SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2012

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-13459

Affiliated Managers Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**04-3218510** (IRS Employer Identification Number)

600 Hale Street, Prides Crossing, Massachusetts 01965
(Address of principal executive offices)

(617) 747-3300
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer o Non-accelerated filer o(Do not check if a smaller reporting company) Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ☒

There were 51,360,976 shares of the registrant's common stock outstanding on May 2, 2012.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share data)

(unaudited)

	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012
Revenue	$ 426.3	$ 417.7
Operating expenses:		
Compensation and related expenses	179.5	181.1
Selling, general and administrative	87.5	85.0
Amortization of intangible assets	22.1	30.4
Depreciation and other amortization	3.8	3.4
Other operating expenses	8.5	9.0
	301.4	308.9
Operating income	124.9	108.8
Non-operating (income) and expenses:		
Investment and other income	(8.7)	(10.4)
Income from equity method investments	(10.2)	(14.5)
Interest expense	19.4	18.6
Imputed interest expense and contingent payment arrangements	8.3	(2.5)
	8.8	(8.8)
Income before income taxes	116.1	117.6
Income taxes	26.7	24.6
Net income	89.4	93.0
Net income (non-controlling interests)	(50.3)	(55.6)
Net income (controlling interest)	$ 39.1	$ 37.4
Average shares outstanding—basic	51.8	51.6
Average shares outstanding—diluted	53.1	52.9
Earnings per share—basic	$ 0.76	$ 0.72
Earnings per share—diluted	$ 0.74	$ 0.71

The accompanying notes are an integral part of the Consolidated Financial Statements.

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions)

(unaudited)

	For the Three Months Ended March 31,	
	2011	2012
Net income	$ 89.4	$ 93.0
Other comprehensive income (loss):		
Foreign currency translation adjustment	14.2	14.4
Change in net realized and unrealized gain (loss) on derivative securities, net of tax	0.7	(0.1)
Change in net unrealized gain (loss) on investment securities, net of tax	(3.5)	9.1
Other comprehensive income	11.4	23.4
Comprehensive income	100.8	116.4
Comprehensive income (non-controlling interests)	(50.3)	(57.3)
Comprehensive income (controlling interest)	$ 50.5	$ 59.1

The accompanying notes are an integral part of the Consolidated Financial Statements.

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED BALANCE SHEETS

(in millions)

(unaudited)

	December 31, 2011	March 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 449.5	$ 393.7
Investment advisory fees receivable	214.9	224.6
Investments in marketable securities	100.4	122.6
Unsettled fund share receivables	34.5	80.7
Prepaid expenses and other current assets	77.1	73.6
Total current assets	876.4	895.2
Fixed assets, net	69.1	70.2
Equity investments in Affiliates	615.8	599.2
Acquired client relationships, net	1,321.1	1,298.8
Goodwill	2,117.3	2,125.8
Other assets	219.2	220.7
Total assets	$ 5,218.9	$ 5,209.9
Liabilities and Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 343.6	$ 246.2
Unsettled fund share payables	40.8	83.7
Payables to related party	33.2	17.1
Total current liabilities	417.6	347.0
Senior bank debt	250.0	250.0
Senior convertible securities	435.6	439.2
Junior convertible trust preferred securities	512.6	513.3
Deferred income taxes	506.0	525.8
Other long-term liabilities	145.7	151.4
Total liabilities	2,267.5	2,226.7
Redeemable non-controlling interests	451.8	509.6
Equity:		
Common stock	0.5	0.5
Additional paid-in capital	927.5	876.2
Accumulated other comprehensive income	50.0	71.7
Retained earnings	1,176.7	1,214.1
	2,154.7	2,162.5
Less treasury stock, at cost	(288.7)	(300.1)
Total stockholders' equity	1,866.0	1,862.4
Non-controlling interests	633.6	611.2
Total equity	2,499.6	2,473.6
Total liabilities and equity	$ 5,218.9	$ 5,209.9

The accompanying notes are an integral part of the Consolidated Financial Statements.

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in millions)

(unaudited)

	Total Stockholders' Equity						
	Common Stock	**Additional Paid-In Capital**	**Accumulated Other Comprehensive Income**	**Retained Earnings**	**Treasury Stock at Cost**	**Non-controlling interests**	**Total Equity**
December 31, 2011	$ 0.5	$ 927.5	$ 50.0	$ 1,176.7	$ (288.7)	$ 633.6	$ 2,499.6
Stock issued under option and other incentive plans	—	(9.8)	—	—	24.7	—	14.9
Tax benefit of option exercises	—	3.9	—	—	—	—	3.9
Changes in Affiliate equity value	—	(53.5)	—	—	—	6.1	(47.4)
Share-based payment arrangements	—	8.1	—	—	—	—	8.1
Distributions to non-controlling interests	—	—	—	—	—	(85.8)	(85.8)
Repurchase of common shares	—	—	—	—	(36.1)	—	(36.1)
Net income	—	—	—	37.4	—	55.6	93.0
Other comprehensive income	—	—	21.7	—	—	1.7	23.4
March 31, 2012	$ 0.5	$ 876.2	$ 71.7	$ 1,214.1	$ (300.1)	$ 611.2	$ 2,473.6

The accompanying notes are an integral part of the Consolidated Financial Statements.

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)

(unaudited)

	For the Three Months Ended March 31, 2011	2012
Cash flow from operating activities:		
Net income	$ 89.4	$ 93.0
Adjustments to reconcile Net income to net cash flow from operating activities:		
Amortization of intangible assets	22.1	30.4
Amortization of issuance costs	2.6	1.8
Depreciation and other amortization	3.8	3.4
Deferred income tax provision	9.6	13.4
Imputed interest expense and contingent payment arrangements	8.3	(2.5)
Income from equity method investments, net of amortization	(10.2)	(14.5)
Distributions received from equity method investments	64.9	36.8
Tax benefit from exercise of stock options	0.8	0.4
Share-based compensation	6.1	8.2
Affiliate equity expense	3.5	2.2
Other adjustments	(2.4)	(6.0)
Changes in assets and liabilities:		
(Increase) decrease in investment advisory fees receivable	3.0	(12.5)
Increase in prepaids and other current assets	(2.5)	(9.1)
Increase in other assets	(1.6)	(0.5)
Increase in unsettled fund shares receivable	(60.7)	(45.2)
Increase in unsettled fund shares payable	54.5	41.6
Decrease in accounts payable, accrued liabilities and other long-term liabilities	(62.9)	(88.4)
Cash flow from operating activities	128.3	52.5
Cash flow from (used in) investing activities:		
Investments in Affiliates	(13.3)	—
Purchase of fixed assets	(1.7)	(1.3)
Purchase of investment securities	(6.6)	(9.5)
Sale of investment securities	10.3	12.9
Cash flow from (used in) investing activities	(11.3)	2.1
Cash flow used in financing activities:		
Repayments of senior bank debt	(120.0)	—
Issuance of common stock	15.2	15.1
Repurchase of common stock	—	(32.7)
Issuance costs	(7.7)	—
Excess tax benefit from exercise of stock options	4.9	3.5
Settlement of treasury lock	4.0	—
Note payments	0.3	(0.2)
Distributions to non-controlling interests	(68.6)	(82.0)
Affiliate equity issuances and repurchases	(7.8)	(16.9)
Cash flow used in financing activities	(179.7)	(113.2)
Effect of foreign exchange rate changes on cash and cash equivalents	2.2	2.8
Net decrease in cash and cash equivalents	(60.5)	(55.8)
Cash and cash equivalents at beginning of period	313.3	449.5
Cash and cash equivalents at end of period	$ 252.8	$ 393.7
Supplemental disclosure of non-cash financing activities:		
Notes received for Affiliate equity sales	$ 9.5	$ 1.0
Payables recorded for Affiliate equity purchases	7.0	11.2

The accompanying notes are an integral part of the Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The consolidated financial statements of Affiliated Managers Group, Inc. ("AMG" or the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all of the disclosures required by accounting principles generally accepted in the United States of America. In the opinion of management, all adjustments considered necessary for a fair statement of the results have been included. All intercompany balances and transactions have been eliminated. Certain reclassifications have been made to the prior period's financial statements to conform to the current period's presentation. Operating results for interim periods are not necessarily indicative of the results that may be expected for any other period or for the full year. The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2011 includes additional information about AMG, its operations, financial position and accounting policies, and should be read in conjunction with this Quarterly Report on Form 10-Q.

All dollar amounts in these notes, except per share data in the text and tables herein, are stated in millions unless otherwise indicated.

2. Senior Bank Debt

The Company entered into a $1.0 billion senior unsecured credit facility in November 2011 (the "credit facility"), consisting of a $750.0 million revolving credit facility (the "revolver") and a $250.0 million term loan (the "term loan"), the principal terms of which are similar to the Company's previous senior unsecured credit facility. The term loan and $720.0 million of the revolver have a five-year maturity (maturing November 2016); the remaining $30.0 million of the revolver matures in January 2015. Subject to certain conditions, the Company may increase the revolver and the term loan by up to $150.0 million and $250.0 million, respectively.

The credit facility is unsecured and contains financial covenants with respect to leverage and interest coverage, as well as customary affirmative and negative covenants, including limitations on indebtedness, liens, cash dividends, asset dispositions and fundamental corporate changes. As of March 31, 2012, the Company was in compliance with all terms of its credit facility.

As further described in Note 13, the Company has entered into interest rate swap contracts to exchange a fixed rate for the variable rate on a portion of its credit facility.

3. Convertible Securities

At March 31, 2012, the Company has one senior convertible security outstanding ("2008 senior convertible notes") and two junior convertible trust preferred securities outstanding, one issued in 2006 (the "2006 junior convertible trust preferred securities") and a second issued in 2007 (the "2007 junior convertible trust preferred securities"). The carrying values of the Company's convertible securities are as follows:

	December 31, 2011		March 31, 2012	
	Carrying Value	Principal amount at maturity	Carrying Value	Principal amount at maturity
Senior convertible securities:				
2008 senior convertible notes[1]	$ 435.6	$ 460.0	$ 439.2	$ 460.0
Junior convertible trust preferred securities:				
2007 junior convertible trust preferred securities[1]	$ 297.8	$ 430.8	$ 298.2	$ 430.8
2006 junior convertible trust preferred securities[1]	214.8	300.0	215.1	300.0
Total junior convertible securities	$ 512.6	$ 730.8	$ 513.3	$ 730.8

(1) Carrying value is accreted to the principal amount at maturity over an expected life of five years for the 2008 senior convertible notes and 30 years for each of the junior convertible trust preferred securities.

The principal terms of these securities are summarized below.

