

Man Group plc



Investor presentation
February 2010



These materials issued by Man Group plc based on certain information contained in the stock exchange announcement dated 5 November 2009 relating to the half results for the year to 30 September 2009 of Man Group plc and should be read in conjunction with the full text of those announcements.

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.

Introduction



- Strong response to last year's challenges
 - Sustained momentum in private investor business
 - Re-engineered multi-manager business
 - Cost discipline and continued investment
- Improving business outlook
- Continued financial strength
- Interim dividend maintained at 19.2 cents

Financial review

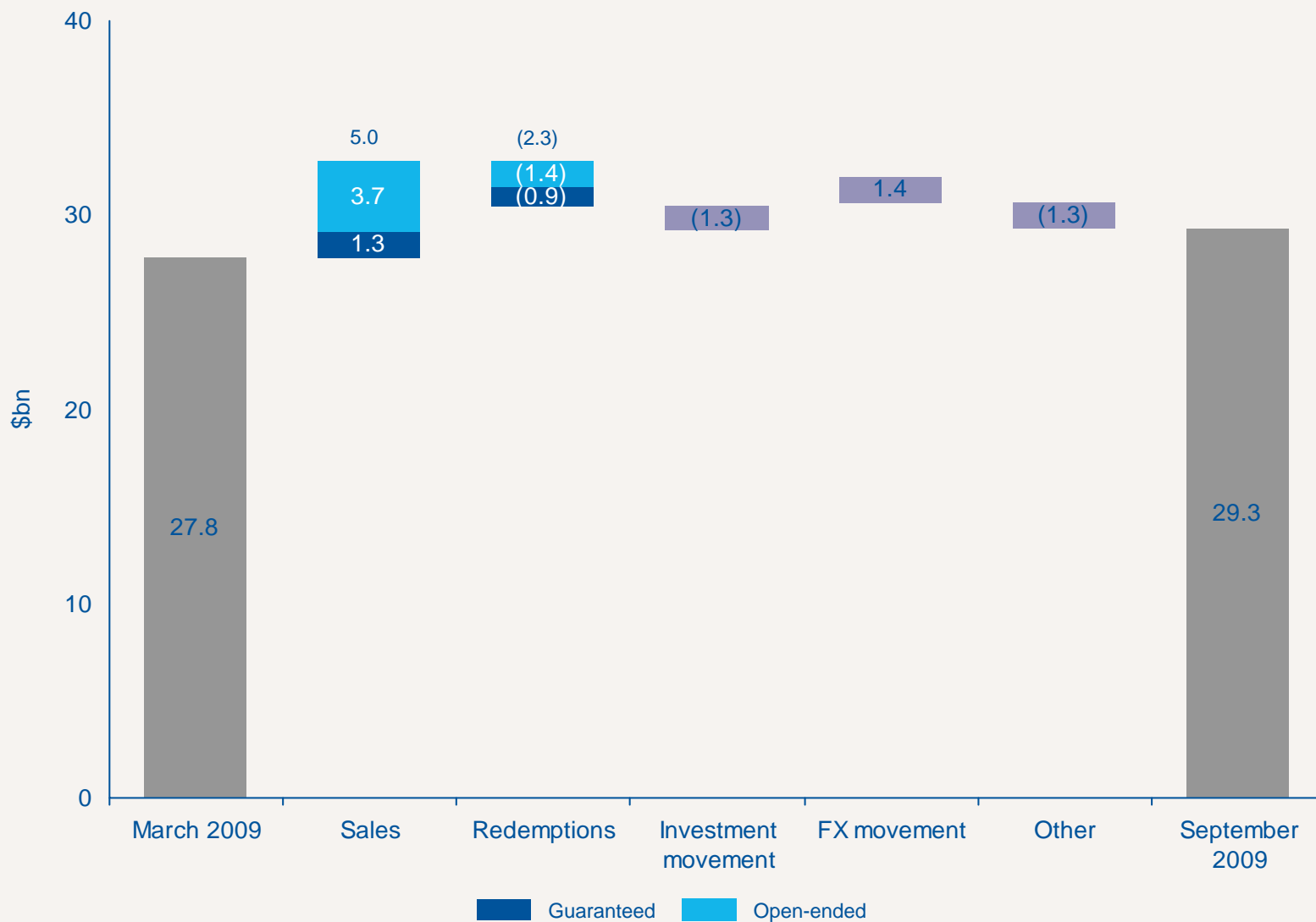


H1 results summary

Good momentum; strong execution against plan

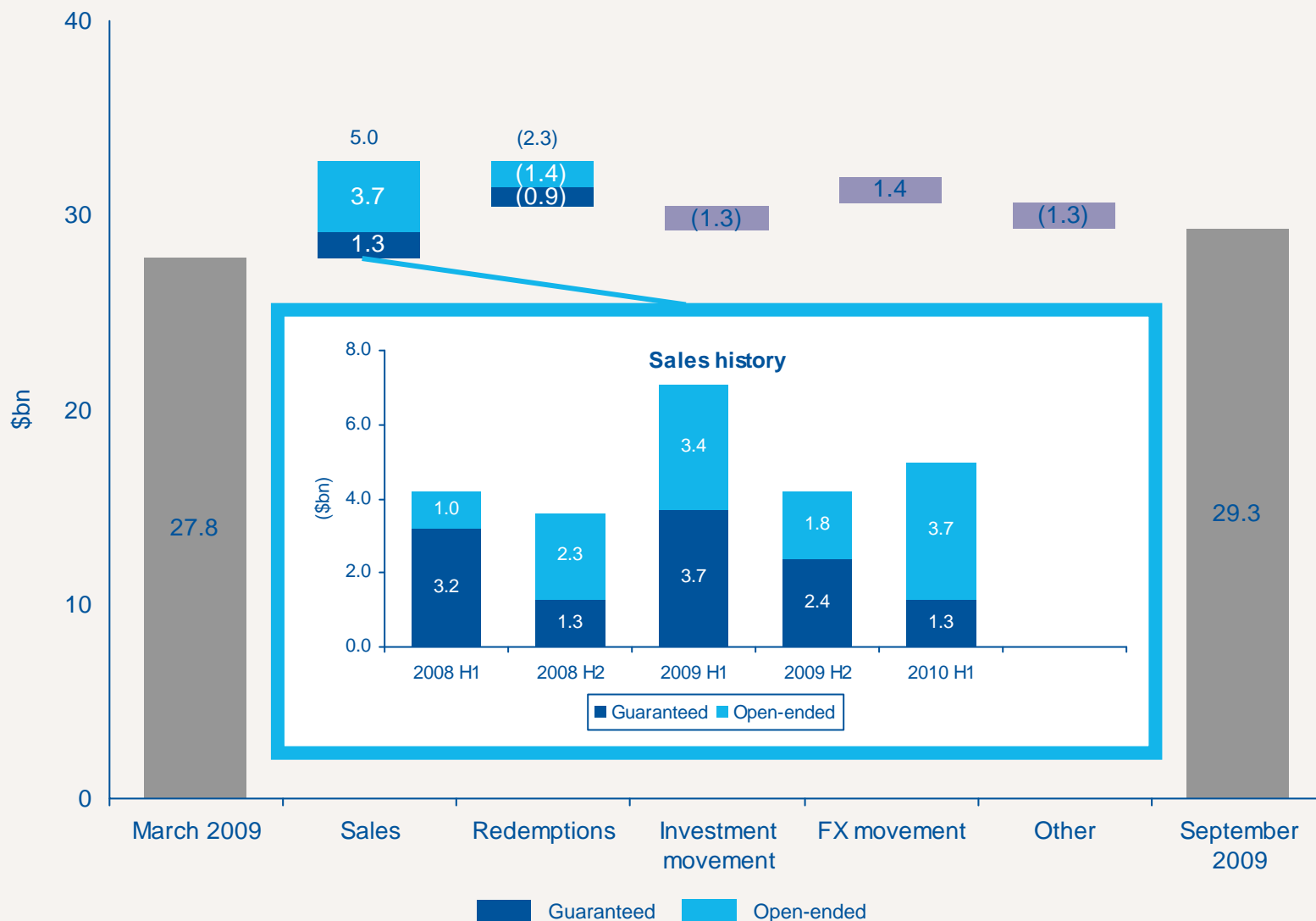
- Funds under management of \$44.0 billion at 30 September 2009; broadly unchanged at end October
 - Strong private investor sales
 - Improving redemptions trend
- Net management fee income of \$245 million
 - Disciplined cost management
 - Continued investment in AHL, multi-manager business, distribution
- Statutory profit before tax of \$302 million; adjusted PBT of \$292 million
- Regulatory capital surplus of over \$1.6 billion; cash balances of \$2.1 billion; undrawn banking facilities of \$2.4 billion

