

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser in your own jurisdiction.

If you have sold or otherwise transferred, or sell or transfer before 4.30 p.m. on 23 November 2007, all of your Existing Ordinary Shares, please forward this document together with the Form of Proxy and Election Form which accompany it as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into any jurisdiction in which such an act would constitute a breach of the relevant laws of such jurisdiction.

Merrill Lynch International, which is authorised and regulated by the Financial Services Authority, is acting exclusively for Man Group plc and no one else in connection with the Return of Cash and will not be responsible to anyone other than Man Group plc for providing the protections afforded to clients of Merrill Lynch International or for providing advice in relation to the Return of Cash or any other matter referred to herein.

Application will be made to the UK Listing Authority and the London Stock Exchange, respectively, for the New Ordinary Shares resulting from the proposed Return of Cash to be admitted to the Financial Services Authority's Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that dealings in the Existing Ordinary Shares will continue until 4.30 p.m. on 23 November 2007 and that Admission of the New Ordinary Shares will become effective and dealings in them will commence on the London Stock Exchange at 8 a.m. on 26 November 2007.

Part 11 contains the definitions of terms used in this document. All times are London times.



ManGroupplc

Man Group plc

(incorporated in England and Wales under number 2921462)

**Proposed Return of Cash to Shareholders of
a sterling equivalent of US\$1.40 per Existing Ordinary Share
by way of one B Share or C Share for each Existing Ordinary Share,
a 7 for 8 Share Capital Consolidation
and
Notice of Extraordinary General Meeting**

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Man Group plc, which is set out on pages 4 to 9 of this document and which recommends that you vote in favour of the Resolution to be proposed at the Extraordinary General Meeting, the notice for which is set out in Part 12 of this document.

A summary of the action to be taken by Shareholders is set out on page 8 of this document. If Shareholders have any queries in relation to the action to be taken they may call the Shareholder helpline on 0870 240 7990 (+44 121 415 0268 if calling from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. on any Business Day. Please note that the Shareholder helpline will not provide advice on the merits of the Alternatives or give any financial or tax advice.

You should note that the Return of Cash is conditional upon the approval by Shareholders of the Resolution to be proposed at the Extraordinary General Meeting and Admission of the New Ordinary Shares.

None of the B Shares, C Shares, Deferred Shares nor the New Ordinary Shares have been or will be registered under the US Securities Act or the state securities laws of the United States and none of them may be offered or sold in the United States unless pursuant to a transaction that has been registered under the US Securities Act and the relevant state securities laws or that is not subject to the registration requirements of the US Securities Act or such laws, either due to an exemption therefrom or otherwise.

None of the B Shares, C Shares, Deferred Shares, New Ordinary Shares nor this document have been approved, disapproved or otherwise recommended by any US federal or state securities commission or other regulatory authority or any non-US securities commission or regulatory authority nor have such authorities confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

VOTING ON THE RESOLUTION AND MAKING AN ELECTION

Whether or not you plan to attend the EGM in person, please:

1. complete and sign the enclosed Form of Proxy in accordance with the instructions printed on it and return it so as to be received by Equiniti by no later than 10.30 a.m. on 21 November 2007; or
2. submit your proxy electronically at the Equiniti website, www.sharevote.co.uk, subject to the terms and conditions shown on the website by no later than 10.30 a.m. on 21 November 2007; or
3. if you hold Existing Ordinary Shares in CREST and wish to appoint a proxy by completing and transmitting a CREST Proxy Instruction, ensure it is received by Equiniti by no later than 10.30 a.m. on 21 November 2007.

The completion and return of the Form of Proxy, electronic submission of your proxy or transmission of a CREST Proxy Instruction will not prevent you from attending the EGM and voting in person (in substitution for your proxy vote) if you so wish and are so entitled.

Under the Return of Cash, Shareholders will be able to choose between three Alternatives as to how they receive their proceeds from the Return of Cash and the timing of such return. An Election Form for use by Shareholders (with the exception of Shareholders who hold their Existing Ordinary Shares in CREST) in connection with the Alternatives is enclosed with this document. Please complete and return the Election Form in the prepaid envelope provided so as to be received by Equiniti by no later than 4.30 p.m. on 23 November 2007. If Shareholders do not use the envelope provided, the Election Form should be sent to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, England, and postage will be payable, or if delivered by hand to Equiniti, The Causeway, Worthing, West Sussex, BN99 6DA, England. Full details on how to complete and return the Election Form are set out in Part 4 of this document. Replacement Election Forms may be obtained from Equiniti by calling the Shareholder helpline referred to below.

Shareholders who hold their Existing Ordinary Shares in CREST will not be sent Election Forms and may only elect in respect of the Alternatives through CREST by giving an appropriate TTE Instruction. Please refer to paragraph 4 of Part 10 of this document for further information.

A summary of the action to be taken by Shareholders is set out on page 8 of this document.

If Shareholders have any queries in relation to the Form of Proxy, transmittal of electronic proxies, CREST Proxy Instructions, the Election Form or TTE Instructions, they may call the Shareholder helpline on 0870 240 7990 (+44 121 415 0268 if calling from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. on any Business Day. **Please note that the Shareholder helpline will not provide advice on the merits of the Alternatives or give any financial or tax advice.**

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Part 1: Letter from the Chairman of Man Group plc



22 October 2007

Directors

Jon Aisbitt (*Chairman*)
Stanley Fink (*Deputy Chairman*)
Peter Clarke (*Group Chief Executive*)
Kevin Hayes (*Finance Director*)
Alison Carnwath (*Non-Executive Director*)
Phillip Colebatch (*Non-Executive Director*)
Dugald Eadie (*Non-Executive Director*)
Harvey McGrath (*Non-Executive Director*)
Glen Moreno (*Non-Executive Director*)
Patrick O'Sullivan (*Non-Executive Director*)

Sugar Quay
Lower Thames Street
London EC3R 6DU
Incorporated in England and Wales
No 2921462

To Shareholders and, for information only, to participants in the Man Group Share Schemes

Dear Shareholder

Proposed Return of Cash to Shareholders

1. Introduction

At an extraordinary general meeting held on 9 July 2007, Shareholders approved the disposal by Man Group of a majority interest in MF Global, Man Group's brokerage division formerly known as Man Financial, by way of an initial public offering and listing on the New York Stock Exchange. The initial public offering was successfully completed on 24 July 2007 at which time Man Group disposed of 81.4 per cent. of the total issued share capital of MF Global Ltd. for gross proceeds of US\$2.9 billion.

Prior to the initial public offering, the Board announced that it intended to return the net proceeds of the offering to Shareholders. The net proceeds total approximately US\$2.75 billion, which equates to US\$1.40 per Existing Ordinary Share. The Board intends to return a sterling equivalent of this amount to Shareholders by way of the proposed Return of Cash.

The Return of Cash involves the issue to Shareholders of B Shares and/or C Shares which is intended to give Shareholders, where eligible under their prevailing tax regime (such as in the UK), the flexibility to receive their cash as capital or income for tax purposes, or a combination of the two. Furthermore, the structure will allow Shareholders a choice as to whether they receive their cash in December 2007 or in July 2008.

It is also intended that the market price of the Company's ordinary shares should remain approximately equal before and after the return, subject to market movements, and consequently the Return of Cash will reduce the number of ordinary shares in issue. For every 8 Existing Ordinary Shares held at the Record Time (expected to be at 6 p.m. on 23 November 2007), Shareholders will receive 7 New Ordinary Shares. The New Ordinary Shares will be traded on the London Stock Exchange in the same way as Existing Ordinary Shares and will be equivalent in all material respects to the Existing Ordinary Shares, including as to their dividend rights.

The proposed Return of Cash requires the approval of Shareholders, which will be sought at an Extraordinary General Meeting to be held at Centennium House, 100 Lower Thames Street, London EC3R 6DL at 10.30 a.m. on 23 November 2007. The notice of the Extraordinary General Meeting is set out in Part 12 of this document.

The purpose of this document is to explain, and seek Shareholder approval of, the Return of Cash and to explain the choices available to Shareholders and how to decide between them.

Please read and rely on the whole of this document and not just the summarised information set out in this letter. Shareholders' attention is drawn to the further information set out in Parts 2 to 11 of this document, including an expected timetable of key events and some frequently asked questions with answers in respect of the Return of Cash set out in Parts 2 and 3 of this document.

2. The Return of Cash

The proposed Return of Cash will return a sterling equivalent of US\$1.40 per Existing Ordinary Share to Shareholders. Under the proposed Return of Cash, Shareholders will receive, in respect of their holding of Existing Ordinary Shares at the Record Time (expected to be 6 p.m. on 23 November 2007):

- **1 B Share or 1 C Share for every 1 Existing Ordinary Share; and**
- **7 New Ordinary Shares for every 8 Existing Ordinary Shares.**

Shareholders will be able to elect between the following three Alternatives as to when and how they receive their cash in respect of the B Shares or C Shares:

- the Dividend Alternative (cash expected to be sent by 13 December 2007);
- the Immediate Capital Alternative (cash expected to be sent by 13 December 2007); and
- the Deferred Capital Alternative (cash expected to be sent by 14 July 2008).

Shareholders may split the aggregate amount to be returned to them between the three Alternatives. The three Alternatives and the Share Capital Consolidation are described more fully below in paragraphs 3 and 4 of this Part 1.

Shareholders will be sent their return of US\$1.40 per Existing Ordinary Share in sterling. The aggregate amount to be returned to Shareholders under the Dividend Alternative and the Immediate Capital Alternative will be converted to sterling by the Company between 30 November 2007 and 6 December 2007. On the day of the currency conversion, the Company will announce the applicable sterling equivalent of the return per Existing Ordinary Share for Shareholders who have elected, or are deemed to have elected for, the Dividend Alternative and/or the Immediate Capital Alternative and it is expected that such amounts will be sent to relevant Shareholders by 13 December 2007.

The aggregate amount to be returned to Shareholders under the Deferred Capital Alternative will be converted to sterling by the Company at the time of the redemption of the B Shares under that Alternative, which is expected to occur between 1 July 2008 and 7 July 2008 and the applicable sterling equivalent of the return per relevant Existing Ordinary Share will be announced on the date of the currency conversion. It is expected that such amounts will be sent to relevant Shareholders by 14 July 2008.

3. The Alternatives

The three Alternatives available to Shareholders are summarised below and explained in further detail in Part 5 of this document. Shareholders may split the aggregate amount to be returned to them between the three Alternatives.

Shareholders who do not make a valid election will be deemed to have elected for the Dividend Alternative in respect of ALL of their Share Entitlement.

The general guidance on the UK tax treatment included below is only a summary, is based on current UK law and practice as at the date of this document and applies only to Shareholders who are resident and, if they are individuals, ordinarily resident in the UK for tax purposes and who hold their Existing Ordinary Shares, B Shares and/or C Shares beneficially as investments and not on trading account. UK tax resident Shareholders should read paragraph 1 of Part 9 of this document as the three Alternatives will have different UK tax consequences.

Shareholders who are in any doubt as to their tax position, or are subject to tax in a jurisdiction other than the United Kingdom, should consult an appropriate professional adviser without delay.

- **Alternative 1 – Dividend Alternative**

Shareholders who elect, or are deemed to have elected, for the Dividend Alternative in respect of some or all of their Share Entitlement will receive one C Share for each corresponding Existing Ordinary Share they hold at the Record Time. A Single Dividend of US\$1.40 will become payable on each such C Share by 6 December 2007 and we expect to send the Sterling Equivalent of the Single Dividend to such Shareholders by 13 December 2007.

The amounts received under the Dividend Alternative should generally be taxed as income for UK tax purposes. UK tax resident Shareholders should read paragraph 1 of Part 9 of this document for further information.

Once the Single Dividend becomes payable, each relevant C Share will be reclassified as a Deferred Share of negligible value. It is currently expected that the Company will purchase and then cancel the Deferred Shares for an aggregate consideration of one US cent on or around 1 December 2009.

The attention of Non-United Kingdom Shareholders is generally drawn to paragraph 7 of Part 5 of this document.

- **Alternative 2 – Immediate Capital Alternative**

Shareholders who elect for the Immediate Capital Alternative in respect of some or all of their Share Entitlement will receive one B Share (or possibly one C Share, if there are insufficient B Shares available) for each corresponding Existing Ordinary Share they hold at the Record Time.

Where B Shares are issued to satisfy valid elections for the Immediate Capital Alternative, it is expected that each such B Share will be redeemed by the Company for US\$1.40 by 6 December 2007 and that the Sterling Equivalent of the redemption proceeds will be sent to Shareholders by 13 December 2007. Each such B Share will be cancelled on redemption.

Each B Share will have a nominal value of US\$1.40 and the maximum aggregate nominal amount of B Shares that the Company may issue is limited to the aggregate amount standing to the credit of the Company's share premium account and merger reserve (to the extent that the Company has concluded that they are available for this purpose). Consequently, the Company may only issue a maximum of 1,515,382,062 B Shares and once this maximum is reached it will not be possible to issue any further B Shares. B Shares will first be issued to satisfy elections for the Deferred Capital Alternative and then, if there are any B Shares remaining, to satisfy elections for the Immediate Capital Alternative. To the extent that there are insufficient B Shares to satisfy in full all elections for the Immediate Capital Alternative, the Company will issue C Shares proportionately amongst such elections.

Any C Shares issued to satisfy elections for the Immediate Capital Alternative will not have the Single Dividend paid on them (as they will under the Dividend Alternative). Instead it is expected that Merrill Lynch, acting as principal, will purchase such C Shares under the Broker's Offer between 4 December 2007 and 10 December 2007 for the Sterling Equivalent of US\$1.40 per C Share, free of all dealing expenses and commissions. It is currently expected that the Sterling Equivalent of US\$1.40 per C Share under the Broker's Offer will be sent to Shareholders by 13 December 2007.

The amounts received under the Immediate Capital Alternative, including under the Broker's Offer, should generally be taxed as capital for UK tax purposes. UK tax resident Shareholders should read paragraph 1 of Part 9 of this document for further information.

The attention of Non-United Kingdom Shareholders is generally drawn to paragraph 7 of Part 5 of this document.

- **Alternative 3 – Deferred Capital Alternative**

Shareholders who elect for the Deferred Capital Alternative in respect of some or all of their Share Entitlement will receive one B Share for each corresponding Existing Ordinary Share

they hold at the Record Time. It is expected that each such B Share will be redeemed by the Company for US\$1.40 between 1 July 2008 and 7 July 2008 and it is expected that the Deferred Sterling Equivalent of the redemption proceeds will be sent to Shareholders by 14 July 2008. Each such B Share will be cancelled on redemption.

The amounts received under the Deferred Capital Alternative should generally be taxed as capital on receipt for UK tax purposes. UK tax resident Shareholders should read paragraph 1 of Part 9 of this document for further information. The form and timing of any tax liability arising under the Deferred Capital Alternative may be different for non-UK tax resident Shareholders and, accordingly, such Shareholders should consult an appropriate professional adviser without delay. US investors are advised to read paragraph 2 of Part 9 of this document before choosing the Deferred Capital Alternative.

Shareholders should note that the amounts returned to Shareholders upon redemption of their B Shares under the Deferred Capital Alternative will be converted into sterling by the Company at an exchange rate prevailing on the date the B Shares are redeemed, which is expected to be between 1 July 2008 and 7 July 2008. Consequently the amounts in sterling sent to Shareholders under the Deferred Capital Alternative will be affected by any change in US dollar to sterling exchange rates.

The attention of Non-United Kingdom Shareholders is generally drawn to paragraph 7 of Part 5 of this document.

Details of how to complete and return an Election Form are set out in Part 4 of this document. Shareholders electing through CREST should refer to paragraph 4 of Part 10 of this document for further information.

4. The Share Capital Consolidation

The Return of Cash represents approximately 12.6 per cent. of the Company's recent market capitalisation. The Share Capital Consolidation will reduce the number of ordinary shares in issue by approximately the same percentage as the Return of Cash bears to the market capitalisation of the Company.

For every 8 Existing Ordinary Shares held at the Record Time (expected to be at 6 p.m. on 23 November 2007), Shareholders will receive 7 New Ordinary Shares. The intention is that, subject to market movements, the market price per New Ordinary Share immediately after Admission should be approximately equal to the market price per Existing Ordinary Share immediately prior to the Return of Cash.

