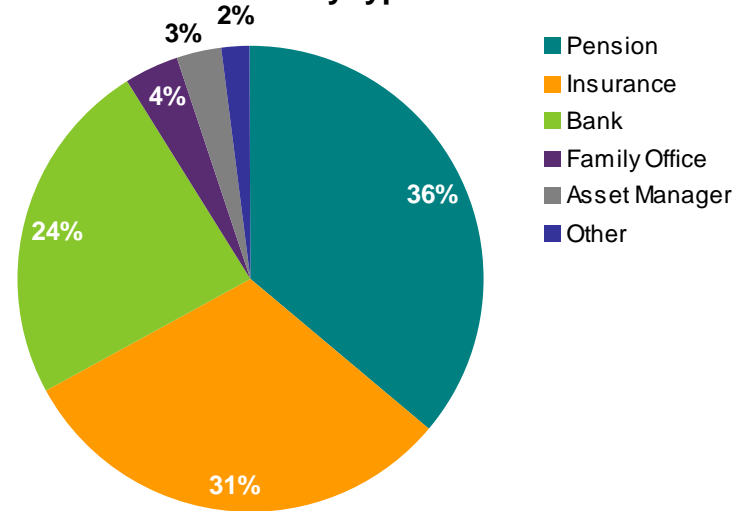



## Global breadth of institutional investors

Institutional FUM by geography



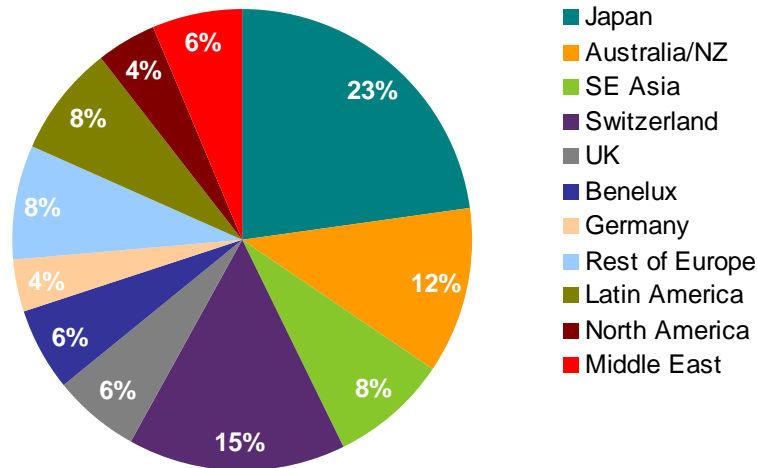
Institutional investors by type



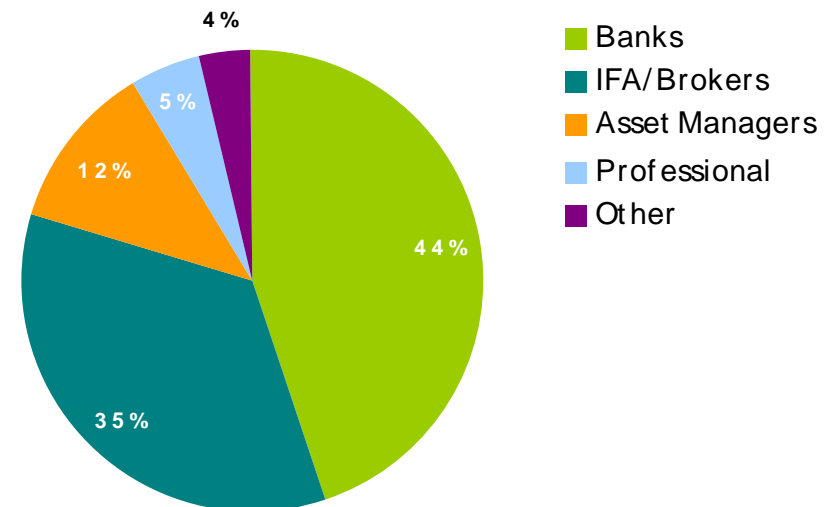
- Average institutional investor c. \$100m
- Over 250 institutional investors
- Top 10 institutions account for c. 50% of institutional FUM (top 20 c. 60%)
- Dedicated institutional sales force
-  R.M.F. Flagship institutional product

