Press Release

For Immediate Release

19 June 2014

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MAN GROUP PLC

ACQUISITION OF NUMERIC HOLDINGS LLC

Overview

Man Group plc ("**Man**") announces that it has entered into a conditional agreement to acquire Numeric Holdings LLC ("**Numeric**") (the "**Acquisition**").

Numeric is a privately-owned, Boston-based quantitative equity manager with $14.7 billion of funds under management as at 31 May 2014.

Founded in 1989, Numeric has an attractive and established investment track record across a range of long only and long-short, fundamentally based quantitative strategies. Based on annualised returns, over 95% of Numeric's current strategies have historically outperformed their selected benchmark over 1, 3 and 5 years(1). 100% of Numeric's long only strategies covered by eVestment rank in the top quartile of their respective peer groups over 1, 3 and 5 years(1).

Numeric's business has seen substantial growth in recent years, with funds under management increasing from $7.6 billion at the end of 2012 to $14.7 billion as at 31 May 2014. Numeric generated EBITDA of $47 million for the year ended 31 December 2013.

Under the terms of the Acquisition, Man will pay $219 million in cash at completion, with up to $275 million of further consideration payable to a broad group of the Numeric management team and employees ("**Numeric Management**") following the fifth anniversary of completion under an option arrangement, dependent on the run rate profitability of the business. The regulatory capital usage associated with the Acquisition is expected to be approximately $325 million.

The Board of Man believes that the Acquisition provides attractive strategic, commercial and financial benefits to Man and its shareholders through the:

- Creation of a diversified, global quantitative investment platform comprising AHL and Numeric, with over $25 billion of funds under management and a broad product range across alternative and long only, trend following, technical and fundamental strategies;
- Further development of Man's footprint in North America, through a recognised brand, a presence in an important investment centre and relationships with a range of institutional clients;
- Provision of investment capacity in a number of strategies with an attractive and long investment track record and therefore the potential to add incremental funds under

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1 Please refer to the performance table and disclosures including disclosures relating to eVestment on pages 4 and 5.

management through combining Numeric’s investment offering with Man’s global distribution capability;

- Addition of a highly experienced and well regarded team with a strong cultural fit;

- Alignment of the interests of Numeric Management with those of Man’s shareholders through having over 90% of the maximum aggregate consideration payable to Numeric Management being dependent on the run rate profitability of the Numeric business at the fifth anniversary of completion; and

- Opportunity to achieve a strong risk-adjusted return on capital; additionally the Acquisition is expected to be earnings accretive from completion.

Commenting on the Acquisition, Manny Roman, Chief Executive Officer of Man, said:

“We are delighted to announce the acquisition of Numeric, which has an excellent track record of performance and innovation in quantitative investing. The transaction provides us with the opportunity to advance two of our core strategic objectives: first, to build a diversified quantitative fund management business with significant assets in fundamentally based quantitative strategies and second, to develop further our presence in the US market. Man’s strategy is to provide the optimal infrastructure and environment for its investment divisions, enabling entrepreneurial asset management focused on delivering attractive risk-adjusted performance for clients. Numeric is well positioned to benefit significantly from our scale and resources.”

Mike Even, Chief Executive Officer of Numeric commented that:

“Man stood out to us as a perfect strategic partner and today’s announcement signifies the full support of Numeric’s management team. Our key criteria from the outset was to find a new partner with a strong cultural fit who would preserve complete independence of our investment process and provide strategic support. We are excited and energised by this transaction and look forward to serving our clients with the support of Man.”

The Man Board, which has received financial advice from Credit Suisse, considers the terms of the Acquisition to be fair and reasonable. In providing financial advice to the Board, Credit Suisse relied upon the Board's commercial assessment of the Acquisition.

Completion is subject to the satisfaction (or, where permitted, waiver) of certain conditions including the approval of Man's shareholders. A circular setting out further details of the Acquisition and containing a notice convening a general meeting to seek shareholder approval for the Acquisition will be sent to Man’s shareholders. The timing of satisfaction of certain of the other conditions to the Acquisition is uncertain given the involvement of third parties but it is currently expected that the circular will be published in August 2014 and completion is currently expected to occur in September 2014.

