

Press Release



29 July 2010

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Man Group plc announces exchange offer

29 July 2010

MAN GROUP PLC (THE “COMPANY”) ANNOUNCES AN INVITATION

to the holders of its

U.S.\$400,000,000 Floating Rate Step-Up Subordinated Notes due 2015 (ISIN: XS0230141813)
(the “**Existing Notes**”)

to offer to exchange any and all of such Existing Notes for

U.S. dollar denominated 5.00 per cent. Subordinated Notes due 2017 (the “New Notes”) to be issued by the Company under its US\$3,000,000,000 Euro Medium Term Note Programme (the “Programme”)

The Company has today launched an invitation to all holders of the Existing Notes (subject to the offer restrictions set out in the Exchange Offer Memorandum (as defined below)) to offer to exchange any and all of their Existing Notes (the “Exchange Offer”) for New Notes, all as more fully described herein and in the Exchange Offer Memorandum.

The purpose of the Exchange Offer is to pro-actively manage the capital base of the Company in a way which takes into account the cost of capital, regulatory capital requirements and prevailing market conditions.

Any future decisions by the Company as to whether it will exercise calls in respect of the Existing Notes that are not exchanged pursuant to the Exchange Offer will be taken with regard to the economic impact of exercising such calls, regulatory capital requirements and prevailing market conditions.

The Exchange Offer is being made upon the terms and subject to the conditions contained in the exchange offer memorandum dated 29 July 2010 (the “**Exchange Offer Memorandum**”), copies of which may be obtained free of charge from Lucid Issuer Services Limited (the “**Exchange Agent**”) and the Dealer Managers. Capitalised terms used and not otherwise defined in this announcement have the meanings given in the Exchange Offer Memorandum.

The amount of the New Notes delivered in exchange for each U.S.\$1,000 in outstanding principal amount of the Existing Notes tendered and accepted for exchange will be determined based on the exchange ratio set out in the table below (the “**Exchange Ratio**”). An amount equal to accrued and unpaid interest on the Existing Notes up to (but excluding) the Settlement Date will be paid in cash on the Settlement Date, all as more fully described in the Exchange Offer Memorandum.

ISIN	Coupon to first call date	Coupon from first call date to maturity	First call date ¹	Maturity date	Aggregate amount outstanding	Exchange Ratio (%)
XS0230141813	3 month U.S.\$ LIBOR + 1.15 per cent. floating rate	3 month U.S.\$ LIBOR + 1.65 per cent. floating rate	22 September 2010	22 September 2015	U.S.\$400mn	100

¹ Subject to adjustment for non-business days in accordance with the terms and conditions of the Existing Notes.

The Company will announce its decision whether to accept valid offers of Existing Notes tendered for exchange pursuant to the Exchange Offer together with the final aggregate nominal amount(s) of the Existing Notes accepted for exchange (if any) and the aggregate principal amount of the New Notes to be issued as soon as reasonably practicable after the Expiration Deadline (as defined below), expected to be on 6 August 2010 at or around 10.00 a.m. London time.

The Exchange Offer begins on 29 July 2010 and will expire at 5.00 p.m. London time on 5 August 2010 (such date or time with respect to the Exchange Offer, as the same may be amended, the “**Expiration Deadline**”), **unless extended, re-opened or terminated as provided in the Exchange Offer Memorandum.** The Settlement Date for the Exchange Offer is expected to be 9 August 2010.

Holders wishing to offer to exchange their Existing Notes pursuant to the Exchange Offer should do so in accordance with the procedures described under the heading “Procedures for Participating in the Exchange Offer” in the Exchange Offer Memorandum. In order to participate in, and be eligible to receive New Notes pursuant to the Exchange Offer, Holders must validly offer their Existing Notes for exchange by delivering, or arranging to have delivered on their behalf, a valid Exchange Instruction that is received by the Exchange Agent by (and not validly revoked prior to) the Expiration Deadline.

Subject to applicable law and as provided in the Exchange Offer Memorandum, the Company may, at its sole discretion, extend, re-open, amend, waive any condition of or terminate the Exchange Offer at any time. Details of any such extension, re-opening, amendment, waiver or termination will be announced as provided in the Exchange Offer Memorandum as soon as reasonably practicable after the relevant decision is made.