## Global network of distributors provides access to private investors

Private investor FUM by geography

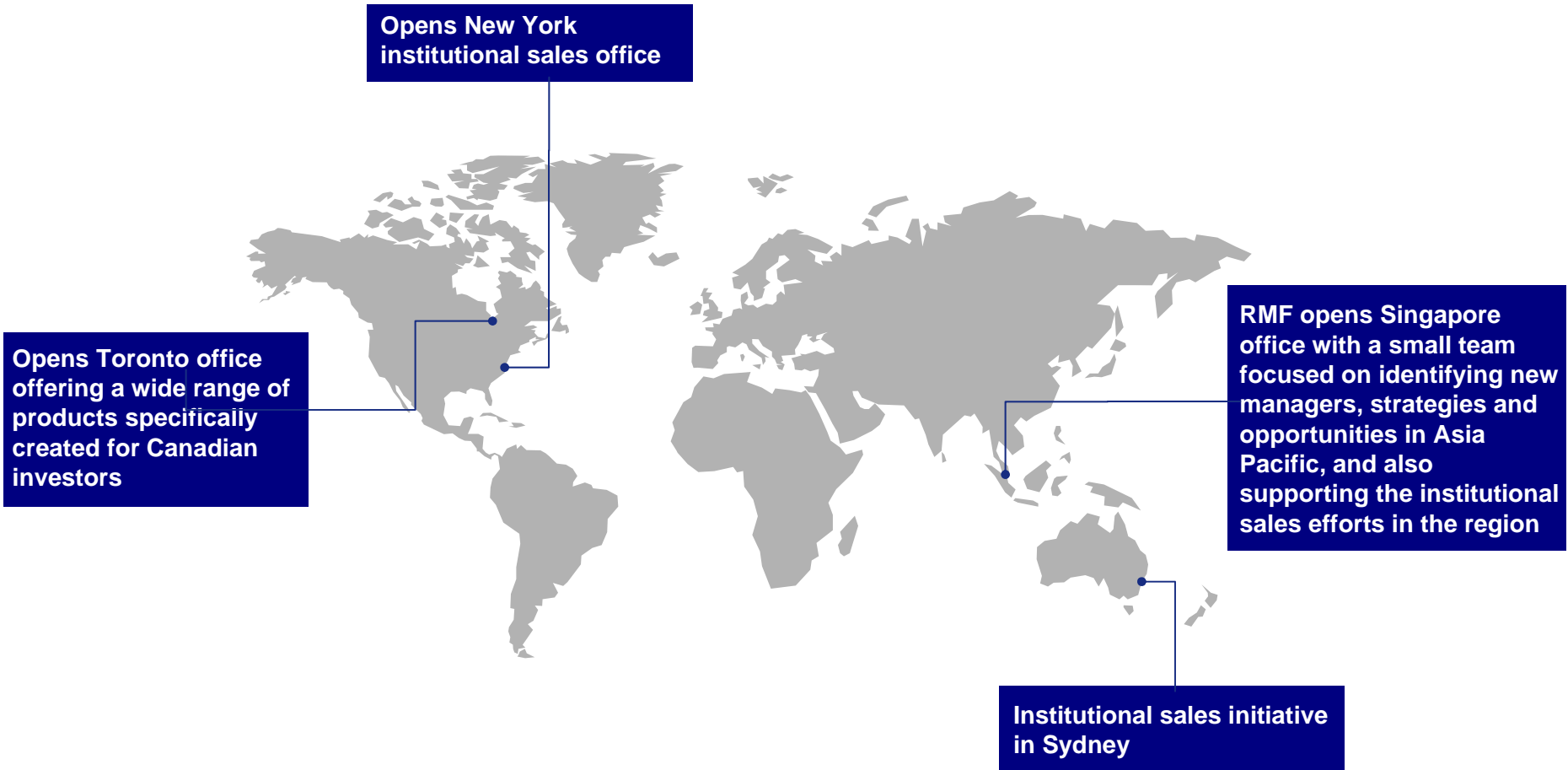


Distributors by type

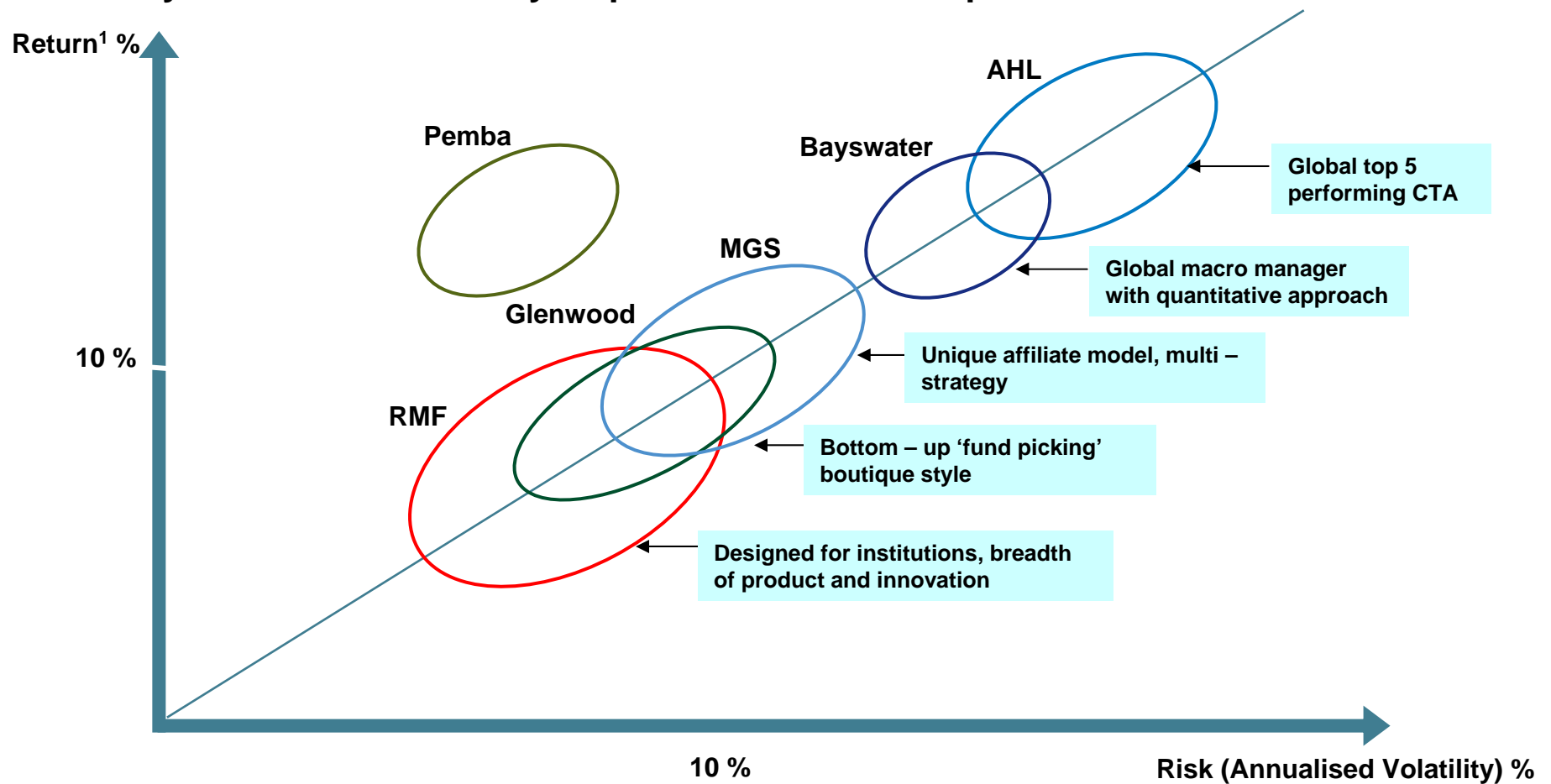


- Over 2,000 distributors
- Average private investor has \$300,000 in a product
- Top 25 distributors account for 41% of private investor FUM
- Rigorous selection process
- e-marketing solutions for distributors

# Sales Initiatives



## Diversity of risk and return styles provides content for product innovation



Schematic illustration. <sup>1</sup> Annualised return is a function of US\$ LIBOR. Return levels are purely indicative.

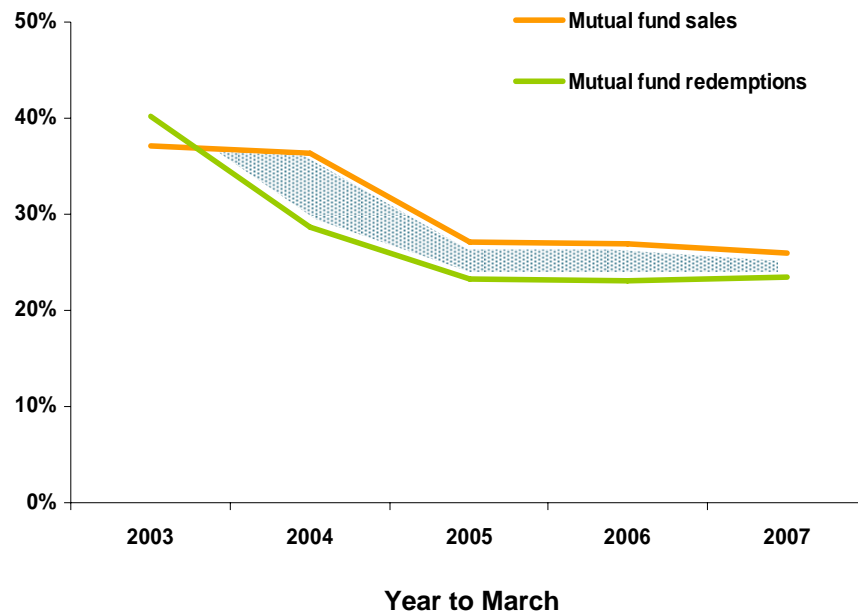
### Continued investing to develop future core investment managers

- Manager Development
  - Man Global Strategies
    - \$250m proprietary capital to develop managers
    - 50 associated managers
    - Close business relationships, superior risk management through managed account platform
  - Bayswater
    - From MGS, high capacity, low correlation to AHL
  - Pemba
    - From RMF, expanding into credit opportunities
- New Alternatives
  - Environmental finance initiative

# Sales and Redemptions

## The sales-redemptions gap results in more resilient FUM growth

### Industry average



Source: Mutual fund statistics from Investment Company Institute calculated as annual redemptions and redemption exchanges from stock funds as a per cent of average total assets at the beginning and ending of period

