

Directors' Report

The directors submit their report, together with the audited financial statements, for the year ended 31 March 2011 (the year).

Principal activities, business review and results

Man Group plc (the Company) is the holding company for the Man group of companies (the Group) and is domiciled and incorporated in the United Kingdom.

To enable you, as our shareholders, to assess how the directors have performed their duty to promote the success of the Company, the Companies Act 2006 requires the directors to set out in this Report a fair review of the business of the Group during the year, the position of the Group at the end of the year and a description of the principal risks and uncertainties facing the Group. Information fulfilling these requirements and those contained in the FSA's Listing Rules and Disclosure and Transparency Rules can be found in the following sections of the Annual Report and are incorporated by reference.

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Essential contracts

Man has an agreement with Citi Global Transaction Services (Citi) under which Citi provides global shareholder and transfer agency services for AHL and Man Multi-Manager private investor products (further details on services provided are given in the Financial Review Note 5).

Material contracts

At no time during the year did any director hold a material interest in any contract of significance with the Company or any of its subsidiary undertakings other than in the service contracts between each executive director and the Company.

Substantial voting interests

As at 26 May 2011 the following voting interests in the ordinary share capital of the Company disclosable under the FSA's Disclosure and Transparency Rules had been notified to the Company.

	%
BlackRock Inc	13.06
AXA S.A.	4.15
Legal & General plc	3.70
G&S Trustees Limited – Pierre Lagrange	3.41

Powers of directors

The Board is responsible for the management of the business of the Company and may exercise all the powers of the Company subject to the provisions of relevant statutes and the Company's Articles of Association. A copy of the Articles is available on request from the registered office of the Company. The Articles may be amended by special resolution of the shareholders.

The Articles give the power to a director to appoint any person to be his alternate subject to the appointment of such person who is not another director being approved by the Board.

Change of control

Significant agreements

The agreement with Citi contains a provision which, upon a change in control, allows for Citi to terminate the agreement. The directors are not aware of any other significant agreements to which the Company and/or any of its subsidiaries is a party that take effect, alter or terminate upon a change of control of the Company following a takeover bid.

Share transfer restrictions

As at the year-end there are 125,423,940 shares, which were issued to certain principals of GLG as consideration for the acquisition of GLG Partners, Inc, which are subject to share lock up agreements. Under the terms of such agreements, and with limited exceptions, the shares must not be disposed of until 14 October 2013 (the third anniversary of the acquisition), subject to the right of each principal to dispose of up to one third of the shares on or after 14 October 2012.

The Board can decline to register a transfer of any share which is not a fully paid share. In addition, registration of a transfer of an uncertificated share may be refused in the circumstances set out in the uncertificated securities rules and where the number of joint holders exceeds four.

Employee share incentive schemes

The Company's employee share incentive schemes contain provisions whereby, upon a change of control of the Company, outstanding options and awards would vest and become exercisable, subject (in the case of certain schemes only) to the satisfaction of any performance conditions at that time and any time pro-rating of options and awards. Where shares are held in trust, under the Trust Deed the trustees have discretion to vote or abstain from voting.

By Order of the Board

Rachel Rowson
Company Secretary

26 May 2011