Financial results for the year ended 31 December 2017

Announced 28 February 2018

Luke Ellis
Chief Executive Officer
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Financial results for the year ended 31 December 2017

1. Introduction

Luke Ellis

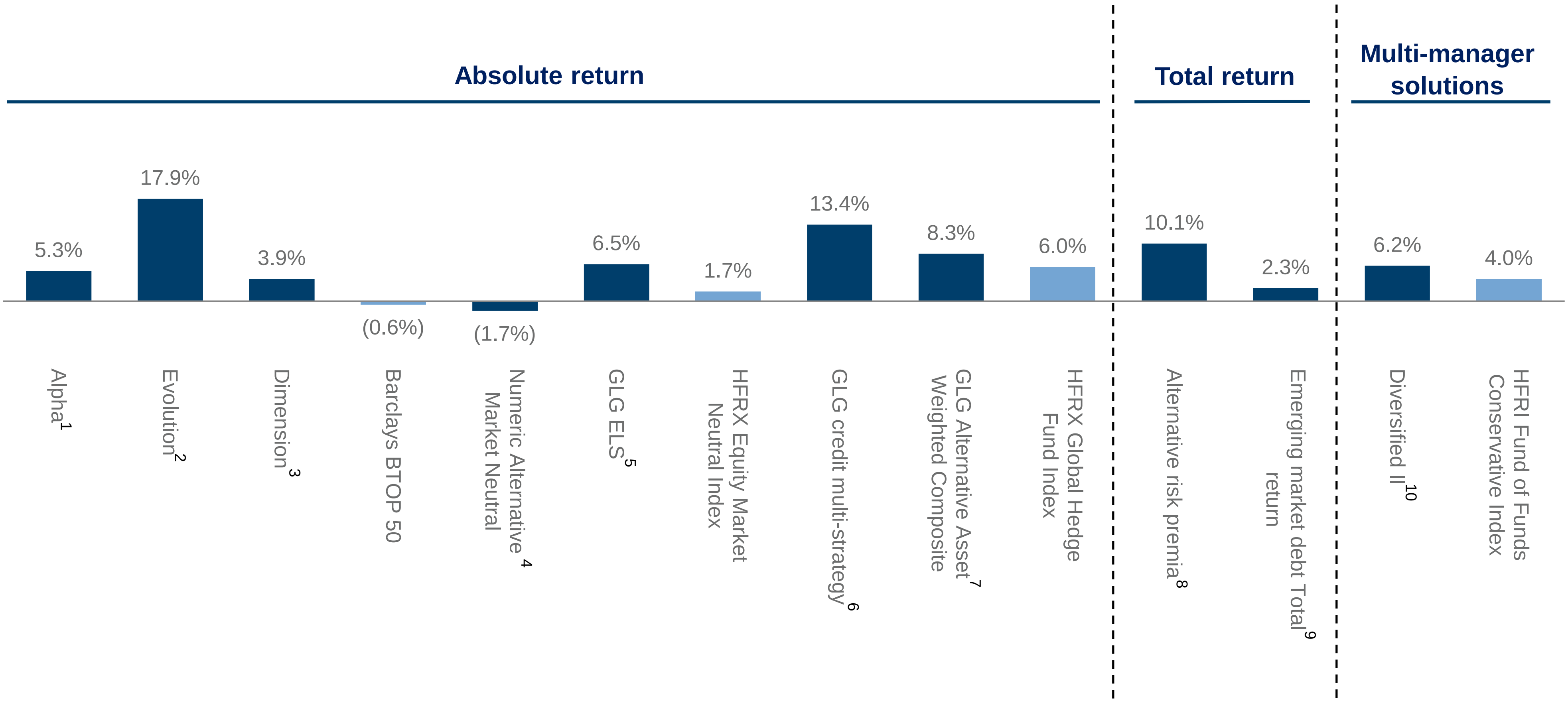
Chief Executive Officer

2017 Overview

- **Funds under management up 35% to $109.1bn**
  - Positive investment performance of $10.7bn
  - Record net inflows of $12.8bn for the year
  - Aalto acquisition, positive FX and other movements added $4.7bn
- **Positive investment performance, both absolute and relative**
  - Positive absolute performance across alternatives, relative performance also positive
  - Strong absolute performance in long only driven by market moves, most strategies outperformed relative to peers
- **Adjusted profit before tax of $384m, up 87% (2016: $205m) reflecting growth, performance and continued cost control**
  - Adjusted net management fee PBT $203m (2016: $178m)
  - Adjusted net performance fee PBT $181m (2016: $27m)
- **Statutory profit before tax of $272m**
- **Continued returns to shareholders**
  - Full year dividend per share of 10.8c, up 20%
  - Completed $100m share buyback announced in October 2016
  - Further $100m share buyback commenced in Q4, around $56m repurchased to date

Performance: alternative strategies had strong performance relative to peers

2017 absolute performance, %

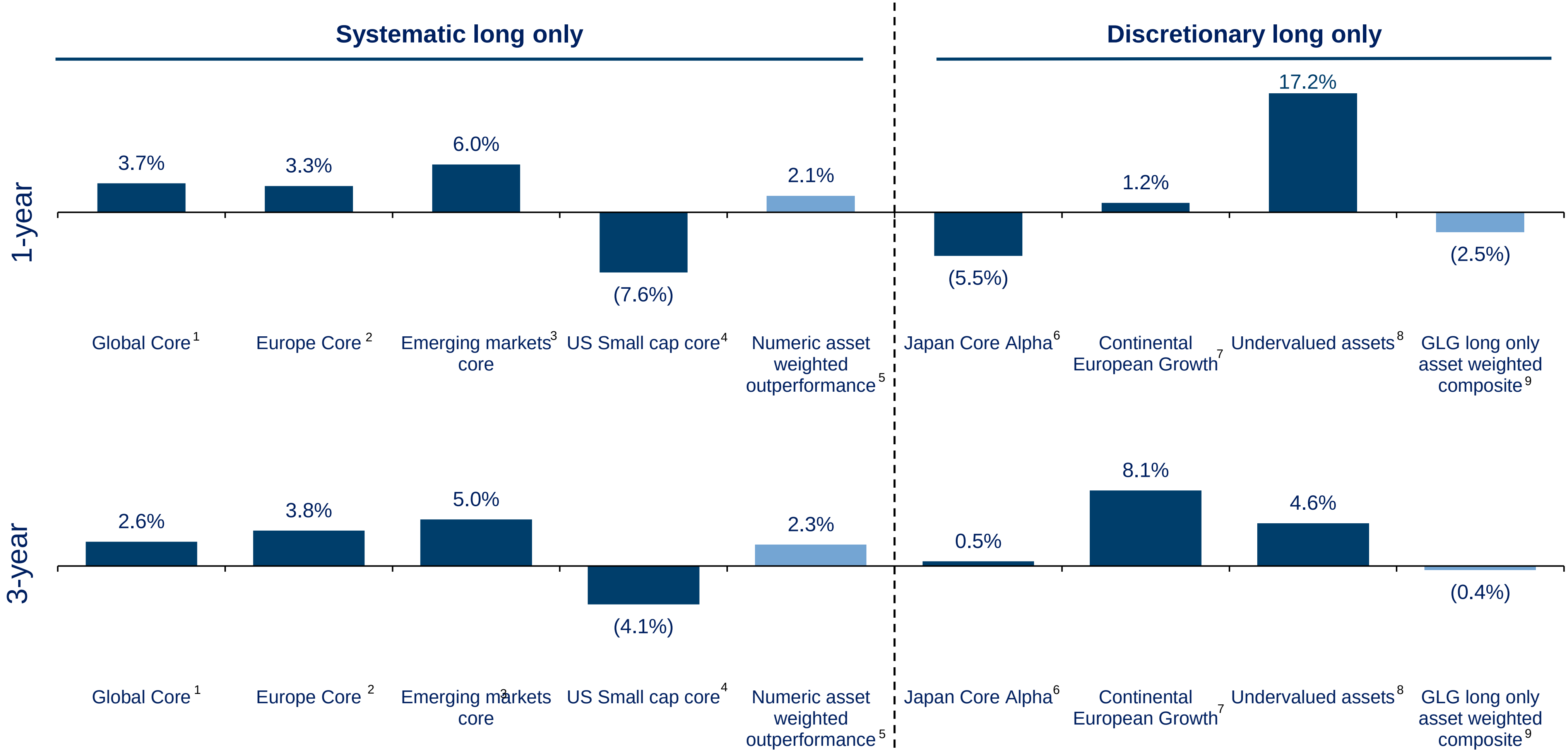


Performance figures shown net of representative management and performance fees. Past performance is not indicative of future performance. The indexes shown are for comparative purposes and may not necessarily be a formal benchmark or relative index as set for the strategies shown. Relative performance is provided for illustrative purposes to provide market information and is not meant to be an accurate comparison. Strategies shown include largest by current FUM or high growth strategies. 1. Represented by AHL Alpha (Cayman) Limited - USD Shares 2. Represented by AHL (Cayman) SPC: Class A1 Evolution USD Shares 3. Represented by AHL Strategies PCC Limited: Class B AHL Dimension USD Shares from 3 July 2006 to 31 May 2014, and by AHL Dimension (Cayman) Ltd - F USD Shares Class from 1 June 2014 until 28 February 2015 when AHL Dimension (Cayman) Ltd - A USD Shares Class is used. Representative fees of 1.5% Management Fee and 20% Performance Fee have been applied. 4. Numeric Alternative Market Neutral. The indexes shown are for comparative purposes and may not necessarily be a formal benchmark or relative index as set for the strategies shown. 5. Represented by GLG European Long Short Fund - Class D Unrestricted 6. Represented by Credit multi-strategy- Il XX USD Unrestricted 7. Returns are based on the asset-weighted performance of all accounts within the strategy, each account is represented by it's lead share class and performance is net-of-fees. 8. Represented by Man Alternative Beta Strategies SP – Class A USD. 9. Represented by GEM Debt TR – I USD. 10. Represented by FRM Diversified II Fund SPC - Class A USD.