# Performance



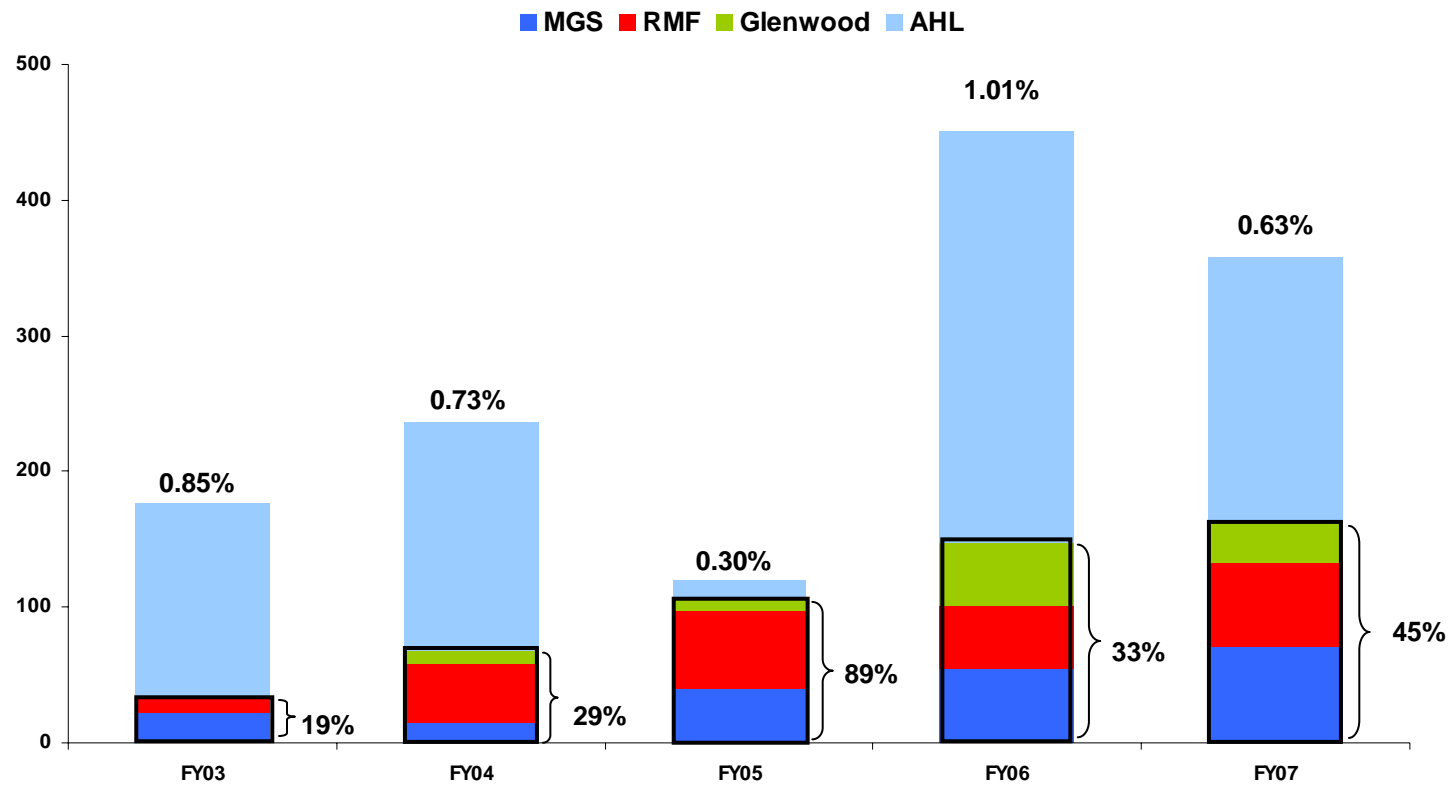
CAGR	4 months to 30 April 2007	1 year to 31 March 2007	3 years to 31 March 2007	5 years to 31 March 2007
Man Global Strategies <sup>1</sup>	4.4 %	3.1 %	5.8 %	9.2 %
AHL Diversified Programme <sup>2</sup>	0.5 %	-4.8 %	3.6 %	11.6 %
Bayswater <sup>3</sup>	4.7 %	13.3 %	N/A	N/A
World stocks <sup>4</sup>	5.4 %	10.5 %	12.6 %	5.6 %
RMF <sup>5</sup>	4.7 %	7.7 %	7.3 %	8.1 %
Glenwood <sup>6</sup>	5.3 %	4.3 %	5.8 %	4.2 %
Pemba <sup>7</sup>	4.4 %	11.9 %	N/A	N/A
HFRX Global Hedge Fund Index	3.8 %	6.9 %	4.8 %	N/A
World bonds <sup>8</sup>	1.3 %	5.2 %	4.0 %	4.9 %

Source: Man database and Bloomberg. There is no guarantee of trading performance and past performance may not be a guide to future results. <sup>1</sup>Man Global Strategies: represented by Man Multi-Strategy Guaranteed Limited. <sup>2</sup>AHL Diversified: represented by the performance of Athena Guaranteed Futures Limited (prior to 1 October 1997, actual trading results have been adjusted to reflect the current guaranteed public fee structure). <sup>3</sup>Bayswater: Man Bayswater Macro is represented by the performance of Man Global Quant Alpha Investments Limited with appropriate adjustment for applicable fees from 1 August 2004 to 30 June 2006 (net of all fees) and by the actual performance of Man Bayswater Macro Class O from 1 July 2006. An adjustment has also been made to account for interest earned on any cash not utilised by the investment manager for trading. <sup>4</sup>Represented by MSCI World Index hedged to USD. <sup>5</sup>RMF: represented by RMF Absolute Return Strategies I. All statistics have been calculated using the dividend reinvested track record. <sup>6</sup>Glenwood: Represented by the performance of Glenwood Partners L.P. (net of all fees and commissions) from 1 January 1987 to 31 December 1995 and Man-Glenwood Multi-Strategy Fund Limited from 1 January 1996. (Since 1 January 1996 actual trading results have been adjusted to reflect the current fee structure of Man-Glenwood Multi-Strategy Fund Limited). It should be noted that the fees, leverage and the exact mix of managers have varied over time and as a result performance in any future product advised by Man-Glenwood GmbH will vary. <sup>7</sup>Pemba: Represented by RMF European Loan Opportunities – Class A Units. <sup>8</sup>Represented by Citigroup WGBI World Index hedged to USD.

# Performance Fees

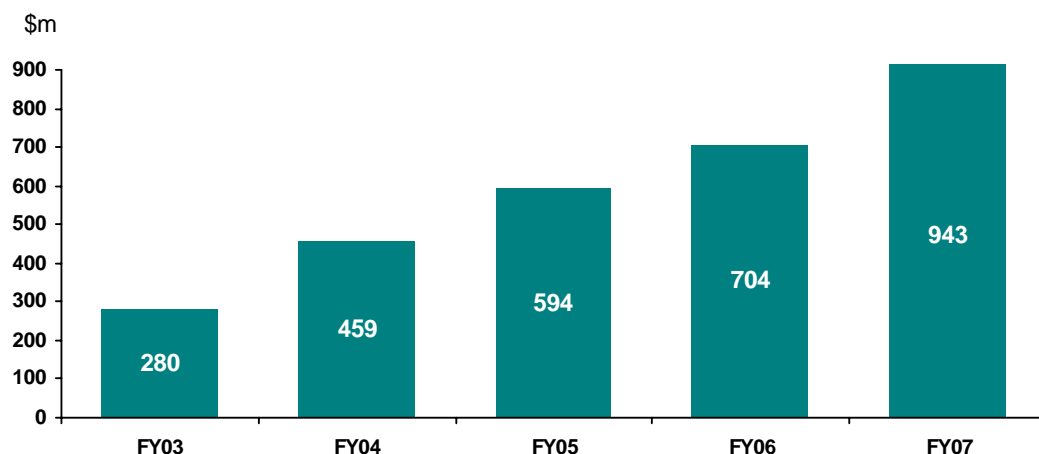
**AHL providing significant upside economics with increasing performance fees from RMF, Glenwood and MGS**

PBT (\$m)

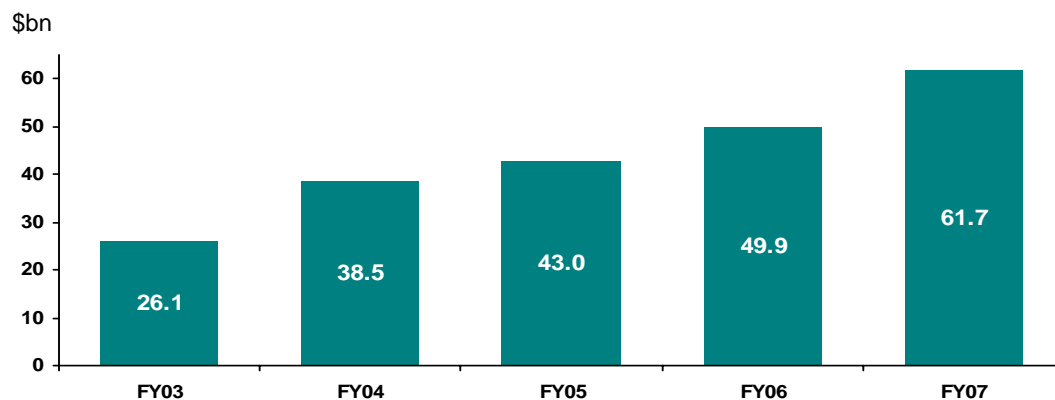


# Management Fees

Continued strong growth of net management fees driven by asset growth



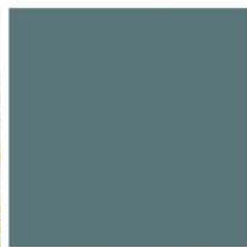
Management fees  
+34% on FY06



FUM  
+24% on FY06  
Monthly average FUM  
+28% on FY06

Note: In the above charts the figures for years FY03 and FY04 are as they were presented under UK GAAP. The more recent periods are on an IFRS basis. Restating years FY03 and FY04 on an IFRS basis would not give rise to any significant differences.