The Acquisition

Under the terms of the Acquisition:

i. Man will pay $219 million in cash at completion of the Acquisition to acquire Numeric.

ii. In addition:

   a. Numeric Management are rolling over the majority of their consideration in return for an ongoing 18.3% equity interest in the business (the “**Management Interests**”) and at completion, Numeric Management will also be granted profits interests in the business that will entitle the holders of such interests to share in 16.5% of the increase in the value of the Numeric business over the period prior to the exercise date for the put and call arrangement described below (the "**Profit Interests**");

   b. At the end of five years following completion, Man will have an opportunity to acquire the Management Interests and the Profit Interests pursuant to a put and call option arrangement. The consideration payable under the put and call arrangement is:

      - in respect of the Management Interests, their pro rata share of the valuation of the business based on a pre-agreed valuation methodology which takes into account the net run rate management fee profits and net run rate performance fee profits at the relevant exercise date; and

      - in respect of the Profit Interests, their pro rata share of the increase in the value of the business over the period prior to the relevant exercise date based on that same valuation methodology,

      (together, the "**Option Consideration**").

   c. The maximum aggregate amount payable by Man in respect of the Option Consideration is capped at $275 million.

   d. It is intended that Numeric will be operated with an expense ratio of 52.5% for the five years following completion and the Management Interests and the Profits Interests will be entitled to share in an annual dividend equal to 10.5% of the resulting profit in each relevant year.

The consideration payable on completion will be funded from Man’s existing cash resources. Any further payments pursuant to the option arrangements are expected to be paid in cash, also funded from Man’s cash resources and available facilities at the relevant time. However, Man has retained the right to, at its discretion, issue Man ordinary shares at the then prevailing market price in order to satisfy some or all of the consideration payable under the option arrangement.

The Acquisition will be implemented by way of a merger under Delaware law involving an indirect subsidiary of Man being merged with Numeric. Numeric is to be acquired debt-free, with $3 million of excess net assets. The initial consideration payable at completion will be subject to an adjustment in respect of the actual net working capital position of Numeric at completion.

In view of the size of the Acquisition and in order to implement it, it will be necessary for Man's shareholders to approve the Acquisition ("**Man Shareholder Approval**"). A circular setting out details of the Acquisition and containing the notice convening the general meeting at which the resolution to approve the Acquisition will be put to shareholders (the "**Man General Meeting**"), will be provided to Man’s shareholders. The timing of satisfaction of certain of the other conditions to the Acquisition is uncertain given the involvement of third parties but it is currently expected that the publication of the circular will be aligned with the release of Man’s interim results in August 2014 and that the Man General Meeting will be convened at the end of August / September 2014, but in any event with at least 21 clear days' notice from the posting of the circular.

The Acquisition is subject to the satisfaction (or, where permitted, waiver) of a number of conditions, including:

a. Compliance with the notification and waiting period requirements of the Hart-Scott Rodino Antitrust Improvements Act of 1977;

b. Bring down at completion of the representations and warranties given by Numeric and certain Man companies and each party having performed in all material respects the obligations required to be performed by them under the terms of the Acquisition;

c. There having been no material adverse change in the run rate management fee revenues of Numeric; and

d. Man Shareholder Approval.

The conditions to Completion are to be satisfied by 31 December 2014 (or such later date as may be agreed). However, the Acquisition is currently expected to complete in September 2014 after which time the results of Numeric will be fully consolidated into Man.

Further details of the terms of and conditions to the Acquisition will be set out in the circular to be provided to Man's shareholders in due course in connection with the Acquisition.

Information on Numeric

Founded in 1989, Numeric is a Boston-based, quantitative equity manager with $14.7 billion of funds under management as at 31 May 2014.

Numeric manages four main categories of equity strategies across long only and alternatives: Global & International with approximately $9.7 billion of assets, US Large Cap with $2.8 billion of assets, and US Small Cap with $1.2 billion of assets. The $1.0 billion in alternatives are predominantly invested in multi-strategy and market neutral strategies.

Numeric's major strategies have an established history of attractive absolute and relative performance. Based on annualised returns, over 95% of Numeric's current quantitative strategies have historically outperformed their selected benchmark over 1, 3 and 5 years[(2)]. 100% of Numeric's long only strategies covered by eVestment rank in the top quartile of their respective peer groups over 1, 3 and 5 years[(3)].

2 Please refer to the performance table and disclosures on page 5. Not all current strategies have performance track records for the full 3 and 5 year periods, but they have outperformed their selected benchmark for the periods during which they existed.

3 Percentile rankings reflect the comparison of Numeric strategies against their assigned peer group in eVestment, using quarterly returns as of March 31, 2014. Managers pay a fee to eVestment to be included in the database. These rankings are not indicative of Numeric' future performance. Peer groups are established by eVestment based on the category of strategy reported by participating managers and do not represent the full universe of managers that manage products using such strategies. Numeric has no ability to verify the accuracy of the inclusion of other managers in the peer group. The results presented would be different if other, or all, managers utilizing such strategies participated in the eVestment program.