The New Ordinary Shares will be traded on the London Stock Exchange in the same way as the Existing Ordinary Shares and will be equivalent in all material respects to the Existing Ordinary Shares, including as to their dividend rights. Admission is expected to take effect from 8 a.m. on 26 November 2007. It is expected that share certificates representing the New Ordinary Shares will be sent to Shareholders who hold their Existing Ordinary Shares in certificated form by 6 December 2007. The CREST accounts of Shareholders who hold their Existing Ordinary Shares in CREST will be credited with New Ordinary Shares at approximately 8 a.m. on 26 November 2007.

Further information on the Share Capital Consolidation, and any fractional entitlements to New Ordinary Shares that may result, is set out in paragraph 3 of Part 5 of this document.

5. Man Group Share Schemes

Separate letters are being sent to participants in the Man Group Share Schemes in respect of the Return of Cash.

The intention is broadly to preserve, subject to market fluctuations, the value of each option and award under the Man Group Share Schemes through the Share Capital Consolidation. Therefore, the current intention is that no adjustments to share entitlements will be made under the Man Group Share Schemes where holders of options and awards will not participate in the Return of Cash with respect to such entitlement.

6. Proposed amendments to the Articles of Association

A number of amendments to the Articles of Association are required to implement the Return of Cash and require approval at the EGM. The proposed amendments relate to the rights and restrictions attaching to the B Shares, C Shares and Deferred Shares and certain consequential amendments to the Articles of Association; the changes are summarised in paragraph 9 of Part 5 and Parts 6, 7 and 8 of this document.

7. Ongoing distribution policy

Prior to the initial public offering of MF Global, the Board indicated that it would inform Shareholders of the appropriate changes to Man Group's capital management and distribution policy at the time of the Return of Cash. This will be addressed on 8 November 2007, in the context of the presentation of Man Group's interim results.

8. Further information

Shareholders' attention is drawn to the further information set out in Parts 2 to 11 of this document.

Shareholders should read and rely on the whole of this document and not just the summarised information set out in this letter.

9. Action to be taken

A Form of Proxy for use in connection with the Extraordinary General Meeting is enclosed. **Whether or not Shareholders intend to be present at the Extraordinary General Meeting, they are requested to complete and sign the accompanying Form of Proxy and return it, in accordance with the instructions printed on it, by post or (during normal business hours) by hand to Equiniti, FREEPOST SEA7111, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6US, England to arrive as soon as possible and, in any event, by no later than 10.30 a.m. on 21 November 2007. Alternatively, Shareholders can submit their proxy electronically at the Equiniti website, www.sharevote.co.uk, subject to the terms and conditions shown on the website. The deadline for the receipt of electronic proxies is 10.30 a.m. on 21 November 2007. Any electronic communications found to contain a virus will not be accepted. Shareholders who hold their Existing Ordinary Shares in CREST may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Equiniti so that it is received by no later than 10.30 a.m. on 21 November 2007.** The return of a completed Form of Proxy or the transmittal of an electronic proxy or CREST Proxy Instruction will not prevent a Shareholder from attending the Extraordinary General Meeting and voting in person (in substitution for their proxy vote) should they wish to do so and are so entitled.

An Election Form for use by Shareholders (with the exception of Shareholders who hold their Existing Ordinary Shares in CREST) in connection with the Alternatives is enclosed with this document. To be valid, Election Forms must be validly completed and returned in the prepaid envelope provided so as to be received by Equiniti by no later than 4.30 p.m. on 23 November 2007. If Shareholders do not use the envelope provided, the Election Form should be sent to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, England, and postage will be payable, or if delivered by hand to Equiniti, The Causeway, Worthing, West Sussex, BN99 6DA, England. Full details on how to complete and return the Election Form are set out in Part 4 of this document.

Shareholders who hold their Existing Ordinary Shares in CREST will not be sent Election Forms and may only elect in respect of the Alternatives through CREST. Please see paragraph 4 of Part 10 of this document for further information.

10. Shareholder helpline

If Shareholders have any queries in relation to the Form of Proxy, transmittal of electronic proxies, CREST Proxy Instructions, the Election Form or TTE Instructions, they may call the Shareholder helpline on 0870 240 7990 (+44 121 415 0268 if calling from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. on any Business Day. Please note that the Shareholder helpline will not provide advice on the merits of the Alternatives or give any financial or tax advice.

11. Recommendation

The Board has received financial advice from Merrill Lynch International in connection with the Return of Cash. In providing its advice to the Board, Merrill Lynch International has relied upon the Board's commercial assessments of the Return of Cash. The Board believes the Return of Cash to be in the best interests of Shareholders as a whole.

Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolution, as the Directors intend to do in respect of their own beneficial holdings, amounting in aggregate to 64,446,294 Existing Ordinary Shares representing approximately 3.29 per cent. of the current issued share capital of Man Group plc.

A summary explanation of the Resolution is set out in paragraph 12 of Part 5 of this document.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jon Aisbitt', with a stylized flourish extending to the right.

Jon Aisbitt
Chairman

Part 2: Expected timetable of key events

Latest time and date for receipt of the Form of Proxy or electronic proxy or CREST Proxy Instruction for the Extraordinary General Meeting	10.30 a.m. on 21 November 2007
Extraordinary General Meeting	10.30 a.m. on 23 November 2007
Latest time and date for receipt of Election Forms or TTE Instructions from CREST holders in relation to the Alternatives	4.30 p.m. on 23 November 2007
Latest time and date for dealings in Existing Ordinary Shares	4.30 p.m. on 23 November 2007
Record Time (for consolidation of Existing Ordinary Shares and entitlement to B Shares and/or C Shares), Existing Ordinary Share register closed and Existing Ordinary Shares disabled in CREST	6 p.m. on 23 November 2007
New Ordinary Shares admitted to the Official List and to trading on the London Stock Exchange's main market for listed securities and dealings in the New Ordinary Shares commence	8 a.m. on 26 November 2007
CREST accounts credited with New Ordinary Shares and B Shares issued pursuant to the Deferred Capital Alternative	At approx. 8 a.m. on 26 November 2007
Single Dividend becomes payable and C Shares in respect of which the Single Dividend is payable automatically reclassify as Deferred Shares	By 6 December 2007
Redemption of B Shares under the Immediate Capital Alternative	By 6 December 2007
Merrill Lynch accepts the Broker's Offer (if applicable) by means of an announcement on a Regulatory Information Service	Between 4 December 2007 and 10 December 2007
Announcement on a Regulatory Information Service of the Sterling Equivalent of US\$1.40 payable in respect of the Single Dividend under the Dividend Alternative, the redemption of the B Shares under the Immediate Capital Alternative and the Broker's Offer (if applicable)	By 6 December 2007
Despatch of share certificates in respect of New Ordinary Shares and B Shares issued under the Deferred Capital Alternative and despatch of cheques and CREST accounts credited in respect of fractional entitlements	By 6 December 2007
Despatch of cheques or payment by BACS to mandated accounts in respect of the Dividend Alternative	By 13 December 2007
Despatch of cheques and CREST accounts credited in respect of the Immediate Capital Alternative	By 13 December 2007
Redemption of B Shares under the Deferred Capital Alternative expected to take place	Between 1 July 2008 and 7 July 2008

Notes:

- References to times in this document are to London times. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement on a Regulatory Information Service.
- All events in the above timetable following Admission of the New Ordinary Shares are conditional on Admission of the New Ordinary Shares.

Part 3: Frequently asked questions with answers

The following sets out some frequently asked questions and provides brief answers. **Shareholders should read and rely on the whole of this document and not just the frequently asked questions with answers.**

If Shareholders have any further questions, they may call the Shareholder helpline on 0870 240 7990 (+44 121 415 0268 if calling from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. on any Business Day. **Please note that the Shareholder helpline will not provide advice on the merits of the Alternatives or give any financial or tax advice.**

1. Why are you returning cash to Shareholders?

Man Group has recently disposed of over 80 per cent. of MF Global Ltd. by way of an initial public offering and listing on the New York Stock Exchange. Prior to the initial public offering, the Company announced that it intended to return the net proceeds of the disposal to Shareholders and this is now being undertaken.

2. How are you doing it?

We have chosen a method which we believe represents the most efficient and effective way to return cash to Shareholders. The proposed Return of Cash is intended to give Shareholders, where eligible under their prevailing tax regime (such as in the UK), the flexibility to receive their cash as capital or income for tax purposes, or a combination of the two.

3. What happens to my Existing Ordinary Shares?

The proposed Return of Cash involves a Share Capital Consolidation whereby the Existing Ordinary Shares will be consolidated, reducing the number of ordinary shares that all Shareholders will hold. As a result of the Share Capital Consolidation, for every 8 Existing Ordinary Shares held at the Record Time, you will receive 7 New Ordinary Shares and, if applicable (and above a *de minimis* £3 level), cash representing any fractional entitlement to a New Ordinary Share.

If the Share Capital Consolidation is not effected as part of the Return of Cash, the Company's ordinary share price would fall because the Company would no longer have the cash which is being returned to Shareholders. The intention of the Share Capital Consolidation is that, subject to market movements, the market price per New Ordinary Share immediately after Admission should be approximately equal to the market price per Existing Ordinary Share immediately prior to the Return of Cash.

4. What does this mean for me and am I being forced to sell my Existing Ordinary Shares?

Nobody is being forced to sell his or her Existing Ordinary Shares. Although you will hold fewer ordinary shares after the Share Capital Consolidation than you did before, you will continue to own the same percentage holding in the Company (subject to fractional entitlements to New Ordinary Shares). The New Ordinary Shares will be equivalent in all material respects to the Existing Ordinary Shares, including as to their dividend rights.

With no market movement, the total value of your New Ordinary Shares immediately after the Share Capital Consolidation, plus US\$1.40 per Existing Ordinary Share to be returned to you in sterling under the Return of Cash, should be equal to the value of your holding immediately before the Share Capital Consolidation.

5. Why is the Return of Cash so complicated?

We appreciate that the proposals can seem complicated. The structure is similar to that used by many other listed companies to return cash to shareholders. They are intended to provide all Shareholders, including individuals, with an equal opportunity to participate in receiving the cash and to allow them to choose the Alternative(s) that best suits their own circumstances, including their own tax position.

6. Do I need to vote at the EGM?

Before it can take place, the Return of Cash needs Shareholder approval at the EGM. The Directors recommend that you vote in favour of the Resolution. The notice of the EGM, which includes the Resolution to be voted on at the EGM, is set out in Part 12 of this document.

Whether or not you intend to attend the EGM, you are requested to complete the Form of Proxy and return it to Equiniti, or submit it electronically at www.sharevote.co.uk, as soon as possible, but in any event so as to be received by no later than 10.30 a.m. on 21 November 2007. If you hold your Existing Ordinary Shares in CREST, you also have the option of transmitting a CREST Proxy Instruction by the same time and date. When completing and returning the Form of Proxy you will need to take into account the postal time necessary for your form to reach the registrars. If you do not vote at the EGM you should still make an election for the Alternatives except where you wish to receive the Single Dividend in respect of all of your Share Entitlement.

7. How do I decide which Alternative to elect for?

You can split your entitlement between one or more of the Alternatives. The most appropriate Alternative(s) for you depends on your own individual tax and other circumstances. If you are in any doubt as to what action to take, such as which Alternative(s) to elect for, you should seek your own professional advice without delay.

8. Why is the sterling value of the return not yet known?

Although the Company's shares are quoted in sterling, the Company operates in US dollars with a US dollar nominal share value. As such, it declares dividends in US dollars, which it converts to sterling prior to payment of such dividends to Shareholders. For the Return of Cash, for legal and accounting reasons the Company can only undertake the similarly required currency conversion once the return becomes payable to Shareholders, which is after the EGM approving the Return of Cash and on each redemption date for the Immediate Capital Alternative and the Deferred Capital Alternative.

9. What if I do not make my election in time or do nothing?

Shareholders who do not validly complete and return their Election Form, or in the case of Shareholders who hold their Existing Ordinary Shares in CREST, do not send a valid TTE Instruction, to be received by 4.30 p.m. on 23 November 2007, will be deemed to have elected for the Dividend Alternative in respect of all of their Share Entitlement.

10. When do I get my New Ordinary Share certificate? When will my CREST account be credited with New Ordinary Shares?

It is expected that share certificates representing the New Ordinary Shares will be sent to Shareholders by 6 December 2007. Share certificates are sent to Shareholders at their own risk. Shareholders will be able to trade their New Ordinary Shares in the normal manner prior to receipt by them of their new share certificates.

It is expected that the CREST accounts of Shareholders who hold their Existing Ordinary Shares in CREST will be credited with New Ordinary Shares at approximately 8 a.m. on 26 November 2007.

11. Will I get a certificate for my B Shares and/or C Shares and can I sell them in the market?

You will only receive such a share certificate if you elect to retain some or all of your B Shares under the Deferred Capital Alternative. It is expected that those B Share certificates will be sent to Shareholders by 6 December 2007. Share certificates are sent to Shareholders at their own risk.

Whilst the B Shares (and any C Shares) are technically transferable, they will not be listed on any exchange and it is highly unlikely that an active market for them will develop or, if developed, be sustained.

12. What shall I do if I need a replacement Election Form?

If you need a replacement Election Form, you should call the Shareholder helpline on 0870 240 7990 (+44 121 415 0268 if calling from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. on any Business Day. You will need to take into account the postal time necessary for a replacement Election Form to reach Equiniti by 4.30 p.m. on 23 November 2007.

Part 4: Completing your Election Form

To make an election, Shareholders who hold their Existing Ordinary Shares in certificated form must complete and return the Election Form enclosed with this document. Shareholders who hold their Existing Ordinary Shares in CREST will not be sent Election Forms and instead should refer to paragraph 4 of Part 10 of this document for further information.

Shareholders wishing to receive the Single Dividend in respect of all of their Share Entitlement need NOT complete or return the Election Form or make an election through CREST. C Shares will be issued and the Single Dividend paid automatically in respect of all of the Share Entitlement in relation to which a Shareholder has not elected for any of the other Alternatives.

The following instructions describe what Shareholders should do when completing an Election Form. Any decisions reached by Shareholders as between the three Alternatives should be based on the information contained in this document.

References to Boxes refer to the boxes indicated on the Election Form.

Name(s) of Shareholder(s)

The Election Form shows the name of the Shareholder, or names of joint Shareholders, of Existing Ordinary Shares for which an election can be made. When the Election Form is completed, the Shareholder, or all joint Shareholders, must sign the Election Form (in Box 4, as applicable) and the signatures of Shareholders who are individuals signing in Box 4A need to be witnessed (the witness must be over 18 years of age and cannot be the Shareholder or one of the joint Shareholders, or otherwise have any financial interest in the relevant shares or in the proceeds resulting from the execution of the Election Form, although one person could separately witness the signature of all joint Shareholders). If the Election Form is executed under a power of attorney, such power of attorney should be lodged with the Election Form.

Number of Existing Ordinary Shares held

Box A shows the number of Existing Ordinary Shares in the name(s) of Shareholder(s) at 5 p.m. on 18 October 2007 and is for information purposes only. If Shareholders do not purchase, sell or transfer any Existing Ordinary Shares registered in their name(s) between that date and the Record Time (expected to be 6 p.m. on 23 November 2007), then this number will also be the same as their Share Entitlement in respect of which they may make an election. If Shareholders do purchase, sell or transfer any Existing Ordinary Shares registered in their name(s), they should take care to ensure that their election is in respect of their Share Entitlement corresponding to the number of Existing Ordinary Shares that will be registered in their name(s) at the Record Time.

How Shareholders may elect for one Alternative in respect of all of their Share Entitlement

- To elect for the **Dividend Alternative** in respect of all of their Share Entitlement, Shareholders should take no further action. Shareholders who do not complete or return the Election Form will automatically receive only C Shares in respect of all of their Share Entitlement on which the Single Dividend will be paid.
- To elect for the **Immediate Capital Alternative** in respect of all of their Share Entitlement, Shareholders should mark an "X" in Box 2.
- To elect for the **Deferred Capital Alternative** in respect of all of their Share Entitlement, Shareholders should mark an "X" in Box 3.

How Shareholders may split their Share Entitlement between more than one Alternative

To split their Share Entitlement between more than one Alternative, a Shareholder should enter, in numbers, the number of their Share Entitlement they wish to elect for the Dividend Alternative in Box 1 (if any), the number of their Share Entitlement they wish to elect for the Immediate Capital Alternative in Box 2 (if any) and the number of their Share Entitlement they wish to elect for the Deferred Capital Alternative in Box 3 (if any).

