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AMG Reports Financial and Operating Results for the Second Quarter and First Half of 2019

Reports EPS of \$2.11, Economic EPS of \$3.33

- ▶ AUM of \$776 billion, pro forma for investment in Garda Capital Partners
- ▶ Net Income (controlling interest) of \$108 million, Economic Net Income of \$170 million
- ▶ Adjusted EBITDA of \$219 million represented 2% growth versus prior quarter
- ▶ Repurchased \$50 million in common stock and announced \$0.32 cash dividend per common share

WEST PALM BEACH, FL, July 29, 2019 - Affiliated Managers Group, Inc. (NYSE: AMG) today reported its financial and operating results for the second quarter and six months ended June 30, 2019.

Jay C. Horgen, President and Chief Executive Officer of AMG, said:

“AMG reported Economic earnings per share of \$3.33 in the second quarter and net client cash outflows of (\$15.1) billion, which were driven primarily by ongoing performance headwinds in quantitative strategies across liquid alternatives and global equities. At the same time, we are continuing to benefit from organic growth in illiquid alternatives and in fixed income, across relative value and traditional strategies, and are positioned for long-term organic growth in fundamental global and emerging markets equities, given our Affiliates’ strong performance track records.

“More broadly, clients recognize the competitive advantages that boutique managers inherently have in generating alpha. Given AMG’s model and reputation as the partner of choice to outstanding independent firms, we offer unique access to boutique investment capabilities at scale, while preserving and enhancing the elements critical to individual Affiliate growth and success. Finally, with ongoing momentum in our new investment activity, including the recent closing of our partnership with leading fixed income relative value specialist Garda Capital Partners, we continue to have a significant opportunity to generate earnings growth through partnerships with excellent boutiques around the world, and will remain disciplined and selective in making new Affiliate investments, while also consistently returning capital to shareholders.”

| FINANCIAL HIGHLIGHTS <i>(in millions, except as noted and per share data)</i> | Three Months Ended | | Six Months Ended | |
|--|--------------------|-----------|------------------|-----------|
| | 6/30/2018 | 6/30/2019 | 6/30/2018 | 6/30/2019 |
| Operating Performance Measures | | | | |
| AUM (at period end, in billions) | \$ 824.2 | \$ 772.2 | \$ 824.2 | \$ 772.2 |
| Average AUM (in billions) | 829.8 | 774.2 | 834.7 | 773.4 |
| Net client cash flows (in billions) | 4.3 | (15.1) | 2.4 | (22.6) |
| Aggregate fees | 1,284.0 | 1,163.1 | 2,932.7 | 2,415.1 |
| Financial Performance Measures | | | | |
| Net income (loss) (controlling interest) | \$ 117.0 | \$ 107.7 | \$ 270.0 | \$ (93.1) |
| Earnings (loss) per share (diluted) | 2.16 | 2.11 | 4.92 | (1.81) |
| Supplemental Performance Measures⁽¹⁾ | | | | |
| Adjusted EBITDA (controlling interest) | \$ 246.2 | \$ 219.3 | \$ 532.7 | \$ 434.8 |
| Economic net income (controlling interest) | 195.6 | 170.1 | 410.9 | 339.1 |
| Economic earnings per share | 3.61 | 3.33 | 7.52 | 6.59 |

(1) For additional information on these measures, including reconciliations to GAAP, see the Financial Tables and Notes sections of this release.

Capital Management

The Company announced a third-quarter cash dividend of \$0.32 per common share, payable August 22, 2019 to common stockholders of record as of the close of business on August 8, 2019. During the second quarter of 2019, the Company repurchased approximately \$50 million in common stock.

About AMG

AMG is a global asset management company with equity investments in leading boutique investment management firms. AMG's innovative partnership approach allows each Affiliate's management team to own significant equity in their firm while maintaining operational autonomy. AMG's strategy is to generate shareholder value through the growth of existing Affiliates, as well as through investments in new Affiliates and additional investments in existing Affiliates. In addition, AMG provides centralized assistance to its Affiliates in strategic matters, marketing, distribution, product development and operations. As of June 30, 2019, AMG's aggregate assets under management were approximately \$776 billion, pro forma for the subsequently closed investment in Garda Capital Partners, in more than 500 investment products across a broad range of active, return-oriented strategies. For more information, please visit the Company's website at www.amg.com.

