



# **Investor Overview**

**Q3 2019**

# AMG Overview

## Business Highlights

- ▶ Global, diversified asset management firm
- ▶ Unique, multi-faceted growth strategy
- ▶ Proprietary opportunity to partner with additional top boutiques around the world
- ▶ Positioned for continued earnings growth and shareholder value creation

## Key Facts

- ▶ **Founded:** 1993
- ▶ **Market Cap:** \$3.9 billion (S&P 500® / NYSE: AMG)
- ▶ **Assets Under Management:** \$732 billion
- ▶ **Products:** Over 500+
- ▶ **Credit Rating (Moody's / S&P):** A3 / A-

## Core Elements of AMG's Strategy

### Industry-Leading Boutique Affiliates

- ▶ AMG partners with best-in-class specialists globally
- ▶ Core characteristics of boutiques position them to consistently outperform

### Outstanding Return-Oriented Products

- ▶ Strong long-term investment track records
- ▶ Strategic product focus on global equities and alternatives

### Global Marketing and Support

- ▶ Global institutional and U.S. retail distribution platforms
- ▶ Complements Affiliate-level distribution with the scale of a global asset manager

### Unique Partnership Approach / Opportunity

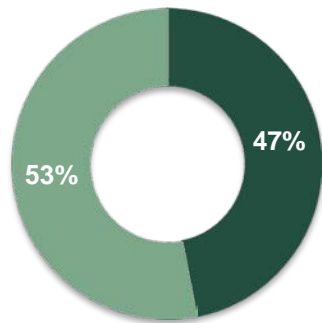
- ▶ 25+ year track record of successful partnerships
- ▶ Affiliates retain significant equity / maintain complete operating autonomy

# AUM is Diversified Across Regions, Client Type and Products

- ▶ Nearly half of AUM from clients domiciled outside the United States
- ▶ Institutional-oriented business with 73% of AUM from institutions and HNW clients
- ▶ 71% of AUM in global equities and alternative strategies

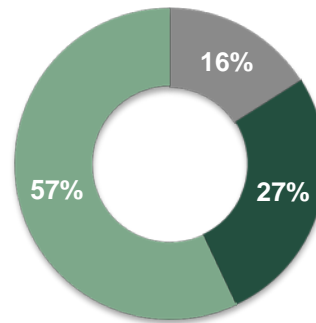
## AMG's AUM Contribution

Client Location



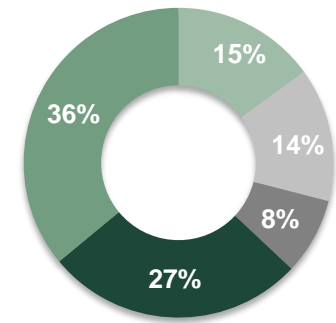
■ U.S.  
■ Non-U.S.

Client Type



■ Institutional  
■ Retail  
■ HNW

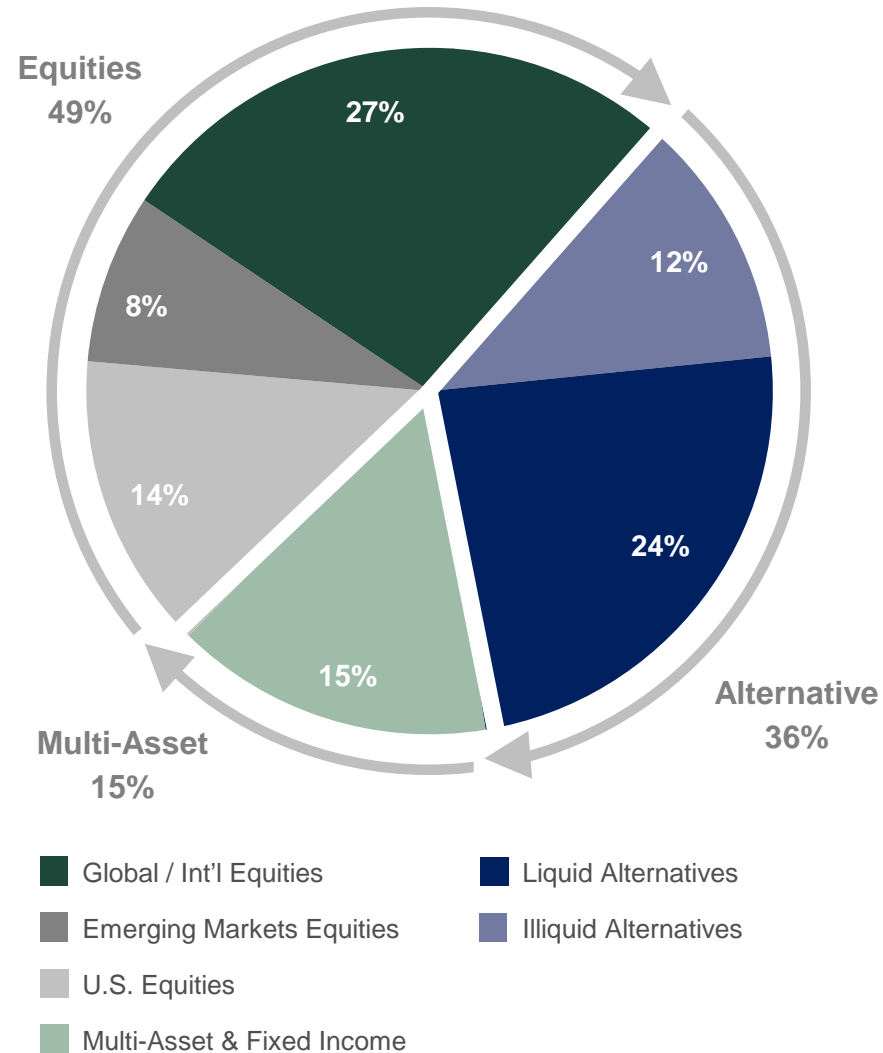
Strategy



■ Alternatives  
■ Global / Int'l Equities  
■ EM Equities  
■ U.S. Equities  
■ Multi-Asset & Fixed Income

# Diverse Exposures Across Broad Array of Traditional and Alternative Strategies

- ▶ Given AMG's strategic focus on areas where boutique managers have competitive advantages in delivering superior client outcomes, high-conviction active equities and alternatives account for the large majority of the company's \$732 billion in AUM
- ▶ Strong long-term client appetite for alternatives
  - AMG is one of the largest and most diversified alternative managers in the industry, with a wide range of distinctive alternative strategies across more than \$250 billion in assets
  - Over 70% of the earnings contribution from alternative products is derived from management fees, including a meaningful portion from long-locked assets across nearly \$100 billion in private markets products
  - Performance fee opportunity is increasingly diverse; only recognized when crystalized
- ▶ Additional growth opportunities across areas with strong secular client demand trends, including wealth management and traditional and alternative fixed income



AUM as of 09/30/2019, pro forma for completed transaction.

Performance fee opportunity includes performance-fee EBITDA from alternatives, as well as performance-fee EBITDA from eligible non-alternatives.