The default position where a Shareholder makes an election which in total exceeds their holding of Existing Ordinary Shares at the Record Time

If Shareholders enter a number or numbers in Boxes 1 to 3 of the Election Form, which in total exceeds their holding of Existing Ordinary Shares at the Record Time, or if they mark an "X" in more

than one Box, or if they mark an "X" in one or more Boxes and enter a number or numbers in any other Box or Boxes their election will be disregarded to the extent of such excess in the following order:

- first, their election (if any) in respect of the Deferred Capital Alternative;
- second, their election (if any) in respect of the Immediate Capital Alternative; and
- third, their election (if any) in respect of the Dividend Alternative.

The default position where a Shareholder makes an election which in total is less than their holding of Existing Ordinary Shares at the Record Time

If Shareholders enter a number or numbers in Boxes 1 to 3 of the Election Form, which in total is less than their holding of Existing Ordinary Shares at the Record Time, they will be deemed to have elected for the Dividend Alternative in respect of the balance of their holding.

Subsequent dematerialisation of Existing Ordinary Shares

If the Existing Ordinary Shares to which any election made on the enclosed Election Form relates are currently held in certificated form and are subsequently dematerialised into uncertificated form before the Election Deadline, any election made by the submission of an Election Form will become invalid. Shareholders who subsequently hold their Existing Ordinary Shares in uncertificated form in CREST will need to give a valid TTE Instruction in place of the submitted Election Form by the Election Deadline.

General

The Directors shall determine all questions as to the form and validity (including time and place of receipt) of any Election Form, in their absolute discretion, which determination shall be final and binding. The Directors also reserve the absolute right to waive any defect or irregularity in relation to, or in relation to the receipt of, any Election Form completed by or on behalf of any Shareholder, and such determination will be binding on such Shareholder. The Directors shall not be liable to Shareholders for any loss arising from the determination of questions as to the form and validity (including time and place of receipt) of any Election Form or TTE Instruction, unless attributable to their own wilful default, fraud or negligence and the Directors shall not be under any duty to give notification of any defect or irregularity in any Election Form or incur any liability for failure to give any such notice.

After the end of the Election Period, any election made is irrevocable. If the Election Period is extended, withdrawal rights will also be extended (withdrawal rights are described more fully in paragraph 6 of Part 5 of this document). No authority conferred by or agreed to by the signing of an Election Form will be affected by, and all such authority will survive, the death or incapacity of the Shareholder executing such form or giving such instruction. All obligations of such Shareholder will be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

Final instructions on completing an Election Form

Shareholders returning an Election Form must sign in Box 4A or 4B.

All Shareholders named on an Election Form must sign the Election Form. Once completed, signed and witnessed, this Election Form should be returned in the prepaid envelope provided. No stamps will be needed if posted in the United Kingdom. To be valid, Election Forms must be returned so as to be received by Equiniti by the Election Deadline (expected to be 4.30 p.m. on 23 November 2007). If Shareholders do not use the envelope provided, the Election Form should be sent to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, England, and postage will be payable, or if delivered by hand to Equiniti, The Causeway, Worthing, West Sussex, BN99 6DA, England.

Shareholders who do not validly complete and return their Election Form will be deemed to have elected for the Dividend Alternative in respect of all of their Share Entitlement.

Shareholders who need assistance in completing the Election Form or have any queries relating to it should telephone the Shareholder helpline on 0870 240 7990 (+44 121 415 0268 if calling from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. on any Business Day. Please note that the Shareholder helpline will not provide advice on the merits of the Alternatives or give any financial or tax advice.

Part 5: Details of the Return of Cash

1. Return of Cash

The proposed Return of Cash consists of the Capital Reorganisation (see paragraph 3 below) and the Alternatives (see paragraphs 4 and 5 below).

2. Conditions to the implementation of the Return of Cash

The Return of Cash is conditional on:

- (a) the passing of the Resolution to be proposed at the Extraordinary General Meeting; and
- (b) Admission of the New Ordinary Shares becoming effective.

If these conditions are not satisfied by 8 a.m. on the Admission Date, no New Ordinary Shares will be created, no B Shares or C Shares will be issued and the Return of Cash will not take effect.

3. Capital Reorganisation

The proposed Capital Reorganisation consists of the allotment and issue of B Shares and C Shares and the Share Capital Consolidation, each described in this paragraph 3 below.

Allotment and issue of B Shares and C Shares

It is proposed that the Company capitalise a sum not exceeding US\$2,121,534,887 standing to the credit of the Company's share premium account and merger reserve and to apply such sum in paying up in full up to a maximum of (i) 1,515,382,062 B Shares with a nominal value of US\$1.40 each, and (ii) 1,961,000,000 C Shares with a nominal value of 0.001 US cent each.

The B Shares and the C Shares will be issued on the basis of one B Share or C Share for each Existing Ordinary Share held at the Record Time (expected to be 6 p.m. on 23 November 2007).

The exact number of B Shares and C Shares to be issued will depend on the elections made by each Shareholder between the Alternatives, but in total will be equal to the number of Existing Ordinary Shares held at the Record Time. As at 19 October 2007 (the latest practicable date prior to the publication of this document) there were 1,959,729,729 Existing Ordinary Shares in issue and currently exercisable options under the Man Group Share Schemes giving rights to subscribe for a total of 18,497,687 Existing Ordinary Shares, which represents approximately 0.94 per cent. of the issued share capital of the Company as at that date. The Company does not currently hold any treasury shares.

The rights and restrictions to be attached to the B Shares and the C Shares are more fully set out in Parts 6 and 7 of this document.

No application has been, or will be, made for the B Shares or the C Shares to be admitted to listing on the Official List or admitted to trading on the London Stock Exchange's market for listed securities or any other recognised investment exchange.

The B Shares issued pursuant to the Immediate Capital Alternative and the C Shares cannot be held in CREST. No share certificates will be issued in respect of the B Shares issued pursuant to the Immediate Capital Alternative or the C Shares.

The Company will despatch share certificates in respect of B Shares issued pursuant to the Deferred Capital Alternative by 6 December 2007. Shareholders who hold their Existing Ordinary Shares in CREST will automatically have any B Shares issued to them pursuant to the Deferred Capital Alternative they elect for credited to their CREST account. The relevant CREST accounts will be credited at approximately 8 a.m. on the Admission Date. Shareholders should note that, although the B Shares issued pursuant to the Deferred Capital Alternative will be transferable, they will not be listed and it is highly unlikely that an active market for them will develop or, if developed, be sustained.

The Company will announce the exact number of B Shares and C Shares issued under the proposed Capital Reorganisation on the Admission Date.

Share Capital Consolidation

Under the proposed Share Capital Consolidation and to reflect the effect of the return of US\$1.40 per Existing Ordinary Share to Shareholders, the Existing Ordinary Shares will be consolidated and divided so that Shareholders will receive 7 New Ordinary Shares for every 8 Existing Ordinary Shares they own at the Record Time. The nominal value of each New Ordinary Share will be $3\frac{3}{7}$ US cents.

So, for example, a Shareholder who holds 100 Existing Ordinary Shares at the Record Time would, after the Share Capital Consolidation, be entitled to receive 87.5 New Ordinary Shares. No fractions of shares are being issued (see below) so the Shareholder would receive 87 whole New Ordinary Shares and may be entitled to cash in respect of the fractional entitlement. The Shareholder would then also receive 100 B Shares and/or C Shares (depending on the elections made by the Shareholder between the Alternatives) as a result of the allotment and issue of the B Shares and C Shares.

The intention of the Share Capital Consolidation is that, subject to market movements, the market price per New Ordinary Share immediately after Admission should be approximately equal to the market price per Existing Ordinary Share immediately prior to the Return of Cash.

The effect of the Capital Reorganisation will be to reduce the number of ordinary shares in issue to reflect the effect of the return of US\$1.40 per Existing Ordinary Share to Shareholders, but Shareholders will own the same proportion of the Company as they did previously, subject to fractional entitlements.

The Share Capital Consolidation will take place immediately after the allotment and issue of B Shares and C Shares has occurred and the Company's register of members has been duly updated.

New Ordinary Shares will be traded on the London Stock Exchange in the same way as Existing Ordinary Shares and will be equivalent in all other respects to the Existing Ordinary Shares, with the exception of the difference in nominal value and subject to the rights of the B Shares and the C Shares.

Application will be made for the New Ordinary Shares to be admitted, with dealings commencing at 8 a.m. on the Admission Date. The Company will apply for the New Ordinary Shares to be admitted to CREST with effect from Admission of the New Ordinary Shares so that general market transactions in the New Ordinary Shares may be settled within the CREST system.

Share certificates representing the New Ordinary Shares will be issued following the Capital Reorganisation and sent to Shareholders by 6 December 2007. Shareholders who hold their Existing Ordinary Shares in CREST will automatically have their New Ordinary Shares credited to their CREST account. The relevant CREST accounts will be credited at approximately 8 a.m. on the Admission Date.

Fractional entitlements to New Ordinary Shares

Unless a holding of Existing Ordinary Shares is exactly divisible by 8, a Shareholder will have a fractional entitlement to a New Ordinary Share following the Share Capital Consolidation. So for example, a Shareholder having 100 Existing Ordinary Shares would, after giving effect to the allotment and issue of B Shares and C Shares and the Share Capital Consolidation, be entitled to 87 New Ordinary Shares and a fractional entitlement to $\frac{1}{2}$ of a New Ordinary Share. By contrast, a Shareholder with 80 Existing Ordinary Shares would, after giving effect to the allotment and issue of B Shares and C Shares and the Share Capital Consolidation, be entitled to 70 New Ordinary Shares and no fractional entitlement.

These fractional entitlements of all Shareholders will be aggregated into New Ordinary Shares and sold in the market on their behalf. The net proceeds of sale will be in sterling and (subject to the *de minimis* below) will be paid *pro rata* to the relevant Shareholders. Cheques in respect of the net proceeds of sale will be sent to the relevant Shareholders or CREST accounts credited with the net proceeds, as appropriate, together with certificates for New Ordinary Shares, where applicable, by 6 December 2007.

Should the cash consideration for a fractional entitlement be £3 or less, Shareholders will not receive a cheque or have their CREST accounts credited in respect of that entitlement due to the administrative costs incurred in doing so.

4. The Alternatives

Shareholders may choose between the three Alternatives (the Dividend Alternative, the Immediate Capital Alternative and the Deferred Capital Alternative) or a combination of the three Alternatives in respect of their Share Entitlement. Details of how to make an election are set out in Part 4 of this document and on the Election Form enclosed with this document. Shareholders who hold their Existing Ordinary Shares in CREST will not be sent Election Forms. Such Shareholders may only elect in respect of the Alternatives through CREST and should refer to paragraph 4 of Part 10 of this document for further information.

Shareholders who do not make a valid election will be deemed to have elected for the Dividend Alternative in respect of ALL of their Share Entitlement.

The general guidance on the UK tax treatment included below is only a summary, is based on current UK law and practice as at the date of this document and applies only to Shareholders who are resident and, if they are individuals, ordinarily resident in the UK for tax purposes and who hold their Existing Ordinary Shares, B Shares and/or C Shares beneficially as investments and not on trading account. UK tax resident Shareholders should read paragraph 1 of Part 9 of this document before electing for any of the Alternatives as the three Alternatives will have different UK tax consequences. **Shareholders who are in any doubt as to their tax position, or are subject to tax in a jurisdiction other than the United Kingdom, should consult an appropriate professional adviser without delay.**

- ***Alternative 1 – Dividend Alternative***

Shareholders who elect, or are deemed to have elected, for the Dividend Alternative in respect of some or all of their Share Entitlement will receive one C Share for each corresponding Existing Ordinary Share they hold at the Record Time. A Single Dividend of US\$1.40 will be declared on the Dividend Declaration Date and will become payable on each such C Share on the First Effective Date. Shareholders entitled to receive the Single Dividend will be sent cheques or, if mandate instructions are held, payments will be made by BACS to mandated accounts in respect of the Sterling Equivalent of the Single Dividend on the First Payment Date.

The amounts received under the Dividend Alternative should generally be taxed as income for UK tax purposes. UK tax resident Shareholders should read paragraph 1 of Part 9 of this document for further information.

Shareholders who wish to elect for the Dividend Alternative in respect of all of their Share Entitlement need take no further action and need not return their Election Form or send a TTE Instruction. To elect for the Dividend Alternative in respect of some only of their Share Entitlement, Shareholders should follow the instructions in Part 4 of this document or, if they hold their Existing Ordinary Shares in CREST, Shareholders should refer to paragraph 4 of Part 10 of this document for further information.

The C Shares upon which the Single Dividend becomes payable will be automatically reclassified as Deferred Shares of negligible value, with Shareholders receiving one Deferred Share for each such C Share. It is currently expected that the Company will purchase and then cancel the Deferred Shares for an aggregate consideration of one US cent on or around 1 December 2009, although there can be no guarantee that the Company will do so. In view of its negligible amount, entitlement to the aggregate consideration of one US cent will not be sent to individual Shareholders.

The C Shares and the Deferred Shares will not be listed and cannot be held in CREST. No share certificates will be issued in respect of the C Shares or the Deferred Shares.

The rights and restrictions to be attached to the C Shares and the Deferred Shares are more fully set out in Parts 7 and 8 of this document.

The attention of Non-United Kingdom Shareholders is generally drawn to paragraph 7 of Part 5 of this document.

- **Alternative 2 – Immediate Capital Alternative**

Shareholders who elect, or are deemed to have elected, for the Immediate Capital Alternative in respect of some or all of their Share Entitlement will receive one B Share (or possibly one C Share, if there are insufficient B Shares available) for each corresponding Existing Ordinary Share they hold at the Record Time.

Where B Shares are issued to satisfy valid elections for the Immediate Capital Alternative, each such B Share will be redeemed by the Company for US\$1.40 on the First Effective Date. Each such B Share will be cancelled on redemption.

It is proposed that the Company capitalise a sum not exceeding US\$2,121,534,887 standing to the credit of the Company's share premium account and merger reserve and to apply such sum in paying up in full up to a maximum of (i) 1,515,382,062 B Shares with a nominal value of US\$1.40 each, and (ii) 1,961,000,000 C Shares with a nominal value of 0.001 US cent each. Consequently, the Company may only issue a maximum of 1,515,382,062 B Shares and once this maximum is reached it will not be possible to issue any further B Shares. B Shares will first be issued to satisfy elections for the Deferred Capital Alternative and then, if there are any B Shares remaining, to satisfy elections for the Immediate Capital Alternative. To the extent that there are insufficient B Shares to satisfy in full all elections for the Immediate Capital Alternative, the Company will issue C Shares proportionately amongst such elections. If the proportion of B Shares and C Shares a Shareholder is entitled to would result in a fractional entitlement to a B Share or a C Share, the number of B Shares to which a Shareholder is entitled will be reduced down to the nearest whole number and the number of C Shares to which a Shareholder is entitled will be rounded up to the nearest whole number.

Any C Shares issued to satisfy elections for the Immediate Capital Alternative will not have the Single Dividend paid on them (as they will under the Dividend Alternative). Instead it is expected that Merrill Lynch, acting as principal, will purchase such C Shares under the Broker's Offer on the Broker's Offer Date for the Sterling Equivalent of US\$1.40 per C Share, free of all dealing expenses and commissions. It is currently expected that the Sterling Equivalent of US\$1.40 per C Share under the Broker's Offer will be sent to Shareholders on the First Payment Date. Shareholders are advised to read the terms which would apply to the Broker's Offer, set out below in paragraph 5 of this Part 5, before electing for the Immediate Capital Alternative.

Although it is expected that Merrill Lynch will purchase C Shares under the Broker's Offer, there can be no guarantee that it will do so. In the unlikely event that the C Shares have not been purchased by the Default Deadline, a Default Dividend of US\$1.40 will be declared on the Default Dividend Date on any C Shares in respect of which an election to participate in the Broker's Offer has been made but such purchase has not been completed by the Default Deadline.

Shareholders entitled to receive payments in respect of the Sterling Equivalent of the proceeds from the redemption of B Shares issued pursuant to the Immediate Capital Alternative and, if applicable, the proceeds received under the Broker's Offer, will be sent cheques or, if Shareholders hold their Existing Ordinary Shares in CREST, will have their CREST accounts credited on the First Payment Date. In the unlikely event that C Shares have not been purchased by the Default Deadline, Shareholders receiving the Default Sterling Equivalent of the Default Dividend will be sent cheques or, if mandate instructions are held, payments will be made by BACS to mandated accounts in respect of the Default Sterling Equivalent of the Default Dividend on the Default Payment Date.