Private investor FUM drivers



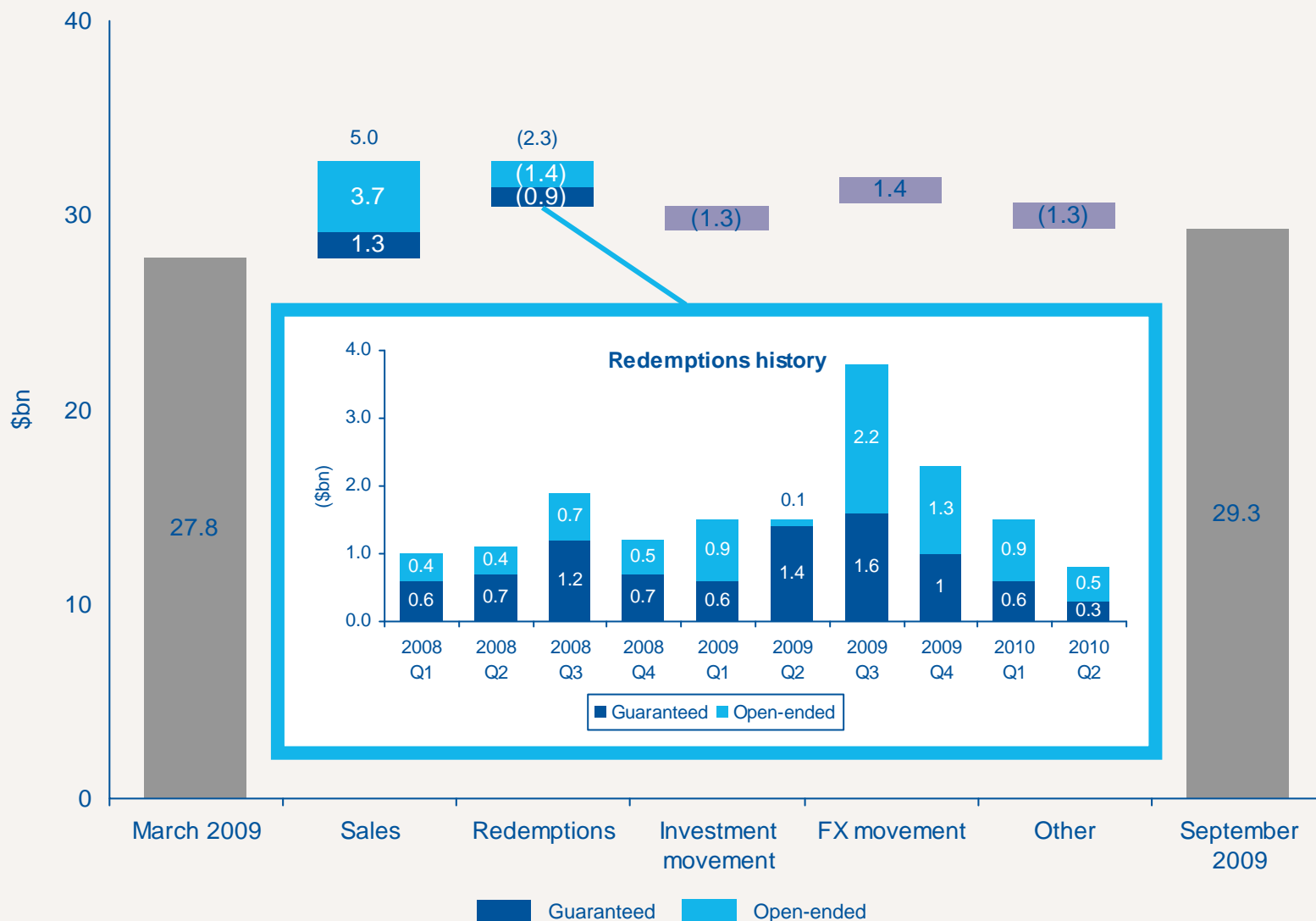
Private investor FUM drivers

Consistently strong global sales



Private investor FUM drivers

Quarterly redemptions step down; open-ended linked to returns



Private investor margins

Margins stable



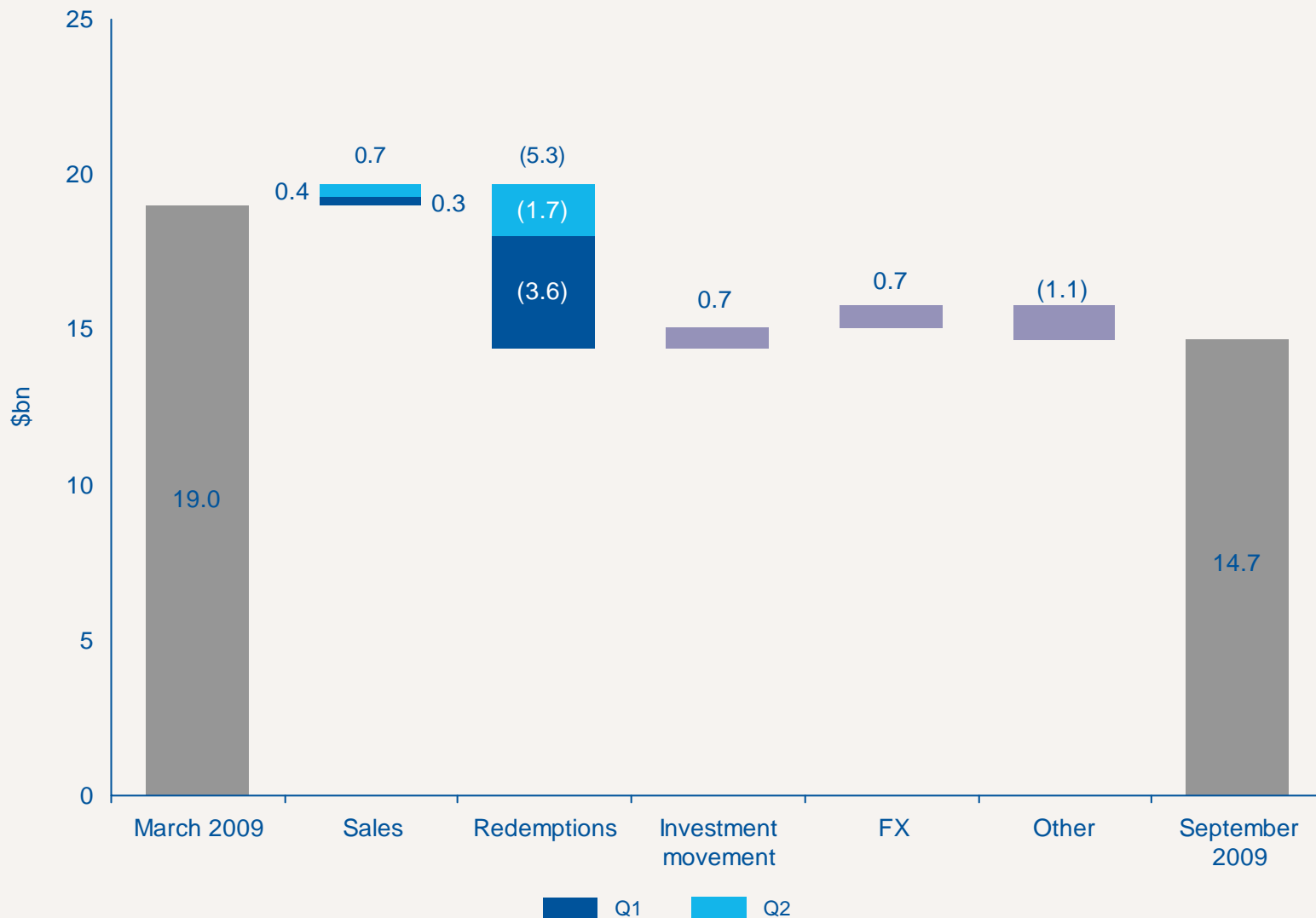
	H1 2010 (%)	H2 2009 (%)	H1 2009 (%)	FY 2009 (%)
Gross management fee margin	4.27	4.28	4.36	4.33
Gross management fee margin before interest income from funds	4.21	4.17	4.21	4.20
Net management fee margin	1.73	1.71	2.07	1.92

	Guaranteed product (%) H1 2010	Open-ended product (%) H1 2010
Gross management fee margin before interest income from funds	4.62	3.52
Gross management fee margin net of sales commissions	3.38	2.73

Outlook

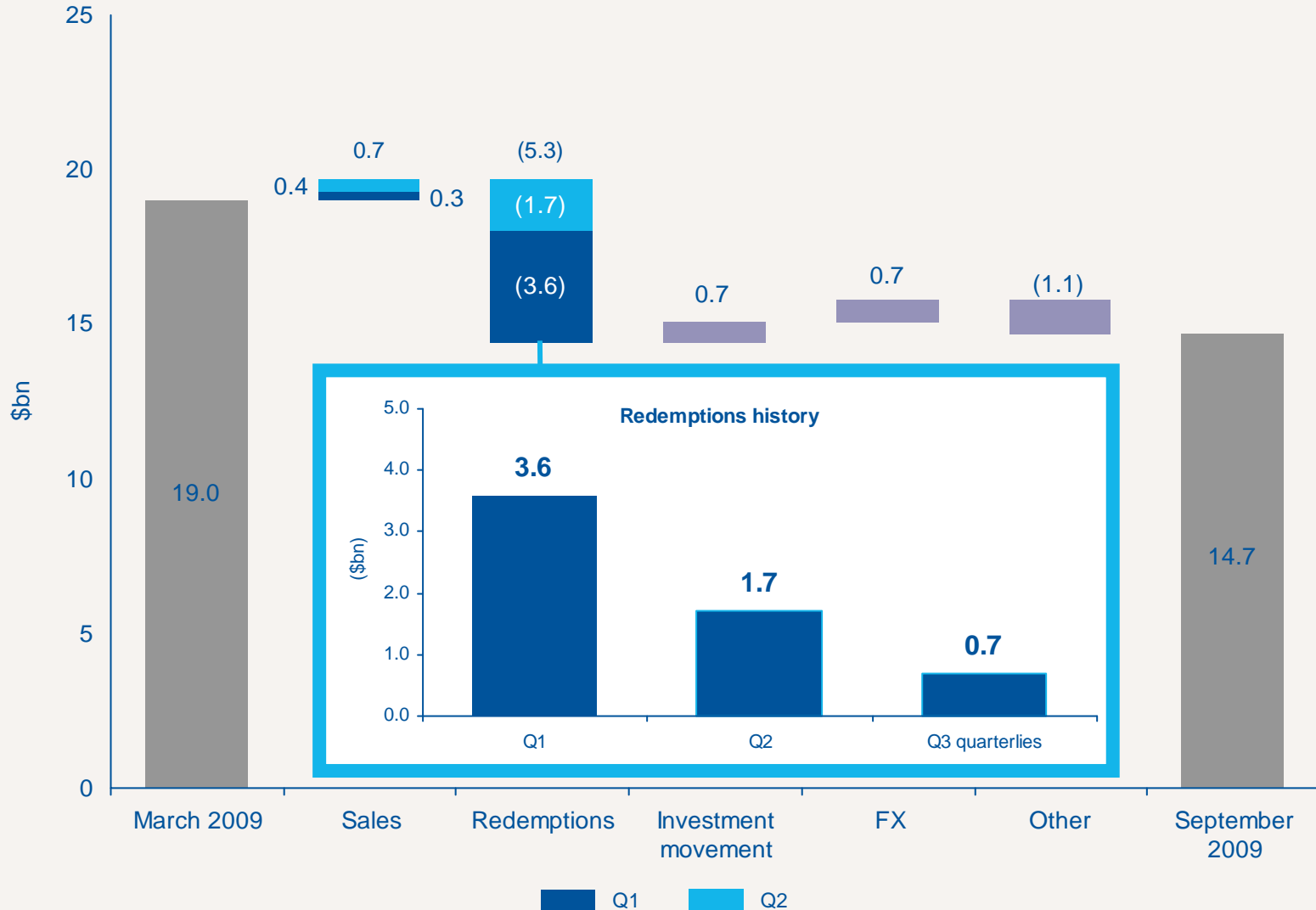
- Product margins stable
- Potential for increase in open-ended volumes

Institutional FUM drivers



Institutional FUM drivers

Improving redemptions trend



Institutional investor margins

Operating capacity retained in anticipation of fund flows

	H1 2010	H2 2009	H1 2009	FY 2009
Gross management fee margin (%)	0.91	0.97	0.93	0.94
Net management fee income (%)	0.09	0.52	0.45	0.48

Key drivers

- Higher margin business redeemed by large, long-standing investors
- Net management fee decline reflects decision to retain infrastructure and expertise
- Cost base is sized for future growth

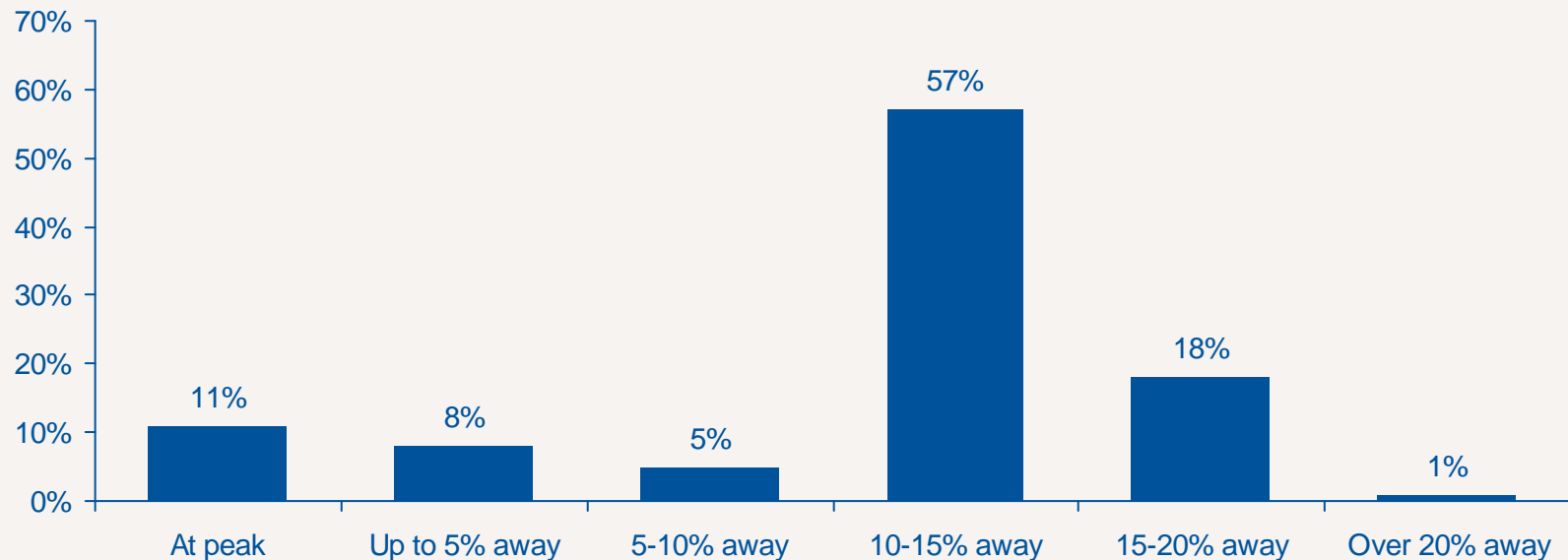
Performance fees

Modest expectations for H2



Net performance fee income of \$47 million

AHL funds distance from peak – September 2009



Weighted average distance from peak – (11.6%)