- FUM now over \$65 billion, up \$3.5 billion since 1 April
- Duration and diversity of asset base
- Growth focus on managers, markets and products
- Recent performance supports strong sales pipeline
- Board is very confident of prospects for the year



# Financial Review

## Net management fee expansion as a result of continued focus on guaranteed products and expense discipline

	FY07			FY06			FY05		
	Man	RMF	Total	Man	RMF	Total	Man	RMF	Total
Net management fees (\$m)	766	177	943	554	150	704	482	112	594
Management fees / FUM	2.3%	0.8%	1.6%	2.2%	0.8%	1.6%	2.1%	0.7%	1.5%
Performance fees (\$m)	285	73	358	405	45	450	71	48	119
Performance fees / FUM	0.9%	0.3%	0.6%	1.6%	0.2%	1.0%	0.3%	0.3%	0.3%

## Results – 12 months to 31 March 2007

	FY07 \$m	FY06 \$m
<b>Management Fees</b>		
Income	1,810	1,400
Sales commissions	(335)	(273)
Compensation	(393)	(280)
Non-compensation expenses	(139)	(143)
	<u>943</u>	<u>704</u>
<b>Performance Fees</b>		
Income	458	560
Compensation	(91)	(104)
Non-compensation expenses	(9)	(6)
	<u>358</u>	<u>450</u>
<b>Net profit before tax</b>	<u>1,301</u>	<u>1,154</u>
Pre tax margin – management fees	52%	50%
Pre tax margin – performance fees	78%	80%
Overall pre tax margin	57%	59%

## Results – 12 months to 31 March 2007 (continued)

	FY07	FY06	
	\$m	\$m	
Net profit before tax	1,301	1,154	
Tax	191	194	
Net profit after tax	<u>1,110</u>	<u>960</u>	
Effective tax rate	15%	17%	
<b>Brokerage</b>			
Pre tax profit before exceptionals	257	152	
Post tax profit before exceptionals	180	102	
<b>Diluted earnings per share</b>			
Continuing operations	55.4c	48.3c	+15%
Underlying - continuing	42.0c	30.6c	+37%
Total Group	63.9c	51.0c	+25%
<b>Return on equity</b>	<b>30.9%</b>	33.5%	
<b>Average equity base</b>	<b>4,149</b>	3,031	

## Balance Sheet at 31 March 2007

	\$m
Goodwill on acquisitions	785
Commission intangible	429
Associates & joint ventures	258
Other investments	189
	<hr/> 1,661
Loans to funds	400
Balance sheet supporting core investment managers	<b>2,061</b>
Fixed assets	46
Other assets	570
Cash and cash equivalent	1,571
Short-term investments	655
	<hr/> <b>2,226</b>
<b>Total assets</b>	<hr/> <b>4,903</b>

## Capital Resources – Debt and Committed Facilities

	\$m	Tenor		
		1-2 years	2-5 years	> 5 years
Bank loans	248			
Senior debt	251			
Subordinated debt	601			
	<u>1,100</u>	<u>154</u>	<u>897</u>	<u>49</u>
Exchangeable bond	443			
	<u>1,543</u>			
Committed bank facilities	<u>2,325</u>			

## Strong operating cashflow from the continuing operations

	\$m	\$m
Net income from continuing operations		<u>1,110</u>
<b>Cashflow from operating activities</b>		<b>1,023</b>
<b>Cashflow from investing activities</b>		<b>(187)</b>
Increase in commission and other intangibles	254	
<b>Cashflow from financing activities</b>		<b>(544)</b>
Including: Dividends	(306)	
Share repurchases	(375)	
ESOP trust	(106)	
	<u>(787)</u>	
Proceeds from borrowing	250	

# Capital Resources

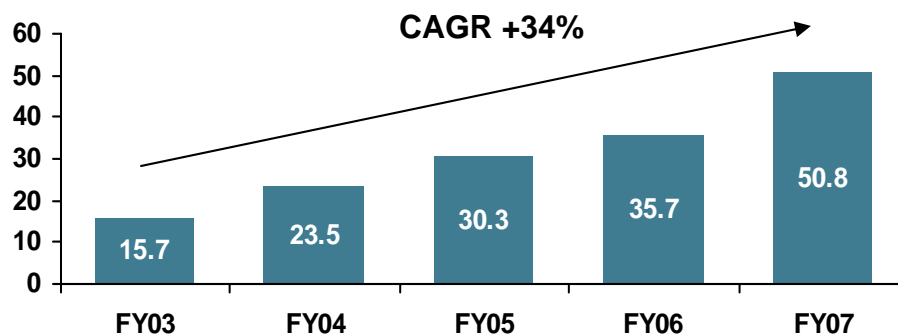


	<b>\$m</b>
Shareholders equity	4,563
MF Global	(1,200)
Exchangeable bond	443
Dividends	(237)
Share repurchases	(271)
Net equity position	<u>3,298</u>
Subordinated debt (Tier 2)	<u>610</u>
<b><u>Main regulatory capital requirements</u></b>	
Goodwill on acquisition	785
Commission intangible	429
Associates & joint ventures	258
Material holdings	193
Other requirements	432
	<u>2,097</u>
Capital cushion	200-350
	<u>2,300-2,450</u>

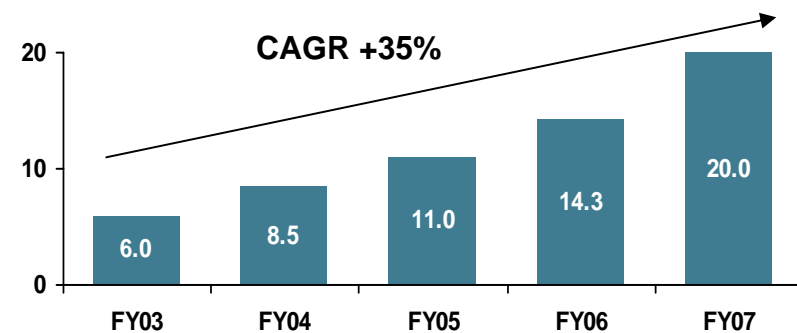
# Man Group Outlook

- Record sales and profits in all areas
- Margins across the Group improved
- Currently FUM over \$65 billion, robust sales pipeline
- Board is very confident of prospects for the year
- Continued focus on creating shareholder value

Growth in underlying EPS\* (cents)

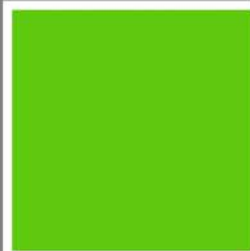
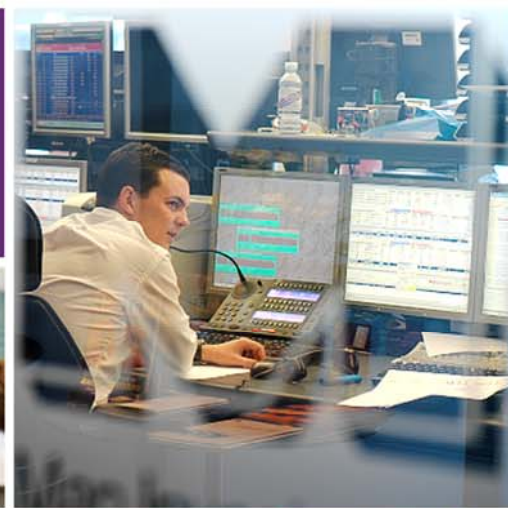


Growth in dividend (cents)



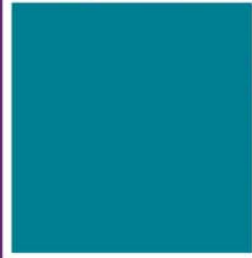
\*Excludes the exceptional fair value gain on the conversion option component of the exchangeable bonds in FY05.

Note: In the above charts the figures for years FY03 to FY04 are as they were presented under UK GAAP. The more recent periods are on an IFRS basis. Restating years FY03 to FY04 on an IFRS basis would not give rise to any significant differences, other than the recognition of an exceptional fair value gain/loss on the exchangeable bonds and the write-back of goodwill amortisation.