Conference Call, Replay and Presentation Information

A conference call will be held with AMG's management at 8:30 a.m. Eastern time today. Parties interested in listening to the conference call should dial 1-877-407-8291 (U.S. calls) or 1-201-689-8345 (non-U.S. calls) shortly before the call begins.

The conference call will also be available for replay beginning approximately one hour after the conclusion of the call. To hear a replay of the call, please dial 1-877-660-6853 (U.S. calls) or 1-201-612-7415 (non-U.S. calls) and provide conference ID 13689635. The live call and replay of the session, and a presentation highlighting the Company's performance can also be accessed via AMG's website at <http://www.amg.com/InvestorRelations/>.

Financial Tables Follow

ASSETS UNDER MANAGEMENT - STATEMENT OF CHANGES *(in billions)*

| BY STRATEGY - QUARTER TO DATE | Alternatives | Global Equities | U.S. Equities | Multi-Asset & Fixed Income | Total |
|--------------------------------------|-----------------|-----------------|-----------------|----------------------------|-----------------|
| AUM, March 31, 2019 | \$ 295.7 | \$ 267.9 | \$ 108.5 | \$ 102.1 | \$ 774.2 |
| Client cash inflows and commitments | 8.6 | 9.5 | 4.4 | 4.8 | 27.3 |
| Client cash outflows | (16.0) | (15.5) | (6.7) | (4.2) | (42.4) |
| Net client cash flows | (7.4) | (6.0) | (2.3) | 0.6 | (15.1) |
| Market changes | 2.4 | 7.0 | 3.9 | 3.3 | 16.6 |
| Foreign exchange | (1.2) | (0.6) | — | 0.1 | (1.7) |
| Realizations and distributions (net) | (0.3) | (0.1) | — | — | (0.4) |
| Other | (1.0) | — | (0.3) | (0.1) | (1.4) |
| AUM, June 30, 2019 | \$ 288.2 | \$ 268.2 | \$ 109.8 | \$ 106.0 | \$ 772.2 |

| BY STRATEGY - YEAR TO DATE | Alternatives | Global Equities | U.S. Equities | Multi-Asset & Fixed Income | Total |
|--------------------------------------|-----------------|-----------------|-----------------|----------------------------|-----------------|
| AUM, December 31, 2018 | \$ 293.5 | \$ 243.8 | \$ 97.6 | \$ 101.1 | \$ 736.0 |
| Client cash inflows and commitments | 20.0 | 19.2 | 8.8 | 10.1 | 58.1 |
| Client cash outflows | (30.4) | (28.6) | (12.5) | (9.2) | (80.7) |
| Net client cash flows | (10.4) | (9.4) | (3.7) | 0.9 | (22.6) |
| Market changes | 9.0 | 33.9 | 16.8 | 8.2 | 67.9 |
| Foreign exchange | (0.2) | 0.8 | 0.1 | 0.5 | 1.2 |
| Realizations and distributions (net) | (2.3) | (0.1) | — | (0.1) | (2.5) |
| Other | (1.4) | (0.8) | (1.0) | (4.6) | (7.8) |
| AUM, June 30, 2019 | \$ 288.2 | \$ 268.2 | \$ 109.8 | \$ 106.0 | \$ 772.2 |

| BY CLIENT TYPE - QUARTER TO DATE | Institutional | Retail | High Net Worth | Total |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| AUM, March 31, 2019 | \$ 451.8 | \$ 210.2 | \$ 112.2 | \$ 774.2 |
| Client cash inflows and commitments | 10.0 | 12.9 | 4.4 | 27.3 |
| Client cash outflows | (19.7) | (18.4) | (4.3) | (42.4) |
| Net client cash flows | (9.7) | (5.5) | 0.1 | (15.1) |
| Market changes | 7.9 | 5.5 | 3.2 | 16.6 |
| Foreign exchange | (0.8) | (1.0) | 0.1 | (1.7) |
| Realizations and distributions (net) | (0.3) | (0.1) | — | (0.4) |
| Other | (1.1) | (0.2) | (0.1) | (1.4) |
| AUM, June 30, 2019 | \$ 447.8 | \$ 208.9 | \$ 115.5 | \$ 772.2 |