Earnings summary



	H1 2010 (\$m)
Statutory PBT	302
<i>Add back:</i>	
Gain arising from residual interest in MF Global	(34)
Restructuring costs – compensation	11
Restructuring costs – vacant office space	13
Adjusted PBT	292
Tax rate (before adjusting items)	19.3%
EPS on total operations	13.1c
Underlying EPS	11.2c
Return on equity	10.8%

Cost drivers

On track to deliver \$90 million reduction to fixed cost run rate



	H1 2010 (\$m)	H2 2009 (\$m)
Revenue	693	971
Sales commissions	(146)	(207)
Compensation (bonus)	(84)	(88)
Compensation (base)	(95)	(102)
Other costs	(104)	(144)
Total fixed costs	(199)	(246)
Associates and joint ventures	31	82
Net finance expense	(3)	—
Adjusted pre tax profit	292	512
Adjusted pre-tax margin	40%	49%

Analysis of other costs

Cost discipline and continued investment

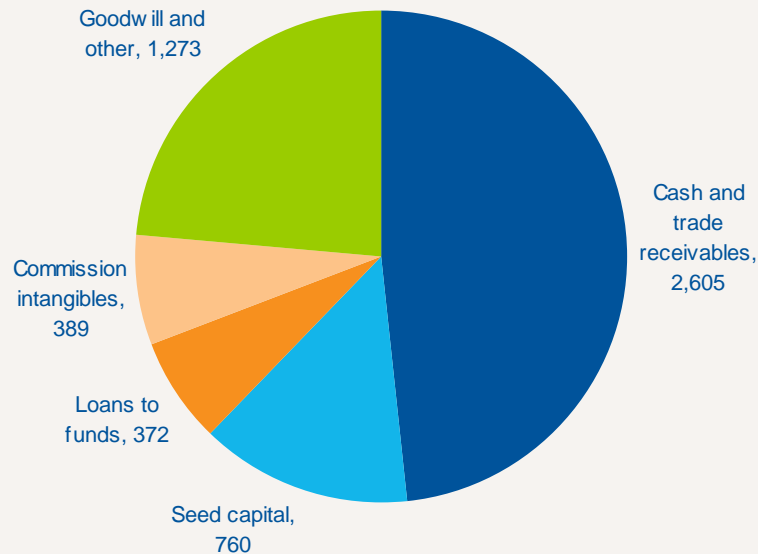


	H1 2010 \$m	H2 2009 \$m	H1 2009 \$m
Occupancy	21	22	20
Travel and entertainment	7	10	11
Technology	10	11	20
Communication	6	9	7
Consulting and professional services	15	27	19
Depreciation and amortisation	21	21	18
Charitable donations	2	5	5
Other (includes indirect staff costs)	22	39	31
Total	104	144	131

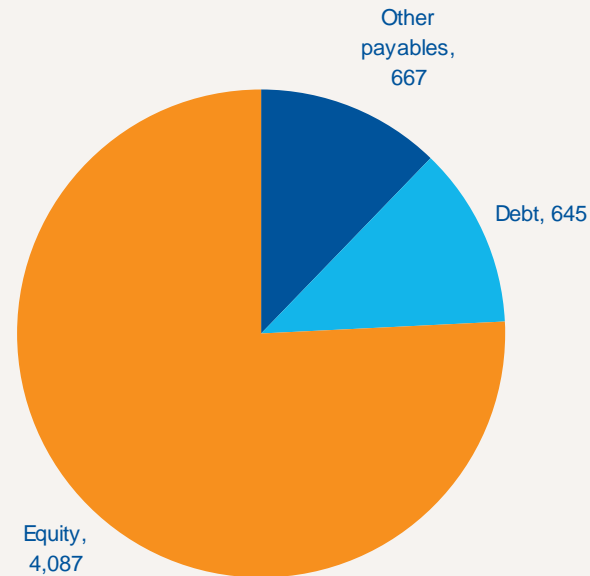
Balance sheet stability



Assets (\$m)



Liabilities and equity (\$m)



Regulatory capital surplus of over \$1.6 billion
Committed banking facilities of \$2.4 billion

- Successful execution against plan
- Maintained financial discipline
- Significant capital resources

Business update and outlook

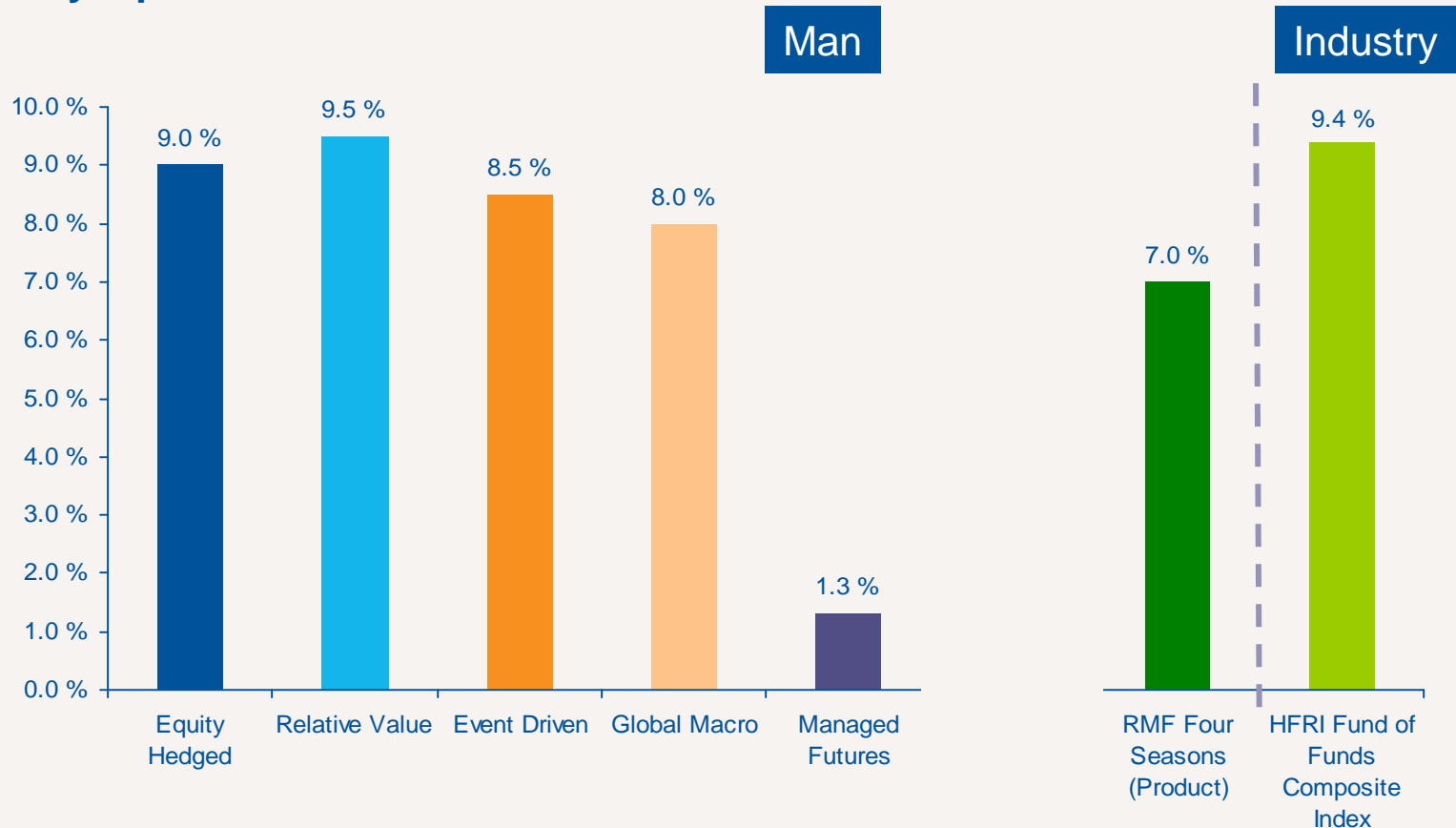


- Well positioned for asset growth
 - Improved investing conditions
 - The constant of diversified returns
 - Consistently strong private investor sales
 - Multi manager business now operational
- The new investor agenda
- Man at the forefront of industry change

Improved trading conditions across styles in H1



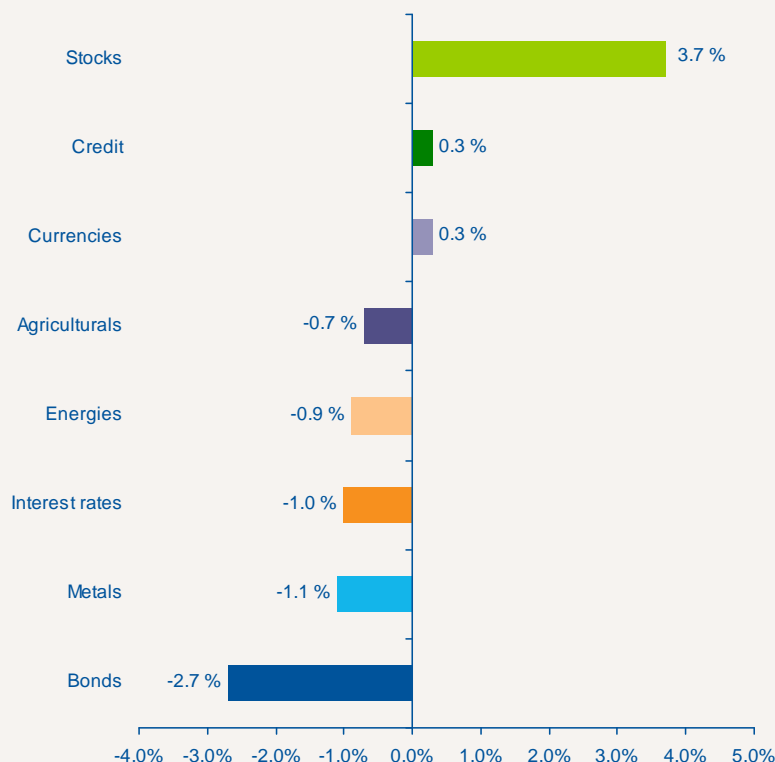
Style performance¹



Source: Man database and Bloomberg. There is no guarantee of trading performance and past or projected performance is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations. Short term track records are statistically not significant. Please note that the HFRI index data over the past four months may be subject to change.
 1. The performance of the underlying styles are represented by the RMF Master track records which are gross of product fees. Date range 1 April 2009 to 30 September 2009.

AHL performance in context

Sector performance attribution¹ (31 March 2009 – 28 September 2009)



Source: Man database.

1. The range of strategies and the allocations to each are regularly refined by the investment manager based on continuing research. The market sector and key market attributions above are to be used as indications only. The figures are estimated and generated from the underlying AHL Programme system and do not take into account the fees/interest/commission charges on any particular account. Differences may also occur due to slippage variation, portfolio changes, FX movements and post execution adjustments. Therefore the sum total of these sector indications will not necessarily equate to the reported performance for the month period in question.

