

The devastating earthquake in Japan dominated the headlines in March as the huge human and economic cost of the disaster became apparent. The situation in the immediate aftermath was highly uncertain as the Fukushima nuclear power plant threatened to escalate the crisis to a new level. As a result, our risk management team monitored the situation closely to ensure portfolio risk was carefully controlled throughout the month. This included temporary action to mitigate the impact of local exchanges being forced to close as a consequence of evacuations.

Coupled with the ongoing violence in Libya, markets experienced a sharp fall in risk appetite and a surge in volatility around mid-month. However, by the end of the month, volatility and risk appetite had returned to levels last seen in February as bullish expectations for the rest of 2011 attracted buyers.

The unexpected nature of March's events disrupted

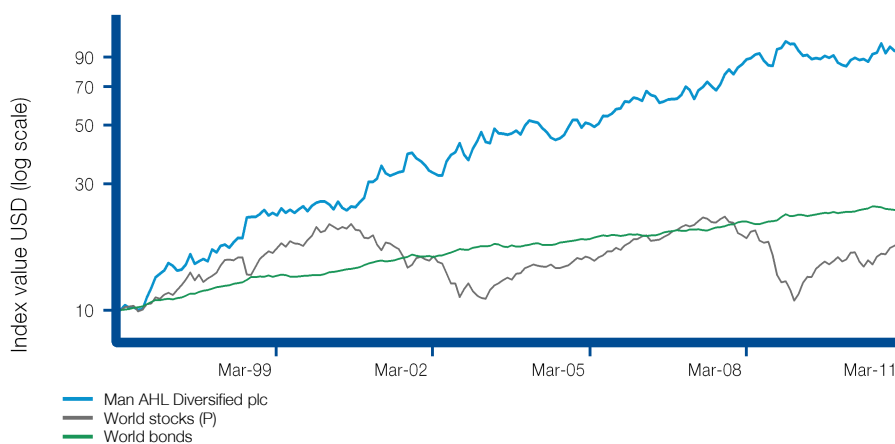
AHL's identified trends. Around two thirds of the month's loss came from long stock positions as a result of a sharp post-earthquake sell off in prices. Both the Nikkei and Topix were held long over the month and therefore accounted for some of the more prominent stock sector losses. Negative performance, however, was not only contained to Japanese indices, with long European indices also detracting from returns.

Commodity trading was also impacted as established long positions across industrial metals and agricultural posted losses as prices sold off on generic risk reduction/liquidity searching themes and downgraded demand expectations. Energy trading was also mixed, as long crude oil positions offset losses from short natural gas, with oil prices advancing on Libyan violence and natural gas prices advancing on nuclear power safety fears.

Elsewhere, currency trading further detracted from returns as the sell off in commodity-linked and emerging market currencies impacted performance, especially in relation to long Australian dollar positions. The euro enjoyed a strong month, a result of signals that the ECB will raise rates next month, but the move resulted in relatively flat performance as good profits from long EUR/GBP were offset by short EUR positions against a number of other currencies. On the positive side, however, a strong run up in the Japanese yen created profits as the yen surged on speculation of a repatriation of Japanese wealth.

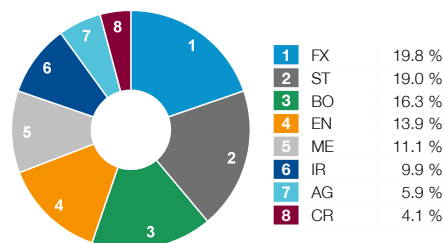
## Performance chart

26 March 1996 to 28 March 2011



## Sector allocations

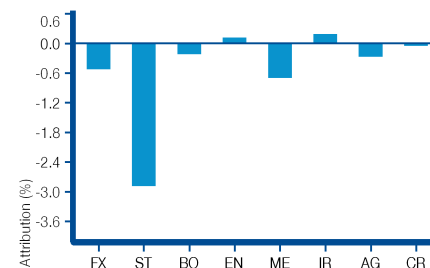
As at 28 March 2011



FX: Currencies, ST: Stocks, BO: Bonds, EN: Energies, ME: Metals, IR: Interest rates, AG: Agriculturals, CR: Credit.