The proceeds received under the Immediate Capital Alternative, whether received from the redemption of B Shares or from the purchase of C Shares under the Broker's Offer, should generally be taxed as capital for UK tax purposes. The proceeds received from the Default Dividend should generally be taxed as income for UK tax purposes. UK tax resident Shareholders should read paragraph 1 of Part 9 of this document for further information.

To elect for the Immediate Capital Alternative in respect of some or all of their Share Entitlement, Shareholders should follow the instructions in Part 4 of this document or, if they hold their Existing Ordinary Shares in CREST, Shareholders should refer to paragraph 4 of Part 10 of this document for further information.

Each B Share redeemed pursuant to the Immediate Capital Alternative will be cancelled. Following the completion of the Broker's Offer, Merrill Lynch will have the right, subject to certain conditions being satisfied under the Put Option Agreement, to require the Company to purchase from Merrill Lynch, at the Sterling Equivalent of US\$1.40 per C Share, those C Shares purchased by Merrill Lynch from Shareholders under the Broker's Offer. Any C Shares purchased from Merrill Lynch by the Company will be cancelled.

In the unlikely event that the C Shares have not been purchased by the Default Deadline, the C Shares upon which the Default Dividend becomes payable will be automatically reclassified as Deferred Shares of negligible value, with Shareholders receiving one Deferred Share for each such C Share. It is currently expected that the Company will purchase and then cancel the Deferred Shares for an aggregate consideration of one US cent on or around 1 December 2009, although there can be no guarantee that the Company will do so. In view of its negligible amount, entitlement to the aggregate consideration of one US cent will not be sent to individual Shareholders.

The B Shares issued pursuant to the Immediate Capital Alternative, the C Shares and the Deferred Shares will not be listed and cannot be held in CREST. No share certificates will be issued in respect of the B Shares issued pursuant to the Immediate Capital Alternative, the C Shares or the Deferred Shares.

The rights and restrictions to be attached to the B Shares, the C Shares and the Deferred Shares are more fully set out in Parts 6, 7 and 8 of this document.

The attention of Non-United Kingdom Shareholders is generally drawn to paragraph 7 of Part 5 of this document.

- ***Alternative 3 – Deferred Capital Alternative***

Shareholders who elect for the Deferred Capital Alternative in respect of some or all of their Share Entitlement will receive one B Share for each corresponding Existing Ordinary Share they hold at the Record Time. Each such B Share will be redeemed by the Company for US\$1.40 on the Second Effective Date. Each such B Share will be cancelled on redemption.

Shareholders entitled to receive the Deferred Sterling Equivalent of the redemption proceeds under the Deferred Capital Alternative will be sent cheques or, if Shareholders hold their Existing Ordinary Shares in CREST, will have their CREST accounts credited on the Second Payment Date.

Shareholders should note that the amounts returned to Shareholders upon redemption of their B Shares under the Deferred Capital Alternative will be converted into sterling by the Company at an exchange rate prevailing on the date the B Shares are redeemed, which is expected to be on the Second Effective Date. Consequently the amounts in sterling sent to Shareholders under the Deferred Capital Alternative will be affected by any change in US dollar to sterling exchange rates.

The redemption of B Shares must be funded out of the distributable profits of the Company. Although it is expected that the Company will have sufficient distributable profits on the date the B Shares issued under the Deferred Capital Alternative are redeemed, there can be no guarantee that this will be the case at that time.

The number of B Shares that the Company may issue is limited and such B Shares will first be issued to satisfy elections for the Deferred Capital Alternative. In the highly unlikely event that the Company is not able to issue sufficient B Shares to satisfy in full all elections for the Deferred Capital Alternative, the Company will issue B Shares proportionately amongst such

elections. The remaining proportion of such elections will be deemed to be elections for the Immediate Capital Alternative, under which C Shares will be issued. It is expected that Merrill Lynch, acting as principal, will purchase such C Shares under the Broker's Offer.

The amounts received under the Deferred Capital Alternative should generally be taxed as capital on receipt for UK tax purposes. UK tax resident Shareholders should read paragraph 1 of Part 9 of this document for further information. The form and timing of any tax liability arising under the Deferred Capital Alternative may be different for non-UK tax resident Shareholders and, accordingly, such Shareholders should consult an appropriate professional adviser without delay. US investors are advised to read paragraph 2 of Part 9 of this document before choosing the Deferred Capital Alternative.

To elect for the Deferred Capital Alternative in respect of some or all of their Share Entitlement, Shareholders should follow the instructions in Part 4 of this document or, if they hold their Existing Ordinary Shares in CREST, Shareholders should refer to paragraph 4 of Part 10 of this document for further information.

The B Shares that are redeemed pursuant to the Deferred Capital Alternative will be cancelled.

The B Shares issued pursuant to the Deferred Capital Alternative will not be listed. The Company will despatch share certificates in respect of B Shares issued pursuant to the Deferred Capital Alternative by 6 December 2007. Shareholders who hold their Existing Ordinary Shares in CREST will automatically have any B Shares issued to them pursuant to the Deferred Capital Alternative they elect for credited to their CREST account. The relevant CREST accounts will be credited at approximately 8 a.m. on the Admission Date. Shareholders should note that, although the B Shares issued pursuant to the Deferred Capital Alternative will be transferable, they will not be listed and it is highly unlikely that an active market for them will develop or, if developed, be sustained.

The rights and restrictions to be attached to the B Shares are more fully set out in Part 6 of this document.

The attention of Non-United Kingdom Shareholders is generally drawn to paragraph 7 of Part 5 of this document.

5. Terms of the Broker's Offer

The following terms will apply to the Broker's Offer:

- (a) no contract between a Shareholder and Merrill Lynch will arise in relation to the sale and purchase of any C Shares, or under which Merrill Lynch may (subject to conditions or otherwise) become entitled or obliged to purchase any C Shares under the Broker's Offer, unless and until Merrill Lynch accepts the offer to Merrill Lynch made by Shareholders electing to participate in the Broker's Offer, by way of an announcement made through a Regulatory Information Service, which acceptance (by way of such announcement) is expected to occur between 4 December 2007 and 10 December 2007 (inclusive);
- (b) execution by or on behalf of a Shareholder of an Election Form, or the sending of a TTE Instruction, which includes an election to participate in the Broker's Offer under the Immediate Capital Alternative will irrevocably appoint any officer or employee of any member of Man Group or Merrill Lynch or any director of Merrill Lynch for the time being as attorney for and/or agent of the Shareholder with authority on that Shareholder's behalf and in his or their name, to exercise all rights, powers and privileges attached to the C Shares or otherwise capable of being exercised by that Shareholder in order to give effect to his or their election and to do all acts and things and to execute all such deeds and other documents as such attorney and/or agent shall consider necessary to give effect to that Shareholder's election;
- (c) an Election Form, or the sending of a TTE Instruction, which includes an election to participate in the Broker's Offer under the Immediate Capital Alternative and all contracts resulting therefrom will be governed by and construed in accordance with English law. Execution by or on behalf of a Shareholder of such an Election Form or the sending of such a TTE Instruction constitutes that Shareholder's submission, in relation to all matters arising out of or in connection with such form or instruction and the exercise of the powers of the attorney or agent appointed thereunder, to the exclusive jurisdiction of the English courts;

- (d) the Directors may, if they so determine in their absolute discretion, accept an Election Form, or TTE Instruction, which includes an election to participate in the Broker's Offer under the Immediate Capital Alternative which is received after the relevant time or which is not correctly completed;
- (e) neither the Directors nor Merrill Lynch shall be liable to Shareholders for any loss arising from the determination of questions as to the form and validity (including time and place of receipt) of any Election Form, or TTE Instruction, which includes an election to participate in the Broker's Offer under the Immediate Capital Alternative (or the withdrawal thereof) unless attributable to their own wilful default, fraud or negligence and neither the Directors nor Merrill Lynch shall be under any duty to give notification of any defect or irregularity in any such Election Form or TTE Instruction or withdrawal thereof or have any liability in respect of such notification;
- (f) upon execution of an Election Form, or the sending of a TTE instruction, which includes an election to participate in the Broker's Offer under the Immediate Capital Alternative, the Shareholder represents and warrants that such Shareholder has full power and authority to tender, sell, assign and transfer the C Shares in relation to which that Shareholder has elected to participate in the Broker's Offer under the Immediate Capital Alternative by that Election Form or TTE instruction and that Merrill Lynch will purchase such C Shares free and clear from all liens, charges, restrictions, claims, equitable interests and encumbrances. In addition, by execution of an Election Form, or the sending of a TTE instruction, which includes an election to participate in the Broker's Offer under the Immediate Capital Alternative, the Shareholder agrees that he or she will do all other things and execute any additional documents which may be necessary or, in the opinion of Merrill Lynch, desirable to effect the purchase of C Shares by Merrill Lynch and/or to perfect any of the authorities expressed to be given under such Election Form or TTE instruction; and
- (g) no authority conferred by or agreed to by the execution of an Election Form, or the sending of a TTE instruction, which includes an election to participate in the Broker's Offer under the Immediate Capital Alternative shall be affected by, and all such authority shall survive, the death or incapacity of the Shareholder executing such form or giving such instruction. All obligations of such Shareholder shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

Details of the agreements relating to the Broker's Offer are set out in paragraph 5 of Part 10 of this document.

6. Withdrawal rights

Shareholders should note that any election, whether made by the signing of an Election Form or the giving of a TTE Instruction, relating to the Alternatives may be withdrawn by Shareholders at any time prior to the end of the Election Period. If an election is validly withdrawn, the Shareholder may make a new election within the Election Period, but if a new valid election is not made by the end of the Election Period, the Shareholder will be deemed to have elected for the Dividend Alternative in respect of all of their Share Entitlement. After the end of the Election Period, any election made is irrevocable. If the Election Period is extended, withdrawal rights will also be extended.

Shareholders wishing to withdraw their election must inform the Shareholder helpline by calling 0870 240 7990 (+44 121 415 0268 if calling from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. on any Business Day. If such Shareholders wish to re-elect in respect of the Alternatives, they can request a replacement Election Form or receive instructions on how to re-elect through CREST from the Shareholder helpline. Shareholders will need to take into account the postal time necessary for a replacement Election Form to reach Equiniti by the Election Deadline (expected to be 4.30 p.m. on 23 November 2007).

For a withdrawal of any election to be effective, a written notice of withdrawal signed by the person(s) who signed the relevant Election Form or the Shareholder(s) who gave the relevant TTE Instruction must:

- (a) specify the name(s) and address(es) of the person(s) who is/are tendering the election to be withdrawn, the account number (which, for Shareholders who hold their Existing Ordinary Shares in certificated form, appears on the front page of the relevant Election Form) and the exact number of their Share Entitlement to be withdrawn; and

(b) in the case of an election originally made by a TTE Instruction, be accompanied by a valid ESA Message given by the person(s) who gave the relevant TTE Instruction,

and be received by Equiniti one hour before the Election Deadline (expected to be by 3.30 p.m. on 23 November 2007).

Telex, facsimile, electronic mail or other electronic means of transmission or any form of copy of written notice will not constitute a written instruction of withdrawal.

Withdrawals may not be rescinded, but re-elections may be made at any time prior to the end of the Election Period. Withdrawals and any re-elections in respect of Share Entitlements that are received by Equiniti after the end of the Election Period will be deemed invalid for the purposes of the Alternatives. Any Shareholder who withdraws their election before the end of the Election Period and does not re-elect their Share Entitlement will be deemed to have elected for the Dividend Alternative in respect of all of their Share Entitlement.

The Directors shall determine all questions as to the form and validity (including time and place of receipt) of all notices of withdrawal, in their absolute discretion, which determination shall be final and binding. The Directors also reserve the absolute right to waive any defect or irregularity in relation to, or in relation to the receipt of, any withdrawal by any Shareholder, and such determination will be binding on such Shareholder. None of any member of Man Group, Merrill Lynch, Equiniti or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal or incur any liability for failure to give any such notification or for any reason with regard to withdrawal and re-election.

7. Non-United Kingdom Shareholders

Non-United Kingdom Shareholders should consult their professional advisers to ascertain whether the Return of Cash (including, as may be relevant in each case, the issue, holding, redemption or disposal of the B Shares, the C Shares and/or the Deferred Shares) will be subject to any restrictions or require compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which they are resident or to which they are subject. In particular, it is the responsibility of any Non-United Kingdom Shareholder to satisfy himself as to full observance of the laws of each relevant jurisdiction in connection with the Return of Cash, including the obtaining of any government, exchange control or other consents which may be required, or the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties in such jurisdiction.

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Neither this document nor any other document issued or to be issued by or on behalf of the Company in connection with the Return of Cash constitutes an invitation, offer or other action on the part of the Company in any jurisdiction in which such invitation, offer or other action is unlawful.

Each Shareholder by whom, or on whose behalf, an Election Form is executed or TTE Instruction is given, irrevocably represents, warrants, undertakes and agrees to and with the Company and Merrill Lynch that such Shareholder has observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due from such Shareholder in connection with any election for any of the Alternatives in any territory and such Shareholder has not taken or omitted to take any action which may result in the Company and Merrill Lynch or any other persons acting in breach of the legal or regulatory requirements of any territory in connection with the Return of Cash or such Shareholder's election for any of the Alternatives.

If the Company is advised that it would or might be in breach of legal or regulatory requirements in any jurisdiction, or that the Company and/or Merrill Lynch would or might be required to make filings or take any other action in any jurisdiction as a result of an election made pursuant to an Election Form or TTE Instruction by a Non-United Kingdom Shareholder, such Non-United Kingdom Shareholder shall be deemed to have elected to receive the Dividend Alternative (unless the Directors otherwise determine in their absolute discretion).

The above provisions of this paragraph relating to Non-United Kingdom Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Directors in their absolute discretion.

8. Extraordinary General Meeting

The Extraordinary General Meeting will be held at Centennium House, 100 Lower Thames Street, London EC3R 6DL at 10.30 a.m. on 23 November 2007. The notice of the Extraordinary General Meeting is set out in Part 12 of this document.

Shareholders will find enclosed with this document a Form of Proxy for use in respect of the Extraordinary General Meeting.

Whether or not Shareholders intend to be present at the Extraordinary General Meeting, they are requested to complete and sign the accompanying Form of Proxy and return it, in accordance with the instructions printed on it, by post or (during normal business hours) by hand to Equiniti, FREEPOST SEA7111, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6US, England to arrive as soon as possible and, in any event, by no later than 10.30 a.m. on 21 November 2007. Alternatively, Shareholders can submit their proxy electronically at the Equiniti website, www.sharevote.co.uk, subject to the terms and conditions shown on the website. The deadline for the receipt of electronic proxies is 10.30 a.m. on 21 November 2007. Any electronic communications found to contain a virus will not be accepted. Shareholders who hold their Existing Ordinary Shares in CREST may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Equiniti so that it is received by no later than 10.30 a.m. on 21 November 2007.

The return of a completed Form of Proxy, the transmittal of an electronic proxy or CREST Proxy Instruction will not prevent a Shareholder from attending the Extraordinary General Meeting and voting in person (in substitution for their proxy vote) should they wish to do so and are so entitled.

9. Proposed amendments to the Articles of Association

A number of amendments to the Articles of Association are required to implement the Return of Cash and require approval at the EGM. Such amendments include the insertion into the Articles of Association of the rights and restrictions attaching to the B Shares, C Shares and Deferred Shares. Such rights and restrictions are summarised in Parts 6, 7 and 8 of this document.

There will also be a number of consequential amendments to the Articles of Association, which are summarised below.

- (a) Definitions of each of the B Shares, C Shares and Deferred Shares will be inserted into the interpretation provisions of the Articles of Association.
- (b) The description of the authorised share capital of the Company will be updated to reflect the effect of the Share Capital Consolidation and the creation of the B Shares and C Shares.
- (c) The existing rights attaching to the Deferred Sterling Shares allow the holders of such shares to participate in a distribution of the assets of the Company on a winding up or other distribution, but only after the nominal value has been returned on each ordinary share to the holders of the ordinary shares and £100,000,000,000 has been returned to each holder of an ordinary share. These rights will continue to apply, but added to the amounts which must be paid before the holders of the Deferred Sterling Shares may participate in such a distribution will be the payment of US\$1.40 per B Share or C Share to the holders of such shares.
- (d) The Articles of Association currently allow the Company to purchase its own shares. However, in respect of any convertible shares which may be in issue, the sanction of an extraordinary resolution of the holders of such convertible shares would be required before any of its shares could be purchased. This will be amended so that the sanction of a separate extraordinary resolution of the holders of C Shares will not be required before any of its shares can be purchased.