Exchange Instructions submitted pursuant to the Exchange Offer and received by the Exchange Agent will be irrevocable except in the limited circumstances described in the Exchange Offer Memorandum under the heading “Procedures for Participating in the Exchange Offer – Revocation of Exchange Instructions”. Exchange Instructions must relate to a minimum aggregate nominal amount of Existing Notes of U.S.\$100,000 and integral multiples of U.S.\$1,000 thereafter.

Holders are advised to check with the bank, securities broker or other intermediary through which they hold Existing Notes whether such intermediary would require to receive instructions to participate in the Exchange Offer before the deadlines specified above. The deadlines set by each Clearing System for the submission of Exchange Instructions will also be earlier than the relevant deadlines set out above and in the Exchange Offer Memorandum.

Holders whose Existing Notes are not accepted for exchange by the Company, or who do not participate in the Exchange Offer, will continue to hold such Existing Notes subject to their terms and conditions.

Holders are advised to read carefully the Exchange Offer Memorandum for full details of, and information on, the procedures for participating in the Exchange Offer.

Requests for information in relation to the Exchange Offer should be directed to the Dealer Managers:

THE DEALER MANAGERS
Merrill Lynch International
2 King Edward Street
London EC1A 1HQ

For information by telephone: +44 (0) 20 7995 3715
Attention: John Cavanagh/Tommaso Gros-Pietro
Email: john.m.cavanagh@baml.com/tommaso.gros-pietro@baml.com

UBS Limited
1 Finsbury Avenue
London EC2M 2PP

For information by telephone: +44 (0)20 7567 0525
Attention: Liability Management Group
Email: mark-t.watkins@ubs.com

Requests for information in relation to the procedures for tendering Existing Notes in, and for any documents or materials relating to, the Exchange Offer should be directed to the Exchange Agent:

THE EXCHANGE AGENT
Lucid Issuer Services Limited
Leroy House
436 Essex Road
London N1 3QP

For information by telephone: +44 (0) 20 7704 0880
Attention: Sunjeeve Patel / David Shilson
Email: mangroup@lucid-is.com

DISCLAIMER

This announcement must be read in conjunction with the Exchange Offer Memorandum. This announcement and the Exchange Offer Memorandum contain important information which must be read carefully before any decision is made with respect to the Exchange Offer. If any Holder is in any doubt as to the action it should take, it is recommended to seek its own legal, tax, and financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Existing Notes in the Exchange Offer. None of the Company, the Dealer Managers, the Exchange Agent, or any person who controls, or is a director, officer, employee or agent of such persons, or any affiliate of such persons, makes any recommendation as to whether Holders should tender Existing Notes and/or accept the New Notes in the Exchange Offer.

OFFER RESTRICTIONS

Neither this announcement nor the Exchange Offer Memorandum constitutes an offer to sell or buy or the solicitation of an offer to sell or buy the Existing Notes and/or New Notes, as applicable, and offers of Existing Notes for exchange pursuant to the Exchange Offer will not be accepted from Holders in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Exchange Offer to be made by a licensed broker or dealer and any of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in such jurisdictions, the Exchange Offer shall be deemed to be made on behalf of the Company by such Dealer Manager or affiliate, as the case may be, and the Exchange Offer is not being made in any such jurisdiction where any of the Dealer Managers or any of their respective affiliates is not so licensed.

The distribution of this announcement and the Exchange Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Exchange Offer Memorandum comes are required by the Company, the Dealer Managers and the Exchange Agent to inform themselves about, and to observe, any such restrictions.

United States

The Exchange Offer is not being made, and will not be made, directly or indirectly, in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone and the internet. Accordingly, copies of this announcement and the Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including without limitation, by custodians, nominees or trustees) in or into the United States or to persons located or resident in the United States or to U.S. persons and the Existing Notes cannot be Offered for Exchange by any such use, means, instruments or facilities or from within the United States or by U.S. persons. Any purported Offer to Exchange Existing Notes resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported Offer to Exchange made by a U.S. person, a person located or resident in the United States or from within the United States or from any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person will be invalid and will not be accepted.