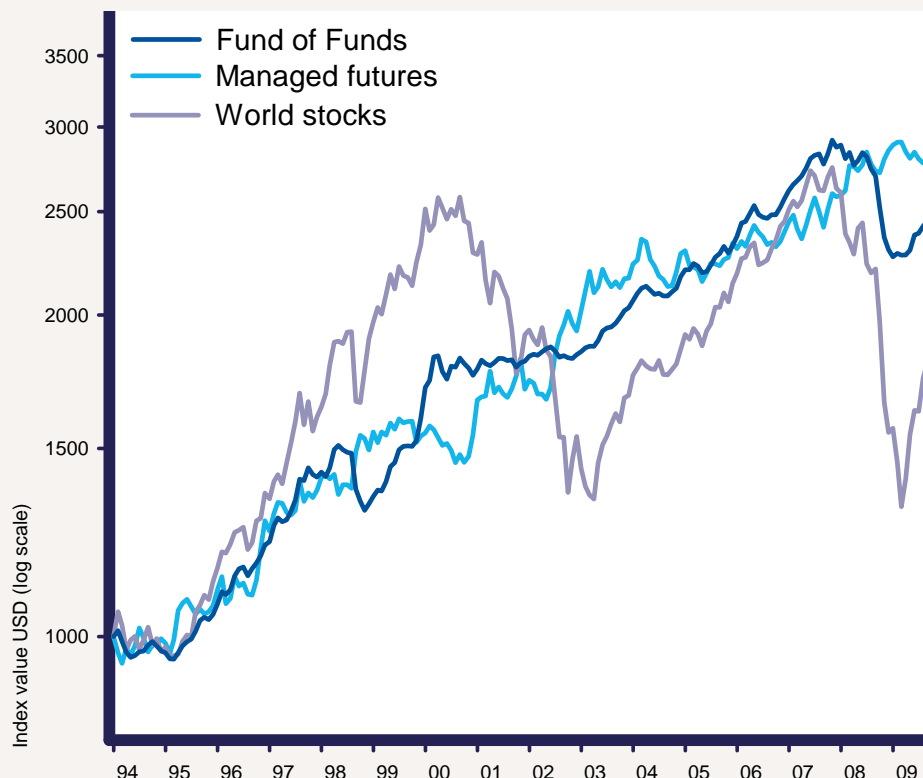
2. Performance numbers refer to Man AHL Diversified plc. Man AHL Diversified plc is valued weekly; however, for comparative purposes, statistics have been calculated using the last weekly valuation for each month. There is no guarantee of trading performance and past or projected performance is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations.

- Both this calendar year's drawdown (-11.9% to 30 September) and last year's gain (+33.2%) fall within modelled expectations and historical experience²
- October reversals demonstrate that trends remain fragile
- Return profile exhibits a positive skew
- Continuous investment in AHL research and development

Investors continue to value long term performance and diversification



1 January 1994 to 30 September 2009



	Fund of Funds	Managed futures	World stocks
Total return	149.1 %	181.1 %	85.9 %
Annualised return	6.0 %	6.8 %	4.0 %
Annualised volatility	6.3 %	9.1 %	14.8 %
Correlation to world stocks	0.66	-0.14	1.00

Source: Man database and Stark and Co, Inc. There is no guarantee of trading performance and past or projected performance is not a reliable indicator of future performance. Please note that the HFRI and Stark data over the last four months may be subject to change. Fund of funds: HFRI Fund of Funds Composite Index. World stocks: MSCI World Index hedged to USD (price return). Managed futures: Stark 300 Trader Index. The periods selected are exceptional and these results do not reflect typical performance. As a consequence they give no indication of likely performance.

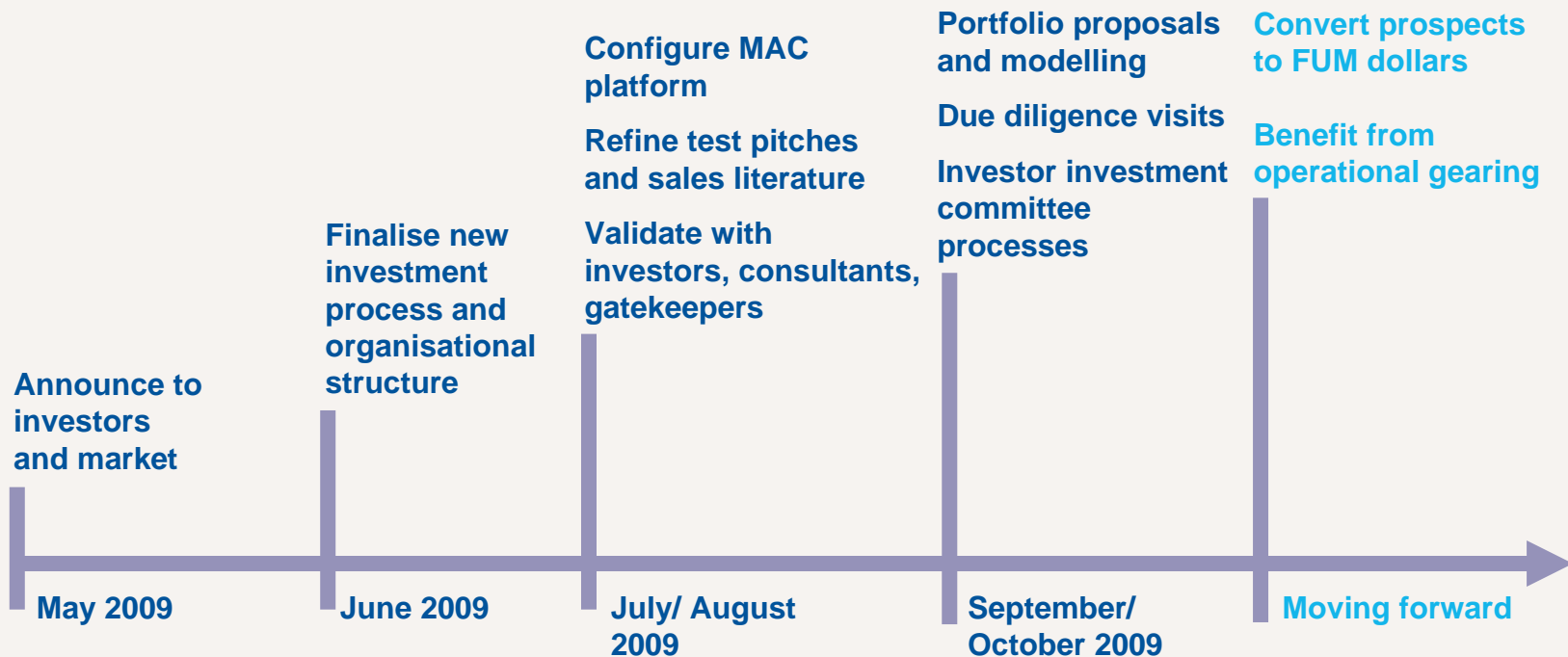
Progress on multi-manager business

A substantial operation with \$17.8 billion under management



“Man Investments’ rating reflects the stabilisation of its business and the swift consolidation of the [investment management] platforms, despite challenging market conditions.”

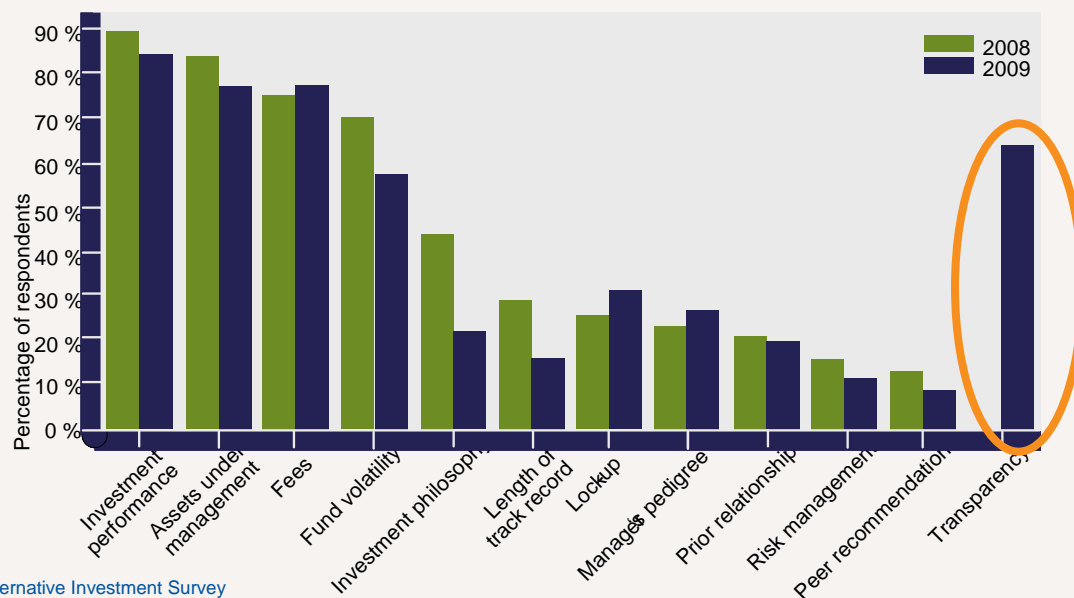
Fitch



The new investor agenda

- Deliver my investment in formats I know and trust
- Provide me with controlled, transparent and flexible investment outcomes
- Re-assure me that the investment manager's business model is sustainable

What FIVE factors are most important when assessing a hedge fund manager?

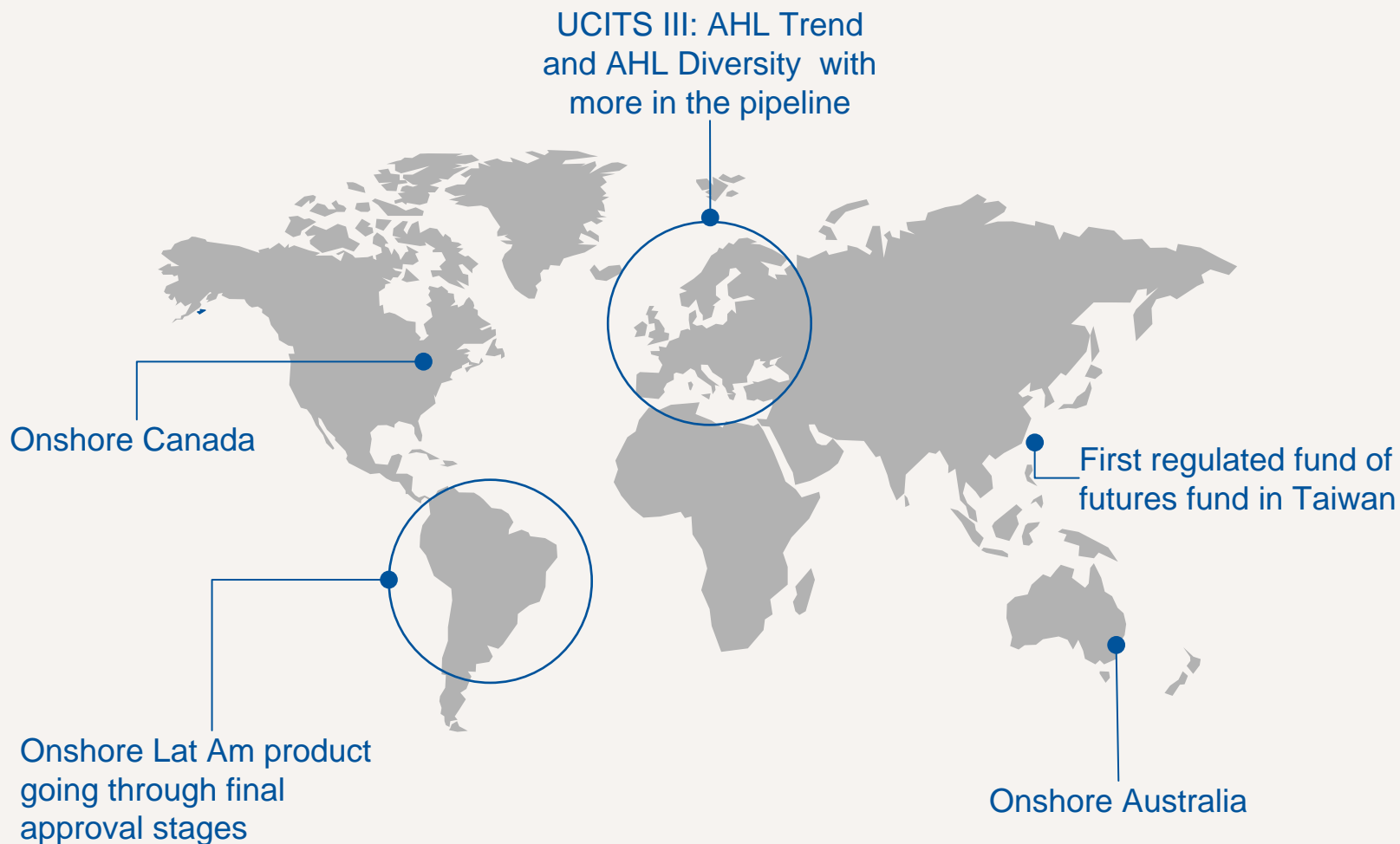


Source: 2009 Deutsche Bank Alternative Investment Survey

The common thread is restoring investor confidence through clearer understanding and open dialogue