| BY CLIENT TYPE - YEAR TO DATE | Institutional | Retail | High Net Worth | Total |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| AUM, December 31, 2018 | \$ 432.9 | \$ 195.4 | \$ 107.7 | \$ 736.0 |
| Client cash inflows and commitments | 21.9 | 26.4 | 9.8 | 58.1 |
| Client cash outflows | (36.6) | (35.5) | (8.6) | (80.7) |
| Net client cash flows | (14.7) | (9.1) | 1.2 | (22.6) |
| Market changes | 34.5 | 22.5 | 10.9 | 67.9 |
| Foreign exchange | 0.8 | 0.1 | 0.3 | 1.2 |
| Realizations and distributions (net) | (2.2) | (0.2) | (0.1) | (2.5) |
| Other | (3.5) | 0.2 | (4.5) | (7.8) |
| AUM, June 30, 2019 | \$ 447.8 | \$ 208.9 | \$ 115.5 | \$ 772.2 |

CONSOLIDATED STATEMENTS OF INCOME (QUARTERLY)

| <i>(in millions, except per share data)</i> | Three Months Ended | |
|---|--------------------|-----------------|
| | 6/30/2018 | 6/30/2019 |
| Consolidated revenue | \$ 600.1 | \$ 591.9 |
| Consolidated expenses: | | |
| Compensation and related expenses | 241.0 | 258.0 |
| Selling, general and administrative | 105.2 | 96.2 |
| Intangible amortization and impairments | 23.2 | 21.2 |
| Interest expense | 21.4 | 19.7 |
| Depreciation and other amortization | 5.7 | 5.3 |
| Other expenses (net) | 11.1 | 12.2 |
| Total consolidated expenses | 407.6 | 412.6 |
| Equity method income (net) | 35.3 | 29.4 |
| Investment and other income | 11.5 | 7.2 |
| Income before income taxes | 239.3 | 215.9 |
| Income tax expense | 34.1 | 35.7 |
| Net income | 205.2 | 180.2 |
| Net income (non-controlling interests) | (88.2) | (72.5) |
| Net income (controlling interest) | \$ 117.0 | \$ 107.7 |
| Average shares outstanding (basic) | 54.0 | 51.0 |
| Average shares outstanding (diluted) | 54.2 | 51.0 |
| Earnings per share (basic) | \$ 2.17 | \$ 2.11 |
| Earnings per share (diluted) | \$ 2.16 | \$ 2.11 |

RECONCILIATIONS OF SUPPLEMENTAL PERFORMANCE MEASURES (QUARTERLY) ⁽²⁾

| <i>(in millions, except per share data)</i> | Three Months Ended | |
|---|--------------------|-----------------|
| | 6/30/2018 | 6/30/2019 |
| Net income (controlling interest) | \$ 117.0 | \$ 107.7 |
| Intangible amortization and impairments | 74.4 | 55.3 |
| Intangible-related deferred taxes | 4.7 | 6.6 |
| Other economic items | (0.5) | 0.5 |
| Economic net income (controlling interest) | \$ 195.6 | \$ 170.1 |
| Average shares outstanding (adjusted diluted) | 54.2 | 51.0 |
| Economic earnings per share | \$ 3.61 | \$ 3.33 |
| Net income (controlling interest) | \$ 117.0 | \$ 107.7 |
| Interest expense | 21.4 | 19.7 |
| Income taxes | 31.6 | 33.4 |
| Intangible amortization and impairments | 74.4 | 55.3 |
| Other items | 1.8 | 3.2 |
| Adjusted EBITDA (controlling interest) | \$ 246.2 | \$ 219.3 |

(2) See Notes for additional information.