Performance: outperformance overall, Japan's value style underperformed

Man

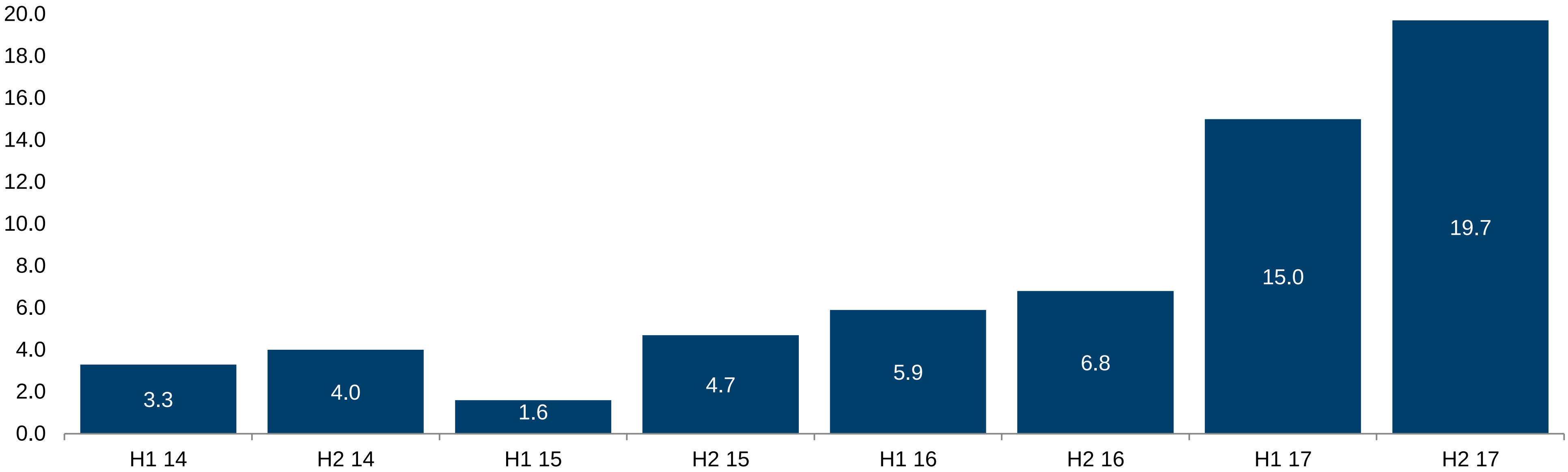
2017 relative performance, %



Performance figures shown net of representative management and performance fees. Past performance is not indicative of future performance. The indexes shown are for comparative purposes and may not necessarily be a formal benchmark or relative index as set for the strategies shown. Strategies shown include largest by current FUM or high growth strategies. 1. Numeric Global Core vs MSCI World 2. Numeric Europe Core vs MSCI Europe 3. Numeric Emerging Markets Core vs MSCI Emerging Markets. 4. Numeric US Small Cap Core vs Russell 2000. 5. Numeric's net asset weighted alpha for the period stated is calculated using the asset weighted average of the performance relative to the benchmark for all strategy composites available net of the highest management fees and, as applicable, performance fees that can be charged.6. Represented by Man GLG Japan CoreAlpha Equity Fund - Class I JPY vs Topix TR JPY 7. Represented by Man GLG Continental European Growth Fund Class C Accumulation Shares vs FTSE World Europe Ex UK GDTR GBP 8. Represented by Man GLG Undervalued Assets Fund - C Accumulation Shares vs FTSE All Share NDTR GBP 9. Returns are based on the asset-weighted performance of all accounts within the strategy, each account is represented by it's lead share class and performance is net-of-fees. vs a blend of representative benchmarks . Each underlying strategy's benchmark is weighted by the strategy's asset-weighting within the GLG Long-only $ weighted composite.

Client relationships: continued strong organic growth in our core business

Cumulative net inflows from H1 2014 excluding guaranteed products, $bn



- Strengthened existing client relationships and added a significant number of new relationships
- These relationships helped us grow the business, clients continue to be invested broadly across the firm:
  - 73% of FUM relates to clients investing in two products or more
  - 56% of FUM relates to clients investing in four products or more
- The US continues to be an area of growth:
  - $10.8bn of gross sales from clients domiciled in the Americas, up from $6.4bn in 2016
  - $4.6bn of net flows from clients domiciled in the Americas, up from $2.2bn in 2016

Financial results for the year ended 31 December 2017

2. Financials

Mark Jones

Chief Financial Officer

P&L: Management and performance fee growth lead to 87% growth in adjusted PBT

$m		2016	2017	% change
Net revenues	Net management fees[1]	691	736	7
	Performance fees and investment gains[2]	112	333	197
	Total	**803**	**1,069**	**33**
Costs		**(587)**	**(676)**	**15**
Net interest expense		(11)	(9)	(18)
Adjusted PBT	Net management fee	178	203	14
	Net performance fee	27	181	570
	Total	**205**	**384**	**87**
Adjusting items		(477)	(112)	(77)
Statutory (loss) / profit		**(272)**	**272**	
Earnings per share	Adjusted net management	9.0c	10.8c	**20**
	Adjusted diluted	10.4c	20.3c	**95**
	Statutory diluted	(15.8)c	15.3c	

1. Includes gross management and other fees, distribution costs and share of post-tax profit of associates. 2. Includes income and gains on investments and other instruments and third party share of losses relating to interests in consolidated funds.

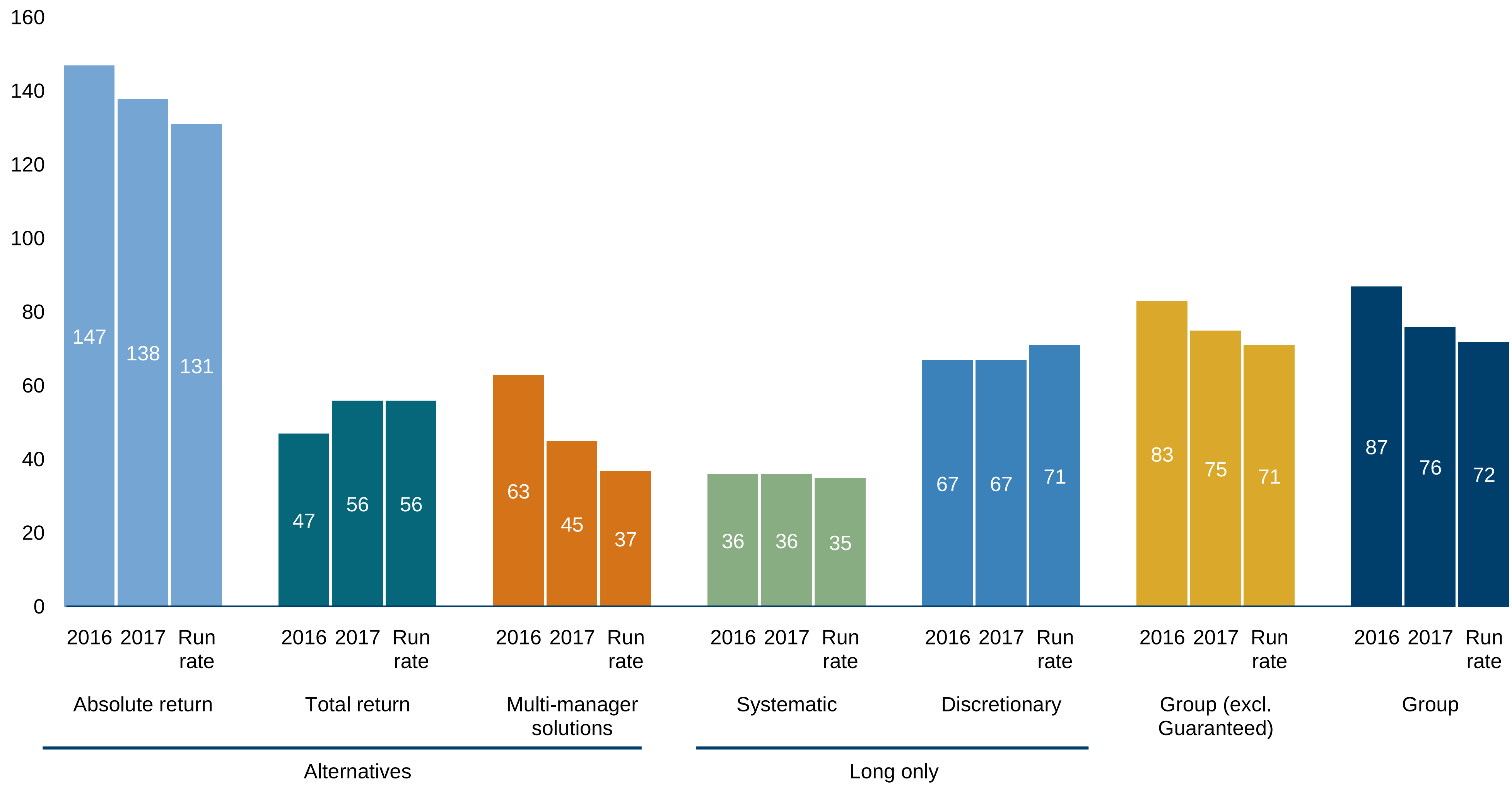
FUM: Growth across all Man's product areas

$bn		Dec-16 FUM	Q1-Q3 2017 net flows	Q4 2017 net flows	Net flows	P&L	FX	Other	Dec-17 FUM
Alternative	Absolute return	**25.4**	0.2	0.4	**0.6**	2.1	0.8	0.3	**29.2**
	Total return	**6.6**	5.9	2.3	**8.2**	0.1	0.4	1.2	**16.5**
	Multi-manager solutions	**11.8**	2.7	0.2	**2.9**	0.5	0.4	0.4	**16.0**
	Total	**43.8**	**8.8**	**2.9**	**11.7**	**2.7**	**1.6**	**1.9**	**61.7**
Long only	Systematic	**21.4**	0.6	(1.2)	**(0.6)**	5.8	0.2	-	**26.8**
	Discretionary	**15.3**	1.6	0.2	**1.8**	2.2	1.3	(0.2)	**20.4**
	Total	**36.7**	**2.2**	**(1.0)**	**1.2**	**8.0**	**1.5**	**(0.2)**	**47.2**
Guaranteed		**0.4**	**-**	**(0.1)**	**(0.1)**	**-**	**-**	**(0.1)**	**0.2**
Grand Total		**80.9**	**11.0**	**1.8**	**12.8**	**10.7**	**3.1**	**1.6**	**109.1**

- We have updated our FUM categorisation to better represent the nature of our business today
- We saw growth in all areas of our business, driven by positive performance in each area and positive net inflows everywhere apart from systematic long only
- Q4 outflow from systematic long only was driven by clients rebalancing portfolios following strong equity performance in 2017