# Strategic Focus on Alternatives and Active Equities

## Alternatives 36%



Premier research-driven quantitative investment management firm



**BPEA**  
Baring Private Equity Asia

Largest dedicated Asian private alternative investment firm



Global fixed income manager with relative value and tail risk focus



GLOBAL ENERGY PARTNERS

Top global investor in energy, renewables and infrastructure



**GARDA**  
CAPITAL PARTNERS

Fixed income relative value specialist



**PANTHEON**

Global investor in private equity, infrastructure and real assets



VALUEACT CAPITAL

Concentrated, active long-term value investor



Systematic manager using science-driven investment systems

## Equities 49%



Premier research-driven quantitative investment management firm



Leading manager of UK, European, US and global strategies



Acclaimed emerging markets equity manager



Top fundamental global equities manager



Leading small and mid-cap growth specialist



Premier global value manager



Long-term real return investor focused on global and Asian equities



Leading large-cap value manager

## Multi-Asset & Fixed Income 15%



Premier research-driven quantitative investment management firm



Leading manager of UK, European, US and global strategies



Specialty fixed income and equity solutions provider

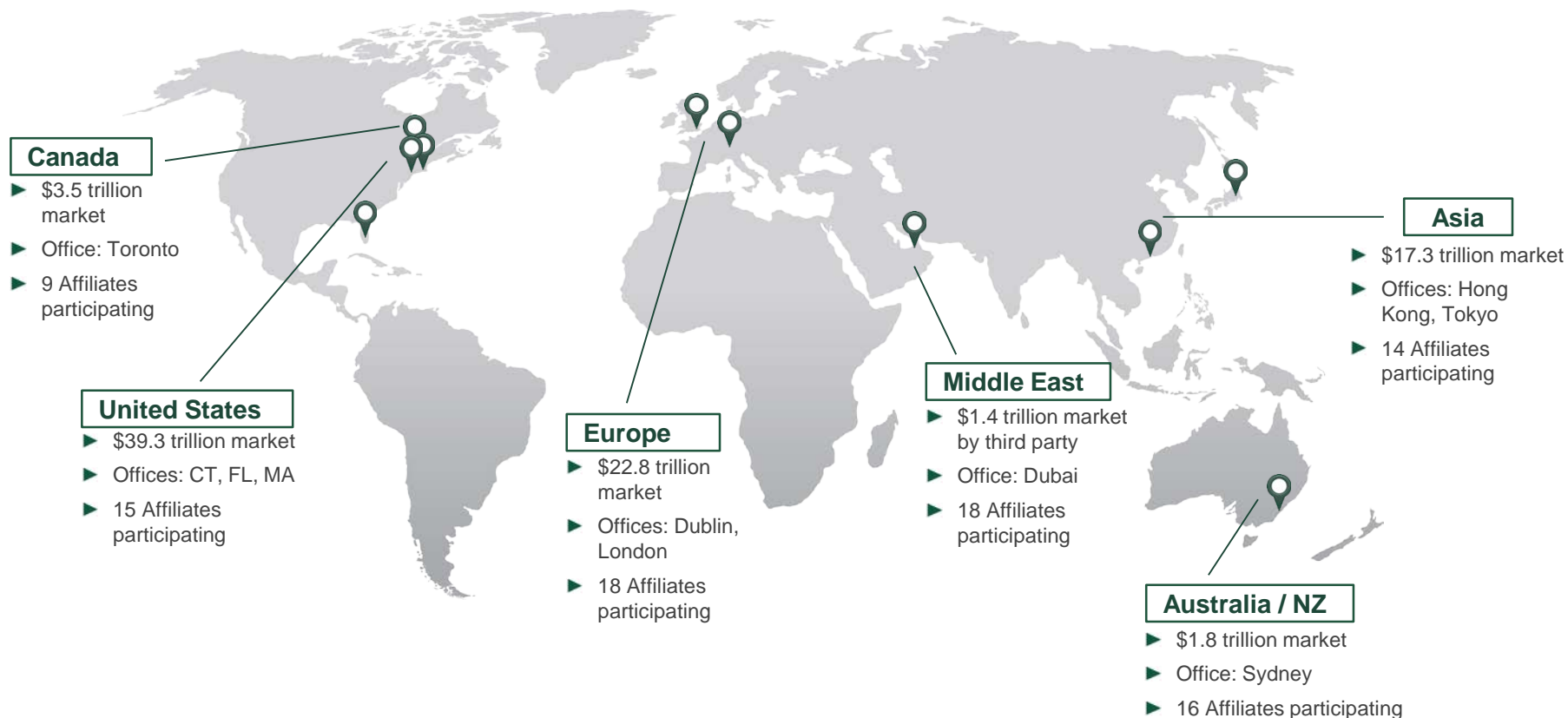


Comprehensive wealth advisory firm

# Global Distribution Platform Enhances Affiliate Reach

- ▶ AMG's global distribution strategy provides high-quality marketing and client service resources in key international markets
- ▶ Complements Affiliate-level marketing and distribution with the scale and resources of a global asset management firm

## AMG's Global Footprint

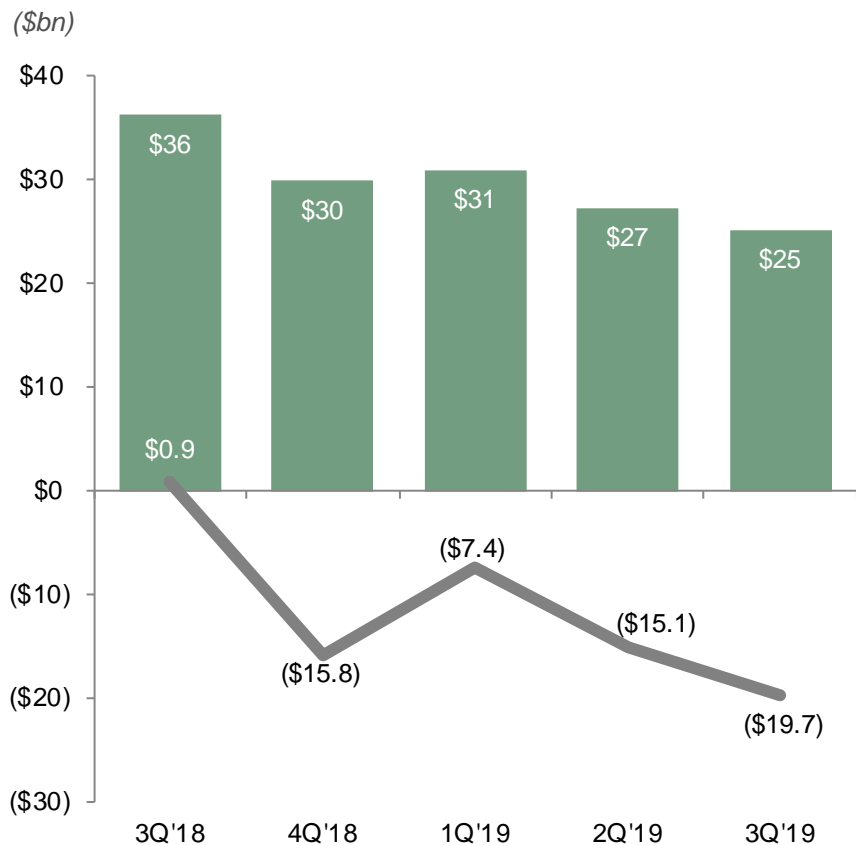


Source: McKinsey, AMG Analysis.