CONSOLIDATED STATEMENTS OF INCOME (YEARLY)

| <i>(in millions, except per share data)</i> | Six Months Ended | |
|---|------------------|------------------|
| | 6/30/2018 | 6/30/2019 |
| Consolidated revenue | \$ 1,212.6 | \$ 1,135.1 |
| Consolidated expenses: | | |
| Compensation and related expenses | 507.7 | 486.2 |
| Selling, general and administrative | 211.6 | 191.8 |
| Intangible amortization and impairments | 46.4 | 50.9 |
| Interest expense | 43.0 | 37.9 |
| Depreciation and other amortization | 11.2 | 10.6 |
| Other expenses (net) | 23.2 | 23.0 |
| Total consolidated expenses | 843.1 | 800.4 |
| Equity method income (loss) (net) | 131.6 | (328.8) |
| Investment and other income | 25.7 | 15.2 |
| Income before income taxes | 526.8 | 21.1 |
| Income tax expense (benefit) | 97.5 | (26.1) |
| Net income | 429.3 | 47.2 |
| Net income (non-controlling interests) | (159.3) | (140.3) |
| Net income (loss) (controlling interest) | \$ 270.0 | \$ (93.1) |
| Average shares outstanding (basic) | 54.3 | 51.5 |
| Average shares outstanding (diluted) | 56.8 | 51.5 |
| Earnings (loss) per share (basic) | \$ 4.97 | \$ (1.81) |
| Earnings (loss) per share (diluted) | \$ 4.92 | \$ (1.81) |

RECONCILIATIONS OF SUPPLEMENTAL PERFORMANCE MEASURES (YEARLY) ⁽²⁾

| <i>(in millions, except per share data)</i> | Six Months Ended | |
|---|------------------|------------------|
| | 6/30/2018 | 6/30/2019 |
| Net income (loss) (controlling interest) | \$ 270.0 | \$ (93.1) |
| Intangible amortization and impairments | 122.1 | 515.1 |
| Intangible-related deferred taxes | 17.9 | (87.1) |
| Other economic items | 0.9 | 4.2 |
| Economic net income (controlling interest) | \$ 410.9 | \$ 339.1 |
| Average shares outstanding (adjusted diluted) | 54.6 | 51.5 |
| Economic earnings per share | \$ 7.52 | \$ 6.59 |
| Net income (loss) (controlling interest) | \$ 270.0 | \$ (93.1) |
| Interest expense | 43.0 | 37.9 |
| Income taxes | 92.4 | (31.5) |
| Intangible amortization and impairments | 122.1 | 515.1 |
| Other items | 5.2 | 6.4 |
| Adjusted EBITDA (controlling interest) | \$ 532.7 | \$ 434.8 |

(2) See Notes for additional information.

CONSOLIDATED BALANCE SHEET

| (in millions) | Period Ended | |
|---|-------------------|-------------------|
| | 12/31/2018 | 6/30/2019 |
| Assets | | |
| Cash and cash equivalents | \$ 565.5 | \$ 360.0 |
| Receivables | 400.6 | 528.7 |
| Investments in marketable securities | 119.3 | 33.9 |
| Goodwill | 2,633.4 | 2,639.5 |
| Acquired client relationships (net) | 1,309.9 | 1,257.1 |
| Equity method investments in Affiliates (net) | 2,791.0 | 2,330.2 |
| Fixed assets (net) | 104.3 | 99.8 |
| Other investments | 201.1 | 209.7 |
| Other assets | 94.0 | 268.9 |
| Total assets | \$ 8,219.1 | \$ 7,727.8 |
| Liabilities and Equity | | |
| Payables and accrued liabilities | \$ 746.6 | \$ 607.1 |
| Debt | 1,829.6 | 1,791.4 |
| Deferred income tax liability (net) | 511.6 | 421.7 |
| Other liabilities | 162.7 | 354.6 |
| Total liabilities | 3,250.5 | 3,174.8 |
| Redeemable non-controlling interests | 833.7 | 727.2 |
| Equity: | | |
| Common stock | 0.6 | 0.6 |
| Additional paid-in capital | 835.6 | 835.8 |
| Accumulated other comprehensive loss | (109.0) | (95.1) |
| Retained earnings | 3,876.8 | 3,743.7 |
| | 4,604.0 | 4,485.0 |
| Less: treasury stock, at cost | (1,146.6) | (1,259.7) |
| Total stockholders' equity | 3,457.4 | 3,225.3 |
| Non-controlling interests | 677.5 | 600.5 |
| Total equity | 4,134.9 | 3,825.8 |
| Total liabilities and equity | \$ 8,219.1 | \$ 7,727.8 |