10. Man Group Share Schemes

Separate letters are being sent to participants in the Man Group Share Schemes in respect of the Return of Cash.

The intention is broadly to preserve, subject to market fluctuations, the value of each option and award under the Man Group Share Schemes through the Share Capital Consolidation. Therefore, the current intention is that no adjustments to share entitlements will be made under the Man Group Share Schemes where holders of options and awards will not participate in the Return of Cash with respect to such entitlement.

11. Dealings and despatch of documents

The Return of Cash will be made by reference to holdings of Existing Ordinary Shares on the Company's register of members at the Record Time.

Dealings and settlement within the CREST system of the Existing Ordinary Shares will continue until the Election Deadline when, in the case of Existing Ordinary Shares held in certificated form, the register of members will be closed for transfers and no further transfers of Existing Ordinary Shares will be possible. The registration of uncertificated holdings in respect of the Existing Ordinary Shares will be 'disabled' in CREST at the Record Time.

In respect of New Ordinary Shares and B Shares issued under the Deferred Capital Alternative, Shareholders who hold their Existing Ordinary Shares in CREST will have their CREST accounts credited with New Ordinary Shares and B Shares issued under the Deferred Capital Alternative at approximately 8 a.m. on the Admission Date.

From the Record Time, Existing Ordinary Share certificate(s) will no longer be valid. New Ordinary Share certificates will only be issued following the Share Capital Consolidation. It is therefore important that, if Shareholders hold certificates in respect of their Existing Ordinary Shares, they retain them until New Ordinary Share certificates are sent, which will be by 6 December 2007. Following this date, the certificates in respect of the Existing Ordinary Shares can be destroyed. Share certificates are sent to Shareholders at their own risk.

No share certificates will be issued by the Company in respect of B Shares issued pursuant to the Immediate Capital Alternative, C Shares or Deferred Shares. The Company will despatch share certificates in respect of any B Shares issued pursuant to the Deferred Capital Alternative by 6 December 2007.

Shareholders holding New Ordinary Shares or B Shares issued pursuant to the Deferred Capital Alternative through the CREST system will not receive any share certificates.

Temporary documents of title will not be issued and, pending despatch of share certificates, transfers of New Ordinary Shares or B Shares issued pursuant to the Deferred Capital Alternative held in certificated form will be certified against the register held by Equiniti.

Shareholders entitled to receive the Sterling Equivalent of the Single Dividend will be sent cheques or, if mandate instructions are held, payments will be made by BACS to mandated accounts on the First Payment Date.

Shareholders entitled to receive the Sterling Equivalent of the proceeds from the redemption of B Shares pursuant to the Immediate Capital Alternative and, if applicable, the proceeds received under the Broker's Offer will be sent cheques or, if Shareholders hold their Existing Ordinary Shares in CREST, their CREST accounts will be credited on the First Payment Date. In the unlikely event that C Shares are not purchased by the Default Deadline, Shareholders entitled to receive the Default Sterling Equivalent of the Default Dividend will be sent cheques or, if mandate instructions are held, payments will be made by BACS to mandated accounts in respect of the Default Sterling Equivalent of the Default Dividend on the Default Payment Date.

Shareholders entitled to receive the Deferred Sterling Equivalent of the redemption proceeds under the Deferred Capital Alternative will be sent cheques or, if Shareholders hold their New Ordinary Shares in CREST on the Second Payment Date, their CREST accounts will be credited on the Second Payment Date.

All share certificates and cheques will be sent by post, at the risk of the Shareholder entitled thereto, to the registered address of the relevant Shareholders (or, in the case of joint Shareholders, to the address of that joint Shareholder whose name stands first in the register in respect of such joint Shareholding).

Subject to any instructions to the contrary, share registration and dividend payment mandates in respect of holdings of Existing Ordinary Shares will continue to apply in respect of New Ordinary Shares.

No application has been, or will be, made for the B Shares, the C Shares or the Deferred Shares to be admitted to listing on the Official List or admitted to trading on the London Stock Exchange's market for listed securities or any other recognised investment exchange.

12. Summary explanation of the Resolution to be proposed at the Extraordinary General Meeting

The Return of Cash requires the approval of Shareholders at the Extraordinary General Meeting, notice of which is set out in Part 12 of this document. The Extraordinary General Meeting will be held at Centennium House, 100 Lower Thames Street, London EC3R 6DL at 10.30 a.m. on 23 November 2007.

The Resolution will be proposed as a special resolution and will be passed if at least 75 per cent. of the votes cast (whether in person or by proxy) are in favour.

The Resolution is conditional upon Admission of the New Ordinary Shares becoming effective by 8 a.m. on the Admission Date. A summary of the paragraphs comprising the Resolution follows below:

- (a) this paragraph increases the authorised share capital of the Company from US\$81,000,000 and £50,000 to US\$2,202,554,497 and £50,000 by the creation of 1,515,382,062 B Shares and 1,961,000,000 C Shares;
- (b) this paragraph sets out the procedure for the consolidation and division of the Existing Ordinary Shares into New Ordinary Shares. All fractional entitlements which arise will be aggregated and sold on behalf of the Shareholders entitled to them with the net proceeds of the sale, in excess of £3, paid in due proportion to them. The net proceeds of sale from fractional entitlements of £3 or less will be retained by the Company;
- (c) this paragraph amends the Articles of Association of the Company so that they incorporate the rights and restrictions to be attached to the B Shares, C Shares and Deferred Shares (each as summarised in Parts 6, 7 and 8 of this document) and certain consequential amendments to the Articles of Association (as summarised in paragraph 9 of Part 5 of this document);
- (d) this paragraph authorises the Directors to:
 - (i) capitalise a sum not exceeding US\$2,121,534,887 standing to the credit of the Company's share premium account and merger reserve to pay up in full the B Shares;
 - (ii) capitalise a sum not exceeding US\$19,610 standing to the credit of the Company's share premium account and merger reserve to pay up in full the C Shares; and
 - (iii) allot and issue the B Shares and C Shares on the basis of one B Share or one C Share for each Existing Ordinary Share which is held at the Record Time. The authority granted to the Directors will expire at the conclusion of the next annual general meeting of the Company or within 15 months from the date of the passing of the Resolution, whichever is earlier;
- (e) this paragraph sets out the procedure for the consolidation and division of the authorised but unissued Existing Ordinary Shares into New Ordinary Shares;
- (f) this paragraph approves the terms of the proposed Put Option Agreement between Merrill Lynch and the Company under which Merrill Lynch will be entitled to require the Company to purchase C Shares from it. The authority granted to the Directors will expire at the conclusion of the next annual general meeting of the Company or within 15 months from the date of the passing of the Resolution, whichever is earlier;
- (g) this paragraph amends the Company's existing authority to make market purchases of its ordinary shares, granted at the Company's annual general meeting on 12 July 2007, to take account of the reduced number of issued ordinary shares of the Company resulting from the Share Capital Consolidation and to ensure continued compliance with investor guidelines. The terms of the original authority provided for this authority to last until 11 January 2009 or, if earlier, the date of the Company's annual general meeting in 2008;
- (h) this paragraph cancels any authorised but unissued B Shares and C Shares existing at 6 p.m. on the date falling one month after the Admission Date and reduces the authorised but unissued capital of the Company accordingly;

- (i) this paragraph cancels any authorised share capital of the Company available for issue as a consequence of:
 - (i) any redemption of B Shares;
 - (ii) any purchase by the Company of C Shares; and
 - (iii) any purchase by the Company of Deferred Shares; and
- (j) this paragraph sets out certain definitions applicable to the Resolution.

The statements made by the Directors in the notice of annual general meeting dated 31 May 2007 regarding the exercise of the authority referred to in paragraph (g) above remain the case as at the date of this document.

Part 6: Rights and restrictions attached to the B Shares

The following summarises the proposed amendments to the Articles of Association relating to the rights and restrictions attaching to the B Shares:

163 Rights and restrictions attached to the B Shares

(a) Election Form

Together with a circular to all Shareholders dated 22 October 2007 (the “**Circular**”), Shareholders who held their Existing Ordinary Shares in certificated form were sent a form of election (“**Election Form**”) relating to the B Shares and C Shares proposed to be issued by the Company, as more fully described in the Circular. Pursuant to the Election Form or, where Shareholders held their Existing Ordinary Shares in uncertificated form, by following the instructions set out in the Circular, Shareholders could elect (an “**Election**”), *inter alia*, to have issued to them B Shares (1) to be redeemed by the Company on the Immediate Redemption Date (as defined in Article 163(f)(i) below) (the “**Immediate Capital Alternative**”) or (2) to be redeemed by the Company on the Deferred Redemption Date (as defined in Article 163(f)(iv) below) (the “**Deferred Capital Alternative**”).

(b) Income

The B Shares shall confer no right to participate in the profits of the Company save for the right to redemption under Article 163(f) below.

(c) Capital

- (i) Except as provided in Article 163(e), on a return of capital on winding-up (excluding any intra-group reorganisation on a solvent basis), the holders of B Shares shall be entitled, in priority to any payment to the holders of every other class of share in the capital of the Company (except the C Shares) but *pari passu* with any payment to the holders of C Shares, to US\$1.40 for each B Share held by them.
- (ii) On a winding-up, the holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in Article 163(c)(i) above. In the event that there is a winding-up to which Article 163(c)(i) applies and the amounts available for payment are insufficient to pay the amounts due on all the B Shares in full, the holders of the B Shares shall be entitled to their pro-rata proportion of the amounts to which they would otherwise be entitled.
- (iii) The aggregate entitlement of each holder of B Shares on a winding-up in respect of all of the B Shares held by him shall be rounded up to the nearest US cent.
- (iv) The holders of the B Shares shall not be entitled to any further right of participation in the assets of the Company.

(d) Voting and general meetings

- (i) The holders of B Shares shall not be entitled, in their capacity as holders of such shares, to receive notice of any general meeting of the Company nor to attend, speak or vote at any such general meeting unless the business of the meeting includes the consideration of a resolution for the winding-up (excluding any intra-group reorganisation on a solvent basis) of the Company, in which case the holders of the B Shares shall have the right to attend, speak and vote on that resolution only.
- (ii) If the holders of the B Shares are entitled to vote at a general meeting of the Company, each holder thereof present in person or by proxy (or, being a company, by representative) will have one vote on a show of hands, and on a poll every holder who is present in person or by proxy (or, being a company, by a company representative) will have one vote for each B Share he holds.

(e) Class rights

- (i) The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the B Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the B Shares) shall be

treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

- (ii) A reduction by the Company of the capital paid up or credited as paid up on the B Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.
- (iii) Without prejudice to the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes and such reduction (or purchase) shall not involve a variation of any rights attaching to the B Shares for any purpose or require the consent of the holders of the B Shares.
- (iv) If at any time a currency other than sterling is accepted as legal tender in the United Kingdom in place of or in addition to sterling, the Directors shall be entitled, without the consent of holders of Ordinary Shares, B Shares or C Shares, to make such arrangements and adjustments in respect of the method of calculation and payment of any of the entitlements of holders of B Shares under these Articles as the Directors consider necessary, fair and reasonable in the circumstances to give effect to the rights of the B Shares. Any such arrangements and adjustments shall not involve a variation of rights attaching to the B Shares for any purpose.

(f) Redemption

Subject to the provisions of the Act and these Articles, the Company shall redeem, out of the profits available for distribution, the B Shares as follows:

- (i) The B Shares in respect of which a valid Election has been made or is deemed to be made for the Immediate Capital Alternative in accordance with the terms described in the Circular and the Election Form shall be redeemed on such date as the Directors may in their absolute discretion decide ("**Immediate Redemption Date**") being, in any event, a date not less than 4 days and not more than 30 days after the issue of such B Shares.
- (ii) On redemption of a B Share on the Immediate Redemption Date, the Company will be liable to pay to a holder of B Shares US\$1.40 (the "**Redemption Amount**") for each B Share in respect of which a valid Election has been made or is deemed to be made by such holder for the Immediate Capital Alternative in accordance with the terms described in the Circular and the Election Form. The Company's liability to pay to such holder the Redemption Amount for each such B Share shall be discharged by the Company by a payment to such holder within 14 days of the Immediate Redemption Date of the Redemption Amount for each such B Share converted into sterling by the Company at an exchange rate at which sterling may be purchased with US\$, which rate is specified by a source that is reasonably considered by the Directors as a reflection of the rate at which the purchase of sterling with US\$ can be effected as a market rate (an "**Exchange Rate**") available on the Immediate Redemption Date and chosen by the Directors in their absolute discretion.
- (iii) In the absence of bad faith or wilful default, neither the Company nor any of its Directors, officers or employees shall have any liability to any person for any loss or damage arising as a result of the choice of the Immediate Redemption Date in accordance with Article 163(f)(i) above or the choice of an Exchange Rate in accordance with Article 163(f)(ii) above.
- (iv) The B Shares in respect of which a valid Election has been made or is deemed to be made for the Deferred Capital Alternative in accordance with the terms described in the Circular and the Election Form shall be redeemed on such date as the Directors may in their absolute discretion decide ("**Deferred Redemption Date**") being, in any event, a date after 1 July 2008 and by 7 July 2008 (inclusive).
- (v) On redemption of a B Share on the Deferred Redemption Date, the Company will be liable to pay to a holder of B Shares the Redemption Amount for each B Share in respect of which a valid Election has been made or is deemed to be made by such holder for the Deferred Capital Alternative in accordance with the terms described in the Circular and the Election Form. The Company's liability to pay to such holder the Redemption Amount for each such B Share shall be discharged by the Company by a payment to such holder within 14 days of the Deferred Redemption Date of the Redemption Amount converted into sterling by the Company at an Exchange Rate available on the Deferred Redemption Date and chosen by the Directors in their absolute discretion.

- (vi) All B Shares redeemed shall be cancelled and the Company shall not be entitled to re-issue them.
- (vii) In the absence of bad faith or wilful default, neither the Company nor any of its Directors, officers or employees shall have any liability to any person for any loss or damage arising as a result of the choice of the Deferred Redemption Date in accordance with Article 163(f)(iv) above or the choice of an Exchange Rate in accordance with Article 163(f)(v) above.

164 Deletion of Article 163 when no B Shares in existence

Article 163 shall remain in force until there are no longer any B Shares in existence notwithstanding any provision in the Articles to the contrary. Thereafter Article 163 shall be and shall be deemed to be of no effect (save to the extent that the provisions of Article 163 are referred to in other Articles) and shall be deleted and replaced with the wording 'Article 163 has been deleted', and the separate register for the holders of B Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Article 163 before that date shall not otherwise be affected and any actions taken under Article 163 before that date shall be conclusive and shall not be open to challenge on any grounds whatsoever.

Part 7: Rights and restrictions attached to the C Shares

The following summarises the proposed amendments to the Articles of Association relating to the rights and restrictions attaching to the C Shares:

165 Rights and restrictions attached to the C Shares

(a) Election Form

Together with the Circular, Shareholders who held their Existing Ordinary Shares in certificated form were sent an Election Form relating to the B Shares and C Shares proposed to be issued by the Company, as more fully described in the Circular. Pursuant to the Election Form or, where Shareholders held their Existing Ordinary Shares in uncertificated form, by following the instructions set out in the Circular, Shareholders could make an Election, *inter alia*, to have issued to them (1) C Shares in respect of which the Single Dividend (as defined in Article 165(b)(i) below) would be paid and/or (2) C Shares to be purchased by Merrill Lynch acting as principal (the “**Broker’s Offer**”).