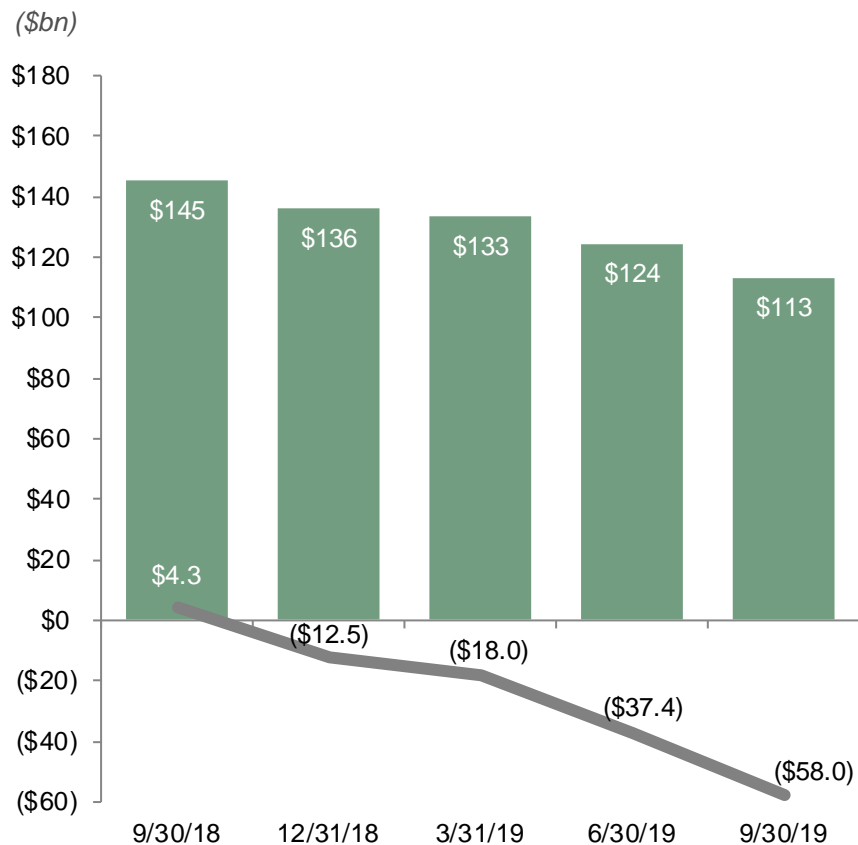
Market size estimates represent externally managed and affiliated AUM as of 12/31/2018. AMG data for quarter ended 09/30/2019. All market sizes shown in USD.

# Summary of Client Cash Flows

## Quarterly Client Cash Flows



## Rolling One-Year Client Cash Flows



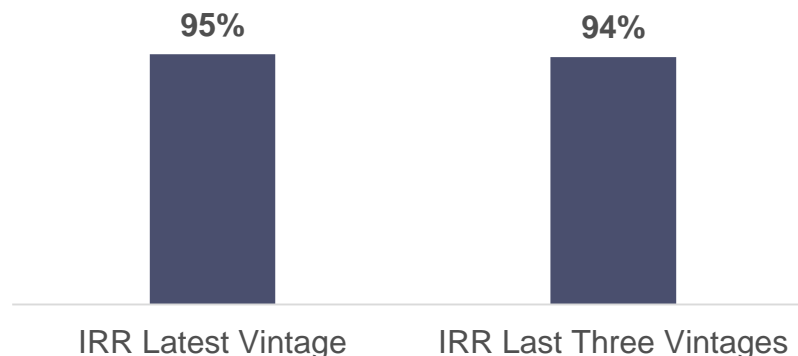
■ Client cash inflows and commitments ■ Net client cash flows

# Strong Long Term Investment Performance (AUM Ahead of Benchmark)

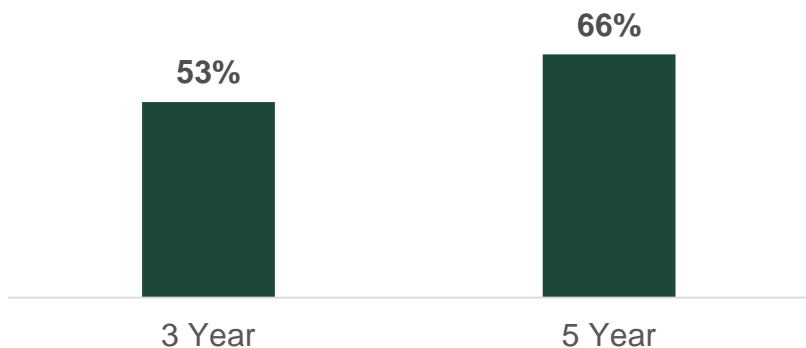
## Liquid Alternatives: 26% of AUM



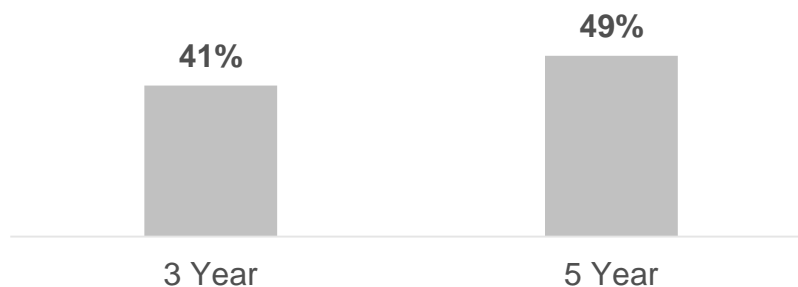
## Illiquid Alternatives: 12% of AUM



## Global Equity: 34% of AUM



## U.S. Equity: 14% of AUM



Past performance is not indicative of future results. Performance and AUM information is as of 09/30/2019 and is based on data available at the time of calculation. Product returns are sourced from Affiliates while benchmark returns are generally sourced via third-party subscriptions.

For liquid products, performance is reported as a percentage of assets that have outperformed benchmarks across the indicated periods, and excludes market-hedging products and Multi-Asset & Fixed Income. For purposes of investment performance comparisons, products are an aggregation of portfolios (separate accounts, investment funds, and other products) that each represent a particular investment objective, using the most representative portfolio for the performance comparison. Product performance is measured on a consistent basis relative to the most appropriate benchmarks. Both product and benchmark performance are reflected as total return and are annualized for periods longer than one year. Reported product performance is gross-of-fees for institutional and high-net-worth separate accounts, and generally net-of-fees across retail funds and other commingled vehicles such as hedge funds and private equity funds.

For illiquid products, performance is reported as a percentage of assets that have outperformed benchmarks on a since-inception IRR basis. For purposes of investment performance comparisons, the Latest Vintage comparison includes the most recent vehicles and strategies (traditional long-duration investment funds, customized vehicles, and other evergreen vehicles and product structures) where meaningful performance is available and calculable as of the current quarter-end. In order to illustrate the performance of our illiquid product category over a longer period of history, the Three Vintages comparison incorporates the Latest Vintage vehicles and the prior two vintages for traditional long-duration investment funds, as well as additional vehicles and strategies launched during the equivalent time period as the last three vintages of traditional long-duration investment funds. Due to the nature of these investments and vehicles, reported performance is typically on a three to six month lag basis.