## Performance attribution

March 2011



## Performance statistics

26 March 1996 to 28 March 2011

	Product	World stocks (P)	World bonds
Last month	-4.7 %	-1.6 %	-0.2 %
Last quarter	-6.9 %	3.0 %	-0.7 %
Year to date	-6.9 %	3.0 %	-0.7 %
Last 12 months	4.5 %	7.1 %	1.5 %
Last calendar year	14.8 %	8.3 %	3.4 %
Total return	819.7 %	76.7 %	138.4 %
Annualised return	15.9 %	3.9 %	6.0 %
Annualised volatility	17.7 %	15.3 %	2.9 %
Sharpe ratio	0.73	0.09	0.79
Worst drawdown	-19.4 %	-51.9 %	-3.3 %
Correlation		-0.18	0.33

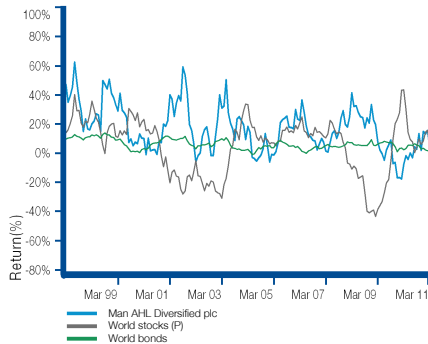
## Key market attribution

March 2011

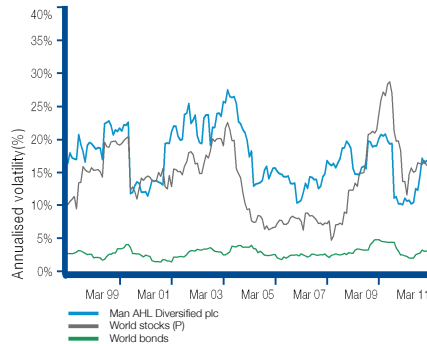
Highest performing markets	Direction	Attribution
Euro/UK Sterling	Long	0.35 %
Silver	Long	0.32 %
Euribor	Short	0.21 %

Lowest performing markets	Direction	Attribution
Nickel	Long	-0.34 %
DAX Index	Long	-0.34 %
Tokyo Stock Exchange Index	Long	-0.47 %

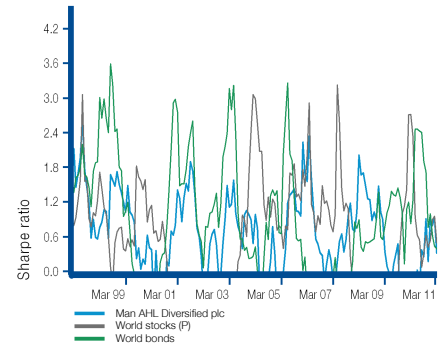
### 12 month rolling return



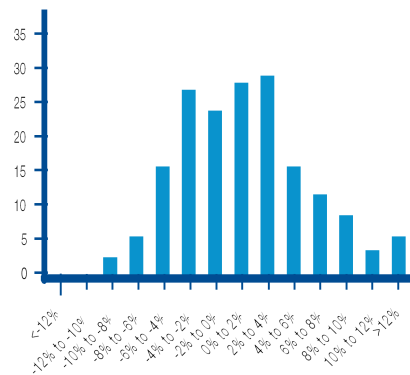
### 12 month rolling annualised volatility