Strategy[4][5]	Inception Date	Total Return 5 months to 31 May 2014[5][7]	Annualised Return (net of fees)[6][7]			
			1 year	3 year	5 year	Since Inception
GLOBAL & INTERNATIONAL						
Global Core (USD)	Apr-13	6.3%	27.0%	n.a.	n.a.	27.0%
MSCI World		*4.3%*	*18.9%*	*n.a.*	*n.a.*	*19.1%*
Relative Return		*2.0%*	*8.2%*	*n.a.*	*n.a.*	*7.9%*
Europe Core (EUR)	Nov-02	8.6%	23.3%	14.7%	17.3%	9.8%
MSCI Europe		*6.6%*	*17.0%*	*9.9%*	*13.4%*	*6.9%*
Relative Return		*2.0%*	*6.3%*	*4.8%*	*3.9%*	*2.9%*
Japan Core (JPY)	Apr-05	(5.7)%	10.0%	17.7%	11.1%	3.2%
MSCI Japan		*(7.4)%*	*7.0%*	*14.6%*	*7.9%*	*2.2%*
Relative Return		*1.7%*	*3.0%*	*3.1%*	*3.2%*	*1.0%*
International Small Cap	Jan-11	4.3%	27.0%	13.8%	n.a.	14.8%
Custom MSCI World Ex-US[5]		*4.4%*	*22.0%*	*8.5%*	*n.a.*	*9.2%*
Relative Return		*(0.1)%*	*5.1%*	*5.3%*	*n.a.*	*5.6%*
US LARGE CAP						
Core	May-99	6.0%	25.3%	18.4%	20.9%	6.6%
Russell 1000		*4.9%*	*20.9%*	*15.1%*	*18.8%*	*4.8%*
Relative Return		*1.1%*	*4.4%*	*3.3%*	*2.1%*	*1.8%*
Value	Mar-97	6.4%	24.1%	18.1%	20.5%	8.7%
Russell 1000 Value		*5.5%*	*19.6%*	*15.1%*	*18.4%*	*8.1%*
Relative Return		*0.8%*	*4.5%*	*3.0%*	*2.0%*	*0.6%*
All Cap Core	May-09	5.2%	23.7%	18.7%	22.6%	23.7%
Russell 3000		*4.3%*	*20.6%*	*14.8%*	*18.8%*	*19.7%*
Relative Return		*0.9%*	*3.1%*	*3.9%*	*3.8%*	*4.0%*
Large Cap Core	Mar-04	6.5%	26.4%	18.8%	20.7%	8.9%
S&P 500		*5.0%*	*20.4%*	*15.1%*	*18.4%*	*7.4%*
Relative Return		*1.5%*	*6.0%*	*3.6%*	*2.3%*	*1.5%*
Amplified Core (130/30)	Jul-06	10.2%	32.0%	22.4%	21.1%	8.6%
S&P 500		*5.0%*	*20.4%*	*15.1%*	*18.4%*	*7.7%*
Relative Return		*5.2%*	*11.5%*	*7.3%*	*2.7%*	*1.0%*
US SMALL CAP						
Small Cap Core	Oct-03	0.8%	22.8%	17.3%	25.6%	12.7%
Russell 2000		*(2.0)%*	*16.8%*	*11.7%*	*19.3%*	*9.7%*
Relative Return		*2.8%*	*6.0%*	*5.6%*	*6.3%*	*3.1%*
Small Cap Value	Dec-98	1.4%	24.0%	17.3%	25.2%	13.5%
Russell 2000 Value		*(0.2)%*	*16.9%*	*12.1%*	*18.8%*	*9.7%*
Relative Return		*1.7%*	*7.2%*	*5.2%*	*6.5%*	*3.8%*
Small Cap Growth	Jul-96	(1.5)%	22.3%	17.3%	23.6%	12.5%
Russell 2000 Growth		*(3.8)%*	*16.7%*	*11.4%*	*19.8%*	*5.9%*
Relative Return		*2.3%*	*5.6%*	*5.9%*	*3.8%*	*6.6%*
SMID Growth	Jul-91	0.6%	24.9%	16.3%	24.2%	13.6%
Russell 2500 Growth		*(1.2)%*	*18.5%*	*12.2%*	*21.0%*	*9.6%*
Relative Return		*1.9%*	*6.4%*	*4.1%*	*3.3%*	*4.0%*
ALTERNATIVES						
US Market Neutral	Feb-95	3.2%	2.9%	5.0%	5.6%	4.6%
World Market Neutral	Oct-06	1.7%	7.5%	5.9%	4.0%	0.5%

4 Strategies reflected in the table do not include all Numeric strategies. Note that some Numeric strategies not shown in the table above may have had lower or higher performance relative to the benchmark during the periods presented. For example, Numeric manages a number of bespoke mandates that implement client restrictions and performance information for those mandates is not included. The table relates to approximately 39% of Numeric's total FUM.