# Consistent Return of Capital While Maintaining Flexibility

## Consistent Share Repurchases

Reduced share count by 12% since beginning of 2017

## Growing Dividend

Initiated dividend in 2017 and increased each year, including a 7% increase in 2019 to \$0.32 per share

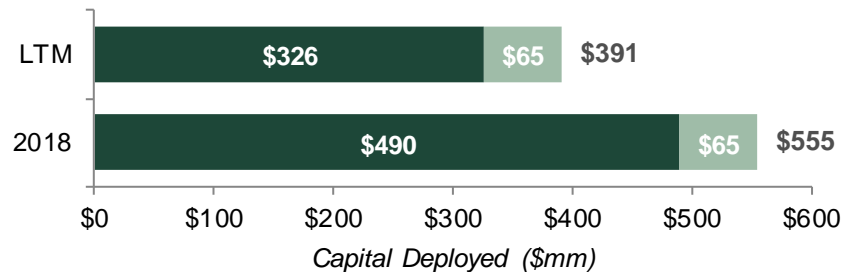
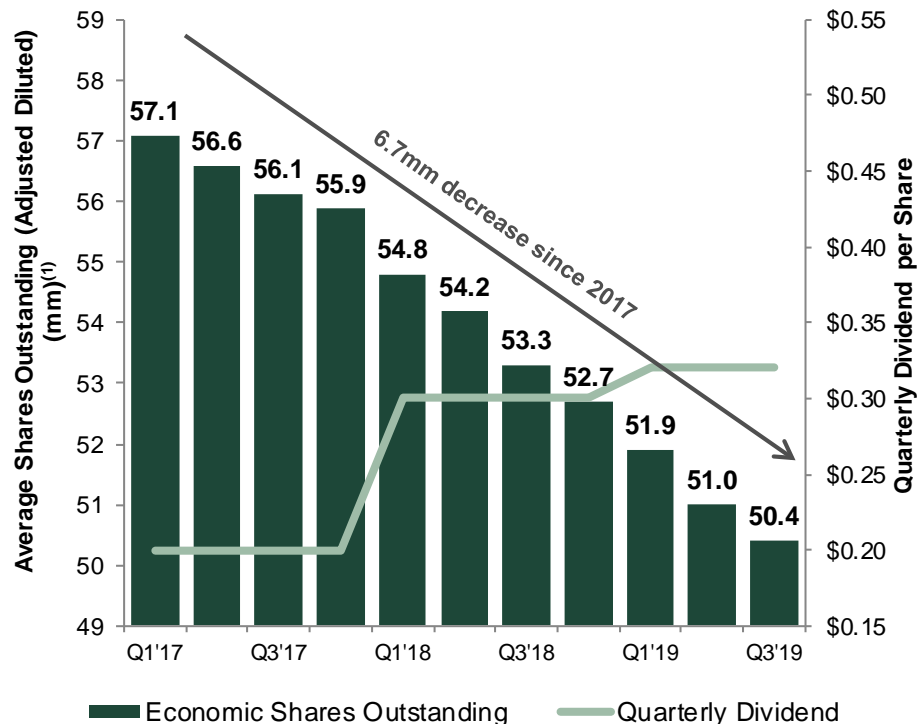
## Prudent Balance Sheet Management

A3 / A- rated by Moody's / S&P

## Significant New Investment Opportunity

Opportunity to increase future earnings through accretive new investments

## Consistent Capital Return



(1) Please see notes on page 26 for definition of Average Shares Outstanding (Adjusted Diluted).

# Unique Growth Strategy

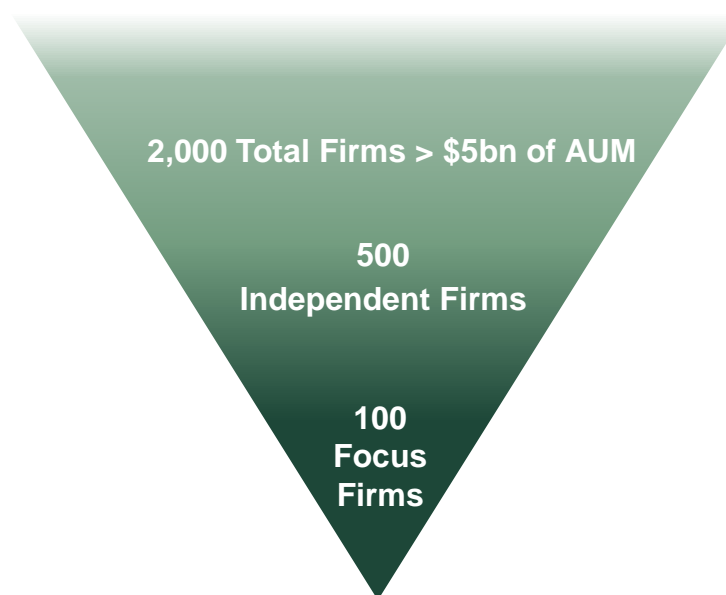
With a 25+ year track record of successful investments and established relationships with leading independent firms, AMG has an outstanding forward opportunity set and is well-positioned to execute

## Key Elements of Approach

- ▶ **Build senior-level relationships with independent specialists around the world**
  - Highest quality franchises
  - Excellent investment processes
  - Attractive future growth prospects
- ▶ **AMG partnership enables these firms to address their inevitable succession planning issues**
  - AMG has industry-leading expertise
  - Unparalleled track record of successful partnerships
- ▶ **AMG partnership provides global scale where it is an advantage**
  - Global distribution
  - Other operational capabilities

## Illustrative Size of Opportunity

- ▶ **Opportunity to invest in 100 leading independent firms**
  - \$3.5 trillion in combined AUM
  - \$5 billion in incremental AMG EBITDA



# Focus on Business Strategy and Execution

- ▶ Through its growth strategy, AMG has created a virtuous circle and is positioned to build outstanding shareholder value going forward

## Manufacturing

Immediately saleable new products added by partnering with the world's leading boutiques

## Partnerships

Demonstrated success in distribution and organic growth makes AMG even more attractive as a partner



## Distribution

Global Distribution strategy enhances existing Affiliates' organic growth

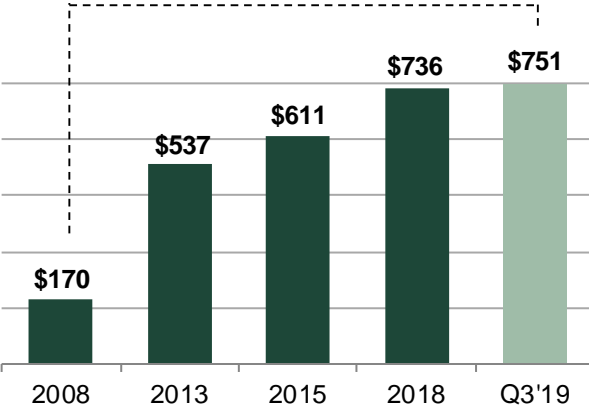
## New Investments

New Investments add incremental EBITDA and diversify AMG's position in attractive product areas

# Long-Term Earnings Growth Through Excellent Execution

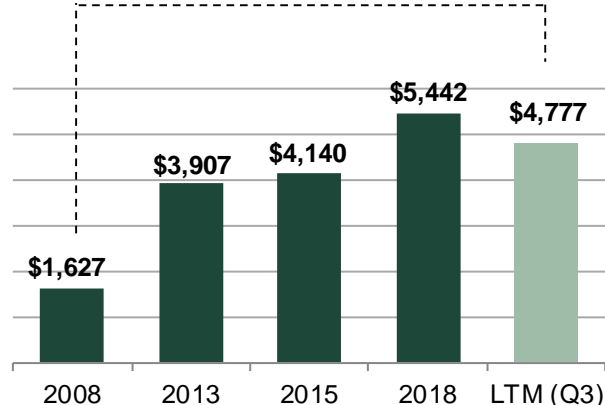
## Assets Under Management (\$bn)

CAGR: 15%



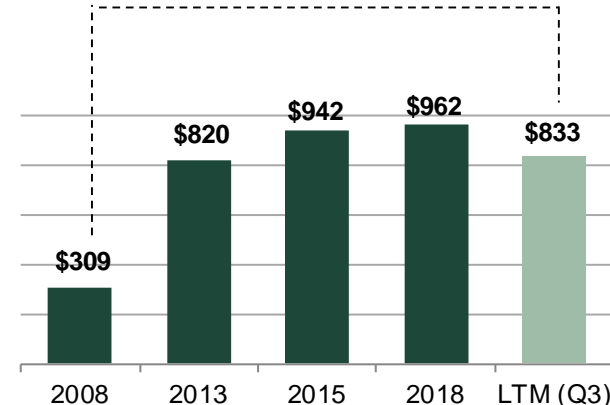
## Aggregate Fees<sup>(1)</sup> (\$mm)