	2008 Senior Convertible Notes[1]	2007 Junior Convertible Trust Preferred Securities[2]	2006 Junior Convertible Trust Preferred Securities[3]
Issue date	August 2008	October 2007	April 2006
Maturity date	August 2038	October 2037	April 2036
Next potential put date	August 2013	N/A	N/A
Denomination	$ 1,000	$ 50	$ 50
Current conversion rate	7.959	0.250	0.333
Current conversion price	$ 125.65	$ 200.00	$ 150.00
Stated coupon	3.95%	5.15%	5.10%
Coupon frequency	Semi-annually	Quarterly	Quarterly
Tax deduction rate[4]	9.38%	8.00%	7.50%

(1) The Company may redeem the notes for cash (subject to the holders' rights to convert) at any time on or after August 15, 2013. The holders may require the Company to repurchase the notes in August of 2013, 2018, 2023, 2028 and 2033.

(2) The Company may redeem the 2007 junior convertible trust preferred securities on or after October 15, 2012 if the closing price of the Company's common stock exceeds $260 per share for a specified period of time.

(3) The Company may redeem the 2006 junior convertible trust preferred securities if the closing price of the Company's common stock exceeds $195 per share for a specified period of time.

(4) These convertible securities are considered contingent payment debt instruments under federal income tax regulations, which require the Company to deduct interest in an amount greater than its reported Interest expense. These deductions will result in deferred tax liabilities of approximately $24.5 million in 2012. These deferred tax liabilities will be reclassified directly to stockholders' equity if the Company's common stock is trading above certain thresholds at the time of the conversion of the securities.

4. Forward Equity Sale Agreements

In July 2011, the Company entered into a forward equity sale agreement with two major securities firms under which it may sell shares of common stock with an aggregate sales price of up to $300.0 million. This agreement replaced all then outstanding forward equity sale agreements. As of March 31, 2012, no forward equity sales have occurred.

5. Income Taxes

The consolidated income tax provision includes taxes attributable to the controlling interest and, to a lesser extent, taxes attributable to non-controlling interests as follows:

	For the Three Months Ended March 31, 2011	2012
Controlling Interests:		
Current tax	$ 13.5	$ 8.0
Intangible related deferred taxes	12.9	9.9
Other deferred taxes	(2.8)	2.9
Total controlling interests	23.6	20.8
Non-Controlling Interests:		
Current tax	$ 3.6	$ 3.2
Deferred taxes	(0.5)	0.6
Total non-controlling interests	3.1	3.8
Provision for income taxes	$ 26.7	$ 24.6
Income before income taxes (controlling interest)	$ 62.7	$ 58.2
Effective tax rate attributable to controlling interests[1]	37.6%	35.7%

(1) Taxes attributable to the controlling interest divided by Income before income taxes (controlling interest).

A summary of the consolidated provision for income taxes is as follows:

	For the Three Months Ended March 31,	
	2011	2012
Current:		
Federal	$ 6.1	$ 1.0
State	3.1	2.7
Foreign	7.9	7.5
Total current	17.1	11.2
Deferred:		
Federal	$ 11.3	$ 13.4
State	0.7	1.1
Foreign	(2.4)	(1.1)
Total deferred	9.6	13.4
Provision for income taxes	$ 26.7	$ 24.6

The components of deferred tax assets and liabilities are as follows:

	December 31, 2011	March 31, 2012
Deferred Tax Assets		
State net operating loss carryforwards	$ 26.5	$ 26.2
Foreign tax credit carryforwards	15.1	13.7
Deferred compensation	17.5	18.7
Tax benefit of uncertain tax positions	11.6	11.9
Accrued expenses	11.6	9.6
Capital loss carryforwards	1.5	1.5
Total deferred tax assets	83.8	81.6
Valuation allowance	(35.6)	(34.6)
Deferred tax assets, net of valuation allowance	$ 48.2	$ 47.0
Deferred Tax Liabilities		
Intangible asset amortization	$ (247.1)	$ (257.3)
Convertible securities interest	(171.1)	(175.5)
Non-deductible intangible amortization	(127.2)	(126.5)
Deferred revenue	(5.6)	(10.5)
Other	(3.2)	(3.0)
Total deferred tax liabilities	(554.2)	(572.8)
Net deferred tax liability	$ (506.0)	$ (525.8)

Deferred tax liabilities are primarily the result of tax deductions for the Company's intangible assets and convertible securities. The Company amortizes most of its intangible assets for tax purposes only, reducing its tax basis below its carrying value for financial statement purposes and generating deferred taxes each reporting period. The Company's 2008 senior convertible notes and junior convertible trust preferred securities also generate deferred tax liabilities because the Company's tax deductions are higher than the interest expense recorded for financial statement purposes.

At March 31, 2012, the Company has state net operating loss carryforwards that expire over a 15-year period beginning in 2011. The Company also has foreign tax credit carryforwards that expire over a 10-year period beginning in 2011. The valuation allowances at December 31, 2011 and March 31, 2012 were principally related to the Company's ability to generate sufficient taxable income prior to the expiration of these carryforwards.

The Company carried a liability for uncertain tax positions of $21.8 million as of March 31, 2012. These amounts included $1.7 million of interest and related charges. The Company does not anticipate that this liability will change significantly over the next twelve months.

The Company periodically has tax examinations in the United States and foreign jurisdictions. Examination outcomes, and any related settlements, are subject to significant uncertainty. The completion of examinations may result in the payment of additional taxes and/or the recognition of tax benefits.

6. Earnings Per Share

The calculation of basic earnings per share is based on the weighted average number of shares of the Company's common stock outstanding during the period. Diluted earnings per share is similar to basic earnings per share, but adjusts for the dilutive effect of the potential issuance of incremental shares of the Company's common stock. The following is a reconciliation of the numerator and denominator used in the calculation of basic and diluted earnings per share available to common stockholders.

	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012
Numerator:		
Net income (controlling interest)	$ 39.1	$ 37.4
Denominator:		
Average shares outstanding—basic	51.8	51.6
Effect of dilutive instruments:		
Stock options and other awards	1.3	1.3
Average shares outstanding—diluted	53.1	52.9

As more fully discussed in Note 3, the Company had convertible securities outstanding during the periods presented and is required to apply the if-converted method to these securities in its calculation of diluted earnings per share. Under the if-converted method, shares that are issuable upon conversion are deemed outstanding, regardless of whether the securities are contractually convertible into the Company's common stock at that time. For this calculation, the interest expense (net of tax) attributable to these dilutive securities is added back to Net income (controlling interest), reflecting the assumption that the securities have been converted. Issuable shares for these securities and related interest expense are excluded from the calculation if an assumed conversion would be anti-dilutive to diluted earnings per share.

For the three months ended March 31, 2012, the Company repurchased approximately 0.3 million shares of common stock under the share repurchase programs approved by the Company's Board of Directors.

The diluted earnings per share calculations in the table above exclude the anti-dilutive effect of the following shares:

	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012
Stock options and other awards	0.6	1.2
Senior convertible securities	4.2	4.2
Junior convertible trust preferred securities	3.7	3.7

As discussed further in Note 16, the Company may settle portions of its Affiliate equity purchases in shares of its common stock. Because it is the Company's intent to settle these potential repurchases in cash, the calculation of diluted earnings per share excludes any potential dilutive effect from possible share settlements.

7. Commitments and Contingencies

The Company and its Affiliates are subject to claims, legal proceedings and other contingencies in the ordinary course of their business activities. Each of these matters is subject to various uncertainties, and it is possible that some of these matters may be resolved in a manner unfavorable to the Company or its Affiliates. The Company and its Affiliates establish accruals for matters for which the outcome is probable and the amount of the liability can be reasonably estimated. Management believes that any liability in excess of these accruals upon the ultimate resolution of these matters will not have a material adverse effect on the Company.

Certain Affiliates operate under regulatory authorities which require that they maintain minimum financial or capital requirements. Management is not aware of any significant violations of such financial requirements occurring during the period.

In connection with its investment in Pantheon Ventures, the Company has committed to co-invest in certain investment partnerships where it serves as the general partner. As of March 31, 2012, these commitments totaled approximately $80.6 million and may be called in future periods. Russell Investments (Pantheon Ventures' former owner) is contractually obligated to reimburse the Company for $45.6 million of these commitments if they are called.

Under past acquisition agreements, the Company is contingently liable, upon achievement of specified financial targets, to make payments of up to $496.3 million through 2017. As of March 31, 2012, the Company expects to make payments of $99.9 million to settle these contingent obligations in 2012–2015 (these payments are calculated to have a net present value of $83.1 million), of which $72.0 million is expected to be settled in the fourth quarter of 2012 and the remainder to be settled between 2014 and 2015. In the first quarter of 2012, the Company reduced its current estimate of payments to be made under these agreements and recognized a gain of $9.9 million ($5.0 million attributable to the controlling interest). This gain has been classified within Imputed interest expense and contingent payment arrangements in the Consolidated Statements of Income.

8. Investments

Investments in Marketable Securities

Investment in marketable securities at December 31, 2011 and March 31, 2012 were $100.4 million and $122.6 million, respectively. These investments are comprised of the Company's investments in Value Partners Group Limited ("Value Partners"), a publicly-traded asset management firm based in Hong Kong, and investments held by Affiliates.

Available-for-Sale Investments

The following is a summary of the cost, gross unrealized gains and losses and fair value of investments classified as available-for-sale at December 31, 2011 and March 31, 2012:

December 31, 2011

		Gross Unrealized		
	Cost	Gains	Losses	Fair Value
Equity securities	$ 97.6	$ 1.4	$ (12.7)	$ 86.3

March 31, 2012

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Equity securities	$ 92.1	$ 12.0	$ (2.6)	$ 101.5

As of March 31, 2012, the Company has invested $83.3 million in Value Partners, representing 7.8% of the outstanding common stock.

The following is a summary of the Company's realized gains and losses on investments classified as available-for-sale:

	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012
Gains	$ 0.2	$ —
Losses	—	—
Net realized gains	$ 0.2	$ —

Trading Securities

The following is a summary of the cost, gross unrealized gains and losses and fair value of investments classified as trading securities at December 31, 2011 and March 31, 2012:

December 31, 2011

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Equity securities	$ 13.5	$ 0.9	$ (0.3)	$ 14.1

March 31, 2012

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Equity securities	$ 9.6	$ 11.5	$ —	$ 21.1

The following is a summary of the Company's realized gains and losses on investments classified as trading securities:

	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012
Gains	$ 0.2	$ 0.5
Losses	(0.3)	(0.3)
Net realized gains (losses)	$ (0.1)	$ 0.2

Cost Method Investments

As of December 31, 2011 and March 31, 2012, the Company has $14.6 million in cost method investments. These investments are recorded in Other assets.