# Q&A





# Appendix

## Extract from CEO's Statement

**Our people** are our key asset. Attracting the best talent, motivating them to excel, retaining them and ensuring that they progress in their careers is a key focus of senior management across the Group. Man's long established presence in alternative investments has enabled us to assemble a broad and deep range of talented people, with a motivation and focus to create high quality investment products.

**Product Innovation** allows us to develop an extensive and flexible range of investment products. Our strategy is to use our long established reputation in the market to attract experienced investment managers, and the Group's strong capital position to acquire, seed and develop managers and products to grow our investment capacity. This ensures that we have the widest array of investment styles, with proven performance track records which can then be combined with our portfolio construction capabilities and specialist structuring expertise to tailor products to meet investor demands, local regulatory requirements or tax treatment.

**Our Distribution network** is supported by the long-term relationships. Our distributor network covers a wide range of the largest global and strongest regional financial institutions, and this network offers us scale, flexibility and efficiency in the distribution of our products. Our institutional investor sales team is focused on delivering products to the largest and most sophisticated professional investors.

## Extract from CEO's Statement

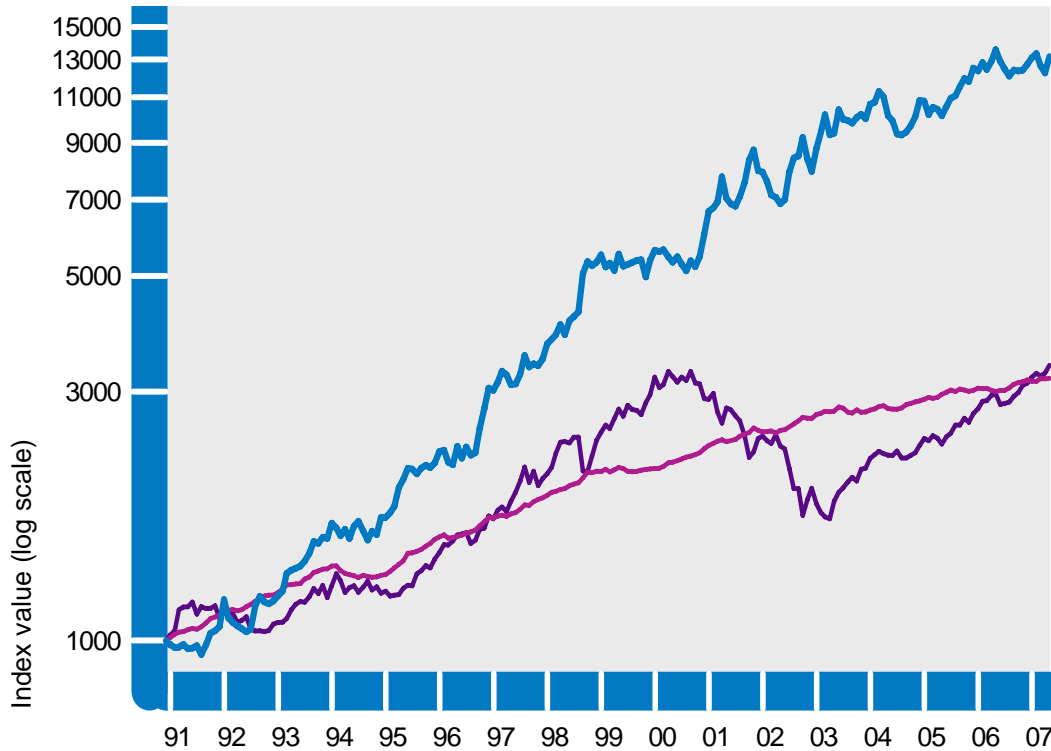
**Investor Service** standards of the highest level are essential to support our investors and our distributor relationships. This assists us to generate growth from new investors, and contributes to stability in existing investors, thus creating increased funds under management and long term, sustainable shareholder value.

**Governance and risk management** are essential components of both the investment management process for our investors and our approach to maintaining a high quality sustainable business for shareholders. Our corporate reputation is fundamental to our business, and maintaining our corporate integrity is the responsibility of everyone in the Group.

**Performance** is the measure of the successful execution of our strategy both as regards the long-term performance for investors across our products and also for our shareholders. We are proud of our record of long-term performance for investors across our products and this track record has fuelled our strong growth in assets under management and provides the momentum for further growth.

# Performance of AHL Diversified Programme<sup>1</sup>

20 December 1990 to 30 April 2007



— AHL Diversified Programme<sup>1</sup>  
 — World stocks  
 — World bonds

	AHL Diversified Programme <sup>1</sup>	World stocks	World bonds
Total return	1216.8 %	236.9 %	218.2 %
Annualised return	17.0 %	7.7 %	7.3 %
Annualised volatility	16.5 %	12.9 %	3.0 %
Worst drawdown	-21.1 %	-47.9 %	-5.1 %
Sharpe ratio <sup>2</sup>	0.77	0.30	0.93

Source: Man database and Bloomberg. There is no guarantee of trading performance and past performance is not necessarily a guide to future results.

<sup>1</sup>AHL Diversified Programme: represented by the performance of Athena Guaranteed Futures Limited (prior to 1 October 1997), actual trading results have been adjusted to reflect the current guaranteed public fee structure).

<sup>2</sup>Sharpe ratio is calculated using the risk-free rate in the appropriate currency over the period analysed. Where an investment has underperformed the risk-free rate, the Sharpe ratio will be negative. Because the Sharpe ratio is an absolute measure of risk-adjusted return, negative Sharpe ratios are shown as N/A, as they can be misleading.

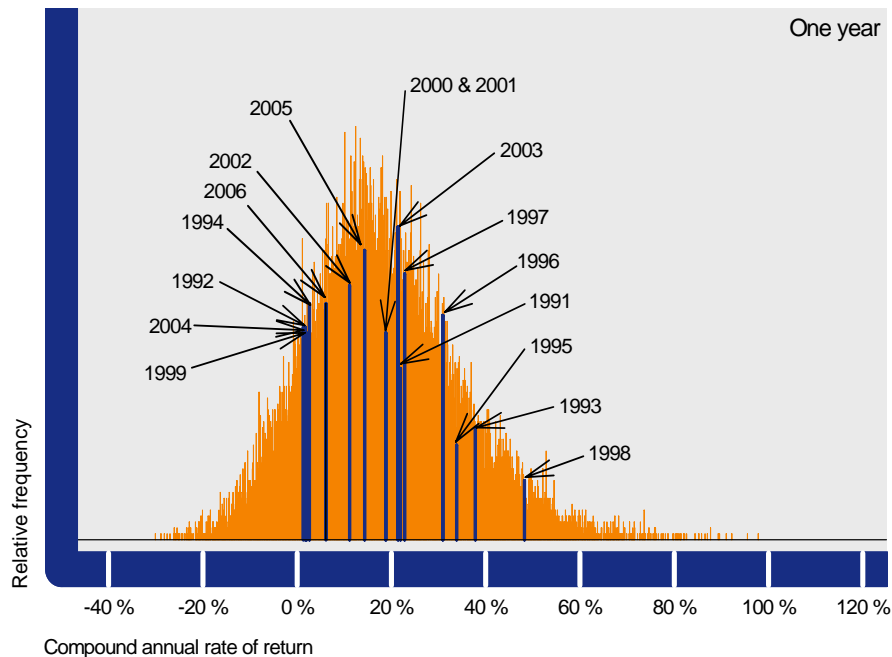
World stocks: MSCI World Index (hedged to USD). World bonds: Citigroup WGBI World Index (hedged to USD).