(b) Income

- (i) Out of the profits available for distribution, a single dividend of US\$1.40 per C Share (the “**Single Dividend**”) shall, if declared, become payable on the Immediate Redemption Date to holders of C Shares in respect of which a valid Election to receive the Single Dividend has been made or deemed to be made in accordance with the terms described in the Circular and the Election Form.
- (ii) The Company’s liability to pay the Single Dividend to such holder of C Shares shall be discharged by the Company by a payment to such holder within 14 days of the Immediate Redemption Date of the Single Dividend converted into sterling by the Company at the Exchange Rate available on the Immediate Redemption Date and chosen by the Directors in their absolute discretion pursuant to Article 163(f)(ii).
- (iii) Each C Share in respect of which the Single Dividend becomes payable shall immediately thereupon (but without prejudice to the accrued right to receive such dividend) be reclassified as a Deferred Share with the rights and restrictions described in Article 167.
- (iv) In the absence of bad faith or wilful default, neither the Company nor any of its Directors, officers or employees shall have any liability to any person for any loss or damage arising as a result of the choice of the Immediate Redemption Date in connection with Article 165(b)(i) above or the timing of the Broker’s Offer or the choice of an Exchange Rate in accordance with Article 165(b)(ii) above or the Broker’s Offer.
- (v) Out of the profits available for distribution, a single dividend of US\$1.40 per C Share (the “**Default Dividend**”) shall, if declared, become payable on such date as the Directors may in their absolute discretion decide (“**Default Dividend Date**”) being, in any event, a date between 21 January 2008 and 24 January 2008 (inclusive) to holders of any C Shares in respect of which an Election to participate in the Broker’s Offer has been made but such purchase has not been completed by 6 p.m. on the date immediately prior to the Default Dividend Date.
- (vi) The Company’s liability to pay the Default Dividend to such holder of C Shares shall be discharged by the Company by a payment to such holder within 14 days of the Default Dividend Date of the Default Dividend converted into sterling by the Company at an Exchange Rate available on the Default Dividend Date and chosen by the Directors in their absolute discretion.
- (vii) Each C Share in respect of which the Default Dividend becomes payable shall immediately thereupon (but without prejudice to the accrued right to receive such dividend) be reclassified as a Deferred Share with the rights and restrictions described in Article 167.
- (viii) In the absence of bad faith or wilful default, neither the Company nor any of its Directors, officers or employees shall have any liability to any person for any loss or damage arising as a result of the choice of the Default Dividend Date in connection with Article 165(b)(v) above or the choice of an Exchange Rate in accordance with Article 165(b)(vi) above.

(c) Capital

- (i) Except as provided in Article 165(e), on a return of capital on winding-up (excluding any intra-group reorganisation on a solvent basis), the holders of C Shares shall be entitled, in priority to any payment to the holders of every other class of share capital of the Company (except the B Shares) but *pari passu* with any payment to the holders of B Shares, to US\$1.40 for each C Share held by them.

- (ii) On a winding-up, the holders of the C Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in Article 165(c)(i) above. In the event that there is a winding-up to which Article 165(c)(i) applies and the amounts available for payment are insufficient to pay the amounts due on all the C Shares in full, the holders of the C Shares shall be entitled to their pro-rata proportion of the amounts to which they would otherwise be entitled.
- (iii) The aggregate entitlement of each holder of C Shares on a winding-up in respect of all of the C Shares held by him shall be rounded up to the nearest US cent.
- (iv) The holders of the C Shares shall not be entitled to any further right of participation in the assets of the Company.

(d) Voting and general meetings

- (i) The holders of C Shares shall not be entitled, in their capacity as holders of such shares, to receive notice of any general meeting of the Company nor to attend, speak or vote at any such general meeting unless the business of the meeting includes the consideration of a resolution for the winding-up (excluding any intra-group reorganisation on a solvent basis) of the Company, in which case the holders of the C Shares shall have the right to attend, speak and vote on that resolution only.
- (ii) If the holders of the C Shares are entitled to vote at a general meeting of the Company, each holder thereof present in person or by proxy (or, being a company, by representative) will have one vote on a show of hands, and on a poll every holder who is present in person or by proxy (or, being a company, by a company representative) will have one vote for each C Share he holds.

(e) Class rights

- (i) The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the C Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the C Shares) shall be treated as being in accordance with the rights attaching to the C Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the C Shares.
- (ii) A reduction by the Company of the capital paid up or credited as paid up on the C Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the C Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the C Shares.
- (iii) Without prejudice to the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes and such reduction (or purchase) shall not involve a variation of any rights attaching to the C Shares for any purpose or require the consent of the holders of the C Shares.
- (iv) If at any time a currency other than sterling is accepted as legal tender in the United Kingdom in place of or in addition to sterling, the Directors shall be entitled, without the consent of holders of Ordinary Shares, B Shares or C Shares, to make such arrangements and adjustments in respect of the method of calculation and payment of any of the entitlements of holders of C Shares under these Articles as the Directors consider necessary, fair and reasonable in the circumstances to give effect to the rights of the C Shares. Any such arrangements and adjustments shall not involve a variation of rights attaching to the C Shares for any purpose.

166 Deletion of Article 165 when no C Shares in existence

Article 165 shall remain in force until there are no longer any C Shares in existence notwithstanding any provision in the Articles to the contrary. Thereafter Article 165 shall be and shall be deemed to be of no effect (save to the extent that the provisions of Article 165 are referred to in other Articles) and shall be deleted and replaced with the wording 'Article 165 has been deleted', and the separate register for the holders of C Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Article 165 before that date shall not otherwise be affected and any actions taken under Article 165 before that date shall be conclusive and shall not be open to challenge on any grounds whatsoever.

Part 8: Rights and restrictions attached to the Deferred Shares

The following summarises the proposed amendments to the Articles of Association relating to the rights and restrictions attaching to the Deferred Shares:

167 Rights and restrictions attached to the Deferred Shares

(a) Income

The Deferred Shares shall confer no right to participate in the profits of the Company.

(b) Capital

On a return of capital on a winding-up (excluding any intra-group reorganisation on a solvent basis) there shall be paid to the holders of the Deferred Shares the nominal capital paid up or credited as paid up on such Deferred Shares after:

- (i) firstly, paying to the holders of the B Shares US\$1.40 per B Share and to the holders of the C Shares US\$1.40 per C Share held by them;
- (ii) secondly, paying to the holders of every other class of share in the capital of the Company (other than the B Shares, C Shares and Deferred Sterling Shares) the nominal capital paid up or credited as paid up on such shares held by them respectively, together with the sum of £100,000,000,000 to each holder of such shares; and
- (iii) thirdly, paying to the holders of the Deferred Sterling Shares (for each Deferred Sterling Share held by him) an amount equal to the nominal value of the Deferred Sterling Share.

The holders of the Deferred Shares shall not be entitled to any further right of participation in the assets of the Company.

(c) Voting and general meetings

The holders of the Deferred Shares shall not be entitled to receive notice of any general meeting of the Company or to attend, speak or vote at any such meeting.

(d) Transferability

The Deferred Shares shall not be transferable except in accordance with Article 167(f) below or with the written consent of the Directors.

(e) Class rights

- (i) The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the Deferred Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the Deferred Shares) shall be treated as being in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Deferred Shares.
- (ii) A reduction by the Company of the capital paid up or credited as paid up on the Deferred Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Deferred Shares.
- (iii) Without prejudice to the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes and such reduction (or purchase) shall not involve a variation of any rights attaching to the Deferred Shares for any purpose or require the consent of the holders of the Deferred Shares.

(f) Purchase

- (i) The Company may at any time (and from time to time), subject to the provisions of the Act, without obtaining the sanction of the holder or holders of the Deferred Shares appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all of the Deferred Shares or any part thereof (and/or an agreement to transfer the same) to the Company or to such person as the Directors may determine (whether or not an officer of the Company), and any such transfer shall be for not more than one US cent for all the Deferred Shares then being purchased.
- (ii) All Deferred Shares purchased by the Company shall be cancelled.

168 Deletion of Article 167 when no Deferred Shares in existence

Article 167 shall remain in force until there are no longer any Deferred Shares in existence notwithstanding any provision in the Articles to the contrary. Thereafter Article 167 shall be and shall be deemed to be of no effect (save to the extent that the provisions of Article 167 are referred to in other Articles) and shall be deleted and replaced with the wording 'Article 167 has been deleted', and the separate register for the holders of Deferred Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Article 167 before that date shall not otherwise be affected and any actions taken under Article 167 before that date shall be conclusive and shall not be open to challenge on any grounds whatsoever.

Part 9: Taxation in relation to the Return of Cash

1. United Kingdom taxation

The comments below are intended as a general guide only and are based on current United Kingdom tax law and HM Revenue and Customs practice as at the date of publication of this document. The comments apply only to Shareholders who are resident and, if they are individuals, ordinarily resident in the United Kingdom for tax purposes and who hold their Existing Ordinary Shares, New Ordinary Shares, B Shares and C Shares beneficially as an investment and not on trading account. The position may be different for any future disposal and may alter between the date of this document and the implementation of the Return of Cash. In particular, Shareholders who elect for the Deferred Capital Alternative should note that the United Kingdom Government announced on 9 October 2007 a number of proposed changes to the capital gains tax regime which, if enacted, are likely to impact on the UK tax treatment of Shareholders who elect for the Deferred Capital Alternative.

*Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the United Kingdom should consult an appropriate professional adviser. In particular, the attention of UK resident corporate Shareholders is drawn to the provisions of sections 91A and 91B of the Finance Act 1996 (the “**Finance Act**”). The Finance Act contains provisions which could result in all returns on certain types of shares, whether capital or income in nature, being taxed as income under the “loan relationship rules”. Shareholders who are subject to tax in accordance with the “loan relationship” rules should consult an appropriate adviser.*

(a) Capital Reorganisation

For the purposes of United Kingdom taxation of capital gains and corporation tax on chargeable gains (“**CGT**”):

- (i) The receipt of New Ordinary Shares, B Shares and C Shares should be treated as a reorganisation of the share capital of the Company. Accordingly, the New Ordinary Shares replacing a Shareholder’s holding of Existing Ordinary Shares as a result of the Capital Reorganisation and the B Shares and C Shares should be treated as the same asset as the Shareholder’s holding of Existing Ordinary Shares, and as having been acquired at the same time as the Shareholder’s holding of Existing Ordinary Shares was acquired. As a result of the Capital Reorganisation, a Shareholder’s original base cost in his or her Existing Ordinary Shares should be apportioned between the New Ordinary Shares and the B Shares and C Shares by reference to their respective market values on the first day on which market prices are quoted or published for the New Ordinary Shares.
- (ii) The sale, on behalf of relevant Shareholders, of fractional entitlements to New Ordinary Shares resulting from the Capital Reorganisation should not constitute a part disposal of such Shareholders’ Existing Ordinary Shares. Instead the amount of any payment received by the Shareholder should be deducted from the base cost of the B Shares, C Shares and any New Ordinary Shares received.

On the basis that (i) the B Shares will be treated as being paid up for “new consideration” received by the Company and (ii) the C Shares are not redeemable, neither the issue of the B Shares nor the C Shares should give rise to any liability to United Kingdom income tax (or corporation tax) in a Shareholder’s hands.

(b) Alternative 1 – Dividend Alternative

Income tax

The Company will not be required to withhold United Kingdom tax at source when paying the Single Dividend.

A United Kingdom resident individual Shareholder who is liable to income tax at the starting or basic rate will pay no tax on the Single Dividend unless it takes that Shareholder’s income into the higher rate tax band.

A United Kingdom resident individual Shareholder who is liable to income tax at the higher rate, will be liable to pay tax equal to 25 per cent. of the cash dividend received to the extent that the aggregate of the cash dividend received and the associated tax credit (equal to one-ninth of the cash dividend), when treated as the top slice of that Shareholder's income, falls above the threshold for higher rate income tax.

United Kingdom resident taxpayers who are not liable to United Kingdom tax on dividends, including pension funds and charities, will not be liable to pay tax on the Single Dividend.

United Kingdom resident corporate Shareholders will generally not be subject to corporation tax on the Single Dividend.

Non-United Kingdom resident Shareholders will not generally be able to claim repayment from HM Revenue and Customs under any double tax treaty in respect of the tax credit associated with the Single Dividend. A Shareholder resident outside the United Kingdom may be subject to foreign taxation on dividend income under local law. Shareholders who are not resident in the United Kingdom for tax purposes should consult their own tax adviser concerning their tax liabilities on dividends received from the Company.

Taxation of chargeable gains

For CGT purposes, the Single Dividend (and the consequent conversion of the C Shares into Deferred Shares) will not be treated as giving rise to a disposal or part disposal of the C Shares.

Shareholders who receive the Single Dividend should note that, consequent to the Capital Reorganisation, a proportion of the base cost, for CGT purposes, of their Existing Ordinary Shares will be attributed to the C Shares and this amount will continue to be attributed to those C Shares following their conversion into Deferred Shares (notwithstanding that the Deferred Shares have limited rights or value). Correspondingly, only a proportion of the base cost of the original holding of Existing Ordinary Shares will be available on a disposal of New Ordinary Shares.

A disposal of the Deferred Shares (including a repurchase of the Deferred Shares) will be treated as a disposal of those shares for CGT purposes and may result in a Shareholder realising a capital loss. However, Shareholders liable to corporation tax should note that it is likely that section 30 of the Taxation of Chargeable Gains Act 1992 would be regarded as being applicable to such a Shareholder who elects for the Single Dividend. In such event, the effect would be broadly to deny the relevant Shareholder any capital loss arising on disposal of the Deferred Shares to the extent that loss arises as a consequence of payment of the Single Dividend.

(c) Alternative 2 – Redemption of B Shares under the Immediate Capital Alternative and purchase of C Shares under the Broker's Offer

The Company has been advised that the redemption of B Shares by the Company under the Immediate Capital Alternative should be treated as a disposal of those shares for United Kingdom tax purposes and that a sale of C Shares by a Shareholder to Merrill Lynch pursuant to the Broker's Offer should also be treated as a third party disposal for United Kingdom tax purposes.

Accordingly:

- (i) Shareholders whose B Shares are redeemed under the Immediate Capital Alternative or whose C Shares are purchased by Merrill Lynch pursuant to the Broker's Offer should be treated as having disposed of those shares for CGT purposes. This may, depending on individual circumstances, give rise to a liability to CGT. Any gain or loss will be calculated by reference to the difference between the redemption price (in the case of B Shares) or purchase price (in the case of C Shares) and the Shareholder's base cost in the B Shares or C Shares that are redeemed or sold (as the case may be). Shareholders are referred to paragraph (a) above for information on how the base cost attributable to their B Shares or C Shares (as applicable) will be determined in the computation of any gain or loss arising.

- (ii) The amount of CGT, if any, payable by an individual Shareholder on the redemption of their B Shares or a sale of their C Shares will depend on his or her personal tax position. No tax will be payable on any gain realised on a redemption of B Shares or sale of C Shares if the amount of the chargeable gain realised by the Shareholder, when aggregated with other chargeable gains realised by the Shareholder in the year of assessment in question (and after taking account of indexation and taper relief and such other exemptions and allowable losses as may be available in each case), does not exceed the applicable Shareholder's annual exemption. Broadly, any gains in excess of this amount will be taxed at a rate of 10 per cent. for a taxpayer paying tax at the starting rate, 20 per cent. for a taxpayer paying tax at the basic rate and 40 per cent. for higher rate taxpayers. Indexation allowance will be available in respect of periods of ownership of Existing Ordinary Shares up to 5 April 1998 and taper relief may be available thereafter.
- (iii) A corporate Shareholder is taxable on all of its chargeable gains, subject to other reliefs. Taper relief is not available to a corporate Shareholder. However, corporate Shareholders are entitled to indexation allowance up to the date the chargeable gain is realised.
- (iv) No part of the proceeds received by a Shareholder on the redemption of B Shares under the Immediate Capital Alternative or on a sale of C Shares to Merrill Lynch pursuant to the Broker's Offer should be an income distribution in the Shareholder's hands.
- (v) In the event that the C Shares are not purchased under the Broker's Offer and the Default C Share Dividend becomes payable, such Default C Share Dividend will be subject to United Kingdom tax in the relevant Shareholder's hands in the same way as the Single Dividend (described in paragraph (b) above).