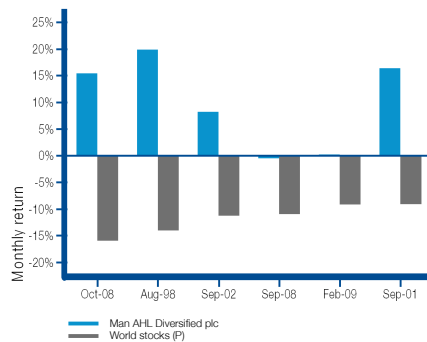
### 12 month rolling sharpe ratio



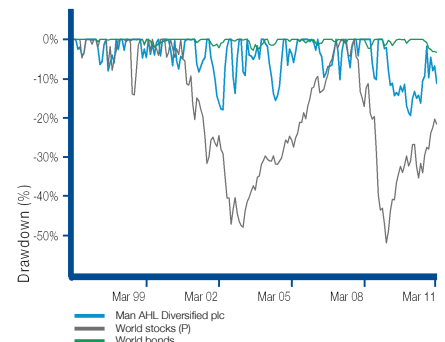
### Distribution of monthly returns



### <<Heading\_Perf\_When\_BM\_Down\_World stocks (P)>>



### Drawdown analysis



### Historical performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual return
1996				4.4 %	-2.5 %	0.5 %	-2.1 %	0.6 %	10.6 %	8.7 %	9.8 %	3.2 %	N/A
1997	3.1 %	6.4 %	-2.3 %	-4.1 %	0.8 %	4.6 %	9.4 %	-8.0 %	2.1 %	2.1 %	-2.0 %	10.8 %	23.5 %
1998	-2.5 %	5.8 %	1.2 %	-2.8 %	4.9 %	3.9 %	-0.4 %	19.9 %	0.4 %	0.0 %	2.4 %	3.8 %	41.1 %
1999	-4.7 %	2.3 %	-2.1 %	6.4 %	-3.8 %	2.7 %	-2.8 %	3.3 %	2.6 %	-4.2 %	4.8 %	2.7 %	6.5 %
2000	1.1 %	-0.2 %	-2.5 %	-4.2 %	7.0 %	-5.3 %	-2.2 %	3.4 %	-0.6 %	4.6 %	3.8 %	14.9 %	19.9 %
2001	-0.1 %	2.9 %	11.8 %	-6.3 %	-2.1 %	1.5 %	1.6 %	0.8 %	16.4 %	0.9 %	-4.7 %	-2.5 %	19.7 %
2002	-3.5 %	-4.7 %	-2.0 %	-1.9 %	-0.2 %	13.0 %	5.7 %	2.5 %	8.3 %	-9.6 %	-4.6 %	10.4 %	11.4 %
2003	6.9 %	8.1 %	-8.3 %	-1.0 %	13.5 %	-4.0 %	-0.2 %	-0.9 %	1.1 %	2.5 %	-3.4 %	8.0 %	22.3 %
2004	4.5 %	-1.0 %	-0.9 %	-4.4 %	-3.4 %	-4.9 %	-2.0 %	1.5 %	2.8 %	7.1 %	6.4 %	0.2 %	5.1 %
2005	-6.6 %	4.3 %	-1.2 %	-2.3 %	2.8 %	7.0 %	-0.3 %	2.3 %	4.0 %	0.7 %	6.3 %	-0.6 %	16.8 %
2006	3.9 %	-0.8 %	-2.0 %	8.8 %	-3.3 %	-1.1 %	-5.4 %	1.1 %	1.8 %	0.2 %	0.3 %	3.4 %	6.4 %
2007	7.5 %	-2.9 %	-7.5 %	8.0 %	2.9 %	4.6 %	-3.9 %	-3.5 %	5.6 %	9.0 %	4.3 %	-4.2 %	19.6 %
2008	6.1 %	2.8 %	4.5 %	1.0 %	3.2 %	1.0 %	-6.1 %	-3.9 %	-0.5 %	15.5 %	1.3 %	5.8 %	33.2 %
2009	-2.3 %	0.2 %	-5.9 %	-4.1 %	0.5 %	-3.5 %	0.9 %	-0.8 %	2.7 %	-1.6 %	2.1 %	-6.1 %	-16.9 %
2010	-2.1 %	-0.9 %	5.4 %	2.0 %	-1.9 %	0.8 %	-2.3 %	6.8 %	1.3 %	8.4 %	-8.1 %	5.7 %	14.8 %
2011	-3.5 %	1.2 %	-4.7 %										-6.9 %