5 Source: Bloomberg and MSCI. The stated benchmarks are intended to represent the strategy's general investible universe. Clients may choose to compare returns for these accounts to different benchmarks, resulting in differences in relative return information. International Small Cap benchmarked to MSCI EAFE Small Cap until August 2013 and MSCI World ex-US Small Cap thereafter. The benchmark for the US Market Neutral and World Market Neutral strategies is the ML 91-day T-Bill. The benchmarks mentioned are unmanaged statistical composites of stock market performance. Investing in an index is not possible. Comparison to a benchmark is for informational purposes only, as the holdings of an account managed by Numeric will differ and may have greater volatility from the securities in the benchmark.

6 Returns are as of 31 May 2014. Returns are represented by strategy composite returns which only include accounts within each strategy that do not have client specific investment restrictions. Returns of accounts with client specific restrictions were not included and it should be noted that such returns may differ.

7 Past performance shown should not be interpreted as indicative of future results and every investment program has the potential for loss as well as profit. There is no guarantee that objectives will be realized. The report contains net of fee performance based on actual fees paid or a representative fee based on the Firm's standard fee schedule. Numeric's investment advisory fees are described in Part 2A of Numeric's Form ADV. Past performance is not a guarantee of future results. Unless otherwise noted all returns are calculated and expressed in USD and reflect reinvestment of dividends and other earnings.

Numeric's investor base is predominantly institutional, with approximately 55% of funds under management sourced from public and corporate pension plans (covering approximately 30 clients), approximately 35% from sub-advisory mandates (covering approximately 30 clients) and around 10% from other clients including endowments and foundations, fund of funds, religious, Taft-Hartley and insurance companies (covering 17 clients).

In terms of geographic split, 46% of Numeric's funds under management are from the Americas (42% from North America), 46% from EMEA and 8% from Asia.

The Numeric management team is led by Mike Even (President & Chief Executive Officer), Robert Furdak (Co-Chief Investment Officer, Director of Portfolio Management) and Shanta Puchtler (Co-Chief Investment Officer, Director of Research). Together these individuals will be responsible for the on-going management of Numeric's business within the enlarged Man Group. No change will be made to Numeric's investment committee or investment process as a result of the Acquisition and investment independence will be maintained. Mike and Shanta will be appointed to Man's Executive Committee following Completion.

Numeric is currently majority owned by TA Associates and certain other external shareholders with the remaining equity being held by Numeric's management and employees.

Numeric generated revenues of $89.3 million (management fees of $38.4 million, performance fees of $50.9 million), EBITDA of $46.9 million and pre-tax IFRS profit of $28.9 million for the year ended 31 December 2013. The gross assets of Numeric at 31 December 2013 were $62 million.

Financial Considerations

To assist with modelling the contribution of Numeric to Man, as at 31 May 2014:

- Numeric's run rate net management fees were $55.7 million;

- 42%, or $6.2 billion, of Numeric's funds under management were performance fee eligible (38%, or $5.2 billion of long only strategies and 97%, or $1.0 billion of alternatives strategies). Performance fee rates range between 9.5% and 25%; the blended average performance fee margin was approximately 12% for long only strategies that were performance fee eligible and approximately 22% for alternative strategies that were performance fee eligible. For most investors, performance fees are charged annually as a percentage above a specified hurdle and/or benchmark.

As described above, Numeric will be operated with an expense ratio of 52.5% for the five years following completion which includes fixed costs of approximately $25 million per annum.

No cost synergies are expected to be realised from the Acquisition however, any increase in US sourced profits as a result of the Acquisition may enable Man to utilise some of its existing US tax losses which otherwise would not be used in the short to medium term.

Accordingly, and for illustrative purposes only, the pre-tax profits from Numeric that would flow through to Man's adjusted management fee profits based on Numeric's FUM levels as at 31 May 2014, would be $26.5 million. This is calculated by taking run rate management fees of $55.7 million and applying the 52.5% expense ratio.