Other Investments

Other investments consist of investments in funds advised by Affiliates. As of December 31, 2011 and March 31, 2012, the Company's other investments were $145.3 million and $157.0 million, respectively. These assets are reported within Prepaid expenses and other current assets ($31.2 million and $37.4 million at December 31, 2011 and March 31, 2012, respectively) and Other assets ($114.1 million and $119.6 million at December 31, 2011 and March 31, 2012, respectively) in the Consolidated Balance Sheets. The income or loss related to these investments is classified within Investment and other income in the Consolidated Statements of Income.

9. Fair Value Measurements

The Company determines the fair value of certain investment securities and other financial and nonfinancial assets and liabilities. Fair value is determined based on the price that would be received for an asset or paid to transfer a liability in the principal market for the asset or liability, or absent a principal market, the most advantageous market for the asset or liability, utilizing a hierarchy of three different valuation techniques:

Level 1—Unadjusted quoted market prices for identical instruments in active markets;

Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs, or significant value drivers, are observable; and

Level 3—Prices reflect the Company's own assumptions concerning unobservable inputs to the valuation model. These inputs require significant management judgment and reflect the Company's estimation of assumptions that market participants would use in pricing the asset or liability.

The following table summarizes the Company's assets and liabilities that are measured at fair value on a recurring basis:

	December 31, 2011	Fair Value Measurements		
		Level 1	Level 2	Level 3
Financial Assets				
Cash equivalents	$ 23.2	$ 23.2	$ —	$ —
Investments in marketable securities[1]				
Trading securities	14.1	14.1	—	—
Available-for-sale securities	86.3	86.3	—	—
Other investments[2]	145.3	31.1	10.8	103.4
Financial Liabilities				
Contingent payment arrangements[3]	$ 87.1	$ —	$ —	$ 87.1
Obligations to related parties[4]	92.0	—	—	92.0
Interest rate derivatives	2.9	—	2.9	—

	March 31, 2012	Fair Value Measurements Level 1	Level 2	Level 3
Financial Assets				
Cash equivalents	$ 12.3	$ 12.3	$ —	$ —
Investments in marketable securities[1]				
Trading securities	21.1	21.1	—	—
Available-for-sale securities	101.5	101.5	—	—
Other investments[2]	157.0	34.5	15.0	107.5
Financial Liabilities				
Contingent payment arrangements[3]	$ 83.1	$ —	$ —	$ 83.1
Obligations to related parties[4]	77.6	—	—	77.6
Interest rate derivatives	3.0	—	3.0	—

(1) Principally investments in equity securities.

(2) Other investments are reported within Prepaid expenses and other current assets and Other assets.

(3) Net present value of expected payments under contingent payment arrangements are reported in Accounts payable and accrued liabilities and Other long-term liabilities.

(4) Obligations to related parties are presented within Payables to related party and Other long-term liabilities.

The following is a description of the significant assets and liabilities measured at fair value and the fair value methodologies used.

Cash equivalents consist primarily of highly liquid investments in money market funds. Cash investments in actively traded money market funds are classified as Level 1.

Investments in marketable securities consist primarily of investments in publicly traded securities and in funds advised by Affiliates which are valued using net asset value ("NAV"). These investments are classified as Level 1.

Other investments are valued using NAV. Investments in actively traded funds that calculate daily NAVs are classified as Level 1. Investments in funds that permit redemptions monthly or quarterly are classified as Level 2. Investments in funds that are subject to longer redemption restrictions are classified as Level 3. The fair value of Level 3 assets is determined using NAV one quarter in arrears (adjusted for current period calls and distributions).

Interest rate derivatives include interest rate swaps. The fair value of these assets is determined by model-derived valuations in which all significant inputs were observable in active markets.

Contingent payment arrangements represent the present value of the expected future settlement of contingent payment arrangements related to the Company's business combinations. The significant unobservable inputs used in the fair value measurement of these obligations are growth and discount rates. Increases in the growth rate would result in a higher obligation while an increase in the discount rate would result in a lower obligation.

Obligations to related parties include agreements to repurchase Affiliate equity and liabilities offsetting certain investments which are held by the Company but economically attributable to a related party. The significant unobservable inputs used in the fair value measurement of the agreements to repurchase Affiliate equity are growth and discount rates. Increases in the growth rate would result in a higher obligation while an increase in the discount rate would result in a lower obligation. The liability to a related party is measured based upon certain investments held by the Company, the fair value of which is determined using NAV.

The following table presents certain quantitative information about the significant unobservable inputs used in valuing our Level 3 liabilities:

	Quantitative Information about Level 3 Fair Value Measurements			
	Fair Value at March 31, 2012	Valuation Techniques	Unobservable Input	Range
Contingent payment arrangements	$ 83.1	Discounted cash flow	Growth rates	10.0% - 18.0%
			Discount rates	14.0% - 18.0%
Affiliate equity repurchase obligations	14.9	Discounted cash flow	Growth rates	8.0% - 17.5%
			Discount rates	16.0% - 24.0%

The following table presents the changes in Level 3 assets and liabilities for the three months ended March 31, 2011 and 2012:

	Level 3 Financial Assets and Financial Liabilities at Fair Value						
Three Months Ended March 31, 2011	Balance, beginning of period	Net realized gains/losses	Net unrealized gains/losses relating to instruments still held at the reporting date	Purchases and issuances	Settlements and reductions	Net transfers in and/or out of Level 3	Balance, end of period
Other investments	$ 85.7	$ 1.1(1)	$ 5.6(1)	$ 2.8	$ (1.7)	$ —	$ 93.5
Contingent payment arrangements	77.6	—	5.4(2)	—	—	—	83.0
Obligations to related parties	79.6	0.3(3)	2.5(3)	9.6	(24.1)	—	67.9

	Level 3 Financial Assets and Financial Liabilities at Fair Value						
Three Months Ended March 31, 2012	Balance, beginning of period	Net realized gains/losses	Net unrealized gains/losses relating to instruments still held at the reporting date	Purchases and issuances	Settlements and reductions	Net transfers in and/or out of Level 3	Balance, end of period
Other investments	$ 103.4	$ (0.8)(1)	$ 2.5(1)	$ 4.8	$ (2.4)	$ —	$ 107.5
Contingent payment arrangements	87.1	—	(4.0)(2)	—	—	—	83.1
Obligations to related parties	92.0	(0.3)(3)	1.0(3)	14.4	(29.5)	—	77.6

(1) Gains and losses on Other investments are recorded in Investment and other income.

(2) Accretion and changes to payment estimates under the Company's contingent payment arrangements are recorded in Imputed interest expense and contingent payment arrangements and foreign currency translation adjustments related to such arrangements are recorded as Other comprehensive income.

(3) Gains and losses associated with agreements to repurchase Affiliate equity are recorded in Imputed interest expense and contingent payment arrangements. Gains and losses related to liabilities offsetting certain investments are recorded in Investment and other income.

During the three months ended March 31, 2012, financial assets valued at $2.0 million were transferred from Level 1 to Level 2. There were no significant transfers of financial assets or liabilities in the three months ended March 31, 2011.

The Company relies on the NAV of certain investments as their fair value. The NAVs have been derived from the fair values of the underlying investments as of the measurement dates. The following table summarizes, as of December 31, 2011 and March 31, 2012, the nature of these investments and any related liquidation restrictions or other factors which may impact the ultimate value realized:

	December 31, 2011		March 31, 2012	
Category of Investment	Fair Value	Unfunded Commitments	Fair Value	Unfunded Commitments
Private equity fund-of-funds(1)	$ 103.4	$ 80.5	$ 107.5	$ 84.4
Other funds(2)	47.2	—	67.5	—
	$ 150.6	$ 80.5	$ 175.0	$ 84.4

(1) These funds primarily invest in a broad range of private equity funds, as well as making direct investments. Distributions will be received as the underlying assets are liquidated over the life of the funds, generally 15 years.

(2) These are multi-disciplinary funds that invest across various asset classes and strategies including long/short equity, credit and real estate. Investments are generally redeemable on a daily or quarterly basis.

There are no current plans to sell any of these investments.

The carrying value of senior bank debt approximates fair value because the debt is a credit facility with variable interest based on selected short-term rates. The fair market value of the 2008 senior convertible notes and the junior convertible trust preferred securities at March 31, 2012 was $516.4 million and $664.0 million, respectively. These securities are classified as Level 2 because the fair value was determined utilizing observable inputs in non-active markets.

10. Variable Interest Entities

Sponsored Investment Funds

The Company's Affiliates act as the investment manager for certain investment funds that are considered variable interest entities ("VIEs"). In addition to an Affiliate's involvement as the investment manager, Affiliates may also hold investments in these products. Affiliates are not the primary beneficiary of these VIEs as their involvement is limited to that of a service provider and their investment, if any, represents an insignificant interest in the fund's assets under management. As a result, the Company's variable interests will not absorb the majority of the variability of the entity's net assets and therefore the Company has not consolidated these entities.

Trust Preferred Vehicles

The Company established wholly-owned trusts in connection with the 2006 and 2007 issuances of junior convertible trust preferred securities. These entities are considered VIEs and the Company is not the primary beneficiary, therefore these entities are not consolidated in the Company's financial statements.

The net assets and liabilities of these unconsolidated VIEs and the Company's maximum risk of loss related thereto are as follows:

	December 31, 2011		March 31, 2012	
	Unconsolidated VIE Net Assets	Carrying Value and Maximum Exposure to Loss	Unconsolidated VIE Net Assets	Carrying Value and Maximum Exposure to Loss
Sponsored investment funds	$ 3,618.4	$ 1.1	$ 4,104.6	$ 1.6
Trust preferred vehicles	9.0	9.0	9.0	9.0

11. Related Party Transactions

The Company periodically records amounts receivable and payable to Affiliate partners in connection with the transfer of Affiliate equity interests. The Company also has liabilities to related parties for deferred purchase price and contingent payment arrangements in connection with certain business combinations as well as liabilities offsetting certain investments which are held by the Company but economically attributable to a related party.

The total receivable at December 31, 2011 was $41.3 million, of which $1.4 million is included in Prepaid expenses and other current assets and $39.9 million is included in Other assets. The total receivable at March 31, 2012 was $40.0 million, of which $1.5 million is included in Prepaid expenses and other current assets and $38.5 million is included in Other assets. The total payable as of December 31, 2011 was $147.5 million, of which $33.2 million is included in current liabilities and $114.3 million is included in Other long-term liabilities. The total payable as of March 31, 2012 was $132.2 million, of which $17.1 million is included in current liabilities and $115.1 million is included in Other long-term liabilities.