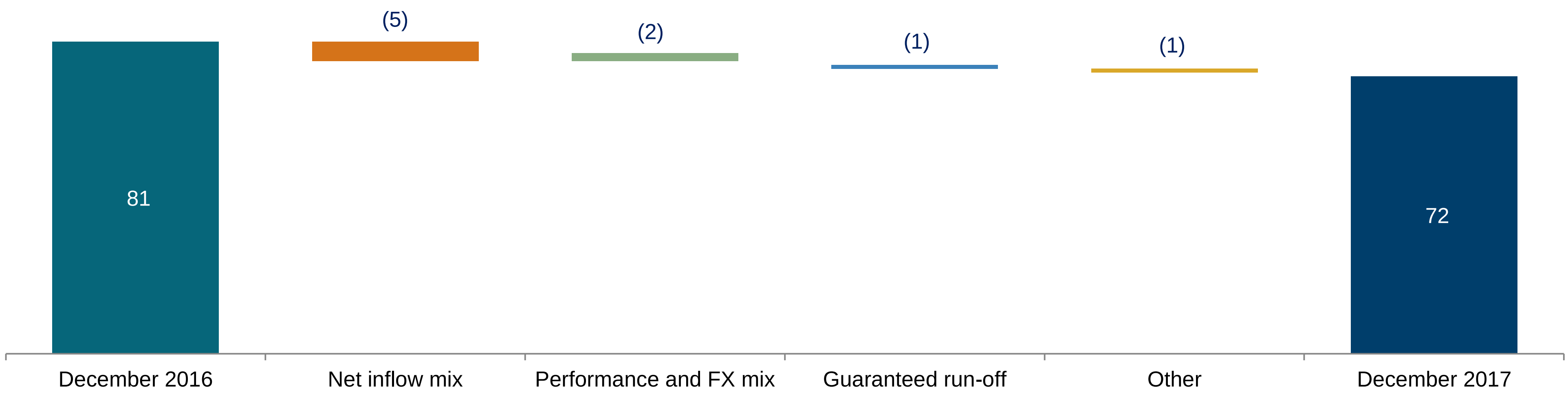
Margins: Group margin declines due to mix

Net management fee margin, bps



Margins: Net inflows and strong equity markets are main drivers of mix effect

Net run rate management fee margin, bps



- 5bps due to mix effects from net inflows in the period
- 2bps due to mix effects from strong investment performance and FX gains in lower margin strategies, most notably Numeric long only strategies
- 1bp due to the continued run-off of guaranteed products
- 1bp due to other movements including mix of clients within individual strategies and pricing adjustments

Management fees: Strong growth in core revenues in 2017

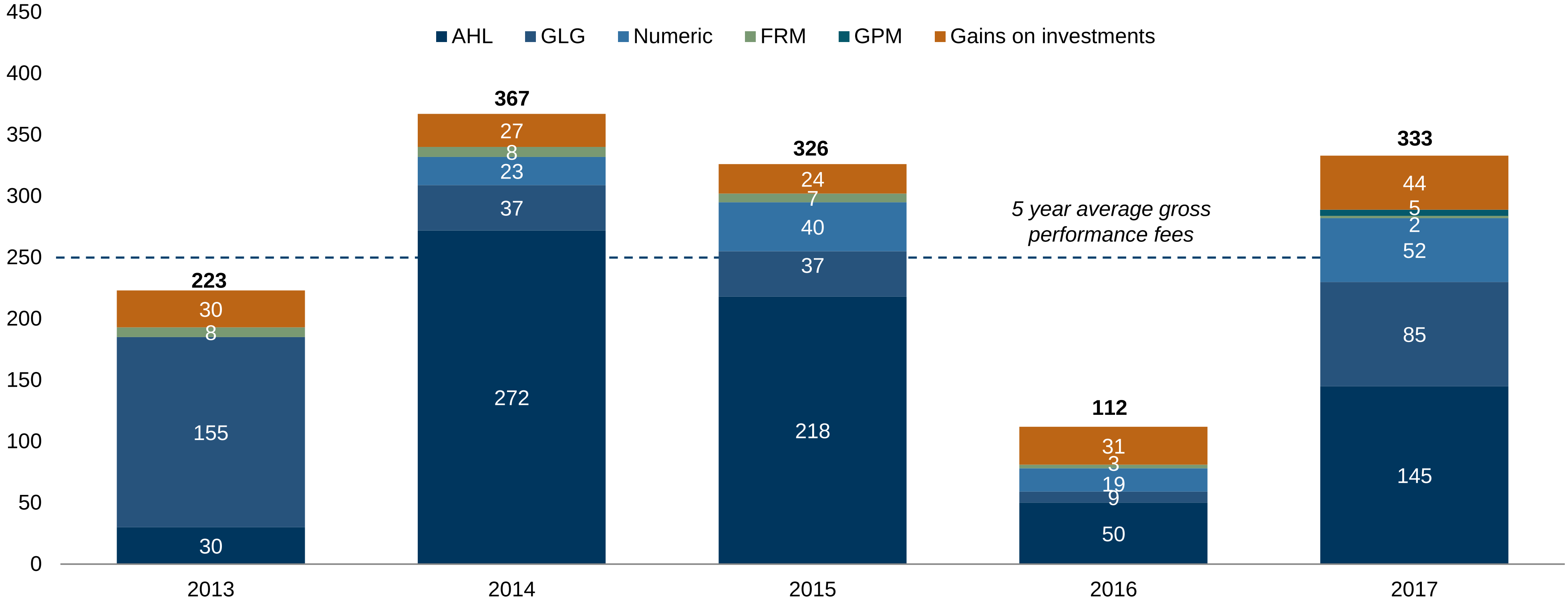
$m		2016	2017	Run rate[1]
Core	Absolute return	374	370	382
	Total return	27	68	93
	Multi-manager solutions	72	65	58
	Systematic long only	70	89	94
	Discretionary long only	102	119	144
	Total	**645**	**711**	771
Other	Guaranteed	31	12	10
	Commission income	13	5	-
	Associates/other income[2]	2	8	8
	Total	**46**	**25**	18
Total		**691**	**736**	789

- Net management fees in our core business rose $66m in 2017:
  - Strong growth in total return driven by inflows into EM debt and risk premia
  - Growth in long only in 2017 driven by net flows and equity market increases
  - Multi-manager decline driven by change in business mix to lower margin solutions provision
- Ongoing run off of our legacy business mean overall growth was slower, increasing by $45m in 2017
- Given the growth during 2017 we enter 2018 at higher run rate revenues

1. Run rate revenue applies internal analysis of run rate margin to year end FUM. It is for illustrative purposes and not a forecast. 2. Run rate associates and other income of $8m assumes associate income is equal to 2017 actuals and zero interest income from loans to funds. This is an illustrative run rate, not a forecast.

Performance fees: Strong performance fees show benefit of diversification

Gross performance fees and investment gains, $m



- Performance fee eligible FUM has increased from $27.5bn to $45.1bn over the last five years
- Five year average performance fee revenues were around $240m, investment gains of around $30m and performance fee profits of around $165m
- $39.9bn of performance fee eligible FUM at or within 5% of high water mark at December 2017, (approximately $28.7bn as of 21 February)

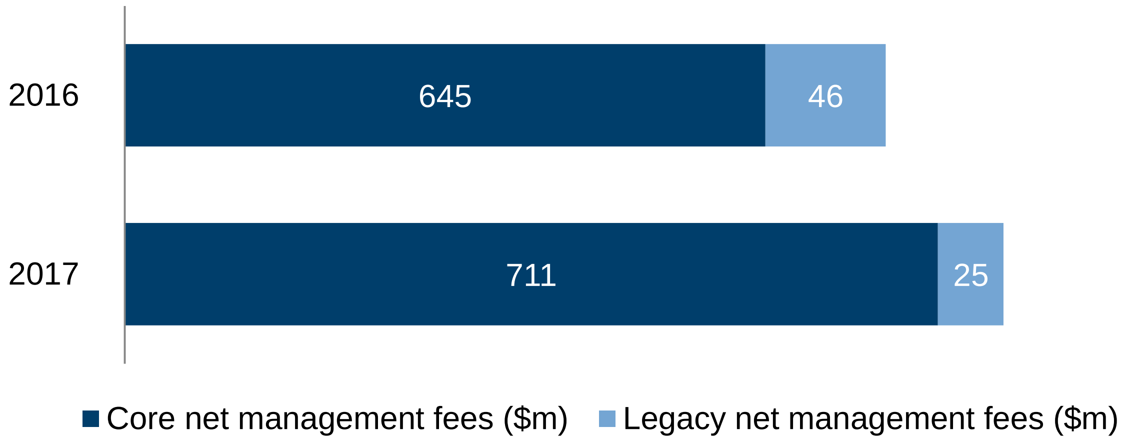
Costs: 4% reduction in fixed cash costs, compensation ratio drops to 44%

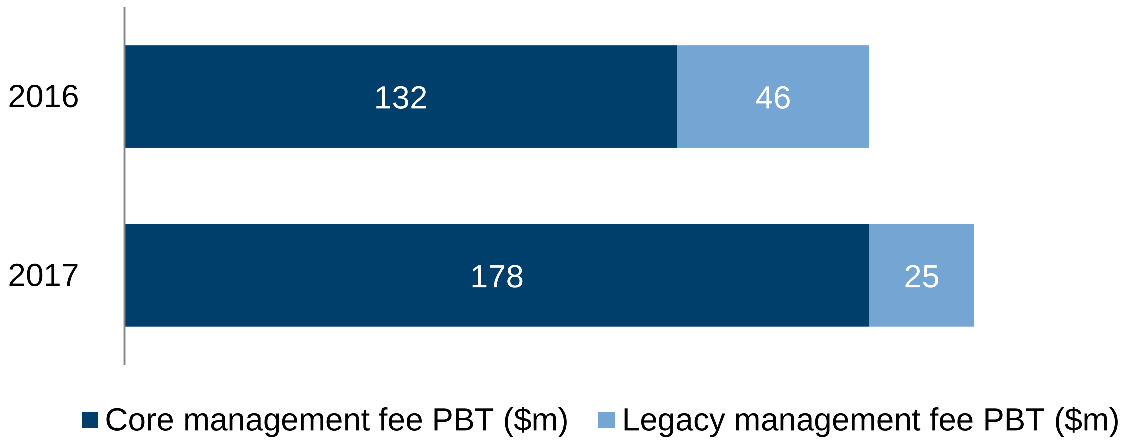
$m		2016	2017	% change
Costs	Fixed compensation	182	174	(4%)
	Variable compensation	206	300	46%
	Other cash costs	152	147	(3%)
	Asset servicing	33	37	12%
	D&A	14	18	29%
	Total	**587**	**676**	**15%**
Key metrics	*Fixed cash costs*	*334*	*321*	(4%)
	Compensation ratio	*48%*	*44%*	