# Probability distribution of AHL Diversified Programme<sup>1</sup>

Monte Carlo analysis shows positive skew regarding distribution of returns



- All annual returns are within the expected probability distribution
- Positively skewed distribution of returns



Calendar year	Annual return
1991	21.9 %
1992	1.7 %
1993	37.8 %
1994	2.6 %
1995	33.8 %
1996	30.9 %
1997	22.8 %
1998	48.2 %
1999	2.0 %
2000	18.8 %
2001	18.8 %
2002	11.1 %
2003	21.4 %
2004	1.3 %
2005	14.3 %
2006	6.0 %

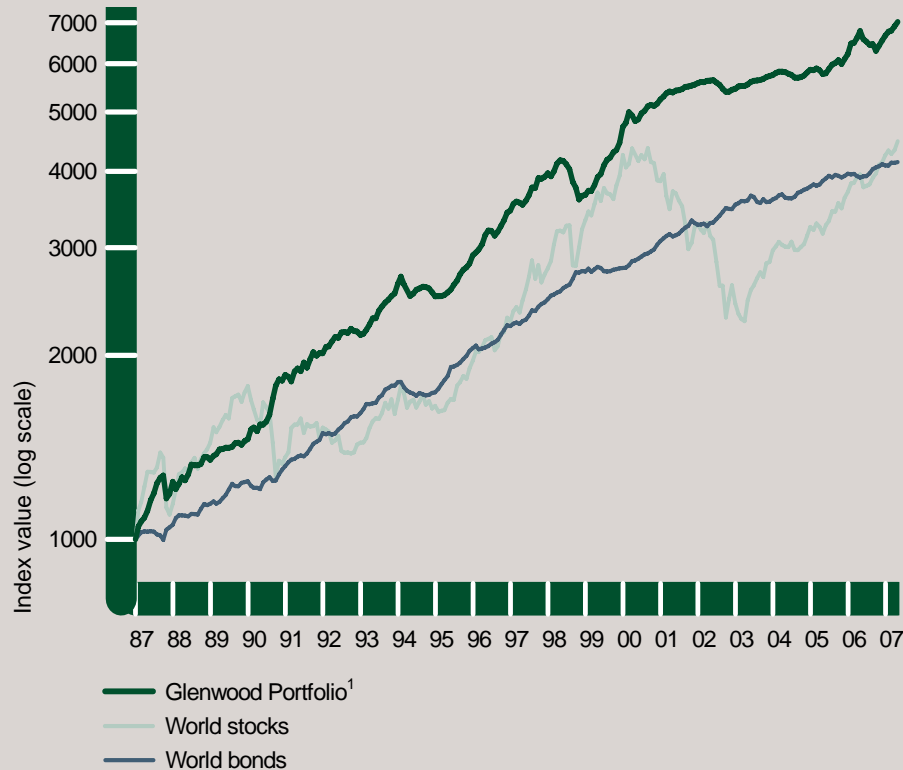
**The longer the product life, the greater the probability of the return being within any given range around the mean**

**Annualised return since inception: 17.0 %<sup>1</sup>**

Source: Man database. There is no guarantee of trading performance and past or projected performance is not necessarily a guide to future results. The Monte Carlo featured above is based on a proprietary model developed at Man Investments, which works by randomly simulating gross monthly returns for a manager/style. These are then combined to construct a possible random path that the NAV of a portfolio might take over the specified periods shown above, taking into account appropriate fees and interest, etc. This is repeated many thousands of times so that at the end it is possible to analyse simulated distributions of product level return, as illustrated. <sup>1</sup>AHL Diversified Programme: represented by the performance of Athena Guaranteed Futures Limited from 20 December 1990 to 30 April 2007 (prior to 1 October 1997, actual trading results have been adjusted to reflect the current guaranteed public fee structure).

# Performance of Glenwood Portfolio<sup>1</sup>

1 January 1987 to 30 April 2007



	Glenwood portfolio <sup>1</sup>	World stocks	World bonds
Total return	602.0 %	347.7 %	314.0 %
Annualised return	10.1 %	7.7 %	7.2 %
Annualised volatility	6.0 %	14.0 %	3.2 %
Worst drawdown	-13.7 %	-47.9 %	-5.1 %
Sharpe ratio <sup>2</sup>	0.79	0.23	0.60

Source: Man database and Bloomberg. There is no guarantee of trading performance and past performance is not necessarily a guide to future results.

<sup>1</sup>Represented by the performance of Glenwood Partners L.P. (net of all fees and commissions) from 1 January 1987 to 31 December 1995 and Man-Glenwood Multi-Strategy Fund Limited from 1 January 1996. (Since 1 January 1996 actual trading results have been adjusted to reflect the current fee structure of Man-Glenwood Multi-Strategy Fund Limited). It should be noted that the fees, leverage and the exact mix of managers have varied over time and as a result performance in any future product advised by Man-Glenwood GmbH will vary.

<sup>2</sup>Sharpe ratio is calculated using the risk-free rate in the appropriate currency over the period analysed. Where an investment has underperformed the risk-free rate, the Sharpe ratio will be negative. Because the Sharpe ratio is an absolute measure of risk-adjusted return, negative Sharpe ratios are shown as N/A, as they can be misleading.

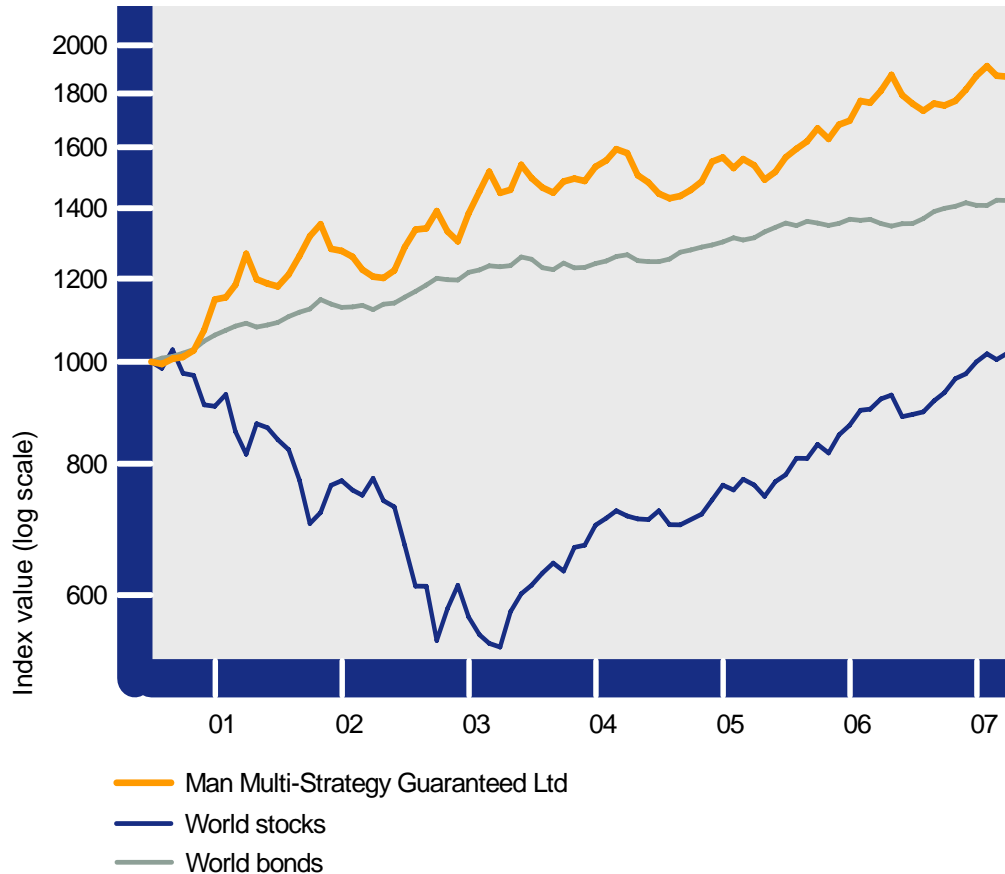
World stocks: MSCI World Index (hedged to USD). World bonds: Citigroup WGBI World Index (hedged to USD). MSCI World Index from 1 January 1987 to 31 December 1987 followed by MSCI World Index (hedged to USD) from 1 January 1988. Data is not available for the MSCI World Index (hedged to USD) before 1 January 1988.