Meeting demand for trusted formats

Man's global structuring expertise a key differentiator

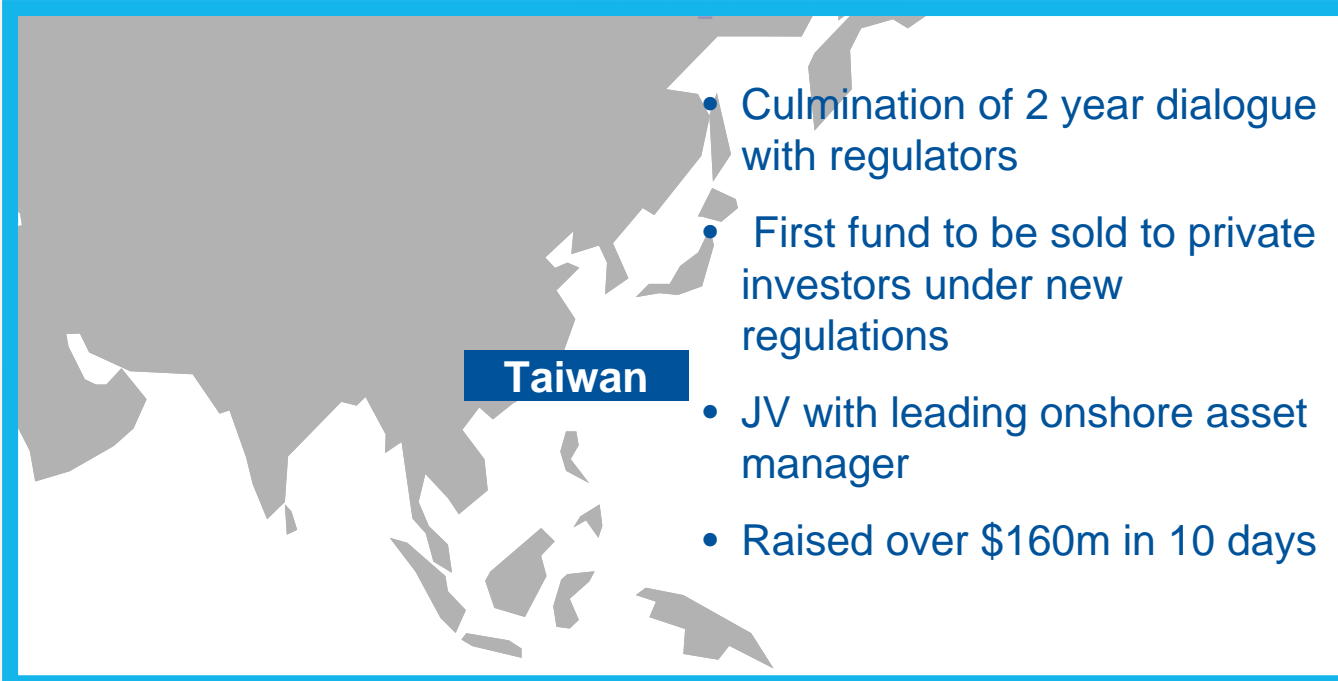


Not to scale.

Meeting demand for trusted formats

Man's global structuring expertise a key differentiator

UCITS III: AHL Trend
and AHL Diversity with
more in the pipeline



Taiwan

- Culmination of 2 year dialogue with regulators
- First fund to be sold to private investors under new regulations
- JV with leading onshore asset manager
- Raised over \$160m in 10 days

Ons

ed fund of
in Taiwan

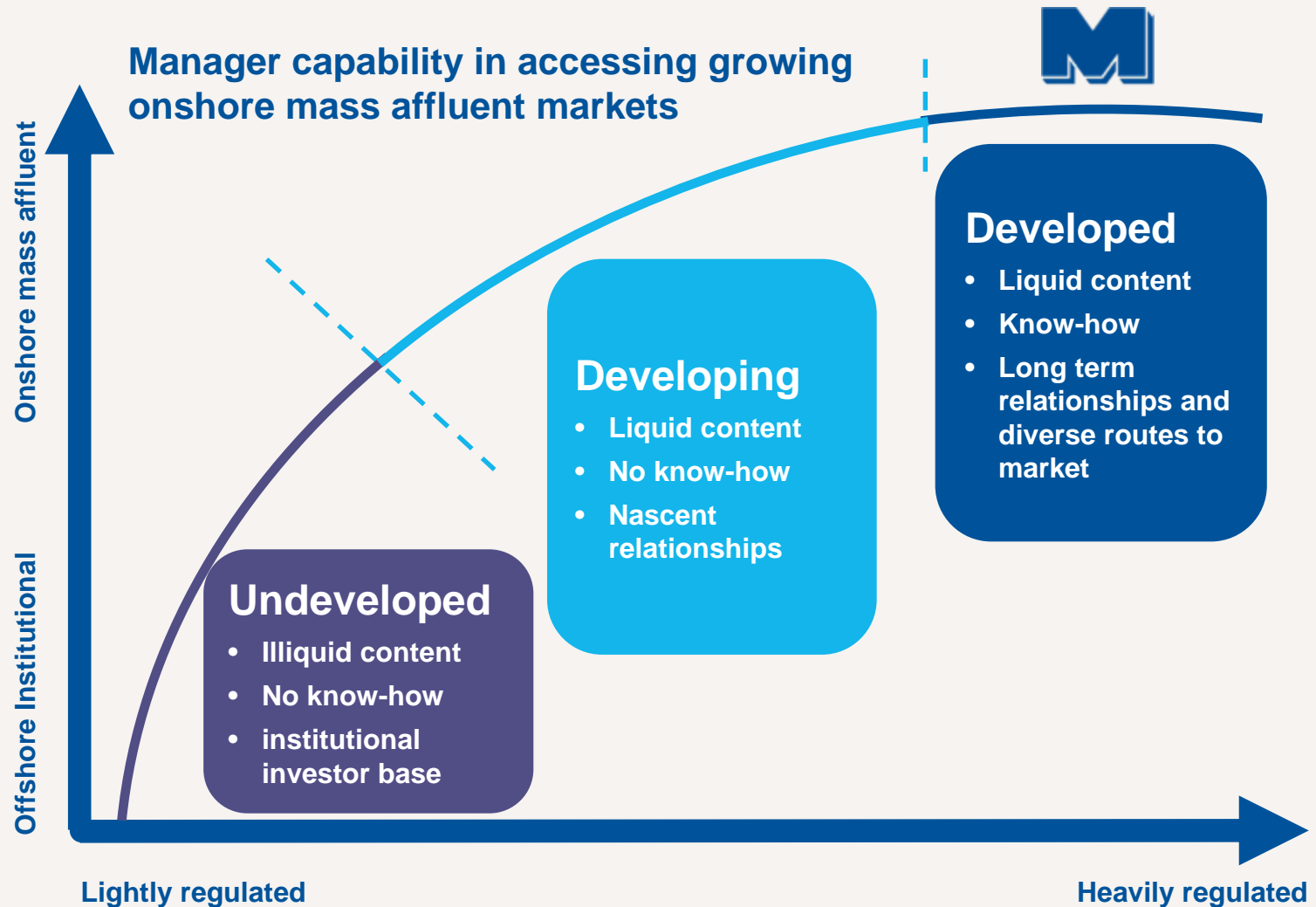
Onshore Lat Am product
going through final
approval stages

Onshore Australia

Not to scale.

Meeting demand for trusted formats

Very few managers can access onshore markets



Schematic illustration.

Regulatory trends a likely net positive for Man

Regulatory “crystal ball”

Man

More on-exchange trading



Widens opportunity set for AHL

Heightened manager regulation and disclosure



Market-leading regulatory experience

Increase in local regulated formats



Global expertise: increased value of structuring capability

The ability to cope with increased regulatory scrutiny at a business level, and onshore regulated markets at a product level, is a key competitive advantage

Providing transparent investment outcomes



Benefits of managed accounts

Control of assets



Independent legal structure providing for operational and structural control over assets

Transparency



Greater transparency into transactions, positions and valuations

Independence



Independent service providers (including sourcing valuations independently from the investment manager)

Governance



Legal structure ensures objectivity and minimises conflicts of interest

Liquidity



Liquidity is driven by the market and not the manager

Providing transparent investment outcomes



M MAC+

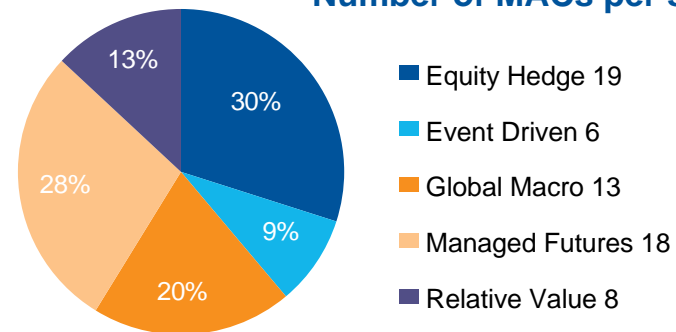
- A decade of experience in using MACs as a core part of our investment process
- Independence
- Portfolio management capability to use MACs in tailored solutions

Flow business platforms

- Primary focus is infrastructure
- Prioritise volume of manager names

- Multi-manager FUM in MACs – grown from \$4 billion to \$6 billion in the last six months

Number of MACs per style¹



Source: Man database. ¹As at 30th September 2009.

Providing transparent investment outcomes



Samples from the pipeline

Japan

- Japanese institutions (private investor and institutional products)
- Portfolio combinations using 10-20 MACs
- CTA/Macro/other directional

Europe

- Global launch of an independent managed accounts initiative with Credit Suisse
- A range of Man managed accounts with Credit Suisse wraps
- Accesses a broad range of Credit Suisse clients

US

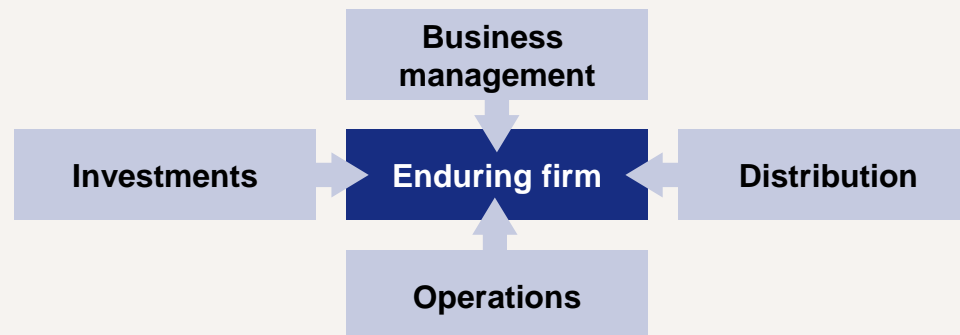
- Several US institutions
- Customised portfolios
- Thematic focus – uncorrelated strategies

Reassuring investors about business model strength



- Well capitalised, liquid, diversified revenue base
- Listed and lead regulated in the UK
- Operating history in more regulated markets

Balance and excellence across four business functions – Casey Quirk model¹



Investors favour management businesses built to last and transparent on examination

¹Source: 'The Hedge Fund of Tomorrow: Building an Enduring Firm', April 2009, Casey Quirk and The Bank of New York Mellon.