For accounting purposes, the consideration payable under the put and call options, together with the annual dividends, are treated as being contingent consideration with a corresponding contingent liability, similar to an "earn-out" mechanism. The present value of these items will be modelled at completion and added to the purchase consideration with a contingent liability also being recognised. In addition, any accrued but uncrystallised performance fees at the point of completion will also be added to the purchase consideration with a liability being recognised. At each reporting period end, any changes in the fair value of the contingent consideration, together with the unwinding of the discounting of the contingent liability, will be recognised in the income statement for Man as an adjusting item. As the contingent payments are made (including the annual dividend payments) the contingent liability will be reduced accordingly. When the performance fees crystallise they will be recognised in Man's income statement and the associated liability will be reversed.

The regulatory capital usage associated with the Acquisition comprising (i) the upfront consideration, (ii) the present value of consideration payable under the put and call options, (iii) the present value of the anticipated dividend payments by Numeric and (iv) the pre-completion uncrystallised performance fees for accounting purposes, is expected to be approximately $325 million. Man is expected to have pro forma surplus capital of approximately $200 million after the Acquisition and after taking into account the $115 million share repurchase programme announced earlier this year.

Indicative Timeline of Principal Events

An indicative timeline of principal events in connection with the Acquisition is set out below. **The dates and times given below in connection with the Acquisition are indicative only and are based on Man's current expectations and may be subject to change (including as a result of the regulatory timetable and/or the process for implementation of the Acquisition).** If any of the times and/or dates below change, the revised times and/or dates will be notified by Man to Man's shareholders through a Regulatory Information Service.

Event	**Date**
Publication of the circular in connection with the Acquisition	August 2014
Man General Meeting	End August / September 2014
Completion of the Acquisition	September 2014

Credit Suisse Securities (Europe) Limited **("Credit Suisse")** is acting as financial adviser, sponsor and corporate broker to Man.

PL Advisors is also acting as financial adviser to Man.

Conference Call

A conference call for investors and analysts will be held at 08:00 GMT this morning and a copy of the presentation will be available on the Man Group website.

Audio Details

UK toll:	+44 20 3426 2889
UK toll free:	0808 237 0060
USA toll:	+1 646 722 4897
USA toll free:	+1 877 841 4558

Playback Details

UK toll:	+44 20 3426 2807
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About Man

Man is a world-leading alternative investment management business. It has expertise in a wide range of liquid investment styles including managed futures, equity, credit and convertibles, emerging markets, global macro and multi-manager, combined with powerful product structuring, distribution and client service capabilities. As at 31 March 2014, Man managed $55.0 billion.

The original business was founded in 1783. Today, Man is listed on the London Stock Exchange and is a member of the FTSE 250 Index with a market capitalisation of around £1.8 billion.

Man supports many awards, charities and initiatives around the world, including sponsoring the Man Booker literary prizes. Further information can be found at www.man.com.

Forward-looking statements and other important information

This announcement contains forward-looking statements, including in respect of the financial condition, results and business of the Man Group and Numeric. By their nature, forward-looking statements involve a number of risks, uncertainties or assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties or assumptions could adversely affect the outcome and financial effects of the plans, events and estimates described herein. Man's actual future results may differ materially from the results expressed or implied in these forward looking statements. Forward-looking statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Undue reliance should not be placed on forward-looking statements, which speak only as of the date of this announcement and, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and Man's plans, objectives and estimates, to differ materially from those expressed or implied in the forward-looking statements. Except as required by law or regulation, Man is not under an obligation to update or keep current the forward-looking statements contained in this announcement or to correct any inaccuracies which may become apparent in such forward-looking statements.

No statement in this announcement is intended as a profit forecast or profit estimate and no statement in this announcement should be interpreted to mean that the earnings per share of the enlarged Man, Man or Numeric for the current or future financial periods will necessarily match or exceed the historical or published earnings per share of Man or Numeric.

The content of the websites referred to in this announcement is not incorporated into and does not form part of this announcement. Nothing in this announcement should be construed as or is intended to be a solicitation for or an offer of securities or to provide investment advisory services.

Credit Suisse, which is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority in the United Kingdom, is acting exclusively as sole sponsor and financial adviser to Man and for no one else in connection with the content of this announcement and the Acquisition and will not be responsible to any person other than Man for providing the protections afforded to clients of Credit Suisse, nor for providing advice in relation to the Acquisition, the content of this announcement or any matters referred to in this announcement.