In certain cases, Affiliate management owners and Company officers may serve as trustees or directors of certain mutual funds from which the Affiliate earns advisory fee revenue.

12. Stock Option and Incentive Plans

The following summarizes the transactions of the Company's stock option and incentive plans for the three months ended March 31, 2012:

	Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
Unexercised options outstanding—January 1, 2012	5.1	$ 68.18	
Options granted	0.0	107.63	
Options exercised	(0.3)	51.76	
Options forfeited	(0.0)	116.35	
Unexercised options outstanding—March 31, 2012	4.8	69.19	4.3
Exercisable at March 31, 2012	2.7	62.91	3.6

The Company's Net income (controlling interest) for the three months ended March 31, 2011 includes compensation expense of $3.8 million (net of income tax benefits of $2.3 million) related to the Company's Stock Option and Incentive, Executive Incentive, Long-Term Equity Interests and Deferred Compensation Plans as compared to compensation expense of $5.0 million (net of income tax benefits of $3.1 million) for the three months ended March 31, 2012. As of March 31, 2012, the Company expects to recognize compensation expense related to these share-based compensation arrangements of $71.8 million over a weighted average period of approximately three years (assuming no forfeitures). As of March 31, 2012, no outstanding options have expiration dates prior to the end of 2012.

13. Derivative Financial Instruments

From time to time, the Company seeks to offset its exposure to changing interest rates under its debt financing arrangements by entering into interest rate hedging contracts. The Company does not hold or issue derivative financial instruments for speculative purposes.

In 2010, the Company entered into interest rate swap contracts as summarized in the table below:

	Notional Amount	Paying	Receiving	Start Date	Expiration Date
Counterparty A	$ 25.0	1.67%	3-Month LIBOR	October 2010	October 2015
Counterparty A	$ 25.0	1.65%	3-Month LIBOR	October 2010	October 2015
Counterparty B	$ 25.0	1.59%	3-Month LIBOR	October 2010	October 2015
Counterparty B	$ 25.0	2.14%	3-Month LIBOR	October 2010	October 2017

During 2010 and 2011, the Company entered into a series of treasury rate lock contracts with a total notional value of $175.0 million which were settled in February 2011 and October 2011 for a net pre-tax loss of $0.7 million. These contracts were intended to hedge the risks associated with changes in interest rates on a fixed-rate debt issuance that is anticipated to occur prior to the end of the second quarter of 2012. The net loss on these contracts is reflected as a component of Other comprehensive income.

The Company's derivative contracts contain provisions that may require the Company or the counterparties to post collateral based upon the current fair value of the derivative contracts. As of

March 31, 2012, the Company had posted collateral of $3.9 million related to its interest rate swap contracts.

The Company records all derivative instruments on the balance sheet at fair value. As cash flow hedges, the effective portion of the unrealized gain or loss on the derivative instruments is recorded in accumulated other comprehensive income as a separate component of stockholders' equity. Hedge effectiveness is measured by comparing the present value of the cumulative change in the expected future variable cash flows of the hedged contract with the present value of the cumulative change in the expected future variable cash flows of the hedged item. To the extent that the critical terms of the hedged item and the derivative are not identical, hedge ineffectiveness would be reported in earnings as Interest expense. Hedge ineffectiveness was not material in any periods presented. The Company does not expect to reclassify any material portion of the losses related to these derivative contracts into earnings in the next twelve months.

The following summarizes the location and amount of derivative instrument gains and losses (before taxes) reported in the Consolidated Statements of Comprehensive Income:

	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012
Cash Flow Hedges		
Interest rate swaps	$ 0.6	$ (0.1)
Treasury rate locks	0.5	—
Total	$ 1.1	$ (0.1)

The following summarizes the location and fair values of derivative instruments on the Consolidated Balance Sheets:

	December 31, 2011	March 31, 2012
Cash Flow Hedges		
Interest rate swaps[1]	$ (2.9)	$ (3.0)

(1) Presented within Other long-term liabilities.

14. Segment Information

Management has assessed and determined that the Company operates in three business segments representing the Company's three principal distribution channels: Mutual Fund, Institutional and High Net Worth, each of which has different client relationships.

Revenue in the Mutual Fund distribution channel is earned from advisory and sub-advisory relationships with all domestically-registered investment products as well as non-institutional investment products that are registered abroad. Revenue in the Institutional distribution channel is earned from relationships with public and private client entities, including pension plans, foundations and endowments. Revenue in the High Net Worth distribution channel is earned from relationships with wealthy individuals, family trusts and managed account programs.

Revenue earned from client relationships managed by Affiliates accounted for under the equity method is not consolidated with the Company's reported Revenue but instead is included (net of operating expenses, including amortization) in Income from equity method investments, and reported in the distribution channel in which the Affiliate operates. Income tax attributable to the profits of the Company's equity method Affiliates is reported within the Company's consolidated income tax provision.

In firms with revenue sharing arrangements, a certain percentage of revenue is allocated for use by management of an Affiliate in paying operating expenses of that Affiliate, including salaries and bonuses, and is called an "Operating Allocation." In reporting segment operating expenses, Affiliate expenses are allocated to a particular segment on a pro rata basis with respect to the revenue generated by that Affiliate in such segment. Generally, as revenue increases, additional compensation is typically paid to Affiliate management partners from the Operating Allocation. As a result, the contractual expense allocation pursuant to a revenue sharing arrangement may result in the characterization of any growth in profit margin beyond the Company's Owners' Allocation as an operating expense. All other operating expenses (excluding intangible amortization) and interest expense have been allocated to segments based on the proportion of cash flow distributions reported by Affiliates in each segment.

Statements of Income

	For the Three Months Ended March 31, 2011			
	Mutual Fund	Institutional	High Net Worth	Total
Revenue	$ 184.2	$ 207.0	$ 35.1	$ 426.3
Operating expenses:				
Depreciation and other amortization	4.1	19.7	2.1	25.9
Other operating expenses	126.4	127.0	22.1	275.5
	130.5	146.7	24.2	301.4
Operating income	53.7	60.3	10.9	124.9
Non-operating (income) and expenses:				
Investment and other (income) loss	(2.3)	(5.0)	(1.4)	(8.7)
Income from equity method investments	(1.4)	(7.7)	(1.1)	(10.2)
Interest expense	10.8	14.6	2.3	27.7
	7.1	1.9	(0.2)	8.8
Income before income taxes	46.6	58.4	11.1	116.1
Income taxes	11.7	12.8	2.2	26.7
Net income	34.9	45.6	8.9	89.4
Net income (non-controlling interests)	(18.3)	(27.2)	(4.8)	(50.3)
Net income (controlling interest)	$ 16.6	$ 18.4	$ 4.1	$ 39.1

	For the Three Months Ended March 31, 2012			
	Mutual Fund	Institutional	High Net Worth	Total
Revenue	$ 175.7	$ 206.8	$ 35.2	$ 417.7
Operating expenses:				
Depreciation and other amortization	12.0	19.9	1.9	33.8
Other operating expenses	123.0	129.7	22.4	275.1
	135.0	149.6	24.3	308.9
Operating income	40.7	57.2	10.9	108.8
Non-operating (income) and expenses:				
Investment and other (income) loss	(4.0)	(5.1)	(1.3)	(10.4)
Income from equity method investments	(2.6)	(10.5)	(1.4)	(14.5)
Interest expense	0.9	13.2	2.0	16.1
	(5.7)	(2.4)	(0.7)	(8.8)
Income before income taxes	46.4	59.6	11.6	117.6
Income taxes	10.6	11.8	2.2	24.6
Net income	35.8	47.8	9.4	93.0
Net income (non-controlling interests)	(21.1)	(28.9)	(5.6)	(55.6)
Net income (controlling interest)	$ 14.7	$ 18.9	$ 3.8	$ 37.4
Total assets as of December 31, 2011	$ 1,920.6	$ 2,836.2	$ 462.1	$ 5,218.9
Total assets as of March 31, 2012	$ 1,965.9	$ 2,783.4	$ 460.6	$ 5,209.9

15. Goodwill and Acquired Client Relationships

Consolidated

The following table presents the change in goodwill during the three months ended March 31, 2012:

	Mutual Fund	Institutional	High Net Worth	Total
Balance, as of December 31, 2011	$ 785.0	$ 1,071.4	$ 260.9	$ 2,117.3
Goodwill acquired	—	—	—	—
Foreign currency translation	1.6	4.3	2.6	8.5
Balance, as of March 31, 2012	$ 786.6	$ 1,075.7	$ 263.5	$ 2,125.8

The following table presents the changes in and the components of acquired client relationships at the Company's consolidated Affiliates during the three months ended March 31, 2012:

	Acquired Client Relationships				
	Definite-lived			Indefinite-lived	Total
	Gross Book Value	Accumulated Amortization	Net Book Value	Net Book Value	Net Book Value
Balance as of December 31, 2011	$ 970.5	$ (317.0)	$ 653.5	$ 667.6	$ 1,321.1
Amortization and impairment	—	(21.7)	(21.7)	(8.7)	(30.4)
Foreign currency translation	1.1	—	1.1	7.0	8.1
Balance as of March 31, 2012	$ 971.6	$ (338.7)	$ 632.9	$ 665.9	$ 1,298.8

During the three months ended March 31, 2012, the Company determined that the fair value of the indefinite-lived intangible assets at one of its Affiliates, a manager of growth-oriented U.S. equity mutual funds, had declined below its carrying value and, accordingly, reduced the carrying value by $8.7 million to its fair value ($131.7 million). The fair value of these indefinite-lived assets was calculated using a discounted cash flow analysis, a Level 3 fair value measurement. The significant assumptions used in the valuation were a weighted average annual growth rate of approximately 3.0% and a discount rate of 16.0%. This impairment has been presented within Amortization of intangible assets in the Consolidated Statements of Income. During the second quarter of 2012, this Affiliate has experienced ongoing client redemptions, and the Company believes an additional impairment is likely in the second quarter of 2012.

For the Company's Affiliates that are consolidated, definite-lived acquired client relationships are amortized over their expected useful lives. As of March 31, 2012, these relationships were being amortized over a weighted average life of approximately ten years. Amortization expense for these relationships was $22.1 million for the three months ended March 31, 2011 as compared to $21.7 million for the three months ended March 31, 2012. The Company estimates that its consolidated annual amortization expense will be approximately $90.0 million for the next five years, assuming no additional investments in new or existing Affiliates.

