

Man AHL Diversified Futures Ltd

Unaudited interim financial statements

For the six months ended 31 March 2010

Man AHL Diversified Futures Ltd

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Man AHL Diversified Futures Ltd

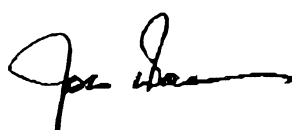
Statement of financial position

As at 31 March 2010

	Notes	Unaudited 31 March 2010 USD	Audited 30 September 2009 USD
Current assets			
Cash at bank		1,067,864,306	1,319,866,619
Balances with brokers		257,149,285	239,218,118
Investments - at fair value through profit or loss	4	50,142,676	42,554,668
Prepayments and other assets		–	27,302
Amounts receivable on subscription of Shares		–	154,071
Total current assets		1,375,156,267	1,601,820,778
Current liabilities			
Investments - at fair value through profit or loss	4	(492,909)	–
Amounts payable on redemption of Shares		(8,652,546)	–
Accounts payable and accrued expenses	3	(6,208,341)	(48,566,239)
Total current liabilities		(15,353,796)	(48,566,239)
Net assets		1,359,802,471	1,553,254,539
Which are represented by:			
Shareholder's equity			
37,105,777 (2009 – 41,146,666) Shares with a Net Asset Value per Share of USD 36.64 (2009 – USD 37.74)		1,359,802,471	1,553,254,539
Manager Shares			
Issued, uncalled ordinary share capital (12,000 shares of USD 1 each)		–	–
		1,359,802,471	1,553,254,539

The notes on pages 6 to 8 form an integral part of these financial statements.

Signed on behalf of the Board on 7 May 2010



John Walley
Director



Philip Bodman
Director

Man AHL Diversified Futures Ltd

Statement of changes in amounts attributable to Shareholders and statement of changes in equity

Statement of changes in amounts attributable to Shareholders

For the period ended 31 March 2010

	Unaudited Period ended 31 March 2010 USD	Unaudited Period ended 31 March 2009 USD
Balance at beginning of period	1,553,254,539	1,291,193,256
Issue of 2,353,645 (2009 – 9,410,284) Shares	86,180,574	384,633,723
Redemption of 6,394,534 (2009 – 8,263,515) Shares	(231,642,224)	(331,647,469)
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	1,407,792,889	1,344,179,510
Net (loss)/income for the period attributable to Shareholders	(47,990,418)	141,288,126
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Balance at end of period	1,359,802,471	1,485,467,636
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Statement of changes in equity

There were no changes in equity in the current or prior year.

The notes on pages 6 to 8 form an integral part of these financial statements.

Man AHL Diversified Futures Ltd

Statement of comprehensive income

For the period ended 31 March 2010

	Notes	Unaudited Period ended 31 March 2010 USD	Unaudited Period ended 31 March 2009 USD
Income			
Interest income		1,393,840	9,237,279
Net gains on foreign currency		131,733	28,315
Change in net unrealised gains on investments - at fair value through profit or loss		7,095,099	(37,578,411)
Realised gains/(losses) on investments - at fair value through profit or loss		(25,368,115)	252,859,099
Other income		-	58,592
		<u>(16,747,443)</u>	<u>224,604,874</u>
Expenses			
Transaction and brokerage costs	3	(7,162,791)	(7,137,370)
Management and incentive fees	3	(21,574,346)	(72,785,915)
Hong Kong representative fees	3	(9,423)	-
Registrar and secretarial fees	3	(434,878)	(453,396)
Custodian fees		(18,346)	(14,423)
General expenses		(1,654,801)	(1,687,161)
Auditors' remuneration		(9,562)	(3,568)
Directors' fees	3	(1,477)	(3,933)
Legal fees	3	(1,745)	(97,569)
Bank charges		(49,655)	(6,176)
Interest expense		(325,951)	(1,127,237)
		<u>(31,242,975)</u>	<u>(83,316,748)</u>
Net (loss)/income for the period attributable to Shareholders		<u>(47,990,418)</u>	<u>141,288,126</u>

The notes on pages 6 to 8 form an integral part of these financial statements.

Man AHL Diversified Futures Ltd

Statement of cash flows

For the period ended 31 March 2010

	Unaudited Period ended 31 March 2010 USD	Unaudited Period ended 31 March 2009 USD
Cash flows from operating activities		
Net (loss)/income for the period attributable to Shareholders	(47,990,418)	141,288,126
Adjustment to reconcile net (loss)/income for the period to net cash (used in)/provided by operating activities:		
Interest income	(1,393,840)	(9,237,279)
Interest expense	325,951	1,127,237
	<u>(49,058,307)</u>	<u>133,178,084</u>
Net changes in operating assets and liabilities:		
Change in net assets and liabilities:		
Investments - at fair value through profit or loss	(7,095,099)	37,600,769
Prepayments and other assets	27,302	2,240,769
Amounts receivable on subscription of Participating Shares	154,071	(38,511,033)
Amounts payable on redemption of Participating Shares	8,652,546	(9,194,568)
Accounts payable and accrued expenses	(42,357,898)	(242,917)
	<u>(89,677,385)</u>	<u>125,071,104</u>
Cash flows from investing activities		
Interest received	1,393,840	9,237,279
Interest paid	(325,951)	-
	<u>1,067,889</u>	<u>9,237,279</u>
Cash flows from financing activities		
Proceeds on issue of Shares	86,180,574	384,633,723
Payments on redemption of Shares	(231,642,224)	(331,647,469)
Interest paid	-	(1,127,237)
	<u>(145,461,650)</u>	<u>51,859,017</u>
Net cash (used in)/provided by operating activities	<u>(89,677,385)</u>	<u>125,071,104</u>
Net cash (used in)/provided by investing activities	<u>1,067,889</u>	<u>9,237,279</u>
Net cash (used in)/provided by financing activities	<u>(145,461,650)</u>	<u>51,859,017</u>
Net change in cash and cash equivalents	(234,071,146)	186,167,400
Cash and cash equivalents at beginning of period	1,559,084,737	1,333,859,127
	<u>1,325,013,591</u>	<u>1,520,026,527</u>
Cash and cash equivalents at end of period	<u>1,325,013,591</u>	<u>1,520,026,527</u>
Cash and cash equivalents consist of:		
Cash at bank	1,067,864,306	1,395,528,011
Balances with brokers	257,149,285	124,498,516
	<u>1,325,013,591</u>	<u>1,520,026,527</u>