CAGR: 11%



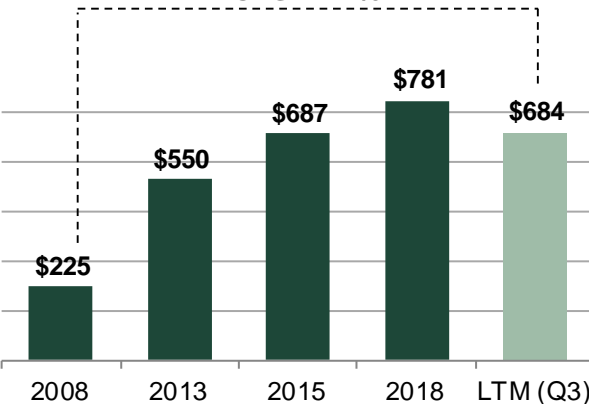
## Adjusted EBITDA (\$mm)

CAGR: 10%



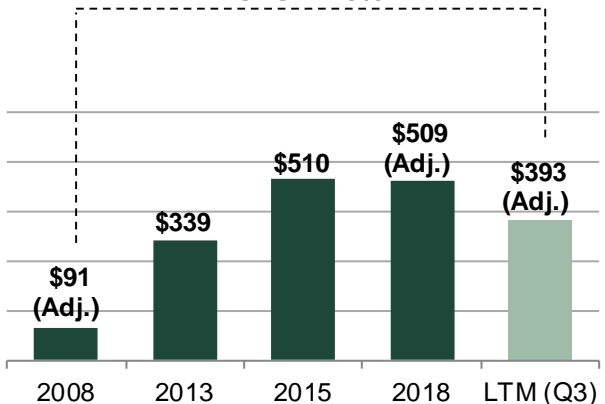
## Economic Net Income<sup>(3)</sup> (\$mm)

CAGR: 11%



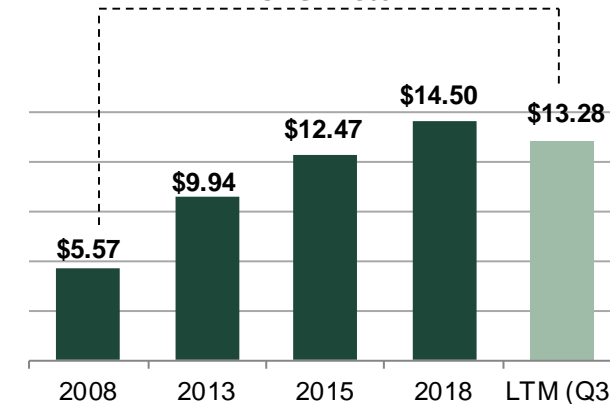
## Net Income<sup>(2)</sup> (\$mm)

CAGR: 15%



## Economic Earnings Per Share<sup>(3)</sup>

CAGR: 8%



(1) Aggregate fees consists of the total asset- and performance-based fees earned by all of our Affiliates and is an operating measure used by management to evaluate the operating performance and material trends.

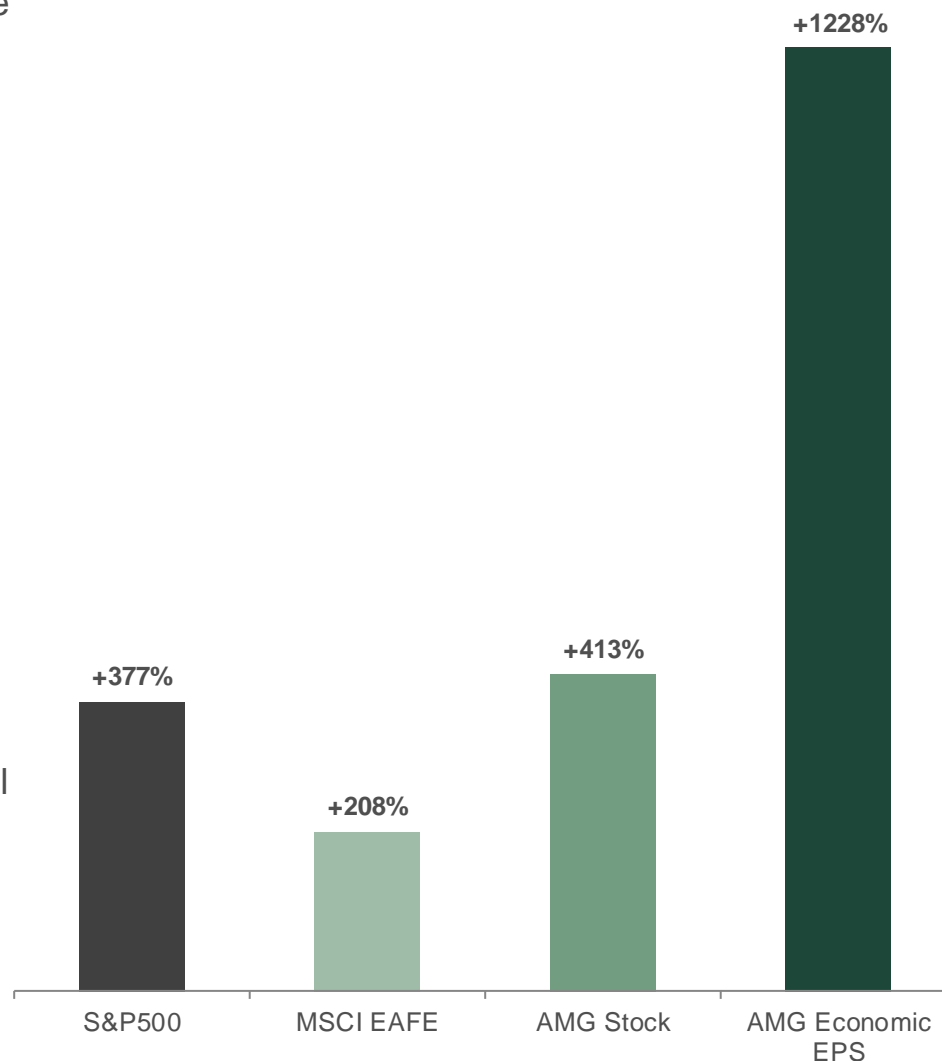
(2) Reported GAAP net income of (\$158.1) million, \$243.6 million and (\$1.3) million in LTM (Q3), 2018 and 2008, respectively. LTM (Q3) net income adjusted to add back impairment charges net of taxes totaling \$551 million. 2018 net income adjusted to add back impairment charges net of taxes totaling \$265 million. 2008 net income adjusted to add back impairment charges net of taxes totaling \$92 million.

(3) See notes on page 25. Note that reconciliations of non-GAAP financial measures can be found in the Appendix and in AMG's 10-Ks and 10-Qs filed with the U.S. Securities and Exchange Commission on EDGAR.

# Outstanding Track Record of Earnings Growth and Value Creation

- ▶ Unique growth strategy includes organic growth of existing Affiliates supported by Affiliate- and AMG-level marketing capabilities, as well as new Affiliate investments
- ▶ Strong long-term organic growth driven by Affiliate investment performance and net client cash flows
- ▶ Diversified revenue stream provides balance to long-term earnings growth and stability in varying markets
- ▶ Investment structure provides stability while retained equity ownership provides long-term incentive and retention for Affiliate partners
- ▶ Accretive investments in new Affiliates generate meaningful incremental earnings growth; proprietary opportunity set to invest in additional outstanding independent firms worldwide
- ▶ Strong, recurring free cash flow and flexible capital structure support growth and shareholder value creation
- ▶ Commitment to consistent capital return including quarterly cash dividend and share repurchases

## Earnings Growth and Stockholder Return Total Return Since IPO (1997 – 2019 YTD)



Source: FactSet as of 10/25/2019.