# Performance of Man Multi-Strategy Gtd Ltd

15 July 2000 to 30 April 2007



A member of the Man Group



	Man Multi-Strategy Guaranteed Ltd	World stocks	World bonds
Total return	95.2 %	5.4 %	42.7 %
Annualised return	10.3 %	0.8 %	5.3 %
Annualised volatility	10.1 %	13.4 %	2.8 %
Worst drawdown	-11.1 %	-47.9 %	-2.7 %
Sharpe ratio <sup>1</sup>	0.71	N/A	0.72

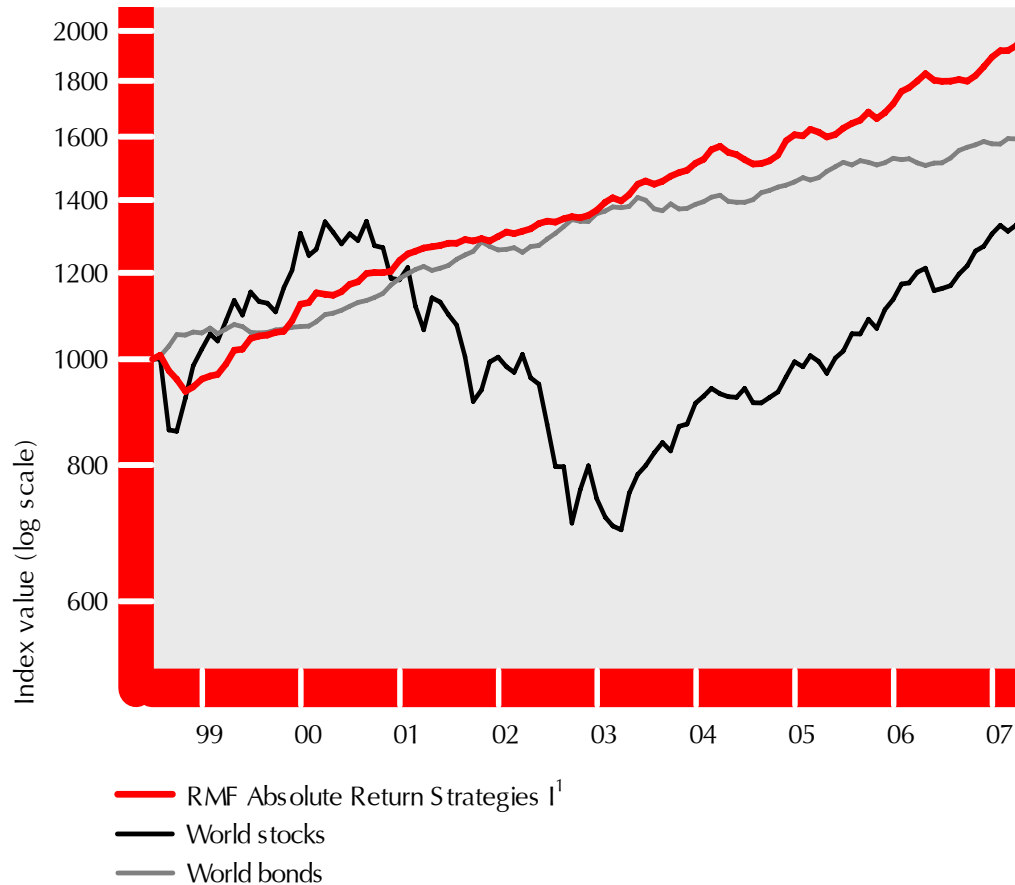
Source: Man database and Bloomberg. There is no guarantee of trading performance and past performance is not necessarily a guide to future results.

<sup>1</sup>Sharpe ratio is calculated using the risk-free rate in the appropriate currency over the period analysed. Where an investment has underperformed the risk-free rate, the Sharpe ratio will be negative. Because the Sharpe ratio is an absolute measure of risk-adjusted return, negative Sharpe ratios are shown as N/A, as they can be misleading.

World stocks: MSCI World Index (hedged to USD). World bonds: Citigroup WGBI World Index (hedged to USD).

# Performance of RMF Absolute Return Strategies<sup>1</sup>

1 July 1988 to 30 April 2007



	RMF Absolute Return Strategies I <sup>1</sup>	World stocks	World bonds
Total return	98.1 %	37.3 %	59.6 %
Annualised return	8.0 %	3.7 %	5.4 %
Annualised volatility	3.9 %	14.2 %	2.8 %
Worst drawdown	-7.3 %	-47.9 %	-2.7 %
Sharpe ratio <sup>2</sup>	1.05	0.06	0.55

Source: Man database and Bloomberg. There is no guarantee of trading performance and past performance is not necessarily a guide to future results.

<sup>1</sup>RMF Absolute Return Strategies performance is shown with dividends reinvested.

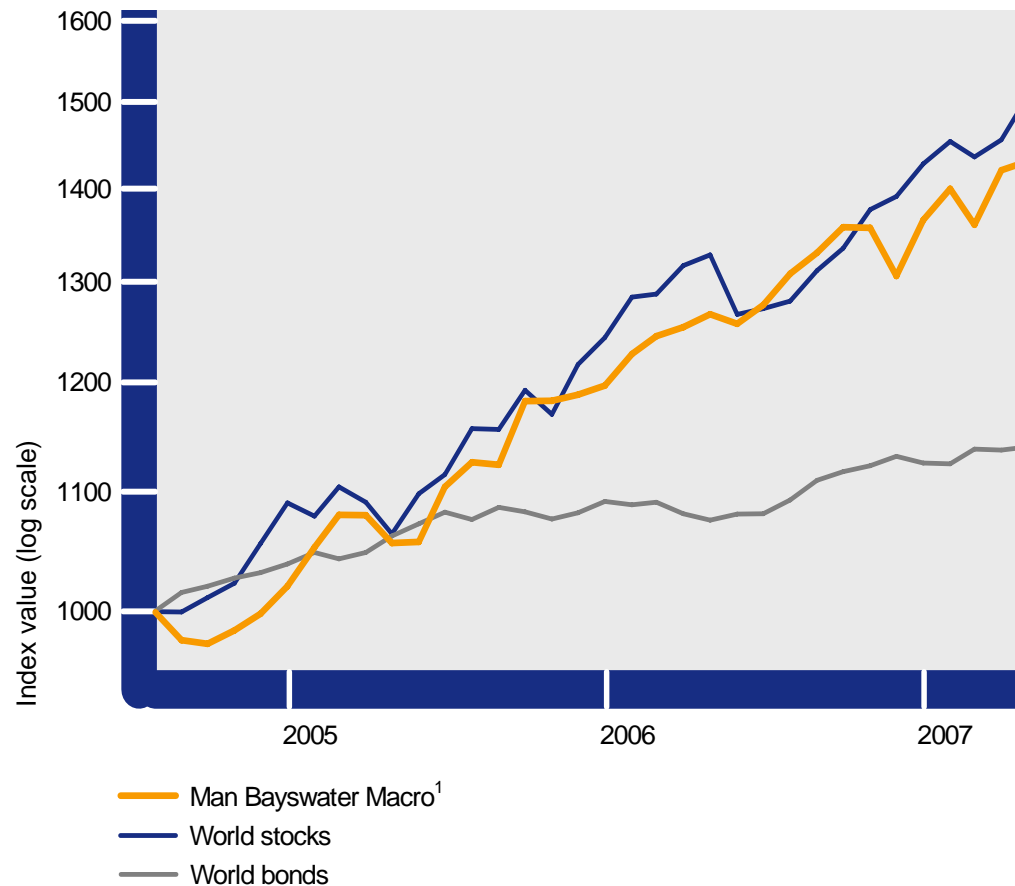
<sup>2</sup>Sharpe ratio is calculated using the risk-free rate in the appropriate currency over the period analysed. Where an investment has underperformed the risk-free rate, the Sharpe ratio will be negative. Because the Sharpe ratio is an absolute measure of risk-adjusted return, negative Sharpe ratios are shown as N/A, as they can be misleading.

World stocks: MSCI World Index (hedged to USD). World bonds: Citigroup WGBI World Index (hedged to USD).

# Performance of Bayswater<sup>1</sup>

1 August 2004 to 30 April 2007

**Bayswater**



	Man Bayswater Macro <sup>1</sup>	World stocks	World bonds
Total return	43.0 %	50.5 %	14.0 %
Annualised return	13.9 %	16.0 %	4.9 %
Annualised volatility	7.3 %	7.0 %	2.3 %
Worst drawdown	-3.8 %	-4.6 %	-1.5 %
Sharpe ratio <sup>2</sup>	1.26	1.57	0.25

Source: Man database and Bloomberg. There is no guarantee of trading performance and past performance is not necessarily a guide to future results.