Notes

As supplemental information, we provide non-GAAP performance measures of Adjusted EBITDA (controlling interest), Economic net income (controlling interest) and Economic earnings per share. Management utilizes these non-GAAP performance measures to assess our performance before our share of certain non-cash expenses and to improve comparability between periods.

Adjusted EBITDA (controlling interest) represents our performance before our share of interest expense, income taxes, depreciation, amortization, impairments, and adjustments to our contingent payment arrangements. We believe that many investors use this non-GAAP measure when assessing the financial performance of companies in the investment management industry.

Under our Economic net income (controlling interest) definition, we add to Net income (controlling interest) our share of pre-tax intangible amortization and impairments (including the portion attributable to equity method investments in Affiliates), deferred taxes related to intangible assets, and other economic items which include non-cash imputed interest (principally related to the accounting for convertible securities and contingent payment arrangements) and certain Affiliate equity expenses. Economic net income (controlling interest) is used by management and our Board of Directors as our principal performance benchmark, including as a measure for aligning executive compensation with stockholder value.

Economic earnings per share represents Economic net income (controlling interest) divided by the Average shares outstanding (adjusted diluted). In this calculation, the potential share issuance in connection with our junior convertible securities is measured using a "treasury stock" method. Under this method, only the net number of shares of common stock equal to the value of the junior convertible securities in excess of par, if any, are deemed to be outstanding. We believe the inclusion of net shares under a treasury stock method best reflects the benefit of the increase in available capital resources (which could be used to repurchase shares of common stock) that occurs when these securities are converted and we are relieved of our debt obligation.

The following table provides a reconciliation of Average shares outstanding (adjusted diluted):

| (in millions) | Three Months Ended | | Six Months Ended | |
|---|--------------------|-----------|------------------|-----------|
| | 6/30/2018 | 6/30/2019 | 6/30/2018 | 6/30/2019 |
| Average shares outstanding (diluted) | 54.2 | 51.0 | 56.8 | 51.5 |
| Stock options and restricted stock units | — | — | — | 0.0 |
| Convertible securities | — | — | (2.2) | — |
| Average shares outstanding (adjusted diluted) | 54.2 | 51.0 | 54.6 | 51.5 |

These non-GAAP performance measures are provided in addition to, but not as a substitute for, Net income (controlling interest), Earnings per share (controlling interest) or other GAAP performance measures. For additional information on our non-GAAP measures, see our Annual and Quarterly Reports on Form 10-K and 10-Q, respectively, which are accessible on the SEC's website at www.sec.gov.

Forward Looking Statements and Other Matters

Certain matters discussed in this press release may constitute forward-looking statements within the meaning of the federal securities laws. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources and other non-historical statements. You can identify these forward-looking statements by the use of words such as "outlook," "guidance," "believes," "expects," "potential," "preliminary," "continues," "may," "will," "should," "seeks," "approximately," "predicts," "projects," "positioned," "prospects," "intends," "plans," "estimates," "pending investments," "anticipates" or the negative version of these words or other comparable words. 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, the ability to close pending investments, the investment performance and growth rates of our Affiliates and their ability to effectively market their investment strategies, the mix of Affiliate contributions to our earnings and other risks, uncertainties and assumptions, including those described under the section entitled "Risk Factors" in our most recent Annual Report on Form 10-K. Such factors may be updated from time to time in our periodic filings with the SEC. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in our filings with the SEC. We undertake no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.

From time to time, AMG may use its website as a distribution channel of material Company information. AMG routinely posts financial and other important information regarding the Company in the Investor Relations section of its website at www.amg.com and encourages investors to consult that section regularly.