## Performance statistics

	Product	World stocks (P)	World bonds
Last month	-4.7 %	-1.6 %	-0.2 %
Last 6 months	-2.0 %	11.2 %	-2.9 %
Last quarter	-6.9 %	3.0 %	-0.7 %
Year to date	-6.9 %	3.0 %	-0.7 %
Last 12 months	4.5 %	7.1 %	1.5 %
Last calendar year	14.8 %	8.3 %	3.4 %
Total return	819.7 %	76.7 %	138.4 %
Annualised return	15.9 %	3.9 %	6.0 %
Best month	19.9 %	10.1 %	3.0 %
Worst month	-9.6 %	-15.9 %	-1.8 %
Av. pos. months	4.7 %	3.4 %	0.9 %
Av. neg. months	-3.2 %	-3.6 %	-0.6 %
No. pos. months	104	104	129
No. neg. months	76	76	51
Annualised volatility	17.7 %	15.3 %	2.9 %
Gain deviation	13.7 %	7.4 %	1.9 %
Loss deviation	7.5 %	11.9 %	1.5 %
Sharpe ratio	0.73	0.09	0.79
Sortino ratio	1.41	0.12	1.33
Worst drawdown	-19.4 %	-51.9 %	-3.3 %
Peak date	29-Dec-2008	31-Oct-2007	31-Aug-2010
Valley date	22-Feb-2010	28-Feb-2009	31-Mar-2011
Length	14 months	16 months	7 months
Recovery period	N/A	N/A	N/A
Correlation		-0.18	0.33
Alpha		13.1 %	8.5 %
Beta		-0.21	1.88

## Key facts summary

Investment manager	Man Investments Limited
Dealing frequency	Weekly
Launch date	26-Mar-1996
Minimum subscription	(USD) 30,000
ISIN	IE0000360275
Valoren	454220
Reuters page	MAN01
Bloomberg ticker	EDFDGLI
WKN Number	357956
Administrator	Citco Fund Services (Ireland) Limited
Common code	006165320
Valuation agent	Citco Fund Services (Ireland) Limited
Custodian	BNP Paribas Securities Services, Dublin Branch

## Important notes

Source: Man database.

World stocks (P): MSCI World Index hedged to USD (price return). World bonds: Citigroup World Government Bond Index hedged to USD (Total return). These indices are not benchmarks as they are not representative of the fund's investment strategy. They should therefore be seen as comparisons of asset classes.

NAV is net of fees. Commissions and costs for subscriptions and redemptions of shares are not considered in the performance presented.

Sharpe ratios are calculated using the risk-free rate in the appropriate currency over the period analysed. Where an investment has underperformed the risk-free rate, the Sharpe ratio will be negative. As the Sharpe ratio is an absolute measure of risk-adjusted return, negative Sharpe ratios are shown as N/A, as they can be misleading.

The risk-free rate used for sharpe ratio calculation is the 3 month USD Libor.

The range of strategies and the allocations to each are regularly refined by the investment manager based on continuing research.

The market sector and key market attributions above are to be used as indications only. The figures are estimated and generated from the underlying AHL Programme system and do not take into account the fees/interest/commission charges on any particular account. Differences may also occur due to slippage variation, portfolio changes, FX movements and post execution adjustments. Therefore the sum total of these sector indications will not necessarily equate to the reported performance for the month in question.

Product performance is net of all manager and performance fees.

With the introduction of Markets in Financial Instruments Directive ('MIFID'), performance returns need to be shown on a 12 month rolling basis. As such the MIFID compliant returns within the Historical Returns table are highlighted. From 26 March 1996 to 28 March 2011 Man AHL Diversified plc has a total return of 819.7 %.

**Access the latest performance and other information on the Man Investments website: <http://www.maninvestments.com>.**