See notes on page 25. Note that reconciliations of Economic EPS to Net Income can be found in the Appendix and in AMG's 10-Ks and 10-Qs filed with the U.S. Securities and Exchange Commission on EDGAR.



**Appendix**

# AMG-Selected Composites by Product Category<sup>(1)</sup>

	AUM		Performance				
	Strategy	Weight	Selected Composite	Q1	Q2	Q3	YTD <sup>(2)</sup>
Alternatives	Liquid Alternatives	24%	HFRI Fund Weighted Composite	5.5%	1.7%	(0.4%)	6.8%
	Illiquid Alternatives	12%	NA <sup>(3)</sup>	NA	NA	NA	NA
Equities	Global / Int'l Equities	27%	MSCI World	12.6%	4.2%	0.7%	18.1%
			MSCI EAFE	10.1%	4.0%	(1.0%)	13.3%
	Emerging Markets Equities	8%	MSCI EM	10.0%	0.7%	(4.1%)	6.2%
	U.S. Equities	14%	S&P 500	13.6%	4.3%	1.7%	20.6%
			Russell 2000	14.6%	2.1%	(2.4%)	14.2%
	Multi-Asset & Fixed Income	15%	S&P 500	13.6%	4.3%	1.7%	20.6%
Barclays Capital Aggregate			2.9%	3.1%	2.3%	8.5%	

Source: Bloomberg as of 10/25/2019. AUM weight as of 09/30/2019, pro forma for completed transaction.

(1) The publicly available data shown above is used by AMG as a convention to approximate the impact of market changes on AMG's assets under management. The market indices represent applicable AUM benchmarks for each strategy, as selected by AMG, and will not be updated intra-quarter to reflect any updates or adjustments by the relevant index providers after 10/25/2019. Generally, composites are assigned an equal weighting except for the Multi-Asset category which utilizes a 60% / 40% weighting to the S&P 500 / Barclays Capital Aggregate, respectively. These indices do not reflect AMG's investment performance, or the actual performance of any of AMG's Affiliates or their products, and are not indicative of past results or future performance.

(2) Results through 09/30/2019.

(3) AMG's illiquid alternatives assets under management generally reflects committed capital, which is not impacted by market changes.

# Operating and Financial Measures (Three and Nine Months Ended)

	Three Months Ended		Nine Months Ended	
	9/30/18	9/30/19	9/30/18	9/30/19
<i>(in millions, except as noted and per share data)</i>				
<b>Operating performance measure</b>				
Assets under management (at period end, in billions)	\$ 829.6	\$ 750.7	\$ 829.6	\$ 750.7
Average assets under management (in billions)	\$ 834.1	\$ 765.4	\$ 834.5	\$ 770.7
Consolidated Affiliate average assets under management (in billions)	\$ 425.3	\$ 400.3	\$ 427.6	\$ 402.3
Equity method Affiliate average assets under management (in billions)	\$ 408.8	\$ 365.1	\$ 406.9	\$ 368.4
Aggregate fees	\$ 1,278.0	\$ 1,130.5	\$ 4,210.7	\$ 3,545.6
<b>Financial Performance Measures</b>				
Net income (controlling interest)	\$ 124.9	\$ 86.3	\$ 394.9	\$ (6.8)
Adjusted EBITDA (controlling interest) <sup>(1)</sup>	\$ 237.8	\$ 206.5	\$ 770.5	\$ 641.3
Economic net income (controlling interest) <sup>(1)</sup>	\$ 184.0	\$ 159.4	\$ 594.8	\$ 498.5
Average shares outstanding (diluted)	55.4	50.4	56.3	51.1
Earnings per share (diluted)	\$ 2.34	\$ 1.71	\$ 7.27	\$ (0.13)
Average shares outstanding (adjusted diluted) <sup>(1)</sup>	53.2	50.4	54.1	51.1
Economic earnings per share <sup>(1)</sup>	\$ 3.45	\$ 3.16	\$ 10.99	\$ 9.75

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



# Q3'19 Assets Under Management by Strategy

## Quarter to Date:

<u>Statement of Changes— Quarter to Date</u>	<u>Alternatives</u>	<u>Global Equities</u>	<u>U.S. Equities</u>	<u>Multi-asset &amp; Other</u>	<u>Total</u>
<b>Assets under management, June 30, 2019</b>	<b>\$ 288.2</b>	<b>\$ 268.2</b>	<b>\$ 109.8</b>	<b>\$ 106.0</b>	<b>\$ 772.2</b>
Client cash inflows and commitments	8.1	8.5	3.6	4.9	25.1
Client cash outflows	(17.2)	(15.0)	(8.5)	(4.1)	(44.8)
Net client cash flows	(9.1)	(6.5)	(4.9)	0.8	(19.7)
New investments	4.0	-	-	-	4.0
Market changes	2.2	(1.2)	(0.2)	1.0	1.8
Foreign exchange	(1.6)	(2.1)	(0.1)	(0.4)	(4.2)
Realizations and distributions (net)	(0.4)	(0.1)	-	-	(0.5)
Other	(2.4)	(0.1)	(0.3)	(0.1)	(2.9)
<b>Assets under management, September 30, 2019</b>	<b>\$ 280.9</b>	<b>\$ 258.2</b>	<b>\$ 104.3</b>	<b>\$ 107.3</b>	<b>\$ 750.7</b>

## Year to Date:

<u>Statement of Changes— Year to Date</u>	<u>Alternatives</u>	<u>Global Equities</u>	<u>U.S. Equities</u>	<u>Multi-asset &amp; Other</u>	<u>Total</u>
<b>Assets under management, December 31, 2018</b>	<b>\$ 293.5</b>	<b>\$ 243.8</b>	<b>\$ 97.6</b>	<b>\$ 101.1</b>	<b>\$ 736.0</b>
Client cash inflows and commitments	28.2	27.7	12.4	15.0	83.3
Client cash outflows	(47.7)	(43.5)	(21.0)	(13.3)	(125.5)
Net client cash flows	(19.5)	(15.8)	(8.6)	1.7	(42.2)
New investments	4.0	-	-	-	4.0
Market changes	11.2	32.6	16.6	9.3	69.7
Foreign exchange	(1.8)	(1.3)	-	-	(3.1)
Realizations and distributions (net)	(2.7)	(0.2)	-	(0.1)	(3.0)
Other	(3.8)	(0.9)	(1.3)	(4.7)	(10.7)
<b>Assets under management, September 30, 2019</b>	<b>\$ 280.9</b>	<b>\$ 258.2</b>	<b>\$ 104.3</b>	<b>\$ 107.3</b>	<b>\$ 750.7</b>