- Compensation ratio in the lower half of our guided range of 40-50%
- 2017 fixed cash costs below guidance of $325m reflecting continued focus on efficiency
- Given the current growth potential we see, we intend to invest c.$15m into our investment and client service capabilities in 2018
- 2018 guidance for fixed cash costs is c.$330m after impact of investment, inflation, administrative costs associated with MiFID II, cost efficiencies (e.g. real estate) and FX benefit
- Majority of MiFID II costs will be in asset servicing which is expected to increase from around 6bp to around 7bp on eligible FUM[1] in 2018
- Overall MiFID II impact in line with estimate at Q3 trading statement

1. Asset servicing costs apply to FUM excluding systematic long only and GPM strategies.

Core business: Strong growth in management fee revenues and profits





- Our core business progressed strongly in 2017
  - Core net management fees grew 10%
  - Core management fee PBT increased 35%
- Legacy net management fees were 3% of total in 2017
- The growth in our core business increasingly drives our overall growth rate:
  - Net management fees grew 7%
  - Adjusted management fee PBT grew 14%

1. Legacy net management fees in 2016 and 2017 includes net management fees from guaranteed products, commission income and income from associates .

Capital: We continue to actively manage capital to benefit shareholders

	$m
Regulatory capital surplus at 31 December 2017	**256**
H2 2017 earnings and other reserve movements, net of proposed dividend	142
Receipt of cash for Dec-17 performance fees and redemption of seeding investment	62
Pro-forma regulatory capital surplus	**460**
Estimated 2019 IFRS 16 lease impact	(120)[1]
2019 pro-forma regulatory capital surplus	**340**

- Net tangible assets of $669m or 41 cents per share (equivalent to 30 pence per share)[1]
- Seed capital and loans to funds of $480m at 31 December 2017
- $1.4 billion of dividends and share repurchases in the last 5 years, $0.9 billion in dividends and $0.5 billion in share repurchases
- We continue to actively review potential acquisitions but we remain disciplined on price, structure and cultural fit

1. FX rate as of 31 December 2017

Financial results for the year ended 31 December 2017

3. Strategic Priorities

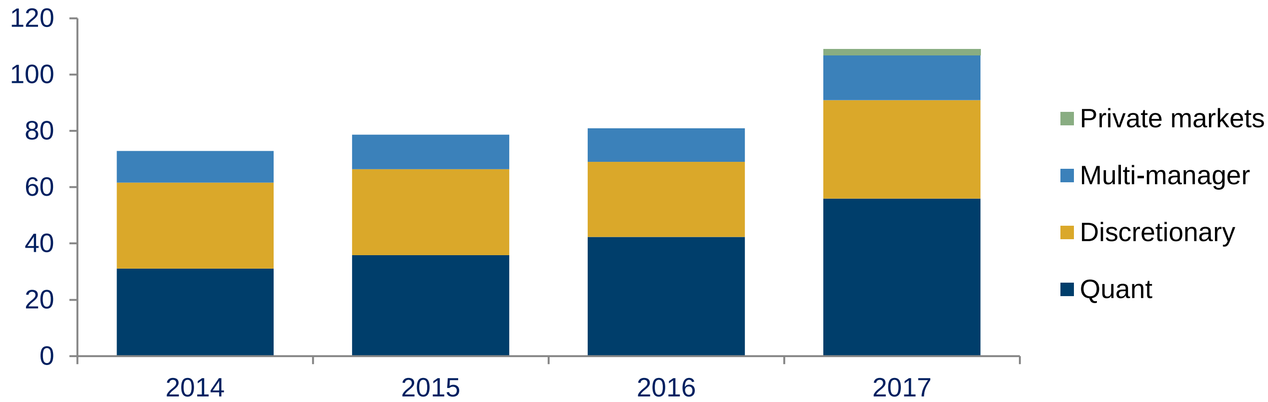
Luke Ellis

Chief Executive Officer

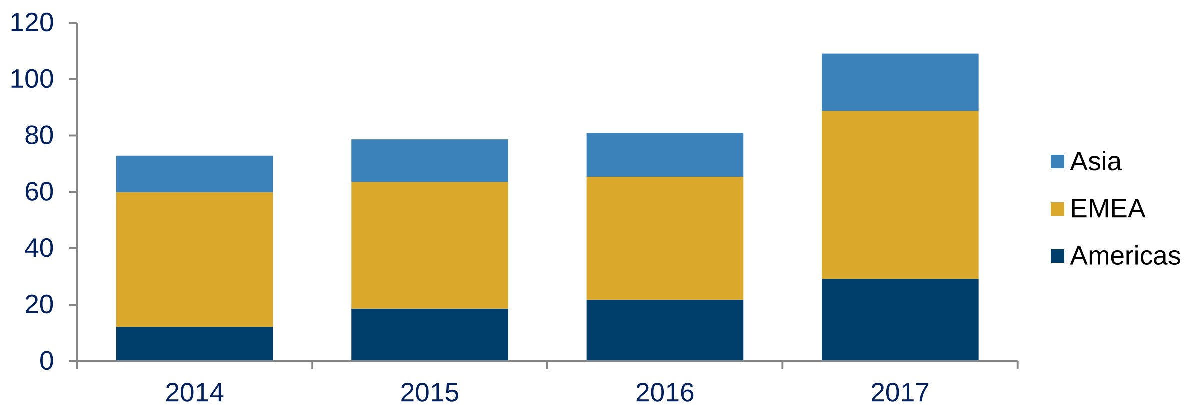
Man: a much larger, more diversified provider of active investment strategies

FUM, $bn

Strategy



Client domicile



Our strategic priorities are unchanged

Innovative investment strategies

Generating outperformance for clients through high quality research, developing our people, and the strength of our technology.

Returns to shareholders

Generate excess capital to either return or re-invest to maximise long term returns to shareholders.

Efficient and effective operations

Building institutional quality technology and infrastructure, providing scalable options for growth, whilst operating the business efficiently.

Strong client relationships

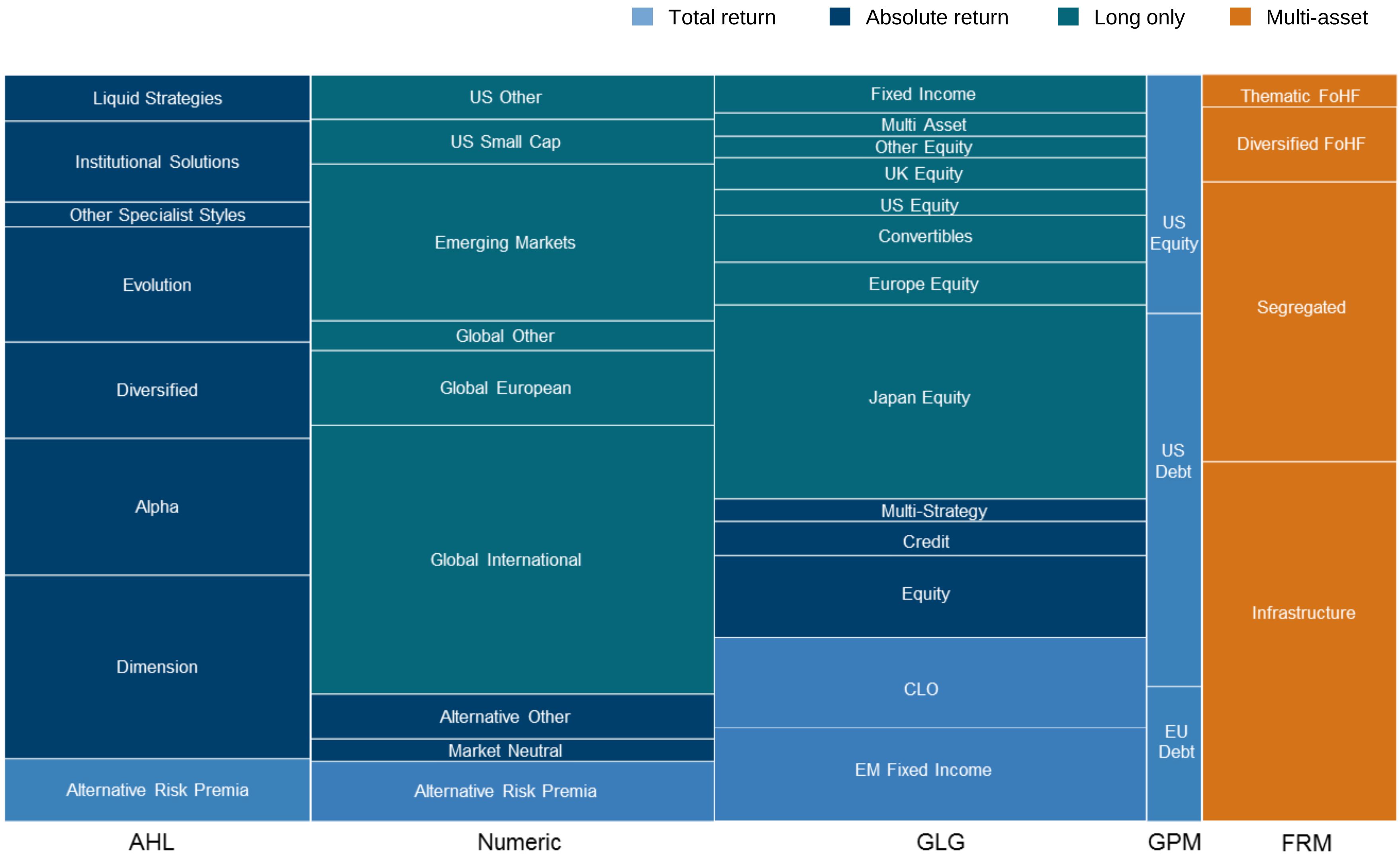
Building long term partnerships with clients, through a single point of contact, to understand their needs and offer solutions across our range of strategies.