Harnessing Man's key competitive advantages

Distribution and product structuring expertise



- Opening up new markets
- Leading on emerging formats

The tools to respond to a new investor agenda



- MAC+
- Sustainable business model
- Regulatory experience

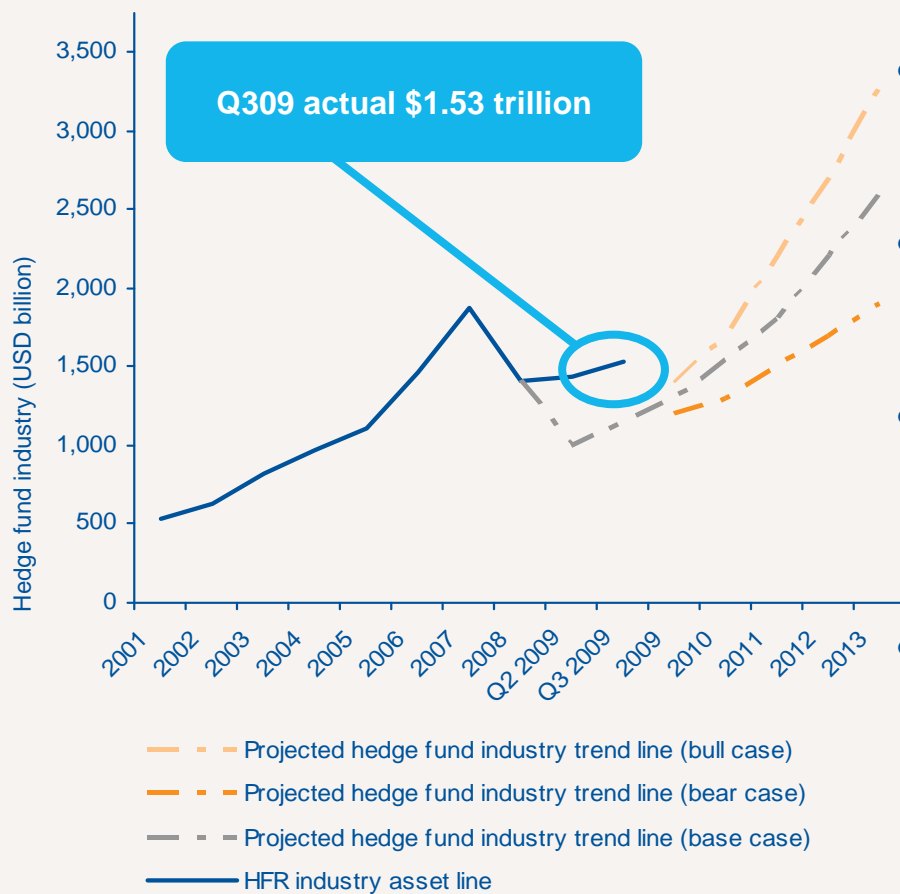
Resources to continue investing in the business



- AHL Research
- Technology
- Distribution

Outlook

Potential for industry growth¹



Outlook for Man

- Promising prospects for sustained industry flows
- We have moved swiftly to re-position our business
- Continued private investor focus on liquidity and diversification
- Significant institutional progress expected in H2 as due diligence processes complete

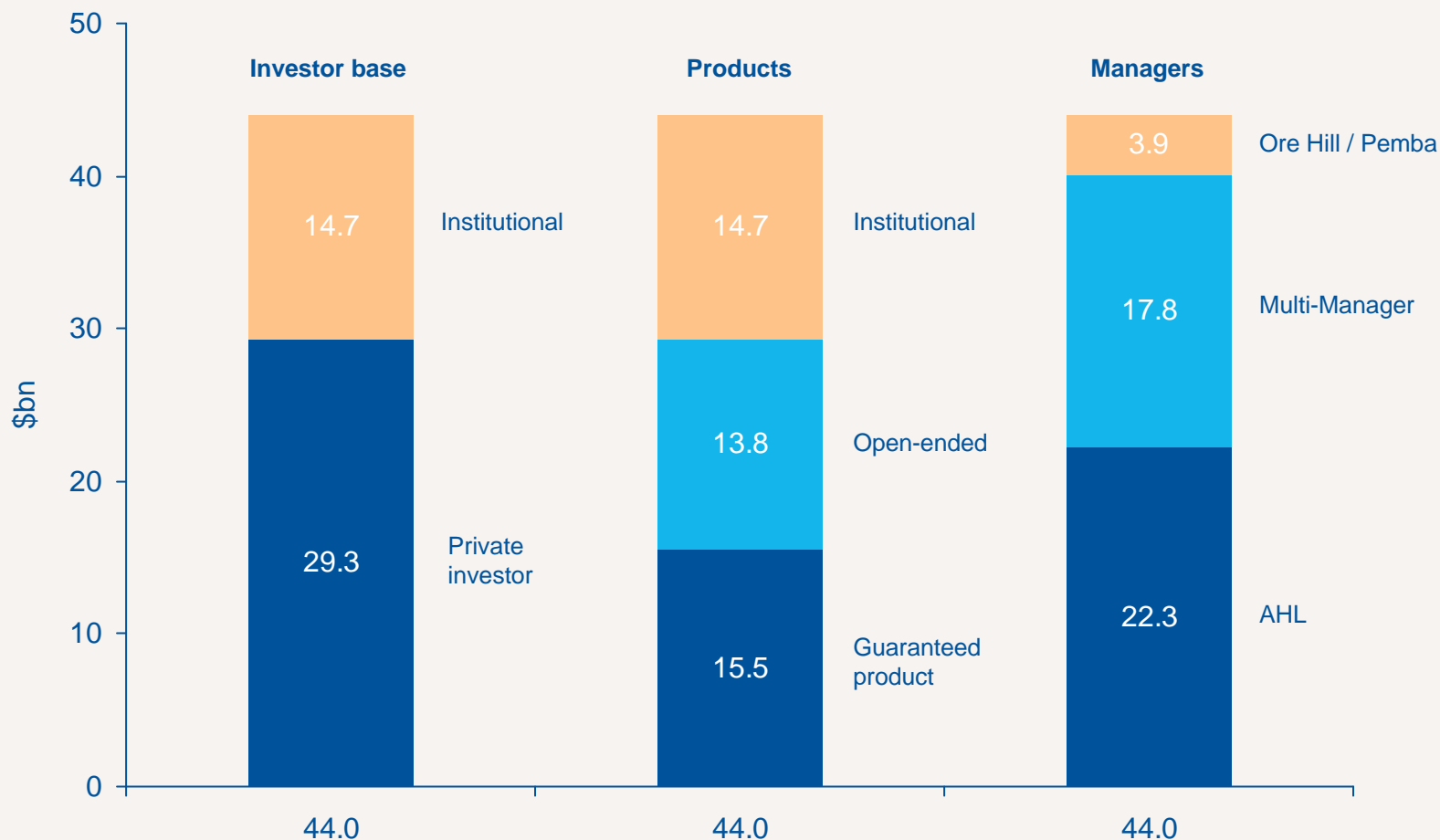
¹HFR Global Hedge Fund Industry Report – Quarter 3 2009', Hedge Fund Research, Inc and 'The Hedge Fund of Tomorrow: Building an Enduring Firm', April 2009, Casey Quirk and The Bank of New York Mellon. Note: Calendar year used for HFR data. Casey Quirk data is based on December through December.

Supplementary information



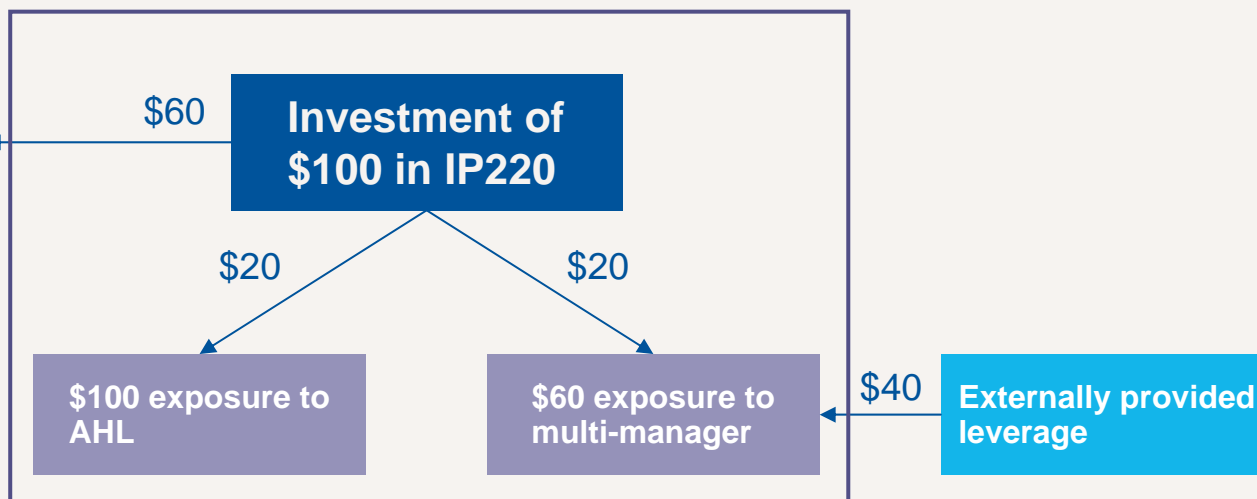
Funds under Management

Composition of funds under management (\$bn) September 2009



IP220 product structure

Bank provides zero coupon bond to deliver guarantee at maturity



FUM

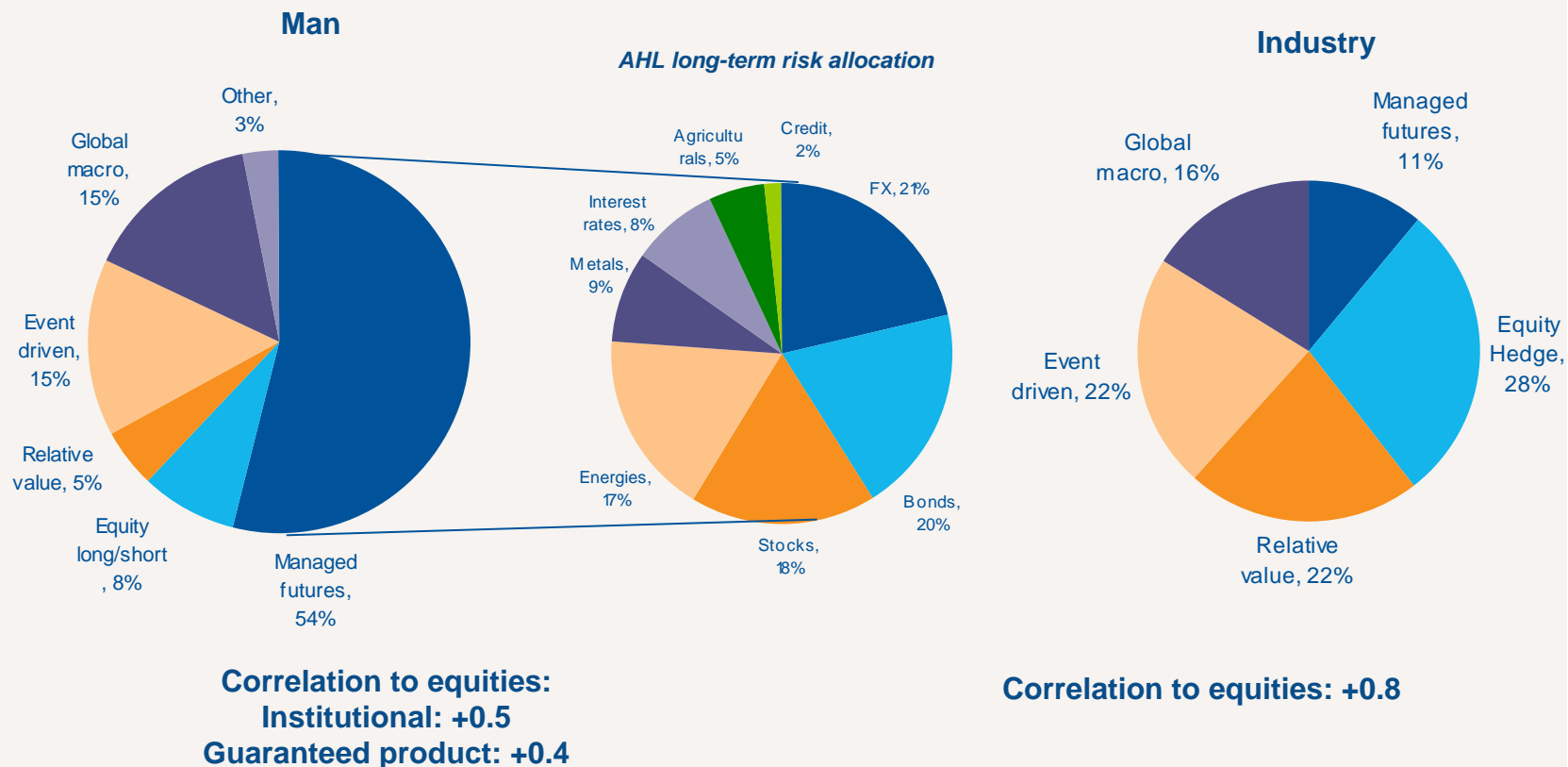
Investment equity (AHL and multi-manager)	\$40
Notional exposure (AHL)	\$80
Externally provided leverage (multi-manager)	\$40
Total FUM	\$160

