



The Managers Funds Launches New Managers Small Company Fund

June 7, 2000

NORWALK, Conn.--(BUSINESS WIRE)--June 7, 2000--The Managers Funds LLC, the investment advisor and distributor to a \$3.5 billion mutual fund complex, announced today that its newest mutual fund -- Managers Small Company Fund -- will commence investment operations on Monday, June 19, 2000. Investors wishing to buy shares at the initial offering price of \$10 per share may invest at any time before 4:00 P.M. Eastern Standard Time on June 16.

Managers Small Company Fund will be a diversified "core" small capitalization equity fund seeking long-term capital appreciation through investment primarily in small companies. The Fund will be sub-advised by two independent investment managers, HLM Management Co., Inc. ("HLM") and Kalmar Investment Advisers, Inc. ("Kalmar"), which will each manage approximately 50% of the Fund's assets.

HLM, a Boston-based institutional money management organization, will use a team of four portfolio managers supported by six analysts and traders to manage an emerging growth portfolio. Since 1983, HLM has specialized exclusively in investing in small, emerging growth companies. The firm currently has approximately \$1 billion in assets under management.

Kalmar, located in Wilmington, Delaware, will use a team of portfolio managers led by Ford Draper, Jr., who founded the firm in 1982. Kalmar practices a "Growth with Value" approach to small company investing whereby it seeks to identify high quality growing businesses before they are widely discovered by institutional investors. The firm currently has approximately \$860 million in assets under management.

Peter M. Lebovitz, President of The Managers Funds LLC, stated, "The small-cap investment universe is particularly well-suited to the benefits of multiple management styles, as the success of our Managers Special Equity Fund demonstrates. We believe that both KLM and Kalmar will add value over time, and that their combined investment expertise will support the Fund's consistency." Tom Hoffman, Director of Research of The Managers Funds LLC, noted, "We completed a long and thorough search and are very pleased to have found two experienced managers which are not only impressive in their own right, but whose investment disciplines complement one another's."

The initial subscription period for Managers Small Company Fund will end on Friday, June 16, 2000. Investments made before this date will be held in Managers Money Market Fund and will accrue income accordingly.

Headquartered in Norwalk, Connecticut, The Managers Funds LLC was established in 1983. The firm's ten no-load mutual funds provide banks, investment advisors, retirement plans and retail investors with a wide range of U.S. and non-U.S. equity and fixed income strategies. Using a proprietary selection process, The Managers Funds searches for and selects independent investment managers to serve as sub-advisors to its funds; once chosen, the sub-advisors are subject to ongoing monitoring by The Managers Funds' research team. On May 23, 2000, The Managers Funds LLC announced a definitive agreement to acquire the retail business of Smith Breeden Associates, Inc., which consists of three no-load mutual funds.

The Managers Funds LLC is a subsidiary of Affiliated Managers Group, Inc. (NYSE: AMG), a Boston-based asset management holding company. To date, AMG has made investments in 15 investment management firms which collectively managed more than \$90 billion in assets at March 31, 2000.

Certain matters discussed in this press release, which are prefaced with words or phrases such as "will," "believe," "intend," "plan" or similar words or phrases 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 ability of The Managers Funds LLC to launch Managers Small Company Fund, the ability of the sub-advisors to effectively implement their

investment philosophies, the performance of the existing funds and operations at The Managers Funds LLC, fulfillment of the conditions to the closing of the pending acquisition of the retail business of Smith Breeden Associates, Inc., 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 December 31, 1999, and in AMG's Form 10-Q for the quarter ended March 31, 2000.

For more complete information concerning Managers Small Company Fund, including fees and expenses, please contact The Managers Funds LLC at (800) 835-3879 or visit our Web site at www.managersfunds.com for a Prospectus. Please read the Prospectus carefully before investing. The Prospectus is not an offer to sell shares in the Fund. The principal value and investment return of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Managers Funds are distributed by The Managers Funds LLC, an NASD member.

For More Information on Managers Small Company Fund,

Including a Prospectus, Call:

(800) 835-3879

For More Information on The Managers Funds,

Please Visit The Managers Funds' Web Site at

www.managersfunds.com

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