These priorities are underpinned by four key strengths of Man

1. Strength through diversification	▪ Our teams invest across a diverse range of strategies accessing a broad spectrum of asset classes ▪ The breadth of our capabilities allows us to have a broad dialogue with our clients and help them with a variety of their investment needs
2. Constant innovation	▪ Research and innovation is a priority across our business ▪ We research improvements to our existing strategies and future sources of return to develop new investment opportunities for clients, tailored to their particular needs and constraints ▪ We add additional capabilities over time through internal development, hiring talented new teams and potentially through acquisitions that would improve our offering to clients
3. Client centric culture	▪ Our clients are at the heart of everything that we do ▪ We focus on institutional clients where we can build long term partnerships ▪ We manage these relationships with clients through a single point of contact
4. Technology empowered	▪ We have over 30 years of experience in quantitative investing and are at the forefront of applying approaches such as machine learning to financial markets ▪ Investing in infrastructure is how we stay ahead of the curve

Man offers a broad range of active investment strategies and solutions

FUM per Investment Strategy at 31 December 2017



We focus on innovation across our business

Improving Existing Capabilities

- Man AHL added around 60 new markets, bringing the total number to over 650 worldwide in 2017
- Quant capabilities at Man GLG
- Investment in execution technology to reduce slippage

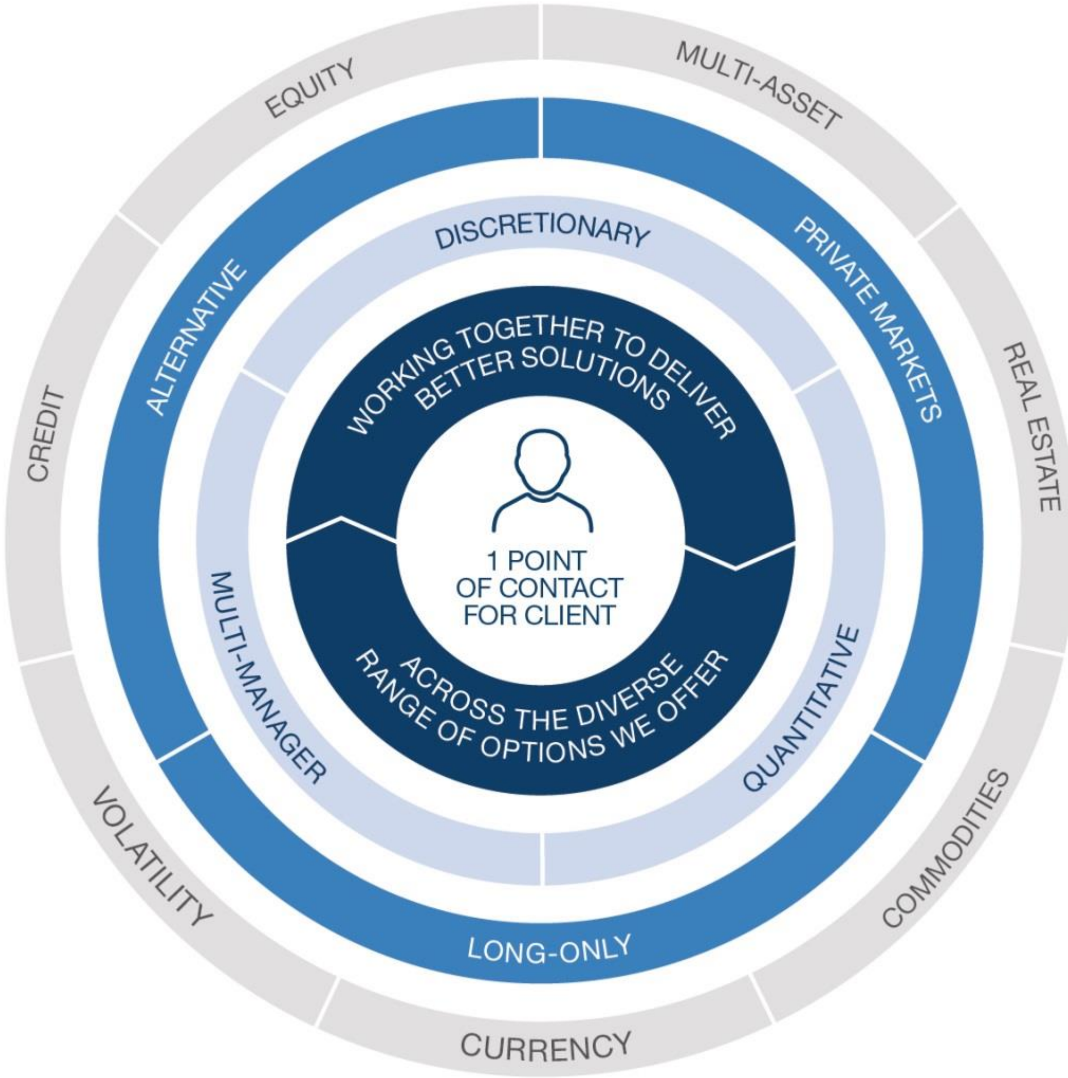
Developing New Capabilities

- EM debt – $5.3bn raised since launch in 2016
- Alternative Risk Premia - $4.0bn raised since launch
- UK UVA / Income - $1.4bn of FUM
- European Growth - $1.7bn of FUM
- Short term trading - $200m immediate close

Innovative Client Solutions

- Man Institutional Solutions - $2.6bn
- Infrastructure mandates - $7.6bn

We put our clients at the heart of what we do



We are at the forefront of applying technology to financial markets

Man

- Man has 30 years of experience applying technology to investment management – AHL was founded in 1987 and Numeric in 1989
- We have a wealth of expertise within the firm – over 450 technologists and quantitative researchers
- This gives us a material and hard to replicate advantage as technology becomes ever more central to financial markets

Machine Learning

- We have been actively researching machine learning techniques since 2011
- A number of Man Group's strategies already use machine learning techniques
- Well placed to combine quant and discretionary techniques through technology

Data

- Data sources are the backbone to a technically advanced investment engine
- Data innovation team sources hundreds of data sets
- Dedicated researchers and data technologists to continuously advance our understanding and use of data

Infrastructure

- Investment in trading and execution systems
- Use technology to help our clients understand their portfolio risk
- MiFID II implementation was made easier by the strength of our technology infrastructure
- Implementation of cloud based systems across the firm

We believe Man is well placed to respond to industry level themes

	Relevant Themes	Impact on Man Group
Trends to mitigate	Revenue margin declines	Reality at the industry level and we plan our business accordingly, innovative strategies command a fee premium
	Regulatory driven cost pressure	Man's scale enables us to manage regulatory driven inflation effectively, at the margin reduces new entrants particularly in Europe
	Interest rates / quantitative easing cycle	Unclear what impact will be and over what time frame, the balance and diversification of our business helps
Beneficial current trends	Growth of passive and alternatives, "squeezed middle"	Growth in highly active and alternative strategies, some outflows from US long only as passive has grown there
	Growth in quant, reduced algorithm aversion	Experience and expertise in quant strategies means we benefit as clients grow quant allocations
	Factor investing and risk premia	Primarily a quant skillset, we have been able to rapidly create and offer high quality products to our clients in 2017
Trends to capitalise on	Private markets	Aalto acquisition brings some capability within this space, it remains an area we are looking to grow
	Faster growth in Asia	Long history across Asia, first mover as China has opened new regulatory schemes (e.g. QDLP, overseas PFM)
	Responsible investing	History of specific ESG investing strategy and analytics, broadening the scope across the firm

Conclusion and outlook

- **We have made strong progress in 2017:**
  - Good progress in improving performance and profitability at GLG
  - Significant improvement in the effectiveness of the sales functions
  - Added further innovative investment capabilities and rapidly scaled them
  - Continued investment and research into innovative techniques which can be applied across a number of areas of the firm
- **This has resulted in an excellent year of performance for Man:**
  - Record net inflows in the year, illustrating our clients' confidence in our strategies
  - Strong growth in management fee revenues and profits driven by asset growth and strong cost control
  - Rapid rebound in performance fees drives improved overall profitability, demonstrating the benefits of Man's diversified model
- **In common with others, the recent moves in markets have impacted our investment performance in some areas, particularly for our momentum strategies**
- **We are well positioned as we enter 2018 with strong fundamentals, a continuing pipeline of interest from clients, and outperformance across the remainder of our strategies**

Q&A

Appendix

FUM

Dec-17 FUM, $bn

Old Classification	FUM	Quant Alt.	Discretionary Alt.	FOF Alt.	GPM	EMD	US Equity and Converts	Alternative Risk Premia	Target Risk	CLO	FUM	New Classification
Quant alternative	27.7	(27.7)										
		27.7	13.3				(3.1)	(4.5)		(4.2)	29.2	**Absolute return**
Discretionary alternative	13.3		(13.3)									
					2.2	4.4		5.6	0.1	4.2	16.5	**Total return**
Fund of fund alternative	17.1			(17.1)								
				17.1				(1.1)			16.0	**Multi-manager solutions**
GPM alternative	2.2				(2.2)							
Quant long only	26.9								(0.1)		26.8	**Systematic long only**
Discretionary long only	21.7					(4.4)	3.1				20.4	**Discretionary long only**
Guaranteed	0.2										0.2	**Guaranteed**
	109.1										**109.1**	

FUM by manager and client domicile

Dec-17 FUM

Manager

$bn		AHL	Numeric	FRM	GLG	GPM	Total
Alternative	Absolute return	21.3	1.9	-	6.0	-	29.2
	Total return	2.5	3.2	-	8.6	2.2	16.5
	Multi-manger Solutions	-	-	16.0	-	-	16.0
Alternative total		**23.8**	**5.1**	**16.0**	**14.6**	**2.2**	**61.7**
Long only	Systematic	-	26.8	-	-	-	26.8
	Discretionary	-	-	-	20.4	-	20.4
Long only total		-	26.8	-	20.4	-	47.2
Total ex-guaranteed		**23.8**	**31.9**	**16.0**	**35.0**	**2.2**	**108.9**
Guaranteed		0.2	-	-	-	-	0.2
Total		**24.0**	**31.9**	**16.0**	**35.0**	**2.2**	**109.1**

Client domicile

$bn	2016	2017
EMEA	43.6	59.6
Americas	21.8	29.2
Asia	15.5	20.3
Total	**80.9**	**109.1**