Net asset value

Bond	\$60
Trading capital ¹	\$40
Total NAV	\$100

¹ Trading capital = investment in AHL (\$20 + investment in multi-manager (\$60) – externally provided leverage (\$40)

Man style weighting to managed futures

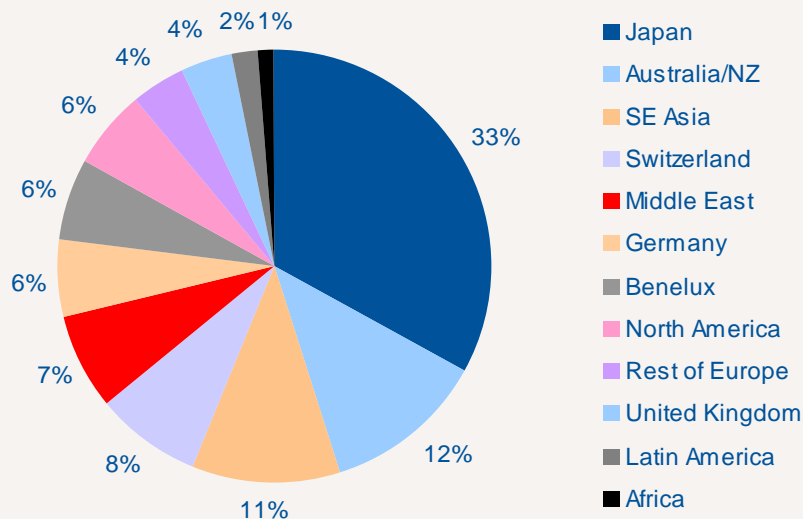


Source: Man Database, Bloomberg, Hedge Fund Research Inc and BarclayHedge
 Industry represented by HFRI Fund Weighted Composite. Institutional represented by RMF Four Seasons Strategies. Guaranteed Product represented by Man Multi-Strategy Guaranteed Ltd.
 All correlations calculated over 7 years to 30 September 2009 versus MSCI World Index hedged to USD (price return).
 Industry allocation based on money under management as at 30 September 2009, except for managed futures which is as at 30 June 2009.
 Please note that the HFRI index data over the past 4 months may be subject to change.

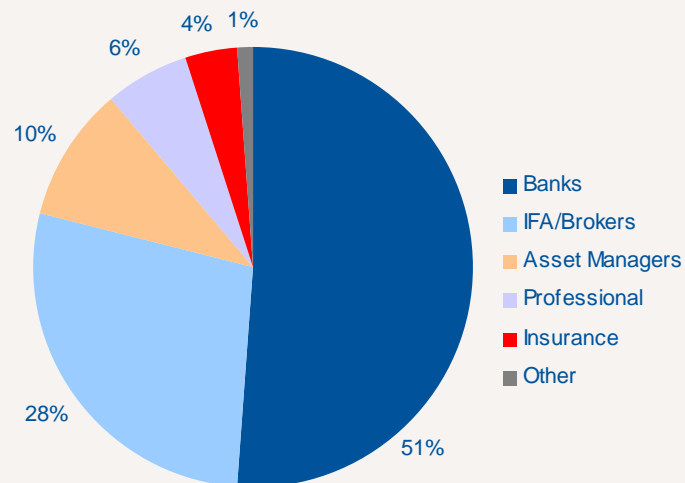
Private investor channels

Global network of distributors provides access to private investors

Private investor FUM by geography



Distributors by type



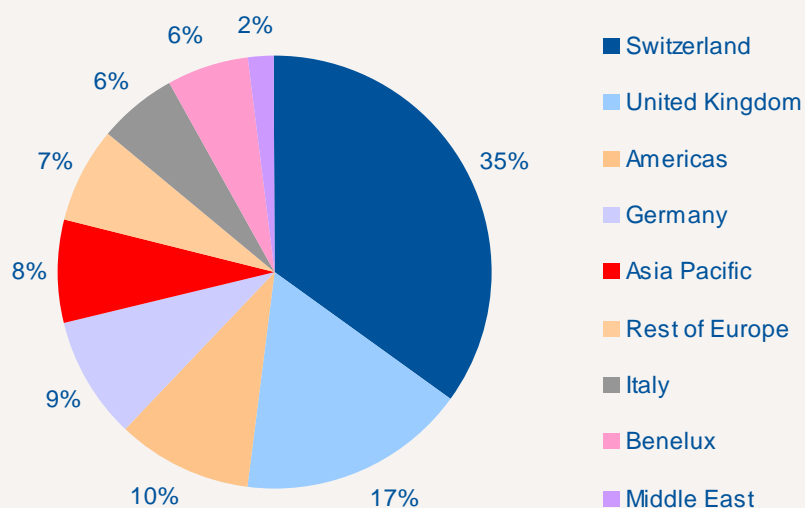
- 2,200 distributors
- Average investment of \$60,000¹
- Top ten distributors account for 37% of private investor FUM

1) Excludes US, Canada and Australia

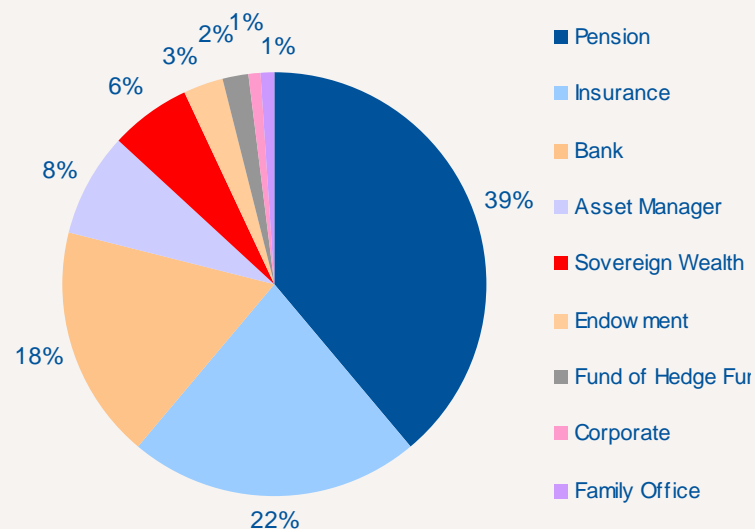
Institutional investor channels

Global breadth of institutional investors

Institutional FUM by geography



Institutional clients



- c. 240 institutional investors
- Average institution holds \$60 million
- Top 5 institutions hold \$5.8 billion
- Top 20 institutions hold \$10.7 billion

Performance estimate as at January 2010

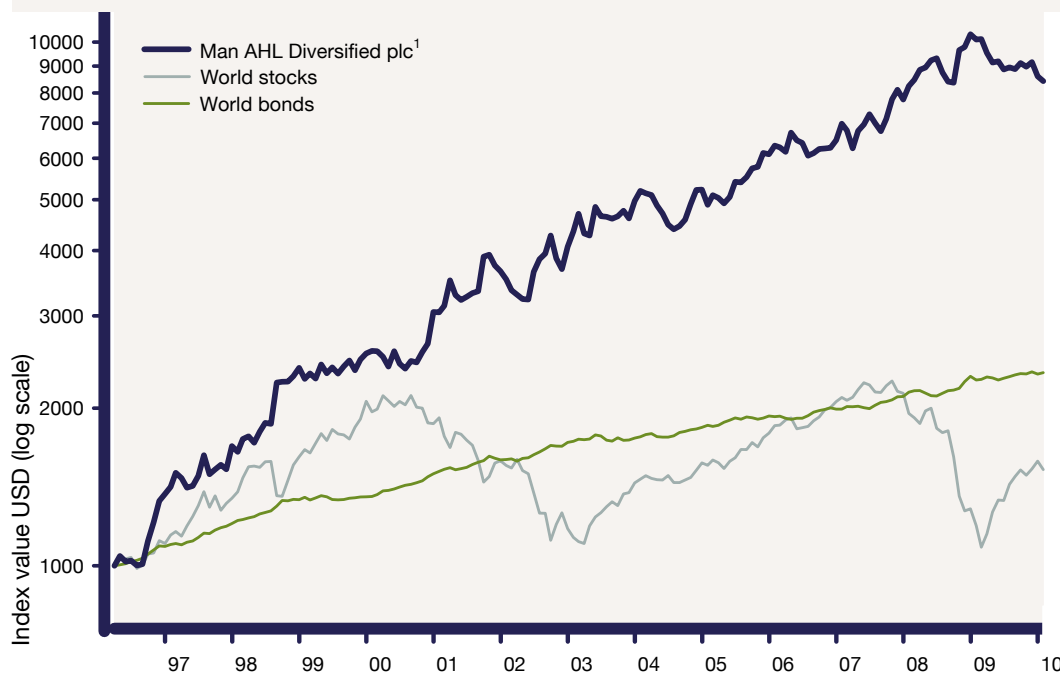
	<u>Total return</u>		<u>Annualised return</u>	
	Calendar year to date as at 31 January 2010	1 year to 31 January 2010	3 years to 31 January 2010	5 years to 31 January 2010
<u>Fund of funds</u>				
Highly Diversified: Man Four Seasons Strategies	-1.0%	3.2%	-1.5%	2.6%
Diversified: Man Dynamic Selection	-0.7%	3.6%	2.6%	n/a
Thematic: Man Commodities Strategies	-0.3%	5.7%	3.3%	9.5%
<u>Structured – Protected</u>				
Man-IP 220 ¹	-0.1%	-13.3%	1.2%	7.1%
<u>Single managers</u>				
Man AHL Diversified plc ²	-2.1%	-16.7%	6.4%	11.5%
Ore Hill ³	5.2%	39.5%	-5.1%	1.8%
<hr/>				
World stocks ⁴	-3.6%	28.0%	-10.0%	-0.4%
HFRI Fund Weighted Composite Index	-0.7%	19.3%	1.6%	5.6%
HFRI Fund of Funds Composite Index	-0.7%	9.9%	-1.8%	2.6%
Corporate bonds ⁵	1.0%	14.9%	5.3%	4.3%

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

1) Represented by Man-IP 220 Ltd from 18 December 1996 to 31 December 2005 and Man IP 220 Ltd - USD class bonds from 1 January 2006. 2) Man AHL Diversified plc is valued weekly; however, for comparative purposes, statistics have been calculated using the last weekly valuation for each month. 3) Represented by Ore Hill International II Ltd. 4) Represented by MSCI World Index hedged to USD (price return). 5) Represented by Citigroup High Grade Corporate Bond Index (total return).

Man AHL Diversified plc¹

26 March 1996 to 31 January 2010



	Man AHL Diversified plc ¹	World stocks	World bonds
Total return	742.3 %	52.6 %	133.7 %
Annualised return	16.7 %	3.1 %	6.3 %
Annualised volatility	17.8 %	15.4 %	2.9 %
Worst drawdown	-18.7 %	-51.9 %	-2.7 %
Sharpe ratio²	0.74	0.03	0.81

Source: Man database and Bloomberg. World stocks: MSCI World Index hedged to USD (price return). World bonds: Citigroup World Government Bond Index hedged to USD (total return). There is no guarantee of trading performance and past or projected performance is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations.