# Q3'19 Assets Under Management by Client Type

## Quarter to Date:

<u>Statement of Changes— Quarter to Date</u>	<u>Institutional</u>	<u>Retail</u>	<u>High Net Worth</u>	<u>Total</u>
<b>Assets under management, June 30, 2019</b>	<b>\$ 447.8</b>	<b>\$ 208.9</b>	<b>\$ 115.5</b>	<b>\$ 772.2</b>
Client cash inflows and commitments	11.6	9.2	4.3	25.1
Client cash outflows	(24.8)	(15.9)	(4.1)	(44.8)
Net client cash flows	(13.2)	(6.7)	0.2	(19.7)
New investments	4.0	-	-	4.0
Market changes	1.5	0.1	0.2	1.8
Foreign exchange	(2.2)	(1.9)	(0.1)	(4.2)
Realizations and distributions (net)	(0.4)	(0.1)	-	(0.5)
Other	(2.4)	(0.5)	-	(2.9)
<b>Assets under management, September 30, 2019</b>	<b>\$ 435.1</b>	<b>\$ 199.8</b>	<b>\$ 115.8</b>	<b>\$ 750.7</b>

## Year to Date:

<u>Statement of Changes— Year to Date</u>	<u>Institutional</u>	<u>Retail</u>	<u>High Net Worth</u>	<u>Total</u>
<b>Assets under management, December 31, 2018</b>	<b>\$ 432.9</b>	<b>\$ 195.4</b>	<b>\$ 107.7</b>	<b>\$ 736.0</b>
Client cash inflows and commitments	33.6	35.6	14.1	83.3
Client cash outflows	(61.4)	(51.4)	(12.7)	(125.5)
Net client cash flows	(27.8)	(15.8)	1.4	(42.2)
New investments	4.0	-	-	4.0
Market changes	35.9	22.7	11.1	69.7
Foreign exchange	(1.4)	(1.9)	0.2	(3.1)
Realizations and distributions (net)	(2.6)	(0.3)	(0.1)	(3.0)
Other	(5.9)	(0.3)	(4.5)	(10.7)
<b>Assets under management, September 30, 2019</b>	<b>\$ 435.1</b>	<b>\$ 199.8</b>	<b>\$ 115.8</b>	<b>\$ 750.7</b>

# Consolidated Statements of Income

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2019	2018	2019
<i>(in millions, except per share data)</i>				
<b>Consolidated revenue</b>	\$ 601.3	\$ 549.0	\$ 1,813.9	\$ 1,684.0
<b>Consolidated expenses:</b>				
Compensation and related expenses	253.6	222.0	761.3	708.2
Selling, general and administrative	102.8	91.5	314.4	283.3
Intangible amortization and impairments	30.1	21.1	76.5	72.0
Interest expense	19.6	19.5	62.6	57.4
Depreciation and other amortization	5.3	6.2	16.5	16.7
Other expenses (net)	10.2	13.1	33.4	36.2
<b>Total consolidated expenses</b>	<b>421.6</b>	<b>373.4</b>	<b>1,264.7</b>	<b>1,173.8</b>
Equity method income (net) <sup>(1)</sup>	59.7	10.3	191.3	(318.5)
Investment and other income	11.0	6.7	36.7	22.0
<b>Income before income taxes</b>	<b>250.4</b>	<b>192.6</b>	<b>777.2</b>	<b>213.7</b>
Income tax expense	48.5	30.5	146.1	4.4
<b>Net income</b>	<b>201.9</b>	<b>162.1</b>	<b>631.1</b>	<b>209.3</b>
Net income (non-controlling interests)	(77.0)	(75.8)	(236.2)	(216.1)
<b>Net income (controlling interest)</b>	<b>\$ 124.9</b>	<b>\$ 86.3</b>	<b>\$ 394.9</b>	<b>\$ (6.8)</b>
<b>Average shares outstanding (basic)</b>	<b>53.1</b>	<b>50.4</b>	<b>53.9</b>	<b>51.1</b>
<b>Average shares outstanding (diluted)</b>	<b>55.4</b>	<b>50.4</b>	<b>56.3</b>	<b>51.1</b>
<b>Earnings per share (basic)</b>	<b>\$ 2.35</b>	<b>\$ 1.71</b>	<b>\$ 7.32</b>	<b>\$ (0.13)</b>
<b>Earnings per share (diluted)</b>	<b>\$ 2.34</b>	<b>\$ 1.71</b>	<b>\$ 7.27</b>	<b>\$ (0.13)</b>
<b>Dividends per share</b>	<b>\$ 0.30</b>	<b>\$ 0.32</b>	<b>\$ 0.90</b>	<b>\$ 0.96</b>

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

# Reconciliations of Performance Measures (Three Months Ended)<sup>(2)</sup>

	Three Months Ended				
	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19
<b>Net income (controlling interest)</b>	\$ 124.9	\$ (151.3)	\$ (200.8)	\$ 107.7	\$ 86.3
Intangible amortization and impairments	44.9	288.0	459.8	55.3	68.4
Intangible-related deferred taxes	12.2	49.6	(93.8)	6.6	3.5
Other economic items	2.0	(0.5)	3.8	0.5	1.2
<b>Economic net income (controlling interest)</b>	<u>\$ 184.0</u>	<u>\$ 185.8</u>	<u>\$ 169.0</u>	<u>\$ 170.1</u>	<u>\$ 159.4</u>
<b>Net income (controlling interest)</b>	\$ 124.9	\$ (151.3)	\$ (200.8)	\$ 107.7	\$ 86.3
Interest expense	19.6	18.1	18.2	19.7	19.5
Income taxes	46.2	30.7	(64.8)	33.4	28.3
Intangible amortization and impairments	44.9	288.0	459.8	55.3	68.4
Other items	2.2	5.8	3.2	3.2	4.0
<b>Adjusted EBITDA (controlling interest)</b>	<u>\$ 237.8</u>	<u>\$ 191.3</u>	<u>\$ 215.6</u>	<u>\$ 219.3</u>	<u>\$ 206.5</u>
	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19
<b>Average shares outstanding (diluted)</b>	55.4	52.5	51.9	51.0	50.4
Convertible securities shares	(2.2)	-	-	-	-
<b>Average shares outstanding (adjusted diluted)</b>	<u>53.2</u>	<u>52.7</u>	<u>51.9</u>	<u>51.0</u>	<u>50.4</u>
<b>Economic earnings per share</b>	\$ 3.45	\$ 3.53	\$ 3.26	\$ 3.33	\$ 3.16

(2) See Notes for additional information.

# Consolidated Balance Sheets, December 31, 2018 – September 30, 2019

<i>(in millions)</i>	December 31, 2018	September 30, 2019
<b>Assets</b>		
Cash and cash equivalents	\$ 565.5	\$ 402.5
Receivables	400.6	485.1
Goodwill	2,633.4	2,629.8
Acquired client relationships (net)	1,309.9	1,222.6
Equity method investments in Affiliates (net)	2,791.0	2,359.7
Fixed assets (net)	104.3	92.9
Investments and other assets	414.4	486.4
<b>Total assets</b>	<b>\$ 8,219.1</b>	<b>\$ 7,679.0</b>
<b>Liabilities and Equity</b>		
Payables and accrued liabilities	\$ 746.6	\$ 648.0
Senior debt	1,522.2	1,482.8
Convertible securities	307.4	309.8
Deferred income tax liability (net)	511.6	411.6
Other liabilities	162.7	346.5
<b>Total liabilities</b>	<b>3,250.5</b>	<b>3,198.7</b>
Redeemable non-controlling interests	833.7	847.1
<b>Equity:</b>		
Common stock	0.6	0.6
Additional paid-in capital	835.6	742.6
Accumulated other comprehensive income (loss)	(109.0)	(125.0)
Retained earnings	3,876.8	3,813.6
	4,604.0	4,431.8
Less: treasury stock, at cost	(1,146.6)	(1,361.8)
<b>Total stockholders' equity</b>	<b>3,457.4</b>	<b>3,070.0</b>
Non-controlling interests	677.5	563.2
<b>Total equity</b>	<b>4,134.9</b>	<b>3,633.2</b>
<b>Total liabilities and equity</b>	<b>\$ 8,219.1</b>	<b>\$ 7,679.0</b>