FUM by currency

Dec-17 FUM

$bn		USD	EUR	GBP	JPY	AUD	Other	Total
Alternative	Absolute return	18.3	3.6	1.3	1.5	3.9	0.6	29.2
	Total return	10.5	3.4	2.2	0.2	0.2	-	16.5
	Multi-manager solutions	8.9	0.6	0.8	1.9	3.8	-	16.0
Alternative total		**37.7**	**7.6**	**4.3**	**3.6**	**7.9**	**0.6**	**61.7**
Long only	Systematic	24.4	1.8	-	0.6	-	-	26.8
	Discretionary	2.3	4.4	9.9	3.4	-	0.4	20.4
Long only total		**26.7**	**6.2**	**9.9**	**4.0**	**-**	**0.4**	**47.2**
Guaranteed total		**-**	**-**	**-**	**-**	**0.2**	**-**	**0.2**
Total		**64.4**	**13.8**	**14.2**	**7.6**	**8.1**	**1.0**	**109.1**

AHL FUM

Strategy			FUM at 31 December 2017 ($bn)	Reference fund/ *Bloomberg ticker, Update frequency*[1]	Comment
Trend Following	**Managed Futures ($11.1bn)**	Diversified (including guaranteed)	**3.1**	Man AHL Diversified (Guernsey) *MAHLDGD GU, Daily*	▪ Single-style systematic ▪ Trend following ▪ 14% volatility target
		Alpha	**4.4**	AHL Alpha Cayman Ltd *MANALCY KY, Daily (T+2)*	▪ Single-style systematic ▪ Trend following ▪ 10% volatility target
		Evolution	**3.7**	Man AHL Evolution *AHLA1EU KY, Monthly*	▪ Single-style systematic ▪ Trend following on OTC markets ▪ 14% volatility target
Non-trend following	**Multi-strategy ($5.9bn)**	Dimension	**5.9**	AHL Dimension Cayman Ltd *AHLDIMF KY, Monthly*	▪ Multi-strategy systematic ▪ Balanced allocation ▪ 10% target volatility
	Sector based ($4.3bn)	Currency Directional Equities Volatility Multi-strategy Target Risk Tailprotect	**2.2**		▪ Currency, 12.5%/25% volatility target ▪ Directional equities, 10% volatility target ▪ Volatility, 7% volatility target ▪ Multi-strategy, 8% volatility target ▪ Target risk, 10% volatility target
		Alternative Risk Premia	**2.1**		▪ Targets 6-10% volatility. ▪ Multi strategy ▪ Aims to be uncorrelated to traditional assets
	Institutional Solutions ($2.6bn)		**2.6**		
Total AHL			**24.0**		

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Numeric FUM

Strategy		FUM at 31 December 2017 ($bn)	Selected funds/ *Relevant Benchmark*	Comment
Alternatives ($5.1bn)	Market Neutral[1]	**1.9**	Alternative Market Neutral *ML 91 day T-bill*	▪ 130/30 performance will move with equity markets
	Alternative Risk Premia	**3.2**		
Long only ($26.8bn)	Global	**16.0**	Global Core *MSCI World*	▪ Around 80% of assets are in Global equities and around 20% are in European equities
			European Core *MSCI Europe*	
			Japan Core *MSCI Japan*	
	Emerging Markets	**6.7**	Emerging Markets Core *MSCI Emerging Markets*	▪ The majority of assets are in Emerging Markets Core fund
	US Large Cap	**2.1**	Core *Russell 1000*	▪ Core and All Cap Core accounted for over 50% of US Large Cap assets
			Value *Russell 1000 Value*	
			Large Cap Core *S&P 500*	
	US Small Cap	**2.0**	Small Cap Core *Russell 2000*	▪ The majority of assets are in Small Cap Core fund
			Small Cap Value *Russell 2000 Value*	
			SMID Growth *Russell 2500 Growth*	
			Small Cap Growth *Russell 2000 Growth*	
Total Numeric		**31.9**		

1. Includes 130/30. Information on selected investment products does not constitute an offer, inducement or invitation to invest. The information is selected for shareholders and financial analysts as being indicative of the performance of Man Group's investment management divisions. The page may not be a comprehensive list of all investment strategies across the investment management divisions. No opinion or representation is given regarding the relevance of this information to shareholders and financial analysts.
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GLG alternatives FUM

	Strategy		FUM at 31 December 2017 ($bn)	Reference fund(s)/ *Bloomberg ticker, Update frequency*[1]
Alternative ($14.6 bn)	**Equities ($3.8bn)**	Equity	**3.8**	GLG European Equity Alternative UCITS Fund *GLGGEEC ID EQUITY, Daily* GLG Alpha Select UCITS fund *GLGASLC ID Euro, Daily* GLG Global Equity Alternative UCITS Fund *GLGGEHE ID, Monthly*
	Credit and Convertibles ($5.8bn)	Credit	**1.6**	GLG European Distressed Fund *GLGDISA KY EQUITY, Monthly* GLG Credit Multi Strategy *GLGUMNA KY EQUITY, Monthly* Cross Asset Value Master Fund Ltd *GLGUSA1 KY, Monthly*
		CLO and debt	**4.2**	n/a
	EM Fixed Income ($4.4bn)	EM Fixed Income	**4.4**	Man GLG Global Emerging Markets Debt Total Return *MGLGILU:ID, Daily*
	Multi-strategy ($0.6bn)	Multi-strategy	**0.6**	Man GLG Multi-Strategy Fund Class G – USD Shares *GLGMLSG LX, Monthly*
Total			**14.6**	

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GLG long only FUM

Strategy				FUM at 31 December 2017 ($bn)	Reference fund(s) *Bloomberg ticker, Update frequency*[1]
Long only ($20.4bn)	Equities ($16.4bn)	UK	UK Select UK Undervalued Assets UK Income	1.5	GLG Undervalued Assets Fund Class C Accumulation shares *GLUVAPC LN, Monthly*
		Europe	European Equity Continental Europe	2.0	Man GLG Continental European Growth Fund Ret Acc *GB00B0119370, Daily*
		Japan	Japan CoreAlpha	9.7	GLG Japan CoreAlpha Equity UCITS Fund - JPY *GLAAXYN ID EQUITY, Daily*
		Multi Asset	Balanced Managed	1.0	Man GLG Balanced Managed Fund Ret Acc *GB00B1VNF546, Daily*
		Global	Global Equity	2.2	GLG Global Equity Fund Class I USD *GLGPFFR ID*
	Convertibles ($2.2bn)	Convertibles	Convertibles	2.2	GLG Global Convertible UCITS *GLGCUFS:ID, Daily*
	Fixed Income / Other ($1.8bn)	Credit	Strategic Bond Corporate Bond	0.7	GLG Strategic Bond Fund Class A – Retail Accumulation *GLGSTBA LN, Monthly*
			Emerging Markets Debt	1.1	GLG Global Emerging Markets Local Currency Rates Class I C USD *MNGEMIU ID, Daily*
Total				**20.4**	

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FRM FUM

Strategy		FUM at 31 December 2017 ($bn)	Reference fund/ *Bloomberg ticker, Update frequency*[1]
Diversified FoHFs ($1.6bn)	FRM Diversified Pine Grove Other	**1.6**	FRM Diversified II Fund SPC - Class A USD *FRMDUSD KY*
Thematic FoHFs ($0.7bn)	Various	**0.7**	n/a
Segregated Funds ($6.0bn)	Various	**6.0**	n/a
Direct Access and Infrastructure MACs ($7.7bn)	Infrastructure and Direct Access	**7.7**	n/a
Total FRM		**16.0**	

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GPM FUM

Strategy		FUM at 31 December 2017 ($bn)	Reference fund/ *Bloomberg Ticker*
Aalto ($2.2bn)	EU CRE Debt	**0.4**	n/a
	US Residential Debt	**1.1**	n/a
	US Residential Rentals	**0.7**	n/a
Total GPM		**2.2**	

1. GPM's Bridge Lane Capital is absorbed in above rounding and accounts for $42 million of the FUM displayed above. Source: Man database.

Man

P&L

Profit and loss (1/2)

	Year ended 31 December 2016 ($m)	Year ended 31 December 2017 ($m)
Gross management and other fees	750	**784**
Share of after tax profit of associates	2	**8**
External distribution costs	(61)	**(56)**
Net management fee revenue	**691**	**736**
Performance fees	81	**289**
Gains on investments	31	**44**
Net revenue	**803**	**1,069**
Asset servicing	(33)	**(37)**
Compensation	(388)	**(474)**
– Fixed	(182)	**(174)**
– Variable	(206)	**(300)**
Other costs	(166)	**(165)**
Total costs	**(587)**	**(676)**
Net finance expense	(11)	**(9)**
Adjusted profit before tax	205	384

Profit and loss (2/2)

	Year ended 31 December 2016 ($m)	Year ended 31 December 2017 ($m)
Adjusted profit before tax (from previous slide)	205	**384**
Amortisation of acquired intangible assets	(94)	**(84)**
Impairment of GLG and FRM goodwill and intangibles	(379)	**-**
Revaluation of contingent consideration	40	**(15)**
Unwind of contingent consideration discount	(19)	**(26)**
Other acquisition and restructuring related costs	(25)	**(11)**
Reassessment of litigation provision	-	**24**
Profit before tax	(272)	**272**
Taxation	6	**(17)**
Profit after tax	**(266)**	**255**
Tax rate (before adjusting items)	**14%**	**12%**
Period end # shares in issue (m)	**1,680**	**1,644**
Diluted weighted average # shares (m)	**1,696**	**1,660**
Adjusted diluted EPS	**10.4**	**20.3**
Statutory diluted EPS	**(15.8)**	**15.3**
Net management fee EPS	**9.0**	**10.8**