The notes on pages 6 to 8 form an integral part of these financial statements.

Man AHL Diversified Futures Ltd

Notes to the financial statements

1. General

Man AHL Diversified Futures Ltd (the “Company”) was incorporated under the laws of Bermuda on 11 September 1997 and carries on business as an open-ended investment company, trading a diversified portfolio of international interbank currency and financial futures. The Company commenced trading on 12 May 1998.

Terms defined in the prospectus shall, unless the context otherwise requires, have the same meaning in these financial statements.

2. Summary of significant accounting policies

Basis of accounting

The interim consolidated financial statements are prepared in accordance with International Accounting Standard 34: “Interim Financial Reporting”. The accounting policies used in the preparation of the interim consolidated financial statements are consistent with those used in the preparation of the annual audited financial statements for the year ended 30 September 2009 and are also consistent with those expected to be used in the preparation of the annual audited financial statements for the period ended 30 September 2010.

The preparation of these financial statements is consistent with the method of the determination of the Net Asset Value as per the prospectus.

3. Related parties

Man Investments Limited is a related party as it is the Investment Manager of the Company. Man Investments Limited is a subsidiary of Man Group plc and therefore all subsidiaries of Man Group plc are also related parties.

During the period, the Company has transacted with the following subsidiaries of Man Group plc:

- Man Investments AG;
- Man Corporate Services (Ireland) Limited;
- Man Valuation Services Limited; and
- Man Investments (Hong Kong) Limited.

Man Group plc companies are also involved, in varying capacities, in the management of all of the companies in which the Company has invested.

Master Multi-Product Holdings Ltd is a related party through its 100% holding of the Manager Shares in the Company.

Conyers Dill & Pearman is a related party as Dawn C Griffiths is a director of the Company and a partner of the law firm.

Man AHL Diversified Futures Ltd

Notes to the financial statements

3. Related parties

The following transactions took place between the Company and its related parties.

For the period ended 31 March 2010

Related party	Type of fee	Unaudited Total fees 31 March 2010 USD	Unaudited Fees payable at 31 March 2010 USD
Man Investments AG	Transaction and brokerage costs	7,162,791	1,376,130
Man Investments AG	Crystallised incentive fee	85,974	85,974
Man Investments AG	Management fees	21,488,372	4,128,389
Man Corporate Services (Ireland) Limited	Sub-registrar fees	378,944	176,474
Man Investments (Hong Kong) Limited	Hong Kong representative fees	9,423	481
Man Valuation Services Limited	Valuation fees	1,647,650	316,552
Directors	Directors' fees	1,477	66
Conyers Dill & Pearman	Legal fees	1,334	–

For the year ended 30 September 2009

Related party	Type of fee	Audited Total fees 30 September 2009 USD	Audited Fees payable at 30 September 2009 USD
Man Investments AG	Transaction and brokerage costs	14,664,283	1,268,689
Man Investments AG	Crystallised incentive fee	12,513,002	13,092,719
Man Investments AG	Incentive fees	30,419,903	29,265,567
Man Investments AG	Management fees	43,992,850	3,806,068
Man Corporate Services (Ireland) Limited	Registrar and secretarial fees	878,792	427,779
Man Investments (Hong Kong) Limited	Hong Kong representative fees	5,000	5,000
Man Valuation Services Limited	Valuation fees	3,373,202	291,833
Directors	Directors' fees	7,817	271
Conyers Dill & Pearman	Legal fees	5,670	–

Man AHL Diversified Futures Ltd

Notes to the financial statements

4. Investments - at fair value through profit or loss

As at 31 March 2010

	Unaudited 31 March 2010 Fair value USD	As a percentage of Net Asset Value
Short-term interest rate futures	12,467,081	0.92%
Bond futures	(819,169)	(0.06)%
Commodities – settled by cash	14,318	0%
Commodities – settled by delivery	21,412,848	1.57%
Foreign exchange forwards	2,160,781	0.16%
Stock index futures	14,671,644	1.08%
Other	235,174	0.02%
	50,142,676	3.69%
	(492,909)	(0.04)%

As at 30 September 2009

	Audited 30 September 2009 Fair value USD	As a percentage of Net Asset Value
Short-term interest rate futures	4,194,215	0.27%
Bond futures	13,582,441	0.87%
Commodities – settled by cash	709,964	0.05%
Commodities – settled by delivery	8,761,820	0.56%
Foreign exchange forwards	15,462,378	1.00%
Stock index futures	(678,970)	(0.04)%
Other	522,820	0.03%
	42,554,668	2.74%