



Affiliated Managers Group, Inc. To Make Investment In Davis Hamilton Jackson & Associates, Inc.

October 22, 1998

BOSTON, Oct. 22 -- Affiliated Managers Group, Inc. (NYSE: AMG) and Davis Hamilton Jackson & Associates, Inc. ("DHJA") announced today that they have reached a definitive agreement whereby AMG will make a significant equity investment in DHJA.

DHJA is a Houston-based investment advisor, which manages approximately \$3 billion for a variety of institutional clients. Founded in 1988 by Robert C. Davis and Jack R. Hamilton, DHJA specializes in investing in large and mid-cap growth equities and fixed-income securities, employing a process focused on identifying companies with earnings and dividend growth significantly greater than that of the market. AMG is a Boston-based asset management holding company which acquires majority interests in mid-sized investment management firms. AMG's strategy is to generate growth through investments in new affiliates, as well as through the internal growth of existing affiliated firms. AMG has eleven Affiliates which had aggregate assets under management of over \$50 billion at Sept. 30, 1998.

William J. Nutt, AMG's President and Chief Executive Officer noted that, "We are extraordinarily pleased to welcome Davis Hamilton Jackson & Associates to our family of Affiliates. Davis Hamilton has demonstrated impressive growth through outstanding investment performance and its ability to attract and retain a diversified client base."

Mr. Davis said, "We felt that partnering with AMG was in our clients' best interest and would provide outstanding ongoing incentives for our management partners and employees."

Mr. Hamilton added, "While Bob and I continue to hold substantial ownership interests in Davis Hamilton Jackson & Associates and will actively manage the firm for many years to come, we needed to establish a structure to retain our team of talented professionals. We believe that our partnership with AMG provides the best long-term incentives for our company's management to continue providing our clients with the service and investment returns they expect from us."

The business of DHJA will be contributed to a new partnership, DHJA L.P., after which AMG will acquire a 65% interest in DHJA L.P., with management holding the remaining 35%. DHJA's operations will remain unchanged, and current management will continue to oversee the operations of their firm. In addition, certain key employees of DHJA will sign long-term employment agreements with the firm.

DHJA provides investment advisory services to a variety of institutional clients including public funds, endowments, foundations, unions and corporations. The firm's equity investment philosophy is to participate fully in upside moves in the market while minimizing downside volatility. DHJA's equity strategy combines a core of large-cap holdings with a meaningful commitment to selected mid-cap stocks. The firm's fixed income strategy emphasizes high-quality securities with an intermediate-term bias.

AMG was founded in Dec. 1993 to address the succession and transition issues facing the founders and owners of many mid-sized investment firms. AMG's investment structure allows individual members of each Affiliate's management to retain or receive significant direct ownership in their firm while maintaining operating autonomy. In addition, AMG provides centralized assistance to its Affiliates, when requested, in strategic matters, marketing, product development and operations support. AMG's shareholders include TA Associates, Chase Capital, BankAmerica, and The Hartford, as well as AMG management and the management of its Affiliates. AMG's common stock is listed on the NYSE under the symbol "AMG."

The transaction is expected to close upon receipt of customary approvals.

Certain matters discussed in this press release may constitute forward-looking statements within the meaning of the federal securities laws. Actual results and the

timing of certain events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors, including changes in the securities or financial markets or in general economic conditions, the availability of equity and debt financing, competition for acquisitions of interests in investment management firms, and other risks detailed from time to time in AMG's filings with the Securities and Exchange Commission. Reference is hereby made to the "Cautionary Statements" set forth in AMG's Form 10-K for the year ended Dec. 31, 1997.

Additional Information

Davis Hamilton Jackson & Associates, Inc.

Location: Houston, Texas

Founded: 1988

Employees: 25

Investment Professionals: 9

Senior Management: Jack R. Hamilton, President

Robert C. Davis, Chief Investment Officer

Alfred Jackson, Principal

James R. Webb, Principal

Assets Under Management: \$3 billion (at 9/30/98)

Clients: Institutional: 93% Private Individuals: 7%

Assets Managed: Equities: 73% Fixed Income: 27%

Products: Growth Equity:

-- Large-Cap

-- Mid-Cap

Balanced

Fixed Income

Affiliated Managers Group, Inc. (NYSE: AMG)

Location: Boston, Massachusetts

Founded: 1993

Senior Management: William J. Nutt, Chairman, President & Chief Executive Officer

Sean M. Healey, Executive Vice President

Assets Under Management: \$50 billion (at 9/30/98)

Affiliates:

The Burridge Group LLC

Essex Investment Management Company

First Quadrant, L.P.

GeoCapital, LLC

Gofen & Glossberg, LLC

J.M. Hartwell Limited Partnership

Paradigm Asset Management Co., LLC

Renaissance Investment Management

Skyline Asset Management, L.P.

Systematic Financial Management, L.P.

Tweedy, Browne Company, LLC