Adjusted net management fee and adjusted performance fee

Adjusted net management fee PBT, $m

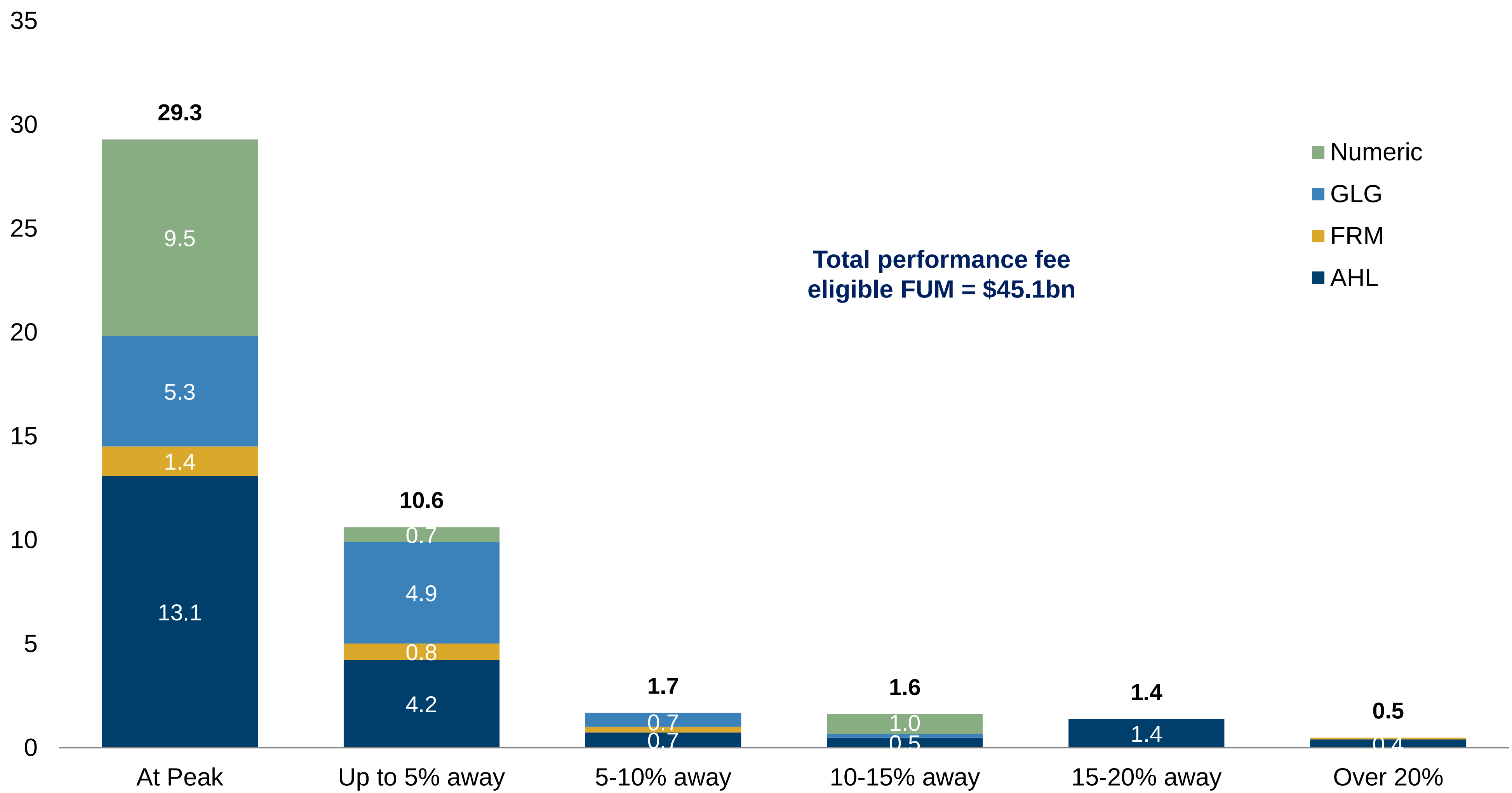
	Year ended 31 December 2017
Net management fees	**736**
Asset servicing	**(37)**
Compensation - fixed	**(174)**
Compensation - management fee related variable	**(157)**
Other costs	**(165)**
Net finance expense	**-**
Adjusted net management fee PBT	**203**

Adjusted performance fee PBT, $m

	Year ended 31 December 2017
Performance fees and gains on investments	**333**
Variable compensation attributed to performance fees	**(143)**
Finance expense	**(9)**
Net performance fee PBT	**181**

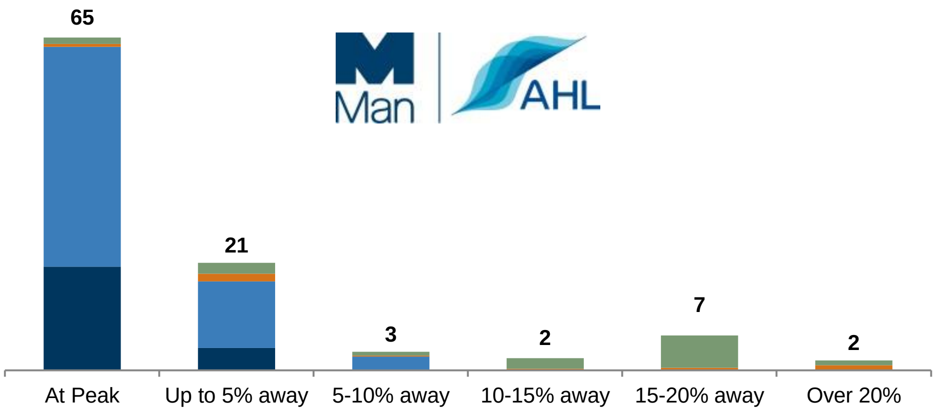
Modelling: Performance fees

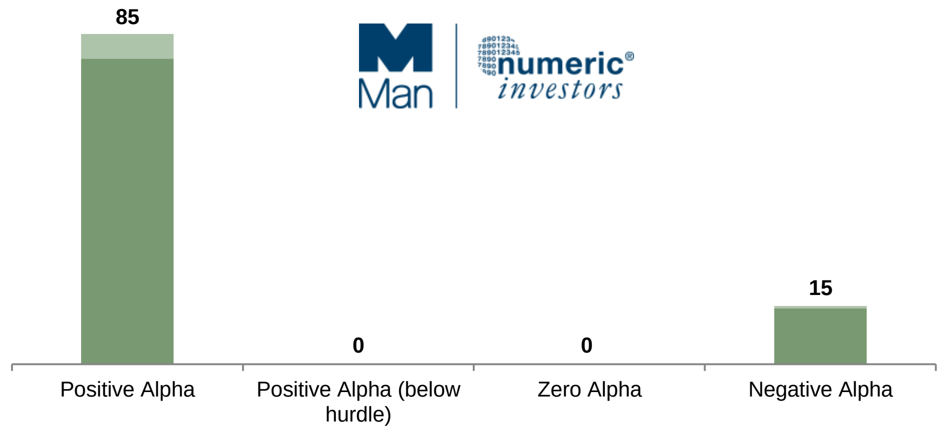
Dec-17 performance fee eligible FUM, $bn



Modelling: AHL and Numeric performance fees

Dec-17 performance fee eligible FUM, %

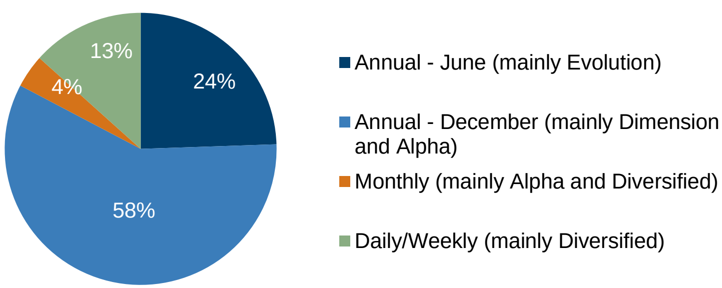




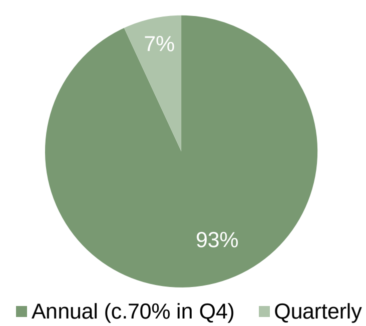
- 85% ($20.3bn) of AHL FUM is eligible to earn performance fees, of which:
  - 85% ($17.3bn) is at or within 5% of high watermark
  - Weighted average distance from peak 3.0%
  - Performance fee rate 10 – 20%

- 35% ($11.1bn) of Numeric FUM is eligible to earn performance fees
- (40% ($10.6bn) of long only strategies and 10% ($0.5bn) of alternatives)
  - Blended performance fee rate 15% for long only and 19% for alternatives

Performance fee booking frequency

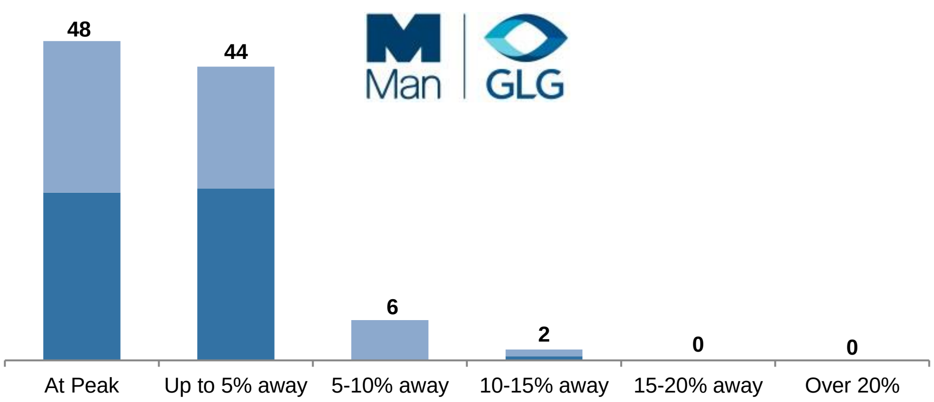


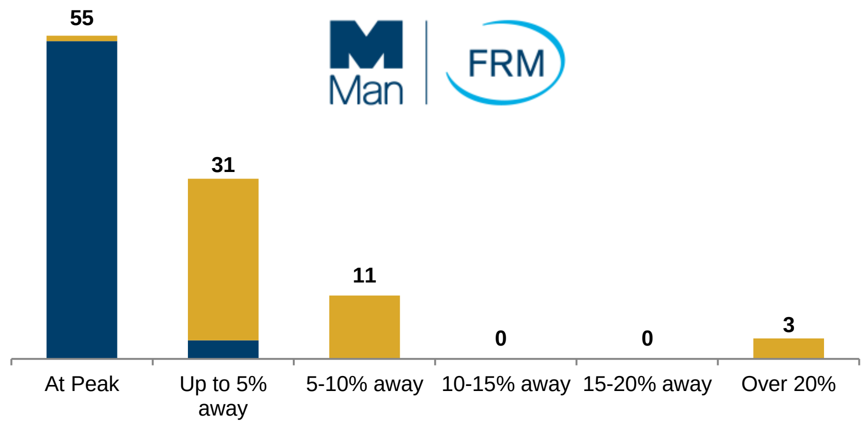
Performance fee booking frequency



Modelling: GLG and FRM performance fees

Dec-17 performance fee eligible FUM, %

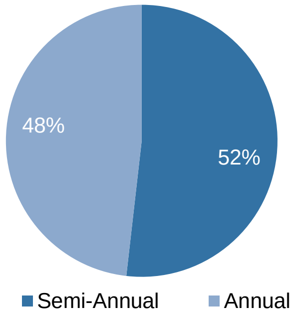




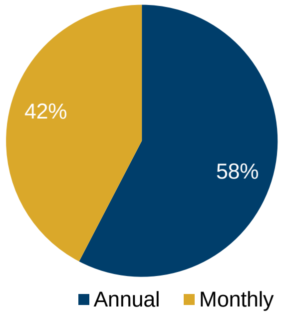
- 32% ($11.1bn) of GLG FUM is eligible to earn performance fees, of which:
  - 92% ($10.2bn) is at or within 5% of high watermark
  - Performance fee rate 15 - 20%

