Man launches new structured product

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Man Investment Products (MIP) today announced the launch of a new capital guaranteed structured product, Man Multi-Strategy Series 4 Ltd (Series 4).

Series 4 will target medium-term annualised growth of around 15 per cent while aiming to restrict volatility to around 10 per cent and will be available in both US$ and Euro Class Bonds.

What separates this product from the previous products in the Man Multi-Strategy family of products is an enhanced principal protection structure - Series 4 guarantees investors a return of at least 120 per cent of the face value of their initial investment at maturity.

Christoph Moeller, Man's sales director and chief executive officer in Switzerland, said: "Series 4 offers investors access to the performance potential of the Man Multi-Strategy product family with the added benefit of 120 per cent capital Guarantees. Investors have again come to recognise the valuable diversification benefits alternative investments can offer an investment portfolio, particularly in the turbulent markets we are seeing this year."

Series 4 provides investors with access to a diversified portfolio of investment strategies implemented by a number of carefully selected advisers. The ability of the Man Multi-Strategy portfolio to generate returns and protect investors' capital during difficult market conditions for traditional assets has been highlighted by the performance of Man Multi-Strategy Guaranteed Limited, the first product in the family.

According to MIP, as at 31 July 2002, Man Multi-Strategy Guaranteed Limited had substantially outperformed traditional investments, producing an annualised return of 14.9 per cent since inception - compared to -20.3 per cent for world stocks and 6.3 per cent for world bonds over the same period.

Series 4 incorporates an enhanced principal protection structure that guarantees investors the return of at least 120 per cent of the face value of their initial investment at maturity. In addition, provisions have also been made to include a Profit Lock-in Feature which, subject to trading performance, has the potential to elevate the level of the guarantees at maturity by locking-in a portion of net new trading profits following periods of sustained profitability. The operation of both the guarantees and the Profit Lock-in Feature are subject to the terms and conditions of the capital guarantees provided by The Royal Bank of Scotland plc.

The Royal Bank of Scotland plc, a leading UK-based financial institution, is the second largest banking group in Europe and the fifth largest in the world, with a market capitalisation of £49 billion at 22 February 2002. It has more than 18 million personal customers and 2,287 branches in the UK. As at 31 December 2001, its assets were £368 billion and as at 17 July 2002 RBS had a Aa1 senior debt rating from Moody's.

Man Multi-Strategy Series 4 Ltd will be available to investors from today to 6 December 2002 with a

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possible extension to the offer period.

Background Note: Man Investment Products (MIP) is part of Man Group plc, an international hedge fund manager and futures broker that is listed on the London Stock Exchange and is a constituent of the FTSE 100 index of leading shares.

Man is achieving considerable success with its structured and guaranteed products, pointing the way forward for other hedge fund groups. On 17 October 2002 Man Group plc, announced that the recent global launch of Man IP 220 Series 4 Ltd ("Series 4") had raised over US$670 million of client money, a record for any single product offering.

The issue was the latest in a series of Man IP 220 style products. The original Man IP 220 product has achieved an annualised net return of 19.4% since inception in December 1996. Man IP 220 Series 4 carries a capital guarantee from Lloyds TSB Bank to return at least 120% of subscribers initial investment at maturity. The structured product, offered in two currency classes (Euros and US dollars), comprises investment exposure to the Man-AHL Diversified Programme and the Man-Glenwood Portfolio.

Commenting on the success of Man IP 220 Series 4 , Stanley Fink, Chief Executive of the Man Group plc, said: "This latest record product launch demonstrates the continued ability of the Man Group to structure and distribute products with enormous appeal to investors internationally. Man Group's latest investment offering attracted a high level of demand due to its performance potential, backed by an impressive track record, and its low correlation with equity markets. This is an extremely attractive investment opportunity combining a capital guarantee arrangement that provides for the return of 120 per cent of initial capital, with access to the portfolio diversification benefits of alternative investments. This further sales success will increase assets under management and underpin continued significant growth in management fees."

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