Equity Method

The definite-lived acquired client relationships attributable to the Company's equity method investments are amortized over their expected useful lives. As of March 31, 2012, these relationships were being amortized over a weighted average life of approximately seven years. Amortization expense for these relationships was $8.4 million for the three months ended March 31, 2011 as compared to $8.2 million for the three months ended March 31, 2012. Assuming no additional investments in new or existing Affiliates, the Company estimates the annual amortization expense attributable to its current equity-method Affiliates for the next five years as follows:

Year Ending December 31,	Estimated Amortization Expense
2012	$ 32.7
2013	32.7
2014	11.2
2015	2.7
2016	0.2

16. Affiliate Equity

The Company periodically issues Affiliate equity interests to and repurchases Affiliate equity interests from its Affiliate partners. In these transactions, if the equity is issued for consideration below the fair value of the equity or repurchased for consideration above the fair value of the equity, then such difference is recorded as compensation expense over the requisite service period. The Company recognized compensation expense related to Affiliate equity of $5.2 million ($3.5 million attributable to the controlling interest) for the three months ended March 31, 2011 as compared to $6.3 million ($2.2 million attributable to the controlling interest) for the three months ended March 31, 2012.

Many of the Company's operating agreements provide the Company a conditional right to call and Affiliate partners the conditional right to put their retained equity interests at certain intervals. The purchase price of these conditional purchases are generally calculated based upon a multiple of the Affiliate's cash flow distributions, which is intended to represent fair value. Affiliate management partners are also permitted to sell their equity interests to other individuals or entities in certain cases, subject to the Company's approval or other restrictions. The Company, at its option, may pay for Affiliate equity purchases in cash, shares of its common stock or other forms of consideration and can consent to the transfer of these interests to other individuals or entities.

The current redemption value of these interests has been presented as Redeemable non-controlling interests on the Company's Consolidated Balance Sheets. Changes in the current redemption value are recorded to Additional paid-in capital. The following table presents the changes in Redeemable non-controlling interests during the period:

Balance as of January 1, 2012	$ 451.8
Issuance of Redeemable non-controlling interest	7.0
Repurchase of Redeemable non-controlling interest	(11.2)
Changes in redemption value	62.0
Balance as of March 31, 2012	$ 509.6

During the three months ended March 31, 2011 and 2012, the Company acquired interests from and transferred interests to Affiliate management partners. The following schedule discloses the effect of changes in the Company's ownership interest in its Affiliates on the controlling interest's equity:

	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012
Net income (controlling interest)	$ 39.1	$ 37.4
Increase (decrease) in controlling interest paid-in capital from purchases and sales of Affiliate equity	3.8	(6.0)
Change from Net income (controlling interest) and net transfers with non-controlling interests	$ 42.9	$ 31.4

17. Comprehensive Income

The following table shows the tax effects allocated to each component of other comprehensive income:

	For the Three Months Ended March 31, 2011		
	Pre-Tax	Tax Benefit (Expense)	Net of Tax
Foreign currency translation adjustment	$ 14.2	$ —	$ 14.2
Change in net realized and unrealized gain on derivative securities	1.1	(0.4)	0.7
Change in net unrealized loss on investment securities	(5.7)	2.2	(3.5)
Other comprehensive income	$ 9.6	$ 1.8	$ 11.4

	For the Three Months Ended March 31, 2012		
	Pre-Tax	Tax Benefit (Expense)	Net of Tax
Foreign currency translation adjustment	$ 14.4	$ —	$ 14.4
Change in net realized and unrealized loss on derivative securities	(0.1)	0.0	(0.1)
Change in net unrealized gain on investment securities	14.3	(5.2)	9.1
Other comprehensive income	$ 28.6	$ (5.2)	$ 23.4

The components of accumulated other comprehensive income, net of taxes, are as follows:

	December 31, 2011	Other Comprehensive Income	March 31, 2012
Foreign currency translation adjustments	$ 57.7	$ 14.4	$ 72.1
Realized and unrealized losses on derivative securities	(2.2)	(0.1)	(2.3)
Unrealized gain (loss) on investment securities	(5.5)	9.1	3.6
Accumulated other comprehensive income	50.0	23.4	73.4
Accumulated other comprehensive income (non-controlling interests)	—	(1.7)	(1.7)
Accumulated other comprehensive income (controlling interest)	$ 50.0	$ 21.7	$ 71.7

18. Recent Accounting Developments

In May 2011, the Financial Accounting Standards Board issued an update to the fair value measurements and disclosures guidance. The new guidance clarifies existing fair value measurement principles and expands certain disclosure requirements, particularly for measurements categorized as Level 3. The amendment is effective for interim and fiscal periods beginning after December 15, 2011. The Company adopted this guidance in the first quarter of 2012. Adoption of this new guidance did not have a material impact on the Company's Consolidated Financial Statements.

19. Pending Investments

In March 2012, AMG Wealth Partners, LP, a subsidiary of AMG, announced an agreement to purchase an equity interest in Veritable, LP ("Veritable"). Veritable manages $11.1 billion in assets for ultra-high net worth individuals. Subject to customary closing conditions, regulatory approvals and compliance with other terms of the purchase agreement, the Company anticipates that AMG Wealth Partners' investment in Veritable will close in the second quarter of 2012.

In April 2012, the Company announced an agreement to purchase Yacktman Asset Management Co. ("Yacktman"). Yacktman manages $16.8 billion of assets, specializing in large-cap equities through a value-oriented approach. Subject to customary closing conditions, regulatory approvals and compliance with other terms of the purchase agreement, the Company anticipates that its investment in Yacktman will close in the third quarter of 2012.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

When used in this Quarterly Report on Form 10-Q, in our other filings with the United States Securities and Exchange Commission, in our press releases and in oral statements made with the approval of an executive officer, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "may," "intends," "believes," "estimate," "project" or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties, including, among others, the following:

- our performance is directly affected by changing conditions in global financial markets generally and in the equity markets particularly, and a decline or a lack of sustained growth in these markets may result in decreased advisory fees or performance fees and a corresponding decline (or lack of growth) in our operating results and in the cash flow distributable to us from our Affiliates;

- we cannot be certain that we will be successful in finding or investing in additional investment management firms on favorable terms, that we will be able to consummate announced investments in new investment management firms, or that existing and new Affiliates will have favorable operating results;

- we may need to raise capital by making long-term or short-term borrowings or by selling shares of our common stock or other securities in order to finance investments in additional investment management firms or additional investments in our existing Affiliates, and we cannot be sure that such capital will be available to us on acceptable terms, if at all; and

- those certain other factors discussed under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2011, and in any other filings we make with the Securities and Exchange Commission from time to time.

These factors (among others) could affect our financial performance and cause actual results to differ materially from historical earnings and those presently anticipated and projected. We will not undertake and we specifically disclaim any obligation to release publicly the result of any revisions which may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of events, whether or not anticipated. In that respect, we wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made.

Management's Discussion and Analysis should be read in conjunction with the Consolidated Financial Statements of AMG and its subsidiaries (collectively, the "Company" or "AMG") and the notes thereto contained elsewhere in this Quarterly Report on Form 10-Q.

Executive Overview

We are a global asset management company with equity investments in leading boutique investment management firms (our "Affiliates"). Our innovative partnership approach allows each Affiliate's management team to own significant equity in their firm while maintaining operational autonomy. Our strategy is to generate growth through the internal growth of existing Affiliates, as well as through investments in new Affiliates. In addition, we provide centralized assistance to our Affiliates in strategic matters, marketing, distribution, product development and operations.

As of March 31, 2012, we manage approximately $363.9 billion in assets through our Affiliates in more than 350 investment products across a broad range of asset classes and investment styles in three principal distribution channels: Mutual Fund, Institutional and High Net Worth. We believe that our diversification across asset classes, investment styles and distribution channels helps to mitigate our exposure to the risks created by changing market environments. The following summarizes our operations in our three principal distribution channels.

- In the Mutual Fund distribution channel, our Affiliates provide advisory or sub-advisory services to mutual funds. These funds are distributed to retail and institutional clients directly and through intermediaries, including independent investment advisors, retirement plan sponsors, broker-dealers, major fund marketplaces and bank trust departments.

- In the Institutional distribution channel, we offer a broad range of investment styles, including small, small/mid, mid and large capitalization value, growth equity and emerging markets. In addition, our Affiliates offer quantitative, alternative and fixed income products. Through this distribution channel, our Affiliates manage assets for public and private client entities, including pension plans, foundations and endowments, with disciplined and focused investment styles that address the specialized needs of institutional clients.

- The High Net Worth distribution channel is comprised broadly of two principal client groups. The first group consists principally of direct relationships with high net worth individuals and families and charitable foundations. For these clients, our Affiliates provide investment management or customized investment counseling and fiduciary services. The second group consists of individual managed account client relationships established through intermediaries, which are generally brokerage firms or other sponsors. Our Affiliates provide investment management services through more than 100 managed account and wrap programs. In 2011, we formed AMG Wealth Partners to extend and tailor our innovative partnership approach to investments in boutique wealth management firms.

Pending Investments

In March 2012, AMG Wealth Partners announced an agreement to purchase an equity interest in Veritable, LP ("Veritable"). Veritable manages $11.1 billion in assets for ultra-high net worth individuals. Subject to customary closing conditions, regulatory approvals and compliance with other terms of the purchase agreement, we anticipate that AMG Wealth Partners' investment in Veritable will close in the second quarter of 2012.

In April 2012, we announced an agreement to purchase Yacktman Asset Management Co. ("Yacktman"). Yacktman manages $16.8 billion of assets, specializing in large-cap equities through a value-oriented approach. Subject to customary closing conditions, regulatory approvals and compliance with other terms of the purchase agreement, we anticipate that our investment in Yacktman will close in the third quarter of 2012.

Our Structure and Relationship with Affiliates

In making investments in boutique investment management firms, we seek to partner with the highest quality firms in the industry, with outstanding management teams, strong long-term performance records and a demonstrated commitment to continued growth and success. Fundamental to our investment approach is the belief that Affiliate management equity ownership (along with AMG's ownership) aligns our interests and provides Affiliate managers with a powerful incentive to continue to grow their business. Our investment structure provides a degree of liquidity and diversification to principal owners of boutique investment management firms, while at the same time expanding equity ownership opportunities among the firm's management and allowing management to continue to participate in the firm's future growth. Our partnership approach also ensures that Affiliates maintain operational autonomy in managing their business, thereby preserving their firm's entrepreneurial culture and independence.

Although the specific structure of each investment is highly tailored to meet the needs of a particular Affiliate, in all cases, we establish a meaningful equity interest in the firm, with the remaining equity interests retained by the management of the Affiliate. Each Affiliate is organized as a separate firm, and its operating or shareholder agreement is structured to provide appropriate incentives for Affiliate management owners and to address the Affiliate's particular characteristics while also enabling us to protect our interests, including through arrangements such as long-term employment agreements with key members of the firm's management team.