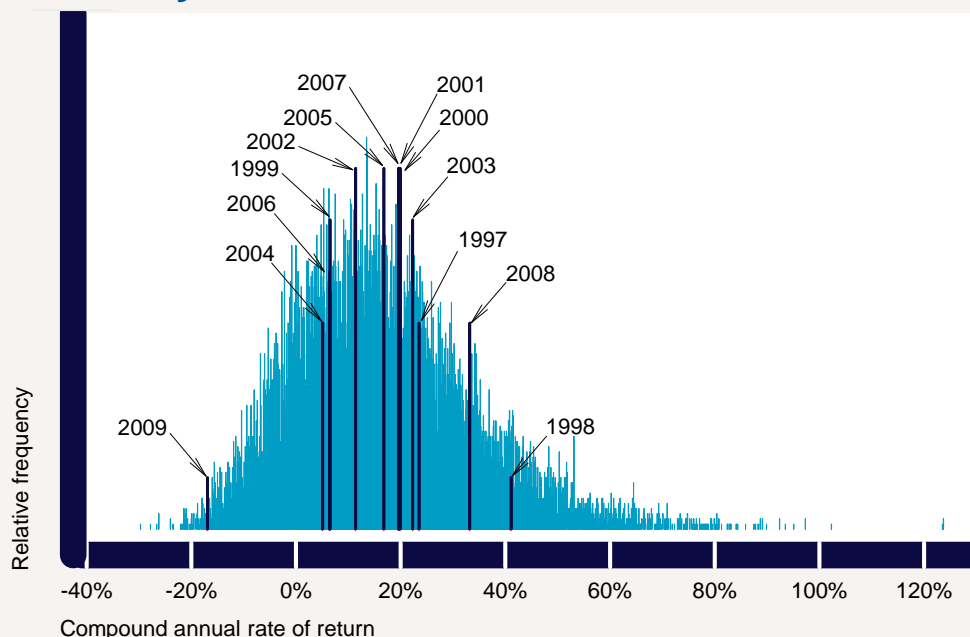
1) Man AHL Diversified plc is valued weekly; however, for comparative purposes, statistics have been calculated using the last weekly valuation for each month.

2) 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.

Probability distribution of Man AHL Diversified plc¹

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
1996	37.1 % ²
1997	23.5 %
1998	41.1 %
1999	6.5 %
2000	19.9 %
2001	19.7 %
2002	11.4 %
2003	22.3 %
2004	5.1 %
2005	16.8 %
2006	6.4 %
2007	19.6 %
2008	33.2 %
2009	-16.9 %
Annualised return since inception	16.7 % ³

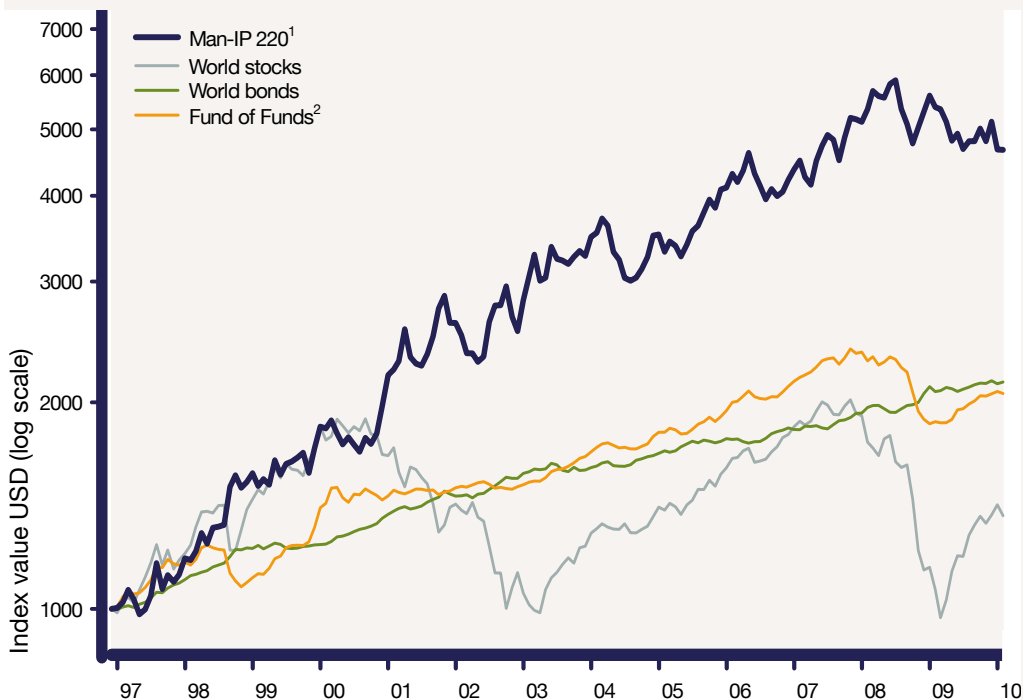
The longer the product life, the greater the probability of the return being within any given range around the mean

Source: Man database. 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. 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.

1) Man AHL Diversified plc is valued weekly; however, for comparative purposes, statistics have been calculated using the last weekly valuation for each month. 2) Part year from 26 March 1996. 3) Date range: 26 March 1996 to 31 January 2010.

Performance of Man-IP 220¹

18 December 1996 to 31 January 2010



	Man-IP 220 ¹	World stocks	World bonds	Fund of funds ²
Total return	366.8%	36.7%	114.2%	106.0%
Annualised return	12.4%	2.4%	6.0%	5.6%
Annualised volatility	17.5%	15.6%	2.9%	6.5%
Worst drawdown	-20.8%	-51.9%	-2.7%	-22.2%
Sharpe ratio³	0.54	n/a	0.72	0.30

Source: Man database and Bloomberg. World stocks: MSCI World Index hedged to USD (price return). World bonds: Citigroup World Government Bond Index hedged to USD (total return). 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.

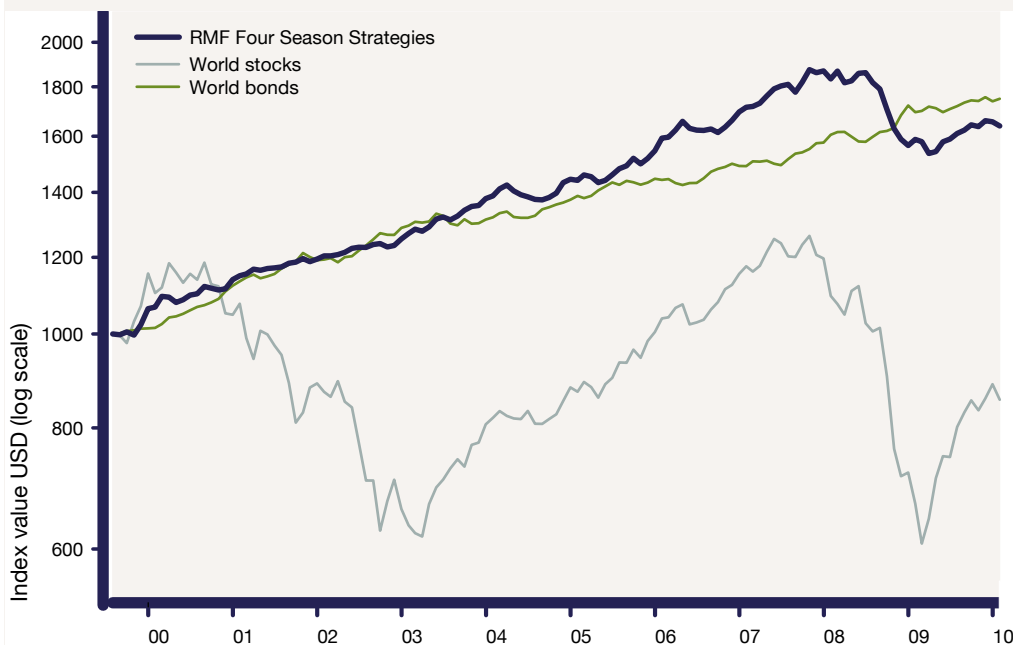
1) Represented by Man-IP 220 Ltd from 18 December 1996 to 31 December 2005 and Man IP 220 Ltd - USD class bonds from 1 January 2006. January performance is based on an estimate.

2) Represented by HFRI Fund of Funds Composite. Please note that the HFRI index data over the past 4 months may be subject to change.

3) 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.

Performance of Man Four Seasons Strategies¹

1 August 1999 to 31 January 2010



	RMF Four Seasons Strategies ¹	World stocks	World bonds
Total return	64.0 %	-14.5 %	74.9 %
Annualised return	4.8 %	-1.5 %	5.5 %
Annualised volatility	4.8 %	15.4 %	2.9 %
Worst drawdown	-18.1 %	-51.9 %	-2.7 %
Sharpe ratio²	0.32	n/a	0.71

Source: Man database and Bloomberg. World stocks: MSCI World Index hedged to USD (price return). World bonds: Citigroup World Government Bond Index hedged to USD (total return). There is no guarantee of trading performance and past or projected performance is not a reliable indicator of future performance. Returns may increase or decrease as a result of currency fluctuations.

1) Represented by Man Four Seasons Strategies USD I. January performance is based on an estimate.

2) 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.

Supplementary financials



Profit and loss (1)



	H1 2010 (\$m)	H2 2009 (\$m)	H1 2009 (\$m)	FY 2009 (\$m)
Revenue:				
Performance fees	43	391	236	627
Management and other fees	649	777	1,084	1,861
	692	1,168	1,320	2,488
Gains/(losses) on investments and other financial instruments	1	(197)	(63)	(260)
Total sales commissions	(146)	(207)	(204)	(411)
– Accelerated amortisation of MGS sales commissions	-	-	(107)	(107)
Compensation	(179)	(190)	(273)	(463)
– Fixed	(95)	(102)	(111)	(213)
– Variable	(84)	(88)	(163)	(251)
– <i>Management fees</i>	(72)	(40)	(121)	(161)
– <i>Performance fees</i>	(12)	(48)	(41)	(89)
Restructuring	(24)	(37)	-	(37)
Other costs	(104)	(144)	(131)	(275)
	240	393	542	935

Profit and loss (2)



	H1 2010 (\$m)	H2 2009 (\$m)	H1 2009 (\$m)	FY 2009 (\$m)
B/f previous slide	240	393	542	935
Associates	31	82	62	144
Gain on disposal of 50% subsidiary (Pemba)	-	-	48	48
Impairment of Ore Hill and other goodwill	-	(249)	(50)	(299)
Gain/(loss) arising from residual interest in brokerage assets	34	(105)	-	(105)
Net finance (expense)/Income	(3)	-	20	20
Profit before tax	302	121	622	743
Taxation	(54)	(125)	(115)	(240)
Profit after tax	248	(4)	507	503
Pre-tax margin	40%	49%	54%	52%
Tax rate (before adjusting items)	19.3%	25.0%	17.1%	20.3%
Period end # shares in issue (m)	1,711.4	1,707.9	1,697.9	1,707.9
Diluted weighted average # shares (m)	1,707.7	1,697.2	1,728.2	1,707.9
Diluted adjusted earnings per share (EPS)	13.1	22.2	34.5	57.0
Adjusted management fee EPS (underlying)	11.2	14.0	27.5	42.0
Statutory EPS (diluted inc. adjusting items)	13.8	(0.7)	28.8	28.4
Return on equity	10.8%	(0.8)%	21.4%	13.5%
Average capital	3.9bn	4.1bn	4.6bn	4.4bn

Balance sheet



	At 30 September 2009 (\$m)	At 31 March 2009 (\$m)
Goodwill on acquisitions	795	774
Commission intangible	337	317
Investments in joint ventures and associates	347	317
Seed investments	760	718
Loans to funds	372	373
Balance sheet supporting core investment managers	2,611	2,499
Fixed assets	76	64
Other assets (primarily receivables)	573	646
Cash and cash equivalent	2,139	2,361
Total assets	5,399	5,570
Debt issuance	645	643
Other liabilities	667	735
Total liabilities	1,312	1,378
NET ASSETS	4,087	4,192

Liquidity: debt, committed facilities and cash

Maturity by period (at 30 September 2009)

	Total \$m	Less than 1 Year \$m	1-3 years \$m	3-5 years \$m	After 5 years \$m
Drawn					
Committed syndicated facility	-	-	-	-	-
EMTN programme senior notes	244	-	-	244	-
Subordinated FRN	399	-	-	-	399
Hybrid Tier 1 securities	300	-	-	-	300
Undrawn					
Committed syndicated facility	2,430	-	630	1,800	-
Cash balances	2,139				
Total available liquidity	4,569				

- Maintenance of substantial excess liquidity
- Long term senior credit ratings: Fitch BBB+; Moody's Baa1; S&P BBB+

Interim Dividend information

Announcement date	5 November
Ex div date	25 November
Record date	27 November
Dividend paid	17 December



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