- 16% ($2.6bn) of FRM FUM is eligible to earn performance fees, of which:
  - 31% ($0.8bn) is within 5% of high watermark
  - Weighted average distance from peak 1.9%
  - Performance fee rate 5 - 14%

Performance fee booking frequency



Performance fee booking frequency



Modelling: compensation costs

	Year ended 31 December 2017 ($m)	Commentary
Fixed compensation	**174**	▪ **2018: Guidance** – Total fixed compensation and other cash costs expected to be c.$330m – Favourable FX impact: c.60% of fixed compensation costs are in GBP. 2018 sterling costs hedged at 1.29 (versus 1.36 for 2017), with rate of 1.26 for H1 2018 and 1.33 for H2 2018 ▪ **2019** – c.60% of fixed compensation costs are in GBP, which are hedged monthly a year in advance – First two months of 2019 currently hedged at an average rate of 1.39
Variable Compensation	**300**	▪ Depends on mix of management versus performance fee revenue and proportion of GLG and Numeric vs. AHL and FRM revenues
- Management fee related variable compensation	***157***	
- Performance fee related variable compensation	***143***	
Total compensation	**474**	▪ Overall compensation to net revenue ratio expected to be in the range of 40% to 50% depending on the mix and level of revenue: – At the lower end of the range when performance fees are higher and AHL revenues are a larger proportion of the total – At the higher end of the range when performance fees are lower and GLG and Numeric revenues are a larger proportion of the total

Modelling: non compensation costs

	Year ended 31 December 2017 ($m)	Commentary
Asset servicing	**37**	▪ **2018: Guidance** – Around 7bps on FUM excluding Numeric and Man Global Private Markets due to certain MiFID II costs being included
Other cash costs	**147**	▪ **2018: Guidance** – Total fixed compensation and other cash costs expected to be c.$330m – Favourable FX impact: c.60% of fixed compensation costs are in GBP. 2018 sterling costs hedged at 1.29 (versus 1.36 for 2017), with rate of 1.26 for H1 2018 and 1.33 for H2 2018 ▪ **2019** – c60% of other cash costs are in GBP, which are hedged monthly a year in advance – First two months of 2019 currently hedged at an average rate of 1.39
Depreciation and capex	**18**	▪ **2018: estimated D&A of $22m**
Total non compensation costs	**202**	

Modelling: interest, tax and share count

	Year ended 31 December 2017 ($m)	Commentary
Net finance expense	**(9)**	
Adjusted PBT	**384**	
Adjusting items	**(112)**	
Statutory profit	**272**	
Tax rate on adjusted PBT	**12%**	▪ Effective tax rate on adjusted profit of 12% for 2017 ▪ Underlying tax rate for 2018 and beyond of 14% to 17% depending on mix of management and performance fee earnings and proportion of US earnings – $493m of tax amortisation of goodwill and intangibles, amortised over 15 years from acquisition date, which will reduce taxable US profits – $174m of US tax losses to offset against future US profits
Number of shares	**1,660m**	▪ Should continue to adjust for impact of the remaining share repurchase programme (as at 26 February 2018: a further 11m shares repurchased since 31 December 2017, with c.$44m to complete of the previously announced $100 million)

Balance Sheet

Balance sheet

Man

ASSETS	31 December 2016 ($m)	31 December 2017 ($m)
Cash and cash equivalents	**426**	**379**
Fee and other receivables	**257**	**491**
Investment in fund products and other investments	**794**	**729**
Pension asset	**27**	**32**
Investment in associates	**31**	**29**
Leasehold improvements and equipment	**44**	**44**
Goodwill and acquired intangible	**1,024**	**1,024**
Other intangibles	**17**	**23**
Deferred tax assets	**63**	**81**
	2,683	**2,832**
Non-current assets held for sale	**263**	**145**
Total Assets	**2,946**	**2,977**
LIABILITIES		
Trade and other payables	**647**	**843**
Provisions	**51**	**34**
Current tax liabilities	**6**	**21**
Third party interest in consolidated funds	**240**	**99**
Borrowings	**149**	**150**
Deferred tax liabilities	**47**	**48**
	1,140	**1,195**
Non-current liabilities held for sale	**132**	**66**
Total Liabilities	**1,272**	**1,261**
NET ASSETS	**1,674**	**1,716**
Net Tangible Assets	**633**	**669**

Seeding book of $480 million, reconciliation to Group financial statements

	31 December 2016 ($m)	31 December 2017 ($m)
Loans to funds	**26**	**25**
Other investments in fund products	**275**	**249**
Less those used to hedge deferred compensation awards	**(75)**	**(76)**
Investments in funds relating to line-by-line consolidated fund entities	**490**	**452**
Included in cash	**37**	**23**
Included in receivables	**-**	**1**
Included in trade and other payables	**(2)**	**(174)**
Less third party interest in consolidated funds	**(240)**	**(99)**
Non-current assets held for sale	**263**	**145**
Non-current assets held for sale	**(132)**	**(66)**
Total seeding investments	**642**	**480**
AHL	*41*	*3*
GLG	*497*	*357*
FRM	*15*	*17*
Numeric	*63*	*52*
Man Solutions	*-*	*26*
Loans to funds	*26*	*25*

Accounting for acquisitions

$m	FRM	Numeric	Pine Grove	Silvermine	BAML	NewSmith	Aalto	Total
Initial consideration	66	219	6	24	3	10	25	**353**
Cash paid for balance sheet assets acquired	(106)	19	-	-	n/a	-	1	**(86)**
Cash paid in relation to earn-out to date	39	-	10	17	2	-	-	**68**
Maximum earn-out at 31 December 2017	n/a	275	15	46	30	30	207	**603**
Total potential consideration at 31 December 2017	**-**	**513**	**21**	**70**	**33**	**40**	**233**	**910**
Comprising:								
- Cash paid / (received) at completion	(40)	238	6	24	3	10	18	**259**
- Cash paid to date in relation to earn-outs	39	-	10	17	2	-	-	**67**
- Contingent consideration creditor	-	160	2	-	5	-	60	**227**
- Maximum additional potential liability to be recognised	-	115	3	29	23	30	147	**347**
Earn-out dates	n/a	Sep-19	Sep-18; Sep-19	Jan-20	Apr-18; Apr-19; Apr-20	Apr-18; Apr-19	Jun-18; Dec-20; Dec-22; Dec-24	

Lease accounting change from 2019

- The new leases accounting standard (IFRS 16) is effective for annual periods beginning on or after 1 January 2019. IFRS 16 requires operating leases, where the Group is the lessee, to be included on the Group's balance sheet, recognising a lease liability representing the present value of the obligation to make lease payments and a related right-of-use (ROU) asset.

Balance sheet gross-up

- This is therefore expected to gross-up the Group's reported assets and liabilities on the balance sheet from 1 January 2019, in particular as our sub-lease arrangements are not expected to be eligible for offset against the lease liability and ROU asset. We estimate the impact will be c.£200 million ($270 million) for ROU lease assets and associated deferred tax assets and c.£260 million ($350 million) in relation to lease liabilities. These changes would result in c.£60 million ($80 million) being deducted from brought-forward reserves on transition date in 2019 (as outlined further below).

Expense profile

- From 2019 the rental expense which is currently recognised within other costs will no longer be incurred and instead depreciation expense (of the ROU asset) and interest expense (unwind of the discounted lease liability) will be recognised.

Capital Surplus

- As a result of adoption of the new accounting standard, we expect a reduction in our surplus regulatory capital of up to £90 million ($120 million) from 1 January 2019. This is due to the direct impact on retained earnings of up to £60 million, plus the financial resources requirement on the ROU lease asset and deferred tax asset of up to £30 million.

Lease accounting treatment from 2019 – illustrative example

- The below example illustrates the impact of a lease on the Balance Sheet and P&L over time under the new lease accounting standard.
- Assumptions:
  - Lease terms: $10 million per annum for 10 years
  - Discount rate (cost of borrowing): 5%

Year	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Total
Net interest expense (P&L)		4	4	3	3	3	2	2	1	1	0	**23**
Cash payment		10	10	10	10	10	10	10	10	10	10	**100**
Lease liability	**(77)**	**(71)**	**(65)**	**(58)**	**(51)**	**(43)**	**(35)**	**(27)**	**(19)**	**(10)**	**0**	
Depreciation expense (P&L)		8	8	8	8	8	8	8	8	8	8	**77**
Right of use lease asset	**77**	**69**	**62**	**54**	**46**	**39**	**31**	**23**	**15**	**8**	**0**	
Total P&L expense		(12)	(11)	(11)	(11)	(10)	(10)	(9)	(9)	(9)	(8)	**(100)**
Cash payments		(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	**(100)**
Net equity	**0**	**(2)**	**(3)**	**(4)**	**(4)**	**(5)**	**(5)**	**(4)**	**(3)**	**(2)**	**0**	

Cash flow

Summary cash flow

	31 December 2016 ($m)	31 December 2017 ($m)
Cash at beginning of the period	**586**	**389**
Operating cash flows before working capital movements	245	**431**
Working capital movements (including seeding)	(177)	**(186)**
Payment of dividends	(158)	**(158)**
Share repurchase (including costs)	(35)	**(92)**
Payment of acquisition related contingent consideration	(25)	**(9)**
Acquisition of subsidiaries (net of cash acquired)	-	**-**
Other movements	(47)	**(19)**
Cash as at 31 December[1]	**389**	**356**

1. Excludes cash related to consolidated fund entities.

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