In most cases, we own a majority of the equity interests of a firm and structure a revenue sharing arrangement, in which a percentage of revenue is allocated for use by management of that Affiliate in paying operating expenses of the Affiliate, including salaries and bonuses. We call this the "Operating Allocation." The portion of each Affiliate's revenue that is allocated to the owners of that Affiliate (including us) is called the "Owners' Allocation." Each Affiliate allocates its Owners' Allocation to its managers and to us generally in proportion to their and our respective ownership interests in that Affiliate.

One of the purposes of our revenue sharing arrangements is to provide ongoing incentives for Affiliate managers by allowing them to participate in the growth of their firm's revenue, which may increase their compensation from both the Operating Allocation and the Owners' Allocation. These arrangements also provide incentives to control operating expenses, thereby increasing the portion of the Operating Allocation that is available for growth initiatives and compensation.

An Affiliate's Operating Allocation is structured to cover its operating expenses. However, should actual operating expenses exceed the Operating Allocation, our contractual share of cash under the Owners' Allocation generally has priority over the allocations and distributions to the Affiliate's managers. As a result, the excess expenses first reduce the portion of the Owners' Allocation allocated to the Affiliate's managers until that portion is eliminated, before reducing the portion allocated to us. Any such reduction in our portion of the Owners' Allocation is required to be paid back to us out of the portion of future Owners' Allocation allocated to the Affiliate's managers.

Our minority investments are also structured to align our interests with those of the Affiliate's management through shared equity ownership, as well as to preserve the Affiliate's entrepreneurial culture and independence by maintaining the Affiliate's operational autonomy. In cases where we hold a minority investment, the revenue sharing arrangement generally allocates a percentage of the Affiliate's revenue to us. The remaining revenue is used to pay operating expenses and profit distributions to the other owners. Generally where we own a minority investment, we are required to use the equity method of accounting. Consistent with this method, we have not consolidated the operating results of these firms (including their revenue) in our Consolidated Statements of Income. Our share of these firms' profits (net of intangible amortization) is reported in Income from equity method investments, and is therefore reflected in our Net income and EBITDA. As a consequence, increases or decreases in these firms' assets under management ($100.2 billion as of March 31, 2012 and included in our reported assets under management) will not affect our reported revenue.

Certain of our Affiliates operate under profit-based arrangements through which we own a majority of the equity in the firm and receive a share of profits as cash flow, rather than a percentage of revenue through a typical revenue sharing agreement. As a result, we participate fully in any increase or decrease in the revenue or expenses of such firms. In these cases, we participate in a budgeting process and generally provide incentives to management through compensation arrangements based on the performance of the Affiliate.

We are focused on establishing and maintaining long-term partnerships with our Affiliates. Our shared equity ownership gives both us and our Affiliates meaningful incentives to manage their businesses for strong future growth. From time to time, we may consider changes to the structure of our relationship with an Affiliate in order to better support the firm's growth strategy.

Financial Results

The table below summarizes our financial highlights:

(in millions, except as noted and per share data)	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012	% Change
Assets under Management (in billions)	$ 339.8	$ 363.9	7 %
Revenue	426.3	417.7	(2)%
Net income (controlling interest)	39.1	37.4	(4)%
Earnings per share—diluted	0.74	0.71	(4)%
Economic net income[(1)]	85.1	83.5	(2)%
Economic earnings per share[(1)]	1.60	1.58	(1)%
EBITDA[(2)]	118.2	114.1	(3)%

(1) Economic net income and Economic earnings per share, including a reconciliation of Economic net income to Net income, are discussed in "Supplemental Performance Measures" on page 37.

(2) EBITDA, including a reconciliation to cash flow from operations, is discussed in greater detail in "Supplemental Liquidity Measure" on page 39.

During the twelve months ended March 31, 2012, the MSCI EAFE decreased 5.3% while the S&P 500 increased 8.5%. Our total assets under management grew to $363.9 billion at March 31, 2012, an increase of approximately 7% over March 31, 2011. The growth in our assets under management was primarily the result of organic growth of our Affiliates from net client cash flows ($23.5 billion).

Diversification of Assets under Management

The following table provides information regarding the composition of our assets under management:

(in billions)	December 31, 2011 Assets under Management	December 31, 2011 Percentage of Total	March 31, 2012 Assets under Management	March 31, 2012 Percentage of Total
Asset Class:				
Equity[(1)]	$ 207.9	63%	$ 231.9	63%
Alternative[(2)]	80.3	25%	89.4	25%
Fixed Income[(3)(4)]	39.3	12%	42.6	12%
Total	$ 327.5	100%	$ 363.9	100%
Geography:[(5)]				
Domestic	$ 109.4	33%	$ 119.4	32%
Global/International[(4)]	178.4	55%	198.8	55%
Emerging Markets	39.7	12%	45.7	13%
Total	$ 327.5	100%	$ 363.9	100%

(1) The Equity asset class includes equity, balanced and asset allocation products.

(2) The Alternative asset class includes private equity, multi-strategy, market neutral equity and hedge products.

(3) Our Affiliates currently sponsor money market funds with fund assets representing less than 1% of our assets under management.

(4) Investments in sovereign and non-sovereign debt of European countries represent less than 1% of our assets under management.

(5) The Geography of a particular investment product describes the general location of its investment holdings.

Our assets under management increased during the three months ended March 31, 2012 principally as a result of positive investment performance in all asset classes and organic growth from net client cash flows in our Alternative asset class ($6.0 billion). Our assets under management also increased from positive investment performance across all geographic regions and organic growth from net client cash flows in Global/International ($7.0 billion).

Assets under Management by Operating Segment

The following table presents our Affiliates' reported assets under management by operating segment (which are also referred to as distribution channels in this Quarterly Report on Form 10-Q).

Statement of Changes-Quarter to Date

(in billions)	Mutual Fund	Institutional	High Net Worth	Total
December 31, 2011	$ 85.2	$ 205.7	$ 36.6	$ 327.5
Client cash inflows	6.2	12.3	2.6	21.1
Client cash outflows	(4.8)	(7.3)	(1.9)	(14.0)
Net client cash flows	1.4	5.0	0.7	7.1
Investment performance	8.5	17.1	3.7	29.3
March 31, 2012	$ 95.1	$ 227.8	$ 41.0	$ 363.9

As shown in the assets under management table above, client cash inflows totaled $21.1 billion while client cash outflows totaled $14.0 billion for the three months ended March 31, 2012. The net flows for the three months ended March 31, 2012 occurred across a broad range of product offerings in each of our distribution channels, with no individual cash inflow or outflow having a material impact on our revenue or expenses.

The operating segment analysis presented in the following table is based on average assets under management. For the Mutual Fund distribution channel, average assets under management represent an average of the daily net assets under management. For the Institutional and High Net Worth distribution channels, average assets under management reflect the billing patterns of particular client accounts. For example, assets under management for an account that bills in advance is presented in the table on the basis of beginning of period assets under management while an account that bills in arrears is reflected on the basis of end of period assets under management. We believe that this analysis more closely correlates to the billing cycle of each distribution channel and, as such, provides a more meaningful relationship to revenue.

(in millions, except as noted)	For the Three Months Ended March 31 2011	2012	% Change
Average Assets under Management (in billions)[1]			
Including equity method Affiliates:			
Mutual Fund	$ 87.1	$ 91.1	5 %
Institutional	208.0	220.0	6 %
High Net Worth	35.8	39.5	10 %
Total	$ 330.9	$ 350.6	6 %
Excluding equity method Affiliates:			
Mutual Fund	$ 79.5	$ 76.1	(4)%
Institutional	147.9	152.8	3 %
High Net Worth	27.6	28.8	4 %
Total	$ 255.0	$ 257.7	1 %
Revenue			
Mutual Fund	$ 184.2	$ 175.7	(5)%
Institutional	207.0	206.8	(0)%
High Net Worth	35.1	35.2	0 %
Total	$ 426.3	$ 417.7	(2)%
Net income (controlling interest)[2]			
Mutual Fund[3]	$ 16.6	$ 14.7	(11)%
Institutional	18.4	18.9	3 %
High Net Worth	4.1	3.8	(7)%
Total	$ 39.1	$ 37.4	(4)%
EBITDA[4]			
Mutual Fund	$ 38.5	$ 37.1	(4)%
Institutional	68.9	66.8	(3)%
High Net Worth	10.8	10.2	(6)%
Total	$ 118.2	$ 114.1	(3)%

(1) As described above, our average assets under management considers balances used to bill revenue during the reporting period. Assets under management attributable to any investment in new Affiliates are included on a weighted average basis for the period from the closing date of the respective investment.

(2) In 2012, we changed our estimate of payments to be made under certain of our contingent payment arrangements and recognized a gain totaling $9.9 million ($5.0 million attributable to the controlling interest). This gain was allocated $9.3 million, $0.5 million and $0.1 million to our Mutual Fund, Institutional and High Net Worth channels, respectively.

(3) During 2012, we recorded an $8.7 million expense associated with the revaluation of indefinite-lived intangible assets.

(4) EBITDA, including a reconciliation to cash flow from operations, is discussed in greater detail in "Supplemental Liquidity Measure" on page 39.

Results of Operations

Revenue

Our revenue is generally determined by the level of our assets under management, the portion of our assets across our products and three operating segments, which realize different fee rates, and the recognition of any performance fees. Performance fees are generally measured on absolute or relative investment performance against a benchmark. As a result, the level of performance fees earned can vary significantly from period to period and these fees may not necessarily be correlated to changes in total assets under management.

Our total revenue decreased $8.6 million (or 2%) in the three months ended March 31, 2012, as compared to the three months ended March 31, 2011, primarily from a modest decline in our average fee rates and a decline in performance fees ($1.9 million), partially offset by a 1% increase in average assets under management from our consolidated Affiliates. The increase in average assets under management and the changes in the composition of our assets under management between operating segments did not have a significant impact on our results.

The following discusses the changes in our revenue by operating segment.

Mutual Fund Distribution Channel

The decrease in revenue of $8.5 million (or 5%) in the Mutual Fund distribution channel in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011, resulted primarily from a 4% decrease in average assets under management from our consolidated Affiliates. The decrease in average assets under management resulted principally from net client cash flows at our consolidated Affiliates, partially offset by positive investment performance.

Institutional Distribution Channel

Revenue in the Institutional distribution channel remained relatively flat in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011, primarily from a 3% increase in average assets under management from our consolidated Affiliates, offset by a decline in performance fees. The increase in average assets under management resulted principally from net client cash flows and positive investment performance. Unrelated to the change in assets under management, consolidated performance fee revenue decreased $1.8 million to $2.2 million for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011.