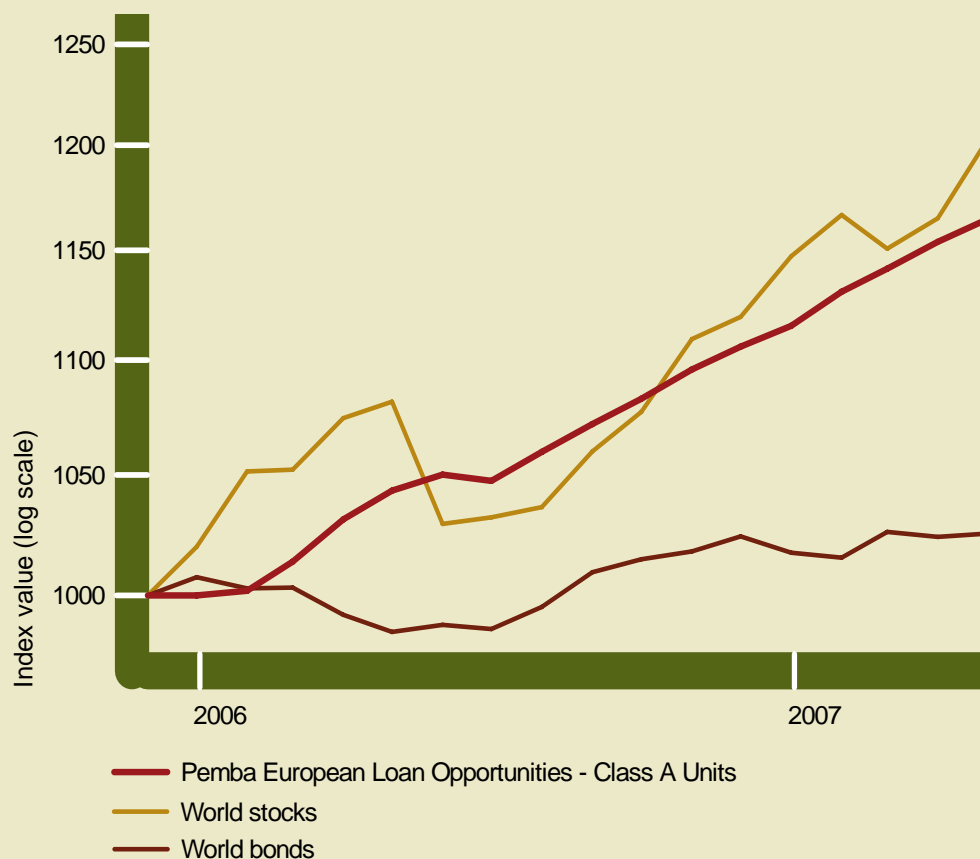
<sup>1</sup>Man Bayswater Macro is represented by the performance of Man Global Quant Alpha Investments Limited with appropriate adjustment for applicable fees from 1 August 2004 to 30 June 2006 (net of all fees) and by the actual performance of Man Bayswater Macro Class O from 1 July 2006. An adjustment has also been made to account for interest earned on any cash not utilised by the investment manager for trading.

<sup>2</sup>Sharpe ratio is calculated using the risk-free rate in the appropriate currency over the period analysed. Where an investment has underperformed the risk-free rate, the Sharpe ratio will be negative. Because the Sharpe ratio is an absolute measure of risk-adjusted return, negative Sharpe ratios are shown as N/A, as they can be misleading.

World stocks: MSCI World Index (hedged to USD). World bonds: Citigroup WGBI World Index (hedged to USD).

# Performance of Pemba<sup>1</sup>

12 December 2005 to 30 April 2007



	Pemba European Loan Opportunities – Class A Units	World stocks	World bonds
Total return	16.5 %	20.3 %	2.5 %
Annualised return	11.4 %	14.0 %	1.8 %
Annualised volatility	1.7 %	6.8 %	2.4 %
Worst drawdown	-0.3 %	-4.8 %	-2.2 %
Sharpe ratio <sup>2</sup>	4.44	1.49	N/A

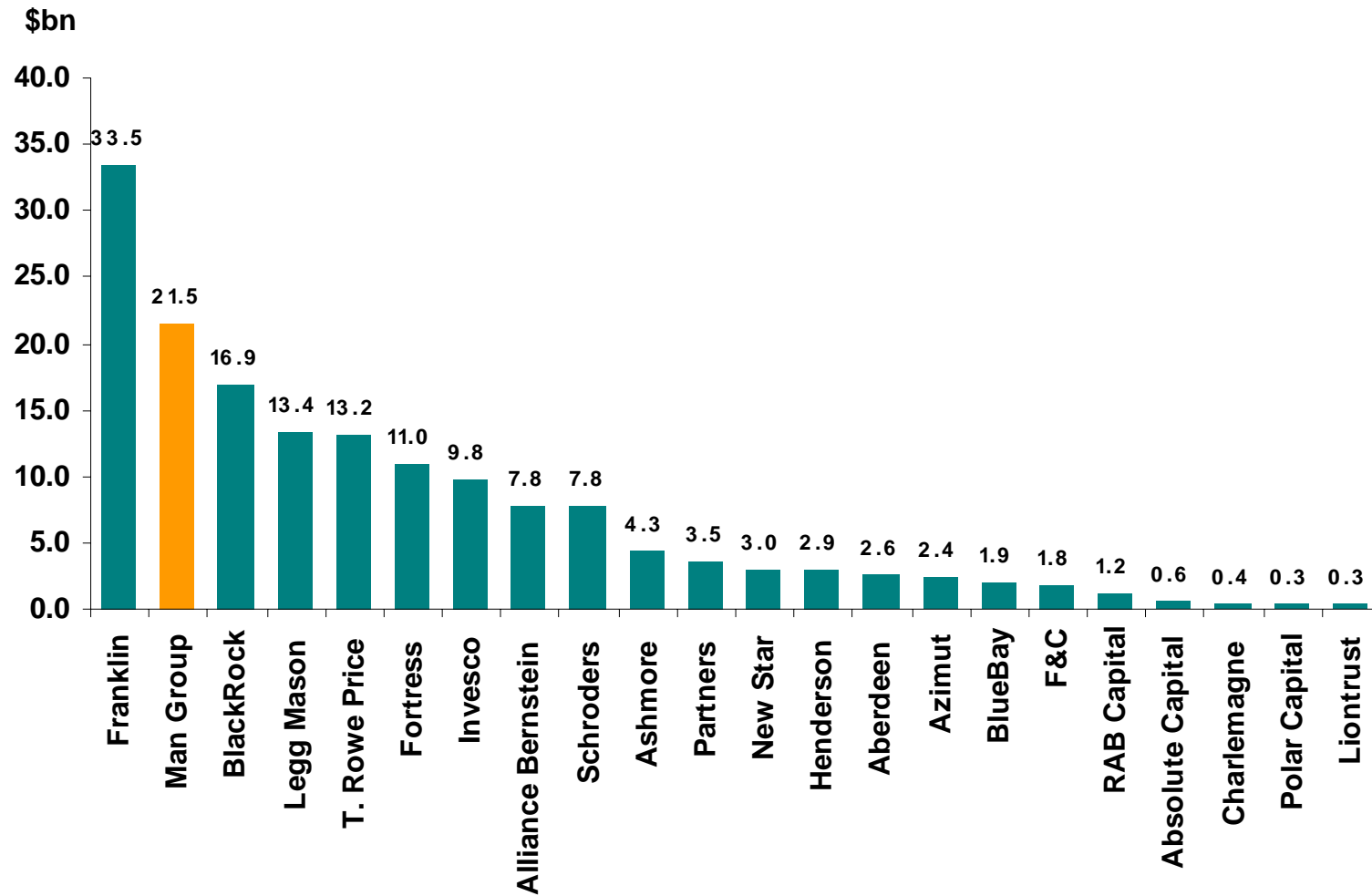
Source: Man database and Bloomberg. There is no guarantee of trading performance and past performance is not necessarily a guide to future results.

<sup>1</sup>Pemba is represented by the performance of pemba European Loan opportunities- Class A Units.

<sup>2</sup>Sharpe ratio is calculated using the risk-free rate in the appropriate currency over the period analysed. Where an investment has underperformed the risk-free rate, the Sharpe ratio will be negative. Because the Sharpe ratio is an absolute measure of risk-adjusted return, negative Sharpe ratios are shown as N/A, as they can be misleading.

World stocks: MSCI World Index (hedged to USD). World bonds: Citigroup WGBI World Index (hedged to USD); benchmark indices have been hedged into product currency (EUR) using the relevant 3 month LIBOR interest rate differentials

# Market Capitalisation as at 30 May 2007



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