(d) Alternative 3 – Redemption of B Shares under the Deferred Capital Alternative

On 9 October 2007 the United Kingdom Government announced a number of proposed changes to the capital gains tax regime, including the withdrawal of taper relief and indexation allowance and a single, flat rate of capital gains tax set at 18 per cent. It was announced that these changes would have effect for disposals made on or after 6 April 2008 (even if the asset disposed of was acquired before this date). If legislation to implement these changes is enacted to implement the changes that have been announced, then it is expected that:

- (i) Shareholders whose B Shares are redeemed under the Deferred Capital Alternative should be treated as having disposed of those shares for CGT purposes. This may, depending on individual circumstances, give rise to a liability to CGT. Any gain or loss will be calculated by reference to the difference between the redemption price and the Shareholder's base cost in the B Shares that are redeemed. Shareholders are referred to paragraph (a) above for information on how the base cost attributable to their B Shares will be determined in the computation of any gain or loss arising.
- (ii) The amount of CGT, if any, payable by an individual Shareholder on the redemption of their B Shares under the Deferred Capital Alternative will depend on his or her personal tax position. No tax will be payable on any gain realised on a redemption of B Shares if the amount of the chargeable gain realised by the Shareholder, when aggregated with other chargeable gains realised by the Shareholder in the year of assessment in question (and after taking into account any exemptions and allowable losses as may be available in each case), does not exceed the applicable Shareholder's annual exemption. In accordance with the changes announced on 9 October 2007, any gains in excess of this amount should be taxed at a flat rate of 18 per cent. however taper relief and indexation allowance will no longer be available.
- (iii) A corporate Shareholder is taxable on all of its chargeable gains, subject to other reliefs. Corporate Shareholders are currently entitled to indexation allowance up to the date the chargeable gain is realised. The changes announced on 9 October 2007 included the withdrawal of indexation relief. However, as HM Revenue and Customs also announced that companies that are liable to corporation tax in respect of their chargeable gains would not be affected by any of the proposed changes, it is expected that companies should continue to be entitled to indexation relief in respect of disposals made on or after 6 April 2008.

- (iv) No part of the proceeds received by a Shareholder on the redemption of B Shares under the Deferred Capital Alternative should be an income distribution in the Shareholder's hands.

Shareholders who elect for the Deferred Capital Alternative should note that legislation to implement these changes has not yet been published and although draft legislation is expected to be published later this year it is possible that the changes may be implemented in a manner that results in a materially different tax treatment from that outlined above. Accordingly, Shareholders who elect for, or are considering electing for, the Deferred Capital Alternative are strongly advised to consult an appropriate adviser.

(e) Chapter 1, Part 13 Income Tax Act 2007 ("ITA 2007")

If Chapter 1, Part 13 ITA 2007 applied in respect of the redemption of B Shares under the Immediate Capital Alternative or the Deferred Capital Alternative or the sale of C Shares under the Broker's Offer, Shareholders who are United Kingdom resident income taxpayers might be liable to taxation as if they had received a dividend equal to the amount received on redemption of the B Shares or the price received for the sale of the C Shares. The Company has not applied for a clearance under section 701 ITA 2007 in this regard. However, having consulted with leading tax counsel, the Company does not expect that Chapter 1, Part 13 ITA 2007 should apply to Shareholders who elect for the Immediate Capital Alternative or the Deferred Capital Alternative, in the absence of particular circumstances affecting a Shareholder's position. If, however, Chapter 1, Part 13 ITA 2007 were to apply, UK resident income taxpayers who elect for the Immediate Capital Alternative or the Deferred Capital Alternative are likely to be liable to taxation as if they had received a dividend equal to the amount received to redeem their B Shares or the price received for their sale of the C Shares (as the case may be).

(f) Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

Except in relation to depositary receipt arrangements or clearance services to which special rules apply:

- (i) No stamp duty or SDRT will be payable on the issue of the B Shares or the C Shares.
- (ii) No stamp duty or SDRT will be payable on the redemption of B Shares.
- (iii) An agreement to sell B Shares or C Shares will normally give rise to liability on the purchaser to SDRT, at the rate of 0.5 per cent. of the actual consideration paid. If an instrument of transfer of the B Shares or C Shares (as the case may be) is subsequently produced it will generally be subject to stamp duty at the rate of 0.5 per cent. of the actual consideration paid (rounded up, to the nearest £5). When such stamp duty is paid, the SDRT charge will be cancelled and any SDRT already paid will be refunded. Stamp duty and SDRT is generally the liability of the purchaser.
- (iv) For the avoidance of doubt, a sale of C Shares under the Broker's Offer will not give rise to any liability to stamp duty or SDRT for the selling Shareholder.

2. United States taxation in respect of the Deferred Capital Alternative

If US investors choose the Deferred Capital Alternative in respect of some or all of their Share Entitlement, then those investors are likely to be subject to tax in respect of their receipt of B Shares in 2007, even though they will not receive cash in respect of such B Shares until the Second Payment Date expected to be in July 2008. As a result, US investors choosing the Deferred Capital Alternative would need to fund any resulting US federal income tax liability for 2007 from sources other than the cash they receive in respect of their B Shares.

The discussion of US tax matters set forth above was written in connection with the promotion or marketing of the Return of Cash and was not intended or written to be used, and cannot be used, by any holder or beneficial owner of shares in the Company for the purpose of avoiding tax-related penalties under US federal, state or local tax law. Each holder or beneficial owner of shares in the Company should seek advice based on its particular circumstances from an independent tax adviser.

Part 10: Additional information

1. Summary of the rights and restrictions attaching to the New Ordinary Shares

The rights and restrictions attaching to the New Ordinary Shares will be as set out in the Articles of Association of the Company in relation to the Existing Ordinary Shares but amended as proposed at the Extraordinary General Meeting. These rights and restrictions may be summarised as regards income, return of capital and voting as follows:

Income: Subject to the payment of the Single Dividend and, if applicable, the Default Dividend on the C Shares, the holders of the New Ordinary Shares shall be entitled to be paid any further profits of the Company available for distribution and determined to be distributed. Any dividend payable on the New Ordinary Shares which has remained unclaimed for 12 years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and shall cease to remain owing by the Company.

Capital: On a return of capital on a winding-up (excluding any intra-group reorganisation on a solvent basis) after paying such sums as may be due in priority to the holders of any other class of shares in the capital of the Company (including the B Shares and the C Shares) any further such amount shall be paid to the holders of the New Ordinary Shares rateably according to the amounts paid up or credited as paid up in respect of each New Ordinary Share up to the nominal value of each New Ordinary Share and £100,000,000,000 per holder of a New Ordinary Share. Any further such amount remaining after such payments to the holders of New Ordinary Shares shall be paid to the holders of the Deferred Sterling Shares up to the nominal value of such shares and the Deferred Shares up to the nominal value paid up or credited as paid up on such shares in accordance with the Articles of Association as amended by the Resolution.

Voting: The holders of the New Ordinary Shares shall be entitled in respect of their holding of such shares to receive notice of any general meeting of the Company and to attend and vote at any such general meeting. At any such meeting, on a show of hands, every holder of New Ordinary Shares present in person shall have one vote and every such holder present in person or by proxy shall upon a poll have one vote for every New Ordinary Share of which he is the holder.

2. Form

The New Ordinary Shares, the B Shares and the C Shares are not renounceable and will be transferable by an instrument of transfer in usual or common form. The New Ordinary Shares, the B Shares and the C Shares will be in registered form. The Company will apply for the New Ordinary Shares to be admitted to CREST with effect from the Admission Date. Accordingly, settlement of transactions in the New Ordinary Shares may take place within the CREST system in respect of general market transactions.

3. CREST

Shareholders who hold their Existing Ordinary Shares in CREST will, following the Share Capital Consolidation, have their CREST accounts credited with New Ordinary Shares under the ISIN GB00B28KQ186 on the Admission Date. In addition, Shareholders who hold their Existing Ordinary Shares in CREST and who have elected to retain B Shares pursuant to the Deferred Capital Alternative will have their CREST accounts credited with such B Shares under the new ISIN GB00B28M6N69 on the Admission Date.

4. Electing through CREST

If Shareholders hold their Existing Ordinary Shares in CREST they will not be sent an Election Form with this document. Such Shareholders should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Existing Ordinary Shares held at the Record Time (expected to be 6 p.m. on 23 November 2007) in respect of which they are making an election to an escrow balance, specifying Equiniti in its capacity as a CREST receiving agent (under its participant ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles not later than the Election Deadline (expected to be 4.30 p.m. on 23 November 2007). If Shareholders purchase, sell or transfer any Existing Ordinary Shares registered in their name(s) before the Record Time, they should take care to ensure that their election is in respect of the number of Existing Ordinary Shares that will be registered in their name(s) at the Record Time.

If Shareholders are CREST personal members, they should refer to their CREST sponsor before taking any action. CREST sponsors will be able to confirm details of Shareholders' participant ID and the member account ID under which their Existing Ordinary Shares are held. In addition, only CREST sponsors will be able to give the TTE Instruction to Euroclear by which Shareholders are making their election.

To make an election, Shareholders should give (or, if they are a CREST personal member, procure that their CREST sponsor gives) a TTE Instruction, which must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of Existing Ordinary Shares to be transferred to the escrow account;
- (b) the participant ID;
- (c) the member account ID;
- (d) the corporate action ISIN, which is GB00B16BRD58;
- (e) the corporate action number of the Return of Cash. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- (f) the intended settlement date for the transfer to escrow, which should be as soon as possible and in any event not later than the Election Deadline;
- (g) the standard delivery instruction priority of 80; and
- (h) the name and contact number inserted in the shared note field.

How to elect for the Dividend Alternative

Shareholders who hold their Existing Ordinary Shares in CREST and who wish to elect for the Dividend Alternative in respect of all of their Share Entitlement need take no action. Shareholders who do not give a TTE Instruction will automatically receive the Single Dividend in respect of all of their Share Entitlement.

Shareholders who hold their Existing Ordinary Shares in CREST and who wish to make an election for the Dividend Alternative in respect of some of their Share Entitlement should give (or, if they are a CREST personal member, procure that their CREST sponsor gives) a TTE Instruction with the following information, in addition to the information listed above:

- the participant ID of Equiniti, which is 2RA86; and
- the member account ID of Equiniti, which for these purposes is MANROC01.

How to elect for the Immediate Capital Alternative

Shareholders who hold their Existing Ordinary Shares in CREST and who wish to elect for the Immediate Capital Alternative in respect of some or all of their Share Entitlement should give (or, if they are a CREST personal member, procure that their CREST sponsor gives) a TTE Instruction with the following information, in addition to the information listed above:

- the participant ID of Equiniti, which is 2RA86; and
- the member account ID of Equiniti, which for these purposes is MANROC02.

How to elect for the Deferred Capital Alternative

Shareholders who hold their Existing Ordinary Shares in CREST and who wish to elect for the Deferred Capital Alternative in respect of some or all of their Share Entitlement should give (or, if they are a CREST personal member, procure that their CREST sponsor gives) a TTE Instruction with the following information, in addition to the information listed above:

- the participant ID of Equiniti, which is 2RA86; and
- the member account ID of Equiniti, which for these purposes is MANROC03.

The default position where a Shareholder makes an election which in total exceeds their holding of Existing Ordinary Shares at the Record Time

If Shareholders send a TTE Instruction which details a number of Existing Ordinary Shares to be transferred to the escrow account which in total exceeds their holding of Existing Ordinary Shares at the Record Time, their election will be disregarded to the extent of such excess in the following order:

- first, their election (if any) in respect of the Deferred Capital Alternative;
- second, their election (if any) in respect of the Immediate Capital Alternative; and
- third, their election (if any) in respect of the Dividend Alternative.

The default position where a Shareholder makes an election which in total is less than their holding of Existing Ordinary Shares at the Record Time

If Shareholders send a TTE Instruction which details a number of Existing Ordinary Shares to be transferred to the escrow account which in total is less than their holding of Existing Ordinary Shares at the Record Time, they will be deemed to have elected for the Dividend Alternative in respect of the balance of their holding.

Subsequent rematerialisation of Existing Ordinary Shares

If the Existing Ordinary Shares to which any TTE Instruction relates are currently held in uncertificated form in CREST and are subsequently rematerialised into certificated form before the Election Deadline, any TTE Instruction given will become invalid. Shareholders who subsequently hold their Existing Ordinary Shares in certificated form will need to submit a valid Election Form bearing details of the new shareholding account to be received by Equiniti by the Election Deadline. Election Forms can be obtained by telephoning the Shareholder helpline on 0870 240 7990 (+44 121 415 0268 if calling from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. on any Business Day.

General

The Directors shall determine all questions as to the form and validity (including time and place of receipt) of any TTE Instruction, in their absolute discretion, which determination shall be final and binding. The Directors also reserve the absolute right to waive any defect or irregularity in relation to, or in relation to the receipt of, any TTE Instruction completed by or on behalf of any Shareholder, and such determination will be binding on such Shareholder. The Directors shall not be liable to Shareholders for any loss arising from the determination of questions as to the form and validity (including time and place of receipt) of any Election Form or TTE Instruction, unless attributable to their own wilful default, fraud or negligence and the Directors shall not be under any duty to give notification of any defect or irregularity in any TTE Instruction or incur any liability for failure to give any such notice.

After the end of the Election Period, any election made is irrevocable. If the Election Period is extended, withdrawal rights will also be extended (withdrawal rights are described more fully in paragraph 6 of Part 5 of this document). No authority conferred by or agreed to by the giving of a TTE Instruction will be affected by, and all such authority will survive, the death or incapacity of the Shareholder giving such instruction. All obligations of such Shareholder will be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

Final instructions on sending a TTE Instruction

In order for an election through CREST to be valid, the TTE Instruction must comply with the requirements as to authentication and contents set out above and must settle by the Election Deadline (expected to be 4.30 p.m. on 23 November 2007).

CREST members and (where applicable) their CREST sponsors should note that the last time at which a TTE Instruction may settle is the Election Deadline.

Shareholders who do not send a valid TTE Instruction will be deemed to have elected for the Dividend Alternative in respect of all of their Share Entitlement.

Shareholders who need assistance in electing through CREST or have any queries relating to it should telephone the Shareholder helpline on 0870 240 7990 (+44 121 415 0268 if

calling from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. on any Business Day. Please note that the Shareholder helpline will not provide advice on the merits of the Alternatives or give any financial or tax advice.

5. Agreements in relation to the Broker's Offer

The following agreements have been entered into, or are intended to be entered into, in relation to the Broker's Offer.

Offer Agreement

Under the Offer Agreement, Merrill Lynch has agreed that it will purchase, as principal, those C Shares which are issued to Shareholders that validly elect, or are deemed to have validly elected, for the Immediate Capital Alternative in the manner and on the terms set out in this document, the Election Form and the Offer Agreement. The obligation of Merrill Lynch to purchase such C Shares is conditional on the satisfaction, or waiver by Merrill Lynch, of a number of conditions, including: (a) the passing of the Resolution; (b) the execution by the Company of the Put Option Agreement referred to below; (c) delivery by the Company of confirmation to Merrill Lynch that there has been no material reduction in its distributable reserves since the date of the Offer Agreement; and (d) an amount equal to the Sterling Equivalent of US\$1.40 per C Share which the Company may be required to purchase under the Put Option Agreement to be deposited by the Company or a subsidiary of the Company into a designated account in the name of the Company or, as appropriate, a subsidiary of the Company.

Put Option Agreement

If the Resolution is passed at the EGM, the Company and Merrill Lynch will enter into the Put Option Agreement. Under the Put Option Agreement, the Company will grant Merrill Lynch the right to require the Company to purchase the C Shares purchased by Merrill Lynch under the Broker's Offer. Upon the exercise by Merrill Lynch of its rights under the Put Option Agreement, the Company will pay Merrill Lynch the purchase price of the Sterling Equivalent of US\$1.40 per C Share purchased by Merrill Lynch under the Broker's Offer and any value added tax arising thereon as a result of a change in law from the date of the Put Option Agreement. In addition, the Company will pay to Merrill Lynch any interest accrued thereon and an amount equal to the aggregate stamp duty and stamp duty reserve tax, if any, paid or payable by Merrill Lynch in respect of C Shares purchased by Merrill Lynch under the Broker's Offer.

6. Consent

Merrill Lynch International has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of references to its name in the form and context in which they appear.

7. Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Clifford Chance LLP at 10 Upper Bank Street, London E14 5JJ and at the registered office of the Company from the date of this document up to and until the conclusion of the Extraordinary General Meeting and will also be available for inspection for at least 15 minutes before and during the Extraordinary General Meeting:

- (a) the current Articles of Association;
- (b) the list of the proposed amendments to the Articles of Association to be produced at the EGM;
- (c) the draft of the Articles of Association as proposed to be amended;
- (d) the consent letter referred to in paragraph 6 of this Part 10;
- (e) the Put Option Agreement; and
- (f) this document.