High Net Worth Distribution Channel

Revenue in the High Net Worth distribution channel remained relatively flat in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011, primarily from a 4% increase in average assets under management from our consolidated Affiliates offset by a modest decline in our average fee rates. The increase in average assets under management resulted principally from net client cash flows and positive investment performance.

Operating Expenses

The following table summarizes our consolidated operating expenses:

(in millions)	For the Three Months Ended March 31, 2011	2012	% Change
Compensation and related expenses	$ 179.5	$ 181.1	1 %
Selling, general and administrative	87.5	85.0	(3)%
Amortization of intangible assets	22.1	30.4	38 %
Depreciation and other amortization	3.8	3.4	(11)%
Other operating expenses	8.5	9.0	6 %
Total operating expenses	$ 301.4	$ 308.9	2 %

The substantial portion of our operating expenses is incurred by our Affiliates, the majority of which is incurred by Affiliates with revenue sharing arrangements. For Affiliates with revenue sharing arrangements, an Affiliate's Operating Allocation percentage generally determines its operating expenses. Accordingly, our compensation expense is generally impacted by increases or decreases in each Affiliate's revenue and the corresponding increases or decreases in their respective Operating Allocations. During the three months ended March 31, 2012, approximately $89.9 million, or about 49.6% of our consolidated compensation expense, was attributable to our Affiliate partners from their Operating Allocations. The percentage of revenue allocated to operating expenses varies from one Affiliate to another and may vary within an Affiliate depending on the source or amount of revenue. As a result, changes in our aggregate revenue may not impact our consolidated operating expenses to the same degree.

Compensation and related expenses increased $1.6 million (or 1%) in the three months ended March 31, 2012, as compared to the three months ended March 31, 2011. This increase was attributable to a $3.2 million increase in costs associated with our global distribution initiatives and was partially offset by a decrease in compensation resulting from the relationship between revenue and operating expenses at Affiliates which experienced decreases in revenue, and accordingly, reported lower compensation expenses.

Selling, general and administrative expenses decreased $2.5 million (or 3%) in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. This decrease resulted primarily from decreases in sub-advisory and distribution expenses attributable to a decrease in assets under management at our Affiliates in the Mutual Fund distribution channel.

Amortization of intangible assets increased $8.3 million (or 38%) in the three months ended March 31, 2012, as compared to the three months ended March 31, 2011. This increase was the result of an $8.7 million expense associated with the revaluation of indefinite-lived intangible assets at one of our Affiliates.

Depreciation and other amortization decreased $0.4 million (or 11%) in the three months ended March 31, 2012, as compared to the three months ended March 31, 2011, principally related to a decrease in spending on depreciable assets in recent periods.

Other operating expenses increased $0.5 million (or 6%) in the three months ended March 31, 2012, as compared to the three months ended March 31, 2011. This increase was principally attributable to an increase in costs associated with our global distribution initiatives.

Other Income Statement Data

The following table summarizes other income statement data:

(in millions)	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012	% Change
Income from equity method investments	$ 10.2	$ 14.5	42 %
Investment and other income	8.7	10.4	20 %
Interest expense	19.4	18.6	(4)%
Imputed interest expense and contingent payment arrangements	8.3	(2.5)	n.m.[1]
Income tax expense	26.7	24.6	(8)%

(1) Percentage change is not meaningful.

Income from equity method investments consists of our share of income from Affiliates that are accounted for under the equity method of accounting, net of any related intangible amortization. Income from equity method investments increased $4.3 million (or 42%) in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. This increase is principally as a result of increases in revenue resulting from higher assets under management.

Investment and other income increased $1.7 million (or 20%) in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. This increase is primarily the result of an increase in Affiliate investment earnings.

Interest expense decreased $0.8 million (or 4%) in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011, principally attributable to $0.8 million in issuance costs related to the credit facility amendment that occurred in the three months ended March 31, 2011.

Imputed interest expense and contingent payment arrangements consists of interest accretion on our senior convertible securities and our junior convertible trust preferred securities, as well as the accretion and revaluation of our contingent payment arrangements. Imputed interest expense and contingent payment arrangements decreased $10.8 million in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011, principally as a result of a $9.9 million gain on revaluation of contingent payment arrangements.

Income taxes decreased $2.1 million (or 8%) in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011 as the result of a decrease in Income before income taxes for controlling interests.

Net Income

The following table summarizes Net income:

(in millions)	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012	% Change
Net income	$ 89.4	$ 93.0	4 %
Net income (non-controlling interests)	50.3	55.6	11 %
Net income (controlling interest)	39.1	37.4	(4)%

Net income attributable to non-controlling interests increased $5.3 million (or 11%) in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. This change resulted principally from the $4.9 million gain on revaluation of contingent payment arrangements as well as increases in Affiliate investment earnings. These increases were offset by previously discussed decreases in revenue.

Net income (controlling interest) decreased $1.7 million (or 4%) in the three months ended March 31, 2012 as compared to the three months ended March 31, 2011 as a result of the previously discussed decreases in revenue as well as increases in reported operating expenses, partially offset by the $5.0 million gain on revaluation of contingent payment arrangements.

Supplemental Performance Measures

As supplemental information, we provide non-GAAP performance measures that we refer to as Economic net income and Economic earnings per share. We consider Economic net income an important measure of our financial performance, as we believe it best represents our operating performance before non-cash expenses relating to our acquisition of interests in our investment management firms. Economic net income and Economic earnings per share are used by our management and Board of Directors as our principal performance benchmarks, including as measures for aligning executive compensation with stockholder value. These measures are provided in addition to, but not as a substitute for, Net income (controlling interest) and Earnings per share. Economic net income and Economic earnings per share are not liquidity measures and should not be used in place of any liquidity measure calculated under accounting principles generally accepted in the United States ("GAAP").

Under our Economic net income definition, we add to Net income (controlling interest) amortization (including equity method amortization and reductions in the carrying value of our intangible assets), deferred taxes related to intangible assets, non-cash imputed interest expense (principally related to the accounting for convertible securities and contingent payment arrangements) and Affiliate equity expense. We add back amortization attributable to acquired client relationships because this expense does not correspond to the changes in value of these assets, which do not diminish predictably over time. The portion of deferred taxes generally attributable to intangible assets (including goodwill) that we no longer amortize but which continues to generate tax deductions is added back, because we believe it is unlikely these accruals will be used to settle material tax obligations. We add back non-cash expenses relating to certain transfers of equity between Affiliate management partners, when these transfers have no dilutive effect to our shareholders.

Economic earnings per share represents Economic net income divided by the adjusted diluted average shares outstanding, which measures the potential share issuance from our senior convertible securities and junior convertible securities (each further described in Liquidity and Capital Resources) using a "treasury stock" method. Under this method, only the net number of shares of common stock equal to the value of these 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. This method does not take into account any increase or decrease in our cost of capital in an assumed conversion.

The following table provides a reconciliation of Net income (controlling interest) to Economic net income:

(in millions, except per share data)	For the Three Months Ended March 31, 2011	2012
Net income (controlling interest)	$ 39.1	$ 37.4
Intangible amortization(1)(2)	27.1	35.0
Intangible-related deferred taxes(3)	12.9	9.9
Imputed interest and contingent payment arrangements(4)	4.4	0.6
Affiliate equity expense	1.6	0.6
Economic net income	$ 85.1	$ 83.5
Average shares outstanding—diluted	53.1	52.9
Assumed issuance of senior convertible securities shares	—	—
Assumed issuance of junior convertible securities shares	—	—
Dilutive impact of senior convertible securities shares	—	—
Dilutive impact of junior convertible securities shares	—	—
Average shares outstanding—adjusted diluted	53.1	52.9
Economic earnings per share	$ 1.60	$ 1.58

(1) We are required to use the equity method of accounting for certain of our investments and, as such, do not separately report these Affiliates' revenues or expenses (including intangible amortization) in our income statement. Our share of these investments' amortization, $8.4 million and $8.2 million for the three months ended March 31, 2011 and 2012, respectively, is reported in Income from equity method investments.

(2) Our reported intangible amortization, $22.1 million and $30.4 million for the three months ended March 31, 2011 and 2012, respectively, includes $3.4 million and $3.6 million, respectively, of amortization attributable to our non-controlling interests, amounts not added back to Net income (controlling interest) to measure our Economic net income. The reported intangible amortization for the three months ended March 31, 2012 includes an $8.7 million expense associated with the revaluation of indefinite-lived intangible assets at one of our Affiliates.

(3) As described in Note (2) above, we reduced the carrying value of certain of our indefinite-lived intangible assets during the three months ended March 31, 2012 which resulted in a $3.3 million decrease in our intangible-related deferred taxes.

(4) Our reported Imputed interest expense and contingent payment arrangements, $8.3 million and ($2.5) million for the three months ended March 31, 2011 and 2012, respectively, includes $1.4 million and ($3.5) million of imputed interest attributable to our non-controlling interests, amounts not added back to Net income (controlling interest) to measure our Economic net income.

Liquidity and Capital Resources

The following table summarizes certain key financial data relating to our liquidity and capital resources:

(in millions)	December 31, 2011	March 31, 2012
Balance Sheet Data		
Cash and cash equivalents	$ 449.5	$ 393.7
Senior bank debt	250.0	250.0
2008 senior convertible notes	435.6	439.2
Junior convertible trust preferred securities	512.6	513.3

	For the Three Months Ended March 31,	
	2011	2012
Cash Flow Data		
Operating cash flow	$ 128.3	$ 52.5
Investing cash flow	(11.3)	2.1
Financing cash flow	(179.7)	(113.2)
EBITDA[1]	118.2	114.1

(1) The definition of EBITDA is presented below under "Supplemental Liquidity Measure".

We view our ratio of debt to EBITDA (our "internal leverage ratio") as an important gauge of our ability to service debt, make new investments and access additional capital. Consistent with industry practice, we do not consider junior trust preferred securities as debt for the purpose of determining our internal leverage ratio. We also view our leverage on a "net debt" basis by deducting from our debt balance holding company cash. At March 31, 2012, our internal leverage ratio was 1.1:1.

Under the terms of our credit facility we are required to meet two financial ratio covenants. The first of these covenants is a maximum ratio of debt to EBITDA (the "bank leverage ratio") of 3.0. The calculation of our bank leverage ratio is generally consistent with our internal leverage ratio approach. The second covenant is a minimum EBITDA to cash interest expense ratio of 3.0 (our "bank interest coverage ratio"). For purposes of calculating these ratios, share-based compensation expense is added back to EBITDA. As of March 31, 2012, our actual bank leverage and bank interest coverage ratios were 1.5 and 8.1, respectively, and we were in compliance with all terms of our credit facility. We have $750.0 million of remaining capacity under our credit facility and we could borrow the entire amount and remain in compliance with our credit agreement.