Neither this announcement nor the Exchange Offer Memorandum is an offer of securities for sale in the United States or to U.S. persons. None of the Existing Notes and the New Notes have been, or will be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of U.S. persons. The purpose of this announcement is limited to the Exchange Offer, and neither this announcement nor the Exchange Offer Memorandum may be sent or given to any person other than in an offshore transaction in accordance with Regulation S under the Securities Act.

Each Holder of Existing Notes participating in the Exchange Offer will represent that it is participating in the Exchange Offer in accordance with Regulation S under the Securities Act and that it is not participating in the Exchange Offer from within the United States nor is it a U.S. person or an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person.

Italy

None of this announcement, the Exchange Offer, the Exchange Offer Memorandum or any other documents or materials relating to the Exchange Offer have been or will be submitted to the

clearance procedure of the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian laws and regulations and the Exchange Offer is not being made, and will not be made, directly or indirectly, in or into the Republic of Italy (“**Italy**”) as a public offer (as defined in article 1, paragraph 1, letter v) of the Legislative Decree No. 58 of February 24, 1998). Accordingly, Holders are hereby notified that the Exchange Offer is not intended to be addressed, and none of this announcement, the Exchange Offer Memorandum nor any other documents or materials relating to the Exchange Offer have been prepared in order to be sent, by any means, distributed or otherwise made available, as part of the Exchange Offer, to any person in Italy.

United Kingdom

The communication of this announcement and the Exchange Offer Memorandum and any other documents or materials relating to the Exchange Offer is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (“**FSMA**”). Accordingly, this announcement and the Exchange Offer Memorandum is not being distributed to, and must not be passed on to, persons in the United Kingdom save in circumstances where section 21(1) of the FSMA does not apply. The communication of the amount and the Exchange Offer Memorandum is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”)) or within Article 43(2) of the Order, or to other persons to whom it may otherwise lawfully be communicated by virtue of an exemption to section 21(1) of the FSMA or otherwise in circumstances where it does not apply.

Belgium

The Exchange Offer may not be made in Belgium by way of an offer of securities to the public, as defined in Article 3 §1 of the Belgian Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets (the “**Prospectus Law**”), save in those circumstances set out in Article 3 §2 of the Prospectus Law.

The Exchange Offer is exclusively conducted under applicable private placement exemptions and therefore it has not been and will not be notified to, and this announcement, the Exchange Offer Memorandum or any other offering material relating to the Exchange Offer have not been and will not be approved by, the Belgian Banking, Finance and Insurance Commission (“*Commission bancaire, financière et des assurances/Commissie voor het Bank-, Financie- en Assurantiewezen*”).

Accordingly, the Exchange Offer may not be advertised to any individual or legal entity in Belgium other than:

- (i) qualified investors, as defined in Article 10 of the Prospectus Law;
- (ii) investors required to invest a minimum of €50,000 (per investor and per transaction);

and in any other circumstances set out in Article 3 §2 of the Prospectus Law.

Each of this announcement and the Exchange Offer Memorandum has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Exchange Offer. Accordingly, the information contained herein and therein may not be used for any other purpose nor disclosed to any other person in Belgium.

France

The Exchange Offer is not being made, directly or indirectly, to the public in France and only qualified investors (*Investisseurs Qualifiés*) other than individuals, as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code Monétaire et Financier*

are eligible to participate in the Exchange Offer. This announcement, the Exchange Offer Memorandum and any other offering material relating to the Exchange Offer have not been and shall not be distributed to the public in France. Neither this announcement nor the Exchange Offer Memorandum nor any other offering material relating to the Exchange Offer has been submitted to the clearance of the *Autorité des Marchés Financiers*.

ENQUIRIES

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About Man

Man is a leading alternative investment management business. With a broad range of funds for institutional and private investors globally, it is known for its performance, innovative product design and investor service. Man's funds under management at 30 June 2010 were \$38.5 billion.

The original business was founded in 1783. Today, Man Group plc is listed on the London Stock Exchange and is a member of the FTSE 100 Index with a market capitalisation of around £4 billion.

Man Group is a member of the Dow Jones Sustainability World Index and the FTSE4Good Index. Man also supports many awards, charities and initiatives around the world, including sponsorship of the Man Booker literary prizes. Further information can be found at www.mangroupplc.com.