Part 11: Definitions

The following definitions apply throughout this document and the accompanying documents including the Form of Proxy and the Election Form, unless the context otherwise requires:

“Act”	the Companies Act 1985, as amended
“Admission”	admission to listing on the Official List and admission to trading on the London Stock Exchange’s main market for listed securities and a reference to Admission becoming “effective” is to be construed in accordance with the Listing Rules or the Standards (as applicable)
“Admission Date”	26 November 2007 (or such later date as the Directors may determine)
“Alternatives”	the Dividend Alternative, the Immediate Capital Alternative and the Deferred Capital Alternative, or any of them as the context may require
“Articles” or “Articles of Association”	the articles of association of the Company from time to time
“B Shares”	the redeemable preference shares of US\$1.40 each in the capital of the Company carrying the rights and restrictions summarised in Part 6 of this document
“BACS”	the Bankers Automated Clearing System
“Board” or “Directors”	the board of directors of the Company or a duly appointed committee thereof
“Broker’s Offer”	the transaction by which Merrill Lynch, acting as principal, is expected to purchase C Shares issued pursuant to the Immediate Capital Alternative for the Sterling Equivalent of US\$1.40 per C Share on the Broker’s Offer Date
“Broker’s Offer Date”	a date between 4 December 2007 and 10 December 2007 (inclusive) on which Merrill Lynch is expected to purchase C Shares under the Broker’s Offer
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which sterling deposits may be dealt in on the London inter-bank market and commercial banks are open for general business in London
“C Shares”	the non-cumulative irredeemable preference shares of 0.001 US cent each in the capital of the Company carrying the rights and restrictions summarised in Part 7 of this document
“Capital Reorganisation”	the reorganisation of the Company’s share capital comprising the Share Capital Consolidation and the allotment and issue of B Shares and/or C Shares
“Company” or “Man Group plc”	Man Group plc, incorporated in England and Wales with company number 2921462
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear is the Operator (as defined in such regulations)
“CREST Proxy Instruction”	a properly authenticated CREST message appointing and instructing a proxy to attend and vote in place of a Shareholder at the Extraordinary General Meeting and containing the information required to be contained in the manual published by Euroclear

“Default Dividend”	the single dividend of US\$1.40 per C Share to be declared on the Default Dividend Date, the Default Sterling Equivalent of which is to be sent to holders of C Shares on the Default Payment Date, as more fully described in paragraph 4 of Part 5 of this document
“Default Deadline”	6 p.m. on the Business Day immediately prior to the Default Dividend Date
“Default Dividend Date”	such date as the Directors in their absolute discretion may determine between 21 January 2008 and 24 January 2008 (inclusive)
“Default Payment Date”	such date as the Directors in their absolute discretion may determine between 28 January 2008 and 31 January 2008 (inclusive)
“Default Sterling Equivalent”	the sterling equivalent of any US dollar amount, when converted from US dollars to sterling at an exchange rate chosen by the Directors in their absolute discretion on the Default Dividend Date
“Deferred Capital Alternative”	the allotment and issue of B Shares to be redeemed by the Company on the Second Effective Date with the Deferred Sterling Equivalent of such redemption proceeds to be sent to holders of such B Shares on the Second Payment Date, as more fully described in Parts 1 and 5 of this document
“Deferred Shares”	the deferred shares of 0.001 US cent each in the capital of the Company carrying the rights and restrictions summarised in Part 8 of this document
“Deferred Sterling Equivalent”	the sterling equivalent of any US dollar amount, when converted from US dollars to sterling at an exchange rate chosen by the Directors in their absolute discretion on the Second Effective Date
“Deferred Sterling Shares”	the deferred sterling shares of £1 each in the capital of the Company
“Dividend Alternative”	the allotment and issue of C Shares on which the Single Dividend shall be declared on the Dividend Declaration Date, the Sterling Equivalent of which is to be sent to holders of such C Shares on the First Payment Date, as more fully described in Parts 1 and 5 of this document
“Dividend Declaration Date”	26 November 2007 (or such later date as the Directors in their absolute discretion may determine)
“Election Deadline”	4.30 p.m. on 23 November 2007 (or such later time and/or date as the Directors in their absolute discretion may determine)
“Election Form”	the election form enclosed with this document, where this document is sent to Shareholders who hold their Existing Ordinary Shares in certificated form
“Election Period”	the period from the date of this document until the Election Deadline during which time Shareholders may make elections for one or more of the Alternatives
“Equiniti”	the Company’s registrars, Equiniti Financial Services Limited and Equiniti Limited (together or separately “ Equiniti ”) of Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, England
“ESA Message”	a message through CREST to Equiniti in its capacity as escrow agent requesting a withdrawal of Existing Ordinary Shares from the escrow balance

“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST (formerly known as CRESTCo Limited)
“Existing Ordinary Shares”	the existing ordinary shares of 3 US cents each in the capital of the Company
“Extraordinary General Meeting” or “EGM”	the Extraordinary General Meeting of the Company or any adjournment thereof to be held at Centennium House, 100 Lower Thames Street, London EC3R 6DL at 10.30 a.m. on 23 November 2007
“Finance Act”	the Finance Act 1996
“First Effective Date”	such date as the Directors in their absolute discretion may determine between 30 November 2007 and 6 December 2007 (inclusive) being the date on which the Single Dividend will become payable and the B Shares issued under the Immediate Capital Alternative will be redeemed
“First Payment Date”	such date as the Directors in their absolute discretion may determine between 6 December 2007 and 13 December 2007 (inclusive) being the date on which cash is expected to be sent to Shareholders under the Dividend Alternative and the Immediate Capital Alternative
“Form of Proxy”	the form of proxy enclosed with this document for use by Shareholders in connection with the Extraordinary General Meeting
“FSA”	Financial Services Authority
“FSMA”	Financial Services and Markets Act 2000, as amended
“HM Revenue and Customs”	Her Majesty’s Revenue and Customs
“Immediate Capital Alternative”	the allotment and issue of (i) B Shares to be redeemed by the Company on the First Effective Date with the Sterling Equivalent of such redemption proceeds to be sent to holders of such B Shares on the First Payment Date and (ii) if there are insufficient B Shares available C Shares expected to be purchased pursuant to the Broker’s Offer on the Broker’s Offer Date with the proceeds of the Broker’s Offer to be sent to holders of such C Shares on the First Payment Date, as more fully described in Parts 1 and 5 of this document
“ITA 2007”	the Income Tax Act 2007
“Listing Rules”	the listing rules made by the FSA for the purposes of Part VI of FSMA, as amended
“London Stock Exchange”	London Stock Exchange plc
“Man Group”	Man Group plc and its subsidiaries
“Man Group Share Schemes”	the Man Group Long Term Incentive Plan, Man Group 2006 Long-Term Incentive Plan, Man Group Sharesave Scheme, Man Group Executive Share Option Scheme 2001, Man Group Post-Tax Co-Investment Plan, in each case of the Company
“Merrill Lynch”	Merrill Lynch International
“New Ordinary Shares”	following the Capital Reorganisation, the new ordinary shares of 3 ³ / ₇ US cents each in the capital of the Company
“Non-United Kingdom Shareholder”	a Shareholder who is not resident in the United Kingdom or who is a citizen, resident or national of a country other than the United Kingdom. For the avoidance of doubt, a Shareholder who is not resident in the United Kingdom includes a Shareholder who is resident in the Channel Islands or the Isle of Man

“Offer Agreement”	the offer agreement entered into by the Company and Merrill Lynch dated 19 October 2007
“Official List”	the official list maintained by the FSA for the purposes of Part IV of FSMA, as amended
“Put Option Agreement”	the put option agreement to be entered into (subject to the passing of the Resolution) by the Company and Merrill Lynch
“Record Time”	6 p.m. on 23 November 2007 (or such later time and/or date as the Directors in their absolute discretion may determine)
“Regulatory Information Service”	a Regulatory Information Service on the list of Regulatory Information Services maintained by the FSA
“Resolution”	the resolution set out in the notice of the Extraordinary General Meeting contained in Part 12 of this document
“Return of Cash”	the transaction comprising the Capital Reorganisation and the Alternatives
“Second Effective Date”	such date as the Directors in their absolute discretion may determine between 1 July 2008 and 7 July 2008 (inclusive) being the date on which the B Shares issued under the Deferred Capital Alternative will be redeemed
“Second Payment Date”	such date as the Directors in their absolute discretion may determine between 7 July 2008 and 14 July 2008 (inclusive) being the date on which cash is expected to be sent to Shareholders under the Deferred Capital Alternative
“Share Capital Consolidation”	the consolidation and division of the Existing Ordinary Shares in the manner set out in paragraph (b) of the Resolution
“Share Entitlement”	the entitlement of each Shareholder to be allotted one B Share or one C Share for each Existing Ordinary Share held at the Record Time
“Shareholders”	holders of Existing Ordinary Shares, New Ordinary Shares, B Shares, C Shares or Deferred Shares, as the context may require
“Single Dividend”	a single dividend of US\$1.40 per C Share to be declared and paid in accordance with the Dividend Alternative
“Standards”	the “Admission and Disclosure Standards” of the London Stock Exchange
“Sterling Equivalent”	the sterling equivalent of any US dollar amount, when converted from US dollars to sterling at an exchange rate chosen by the Directors in their absolute discretion on the First Effective Date
“TTE Instruction”	transfer to escrow instruction
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States of America, its territories, possessions, any State of the United States of America and the District of Columbia
“US Securities Act”	the United States Securities Act of 1933 (as amended) and the rules and regulations promulgated thereunder

Part 12: Notice of Extraordinary General Meeting



Man Group plc (the “Company”)

(incorporated in England and Wales with company number 2921462)

Notice is hereby given that an Extraordinary General Meeting of the Company will be held at Centennium House, 100 Lower Thames Street, London EC3R 6DL at 10.30 a.m. on 23 November 2007 to consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

THAT, conditional on Admission of the New Ordinary Shares becoming effective by 8 a.m. on 26 November 2007 (or such later time and/or date as the Directors may in their absolute discretion determine):

- (a) the authorised share capital of the Company be and is hereby increased from US\$81,000,000 and £50,000 to US\$2,202,554,497 and £50,000 by the creation of 1,515,382,062 redeemable preference shares of US\$1.40 each in the capital of the Company (the “**B Shares**”) and 1,961,000,000 non-cumulative irredeemable preference shares of 0.001 US cent each in the capital of the Company (the “**C Shares**”) each having the rights and subject to the restrictions set out in the articles of association of the Company as proposed to be amended pursuant to paragraph (c) of this resolution;
- (b) the issued ordinary shares of 3 US cents in the capital of the Company (each an “**Existing Ordinary Share**”) held by each holder or joint holders at 6 p.m. on 23 November 2007 (or such other time and/or date as the Directors may in their absolute discretion determine) (the “**Record Time**”) be and are hereby consolidated into one unclassified share and forthwith upon such consolidation each such unclassified share be and is hereby divided into one New Ordinary Share for each $3\frac{3}{7}$ US cents of nominal value of such unclassified share provided that fractions of New Ordinary Shares shall not be issued and fractions of New Ordinary Shares (treating shares held in certificated form and shares registered in CREST as if they were separate holdings) shall be aggregated immediately prior to Admission and sold in the market and the net proceeds of sale paid in due proportion to those holders who would otherwise be entitled to such fractions save that individual entitlements of £3 or less shall be retained by the Company;
- (c) the articles of association of the Company shall be and are hereby amended in the manner set out in the list of amendments produced to the meeting and initialled for the purpose of identification by the Chairman;
- (d) the directors of the Company be and are hereby generally and unconditionally authorised to:
 - (i) capitalise a sum not exceeding US\$2,121,534,887 standing to the credit of the share premium account and merger reserve of the Company and to apply such amount in paying up in full at par up to a maximum of 1,515,382,062 B Shares;
 - (ii) capitalise a sum not exceeding US\$19,610 standing to the credit of the share premium account and merger reserve of the Company and to apply such amount in paying up in full at par up to a maximum of 1,961,000,000 C Shares; and
 - (iii) pursuant to section 80 of the Companies Act 1985 (as amended) (the “**Act**”), exercise all the powers of the Company to allot and issue up to 1,515,382,062 B Shares and 1,961,000,000 C Shares each credited as fully paid up to the holders of the Existing Ordinary Shares, provided that the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company or within 15 months from the date of the passing of this resolution whichever is earlier;
- (e) all authorised but unissued Existing Ordinary Shares which are unissued at the Record Time shall be and are hereby consolidated into one unclassified share and forthwith on such consolidation such unclassified share be and is hereby divided into one New Ordinary Share for every $3\frac{3}{7}$ US cents of nominal value of such unclassified share provided that any fraction of a New Ordinary

Share arising from such division shall be and is thereupon cancelled pursuant to section 121(2)(e) of the Act and the amount of the Company's authorised but unissued share capital diminished accordingly;

- (f) the terms of the proposed contract between Merrill Lynch International ("**Merrill Lynch**") and the Company (a draft of which is produced to the meeting and initialled for the purposes of identification by the Chairman) under which Merrill Lynch will be entitled, if it so chooses, to require the Company to purchase C Shares from it, be and is hereby approved and authorised for the purposes of section 165 of the Act and otherwise, but so that such approval and authority shall expire at the conclusion of the next annual general meeting of the Company or within 15 months from the date of the passing of this resolution whichever is earlier;
- (g) the existing authority of the Company to make market purchases (within the meaning of section 163(3) of the Act) of ordinary shares, granted by the Company on 12 July 2007 be amended such that:
 - (i) the maximum aggregate number of ordinary shares authorised to be purchased is reduced to 164,482,467; and
 - (ii) the minimum price which may be paid for an ordinary share is 3³/₇ US cents or the sterling equivalent of 3³/₇ US cents (calculated in accordance with the existing authority) per ordinary share,

but that such existing authority shall not be amended in any other respect;

- (h) with effect at 6 p.m. on the date falling one month after the Record Time any authorised but unissued B Shares and C Shares then existing shall be cancelled and the authorised but unissued capital of the Company reduced accordingly;
- (i) the share capital available for issue as a consequence of:
 - (i) any redemption of B Shares created pursuant to paragraph (a) above;
 - (ii) any purchase by the Company of C Shares created pursuant to paragraph (a) above; and
 - (iii) any purchase by the Company of deferred shares derived from any of the C Shares created pursuant to paragraph (a) above,be and is thereupon cancelled; and
- (j) for the purposes of this resolution:
 - (i) "**Admission**" means admission to listing on the official list maintained by the Financial Services Authority for the purposes of Part IV of the Financial Services and Markets Act 2000, as amended, and admission to trading on the London Stock Exchange's main market for listed securities;
 - (ii) "**certificated form**" means, in relation to any share, the title to which is not recorded in the register of members of the Company as being held in uncertificated form;
 - (iii) "**Directors**" means the directors of the Company or a duly appointed committee thereof;
 - (iv) "**CREST**" means the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such regulations);
 - (v) "**New Ordinary Share**" means a new ordinary share of 3³/₇ US cents in the capital of the Company having the rights and subject to the restrictions set out in the articles of association of the Company as proposed to be amended pursuant to paragraph (c) of this resolution; and
 - (vi) "**US cents**" means the lawful currency for the time being of the United States of America.

By Order of the Board
Peter L Clarke
Secretary
22 October 2007

Sugar Quay
Lower Thames Street
London EC3R 6DU

Notes

1. A Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him. Such proxy or proxies need not be a member or members of the Company. A Form of Proxy is enclosed with this document.
2. To be effective, the Form of Proxy, duly completed, must be lodged with the Company at the offices of Equiniti, FREEPOST SEA7111, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6US, England so as to be received by no later than 10.30 a.m. on 21 November 2007. The completion and return of a Form of Proxy will not preclude Shareholders entitled to attend and vote at the EGM from doing so in person if they so wish.
3. Alternatively, a member may register a proxy appointment electronically via the Equiniti website www.sharevote.co.uk subject to the terms and conditions shown on the website. The deadline for submission of a proxy in this way is the same as in note 2 above.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the EGM and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the CREST Proxy Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Equiniti by no later than 10.30 a.m. on 21 November 2007. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered in the register of members of the Company as at the close of business on 21 November 2007 shall be entitled to attend or vote at the EGM in respect of the number of Shares registered in their name at that time. Changes to entries on the relevant register of securities after the close of business on 21 November 2007 shall be disregarded in determining the rights of any person to attend or vote at the EGM.