# Operating and Financial Measures (Yearly)

*(in millions, except as noted and per share data)*

	Year Ended	
	12/31/17	12/31/18
<b>Operating performance measure</b>		
Assets under management (at period end, in billions)	\$ 836.3	\$ 736.0
Average assets under management (in billions)	\$ 779.2	\$ 819.9
Consolidated Affiliate average assets under management (in billions)	\$ 406.5	\$ 419.6
Equity method Affiliate average assets under management (in billions)	\$ 372.7	\$ 400.3
Aggregate fees	\$ 5,545.8	\$ 5,442.4
<b>Financial Performance Measures</b>		
Net income (controlling interest)	\$ 689.5	\$ 243.6
Adjusted EBITDA (controlling interest)	\$ 1,116.2	\$ 961.8
Economic net income (controlling interest)	\$ 824.4	\$ 780.7
Average shares outstanding (diluted)	58.6	53.8
Earnings per share (diluted)	\$ 12.03	\$ 4.52
Average shares outstanding (adjusted diluted)	56.4	53.8
Economic earnings per share	\$ 14.60	\$ 14.50

# Consolidated Statements of Income (Yearly)

<i>(in millions, except per share data)</i>	Year Ended		
	12/31/16	12/31/17	12/31/18
<b>Consolidated revenue</b>	\$ 2,194.6	\$ 2,305.0	\$ 2,378.4
Consolidated expenses:			
Compensation and related expenses	932.4	979.0	987.2
Selling, general and administrative	398.1	373.1	417.7
Intangible amortization and impairments	110.2	86.4	114.8
Interest expense	91.7	87.8	80.6
Depreciation and other amortization	19.5	20.3	22.0
Other expenses (net)	43.3	58.0	69.7
<b>Total consolidated expenses</b>	<b>1,595.2</b>	<b>1,604.6</b>	<b>1,692.0</b>
Equity method income (loss) (net) <sup>(1)</sup>	328.8	302.2	(0.2)
Investment and other income	46.4	64.5	27.4
<b>Income before income taxes</b>	<b>974.6</b>	<b>1,067.1</b>	<b>713.6</b>
Income tax (benefit) expense	235.6	58.4	181.3
<b>Net income</b>	<b>739.0</b>	<b>1,008.7</b>	<b>532.3</b>
Net income (non-controlling interests)	(266.2)	(319.2)	(288.7)
<b>Net income (controlling interest)</b>	<b>\$ 472.8</b>	<b>\$ 689.5</b>	<b>\$ 243.6</b>
<b>Average shares outstanding (basic)</b>	<b>54.2</b>	<b>56.0</b>	<b>53.6</b>
<b>Average shares outstanding (diluted)</b>	<b>57.0</b>	<b>58.6</b>	<b>53.8</b>
<b>Earnings per share (basic)</b>	<b>\$ 8.73</b>	<b>\$ 12.30</b>	<b>\$ 4.55</b>
<b>Earnings per share (diluted)</b>	<b>\$ 8.57</b>	<b>\$ 12.03</b>	<b>\$ 4.52</b>
<b>Dividends per share</b>	<b>\$ -</b>	<b>\$ 0.80</b>	<b>\$ 1.20</b>

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

# Reconciliations of Performance Measures (Yearly)<sup>(2)</sup>

	Year Ended		
	2016	2017	2018
<b>Net income (controlling interest)</b>	<b>\$ 472.8</b>	<b>\$ 689.5</b>	<b>\$ 243.6</b>
Intangible amortization and impairments	142.5	265.4	454.9
Intangible-related deferred taxes	84.3	48.8	79.7
Other economic items	4.0	14.8	2.5
Changes in U.S. tax law	-	(194.1)	-
<b>Economic net income (controlling interest)</b>	<b>\$ 703.6</b>	<b>\$ 824.4</b>	<b>\$ 780.7</b>
<b>Net income (controlling interest)</b>	<b>\$ 472.8</b>	<b>\$ 689.5</b>	<b>\$ 243.6</b>
Interest expense	91.7	87.8	80.6
Income taxes	229.2	50.4	169.4
Intangible amortization and impairments	142.5	265.4	454.9
Other items	9.3	23.1	13.3
<b>Adjusted EBITDA (controlling interest)</b>	<b>\$ 945.5</b>	<b>\$ 1,116.2</b>	<b>\$ 961.8</b>
	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>Average shares outstanding (diluted)</b>	<b>57.0</b>	<b>58.6</b>	<b>53.8</b>
Convertible securities shares	(2.2)	(2.2)	-
<b>Average shares outstanding (adjusted diluted)</b>	<b>54.8</b>	<b>56.4</b>	<b>53.8</b>
<b>Economic earnings per share</b>	<b>\$ 12.84</b>	<b>\$ 14.60</b>	<b>\$ 14.50</b>

(2) See Notes for additional information.



# Forward-Looking Statements

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](http://www.amg.com) and encourages investors to consult that section regularly.

## Economic EPS: Notes

1. Prior to Q1 2002, Economic EPS represents Net Income plus depreciation and amortization on a per share basis. With the adoption of FAS 142 at the beginning of 2002, Economic EPS represents Net Income plus depreciation and amortization and deferred taxes generally related to intangible assets on a per share basis. Beginning in Q1 2003, with the sale of AMG's floating rate convertible securities, the Company modified its Economic EPS definition to Net Income plus amortization and deferred taxes related to intangible assets plus Affiliate depreciation, to clarify that deferred taxes related to the floating rate convertible securities and certain depreciation expenses are not added back to its Economic EPS calculation. Economic EPS and EPS measures have been adjusted to reflect the stock split made effective in March 2004, as well as the Company's use of the treasury stock method in calculating adjusted diluted shares outstanding in its Economic EPS presentation, and the use of the “if converted” method in calculating diluted average shares outstanding in its EPS presentation. Beginning in Q1 2009, with the adoption of FAS 141R, FAS 160 and APB 14-1, the Company modified its Economic EPS definition to add back Affiliate equity and APB 14-1 expenses (both net of tax). Beginning in Q1 2010, the Company modified its Economic EPS definition to exclude non-cash expenses attributable to contingent payment arrangements, net of tax. In Q4 2010, the Company modified its Economic EPS definition to no longer add back Affiliate depreciation to Net Income (controlling interest).
2. Before extraordinary item and pro forma for 1997 investments as if they occurred as of January 1, 1997.

# 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):

<i>(in millions)</i>	Three Months Ended		Nine Months Ended	
	9/30/2018	9/30/2019	9/30/2018	9/30/2019
Average shares outstanding (diluted)	55.4	50.4	56.3	51.1
Stock options and restricted stock units	—	—	—	0.0
Convertible securities	(2.2)	—	(2.2)	—
Average shares outstanding (adjusted diluted)	53.2	50.4	54.1	51.1

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](http://www.sec.gov).

The following table presents equity method earnings and equity method intangible amortization and impairments, which in aggregate form Equity method income (loss) (net):

<i>(in millions)</i>	Three Months Ended		Nine Months Ended	
	9/30/2018	9/30/2019	9/30/2018	9/30/2019
Equity method earnings	\$ 81.9	\$ 62.4	\$ 300.3	\$ 210.6
Equity method intangible amortization and impairments	(22.2)	(52.1)	(109.0)	(529.1)
Equity method income (loss) (net)	\$ 59.7	\$ 10.3	\$ 191.3	\$ (318.5)