We are rated BBB- by both Standard & Poor's and Fitch rating agencies. With the exception of a modest increase in the borrowing rate under our credit facility (0.50%), a downgrade of our credit rating would have no direct financial effect on any of our agreements or securities (or otherwise trigger a default).

Supplemental Liquidity Measure

As supplemental information, we have provided information regarding our EBITDA, a non-GAAP liquidity measure. This measure is provided in addition to, but not as a substitute for, cash flow from operating activities. EBITDA represents earnings before interest expense, income taxes, depreciation and amortization. EBITDA, as calculated by us, may not be consistent with computations of EBITDA by other companies. As a measure of liquidity, we believe that EBITDA is useful as an indicator of our ability to service debt, make new investments and meet working capital requirements. We further believe that many investors use this information when analyzing the financial position of companies in the investment management industry.

The following table provides a reconciliation of cash flow from operations to EBITDA:

(in millions)	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2012
Cash flow from operating activities	$ 128.3	$ 52.5
Interest expense, net of non-cash items[1]	16.8	16.8
Current tax provision	13.5	8.0
Income from equity method investments, net of distributions[2]	(46.4)	(14.1)
Net income (non-controlling interests)	(50.3)	(55.6)
Changes in assets and liabilities	70.2	114.1
Other non-cash adjustments[3]	(13.9)	(7.6)
EBITDA	$ 118.2	$ 114.1

(1) Non-cash items include Amortization of issuance costs and Imputed interest and contingent payment arrangements ($10.9 million and ($0.7) million for the three months ended March 31, 2011 and 2012, respectively).

(2) Distributions from equity method investments were $64.9 million and $36.8 million for the three months ended March 31, 2011 and 2012, respectively.

(3) Other non-cash adjustments include share-based compensation expense, tax benefits from stock options and other adjustments to reconcile Net income (controlling interest) to net cash flow from operating activities.

In the three months ended March 31, 2012, we met our cash requirements primarily through cash generated by operating activities. Our principal uses of cash were to make distributions to Affiliate partners and repay our other liabilities. We expect that our principal uses of cash for the foreseeable future will be for investments in new and existing Affiliates, distributions to Affiliate partners, payment of principal and interest on outstanding debt, and for working capital purposes.

The following table summarizes the principal amount due at maturity of our debt obligations and convertible securities as of March 31, 2012:

(in millions)	Amount	Maturity Date	Form of Repayment
Senior bank debt	$ 250.0	2016	(1)
2008 senior convertibles notes	460.0	2038	(2)
Junior convertible trust preferred securities	730.8	2036/2037	(3)

(1) Settled in cash.

(2) Settled in cash if holders exercise their August 2013, 2018, 2023, 2028 or 2033 put rights, and in cash or common stock at our election if the holders exercise their conversion rights.

(3) Settled in cash or common stock (or a combination thereof) at our election if the holders exercise their conversion rights.

Senior Bank Debt

We entered into a $1.0 billion senior unsecured credit facility in November 2011 (the "credit facility"), consisting of a $750.0 million revolving credit facility (the "revolver") and a $250.0 million term loan (the "term loan"), the principal terms of which are similar to our previous senior unsecured revolving credit facility. The term loan and $720.0 million of the revolver have a five-year maturity (maturing November 3, 2016); the remaining $30.0 million of the revolver matures January 12, 2015. Subject to certain conditions, we may increase the revolver and the term loan by up to $150.0 million and $250.0 million, respectively. The term loan borrowings were used to repay the outstanding balance under the previous revolving credit facility ($210.0 million) and for general corporate purposes.

The credit facility is unsecured and contains financial covenants with respect to leverage and interest coverage, as well as customary affirmative and negative covenants, including limitations on indebtedness, liens, cash dividends, asset dispositions and fundamental corporate changes.

Convertible Securities

At March 31, 2012, we have one senior convertible security outstanding ("2008 senior convertible notes") and two junior convertible trust preferred securities outstanding, one issued in 2006 (the "2006 junior convertible trust preferred securities") and a second issued in 2007 (the "2007 junior convertible trust preferred securities"). The principal terms of these securities are summarized below.

	2008 Senior Convertible Notes	2007 Junior Convertible Trust Preferred Securities	2006 Junior Convertible Trust Preferred Securities
Issue date	August 2008	October 2007	April 2006
Maturity date	August 2038	October 2037	April 2036
Next potential put date	August 2013	N/A	N/A
Par value *(in millions)*	$460.0	$430.8	$300.0
Carrying value *(in millions)*(1)	439.2	298.2	215.1
Denomination	1,000	50	50
Current conversion rate	7.959	0.250	0.333
Current conversion price	$125.65	$200.00	$150.00
Stated coupon	3.95%	5.15%	5.10%
Coupon frequency	Semi-annually	Quarterly	Quarterly
Tax deduction rate(2)	9.38%	8.00%	7.50%

(1) The carrying value is accreted to the principal amount at maturity over an expected life of five years for the 2008 senior convertible notes and 30 years for each of the junior convertible trust preferred securities.

(2) These convertible securities are considered contingent payment debt instruments under federal income tax regulations, which require us to deduct interest in an amount greater than our reported Interest expense.

Derivative Instruments

From time to time, we seek to offset our exposure to changing interest rates under our debt financing arrangements by entering into interest rate hedging contracts. These instruments are designated as cash flow hedges with changes in fair value recorded in Other comprehensive income for the effective portion of the hedge.

We have entered into interest rate swap contracts to exchange a fixed rate for the variable rate on a portion of our credit facility. These contracts expire between 2015 and 2017. Under these contracts, we will pay a weighted average fixed rate of 1.76% on a notional amount of $100.0 million through October 2015. Thereafter, through October 2017, we will pay a weighted average fixed rate of 2.14% on a remaining notional amount of $25.0 million. As of March 31, 2012, the unrealized loss (before taxes) on these contracts was $3.0 million.

We also entered into treasury rate lock agreements to hedge an anticipated issuance of fixed-rate debt. Treasury lock contracts with a total notional value of $175.0 million were settled in February 2011 and October 2011 for a net pre-tax loss of $0.7 million. These contracts were intended to hedge the risks associated with changes in interest rates on fixed-rate debt issuance that is anticipated to occur prior to the end of the second quarter of 2012. The net loss on these contracts is reflected as a component of Other comprehensive income.

Forward Equity Sale Agreement

In July 2011, we entered into a forward equity sale agreement with two major securities firms under which we may sell shares of our common stock with an aggregate sales price of up to $300.0 million. This agreement replaced all then outstanding forward equity sale agreements. As of March 31, 2012, no forward equity sales have occurred.

Affiliate Equity

Many of our operating agreements provide us a conditional right to call and Affiliate partners the conditional right to put their retained equity interests at certain intervals. The purchase price of these conditional purchases are generally calculated based upon a multiple of the Affiliate's cash flow distributions, which is intended to represent fair value. Affiliate management partners are also permitted to sell their equity interests to other individuals or entities in certain cases, subject to our approval or other restrictions.

Our current redemption value for these interests has been presented as Redeemable non-controlling interests on our Consolidated Balance Sheets. Although the timing and amounts of these purchases are difficult to predict, we expect to repurchase approximately $50.0 million of Affiliate equity during 2012, and, in such event, will own the cash flow associated with any equity repurchased.

Operating Cash Flow

Cash flow from operations generally represents Net income plus non-cash charges for amortization, deferred taxes, equity-based compensation and depreciation, as well as increases and decreases in our consolidated working capital.

The decrease in cash flows from operations for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011 resulted principally from decreases in distributions received from equity method investments of $28.1 million and decreases in the collections of Investment advisory fees receivable of $15.5 million, as well as increases in settlements of Accounts payable and accrued liabilities of $25.5 million.

Investing Cash Flow

The net cash flow from investing activities increased $13.4 million for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. This was primarily the result of our Affiliate investments during the three months ended March 31, 2011.

We plan to close our investments in Veritable through our subsidiary, AMG Wealth Partners, and Yacktman in the second and third quarter of 2012, respectively. Both transactions will be financed with existing cash and borrowings under our credit facility.

Financing Cash Flow

Financing cash flows increased $66.5 million for the three months ended March 31, 2012 as compared to the three months ended March 31, 2011. This was primarily a result of a decrease in repayments of bank debt of $120.0 million, an increase in the repurchase of common stock of $32.7 million, an increase in distributions to non-controlling interests of $13.4 million, as well as an increase in repurchases of Affiliate equity of $9.1 million.

Excess tax benefits associated with stock options have been reported as financing cash flows in the amount of $3.5 million and $4.9 million as of March 31, 2012 and 2011, respectively.

Under past acquisition agreements, we are contingently liable, upon achievement of specified financial targets, to make payments of up to $496.3 million through 2017. In 2012, we expect to make total payments of approximately $72.0 million to settle portions of these contingent arrangements. In addition, we expect to repurchase approximately $50.0 million of interests in certain existing Affiliates in 2012.

Our Board of Directors has periodically authorized share repurchase programs (most recently October 2011). The maximum number of shares that may be repurchased under outstanding programs is approximately 2.5 million. The timing and amount of repurchases are determined at the discretion of our management. In the three months ended March 31, 2012, we repurchased 0.3 million shares for $36.1 million at an average price per share of $107.65.

We anticipate that borrowings under the credit facility and proceeds from the settlement of any forward equity sales, together with cash flows from operations will be sufficient to support our cash flow needs for the foreseeable future.

Contractual Obligations

The following table summarizes our contractual obligations as of March 31, 2012:

(in millions)		Payments Due			
Contractual Obligations	**Total**	**Remainder of 2012**	**2013-2014**	**2015-2016**	**Thereafter**
Senior bank debt	$ 250.0	$ —	$ —	$ 250.0	$ —
Senior convertible securities[1]	941.5	9.1	36.3	36.3	859.8
Junior convertible trust preferred securities	1,662.0	27.7	74.1	74.1	1,486.1
Leases	142.1	20.4	46.8	31.6	43.3
Other liabilities[2]	45.4	17.1	—	—	28.3
Derivative instruments	7.2	1.3	3.5	2.0	0.4
Total contractual obligations	$ 3,048.2	$ 75.6	$ 160.7	$ 394.0	$ 2,417.9
Contingent Obligations					
Contingent payment obligations[3]	$ 99.9	$ 72.0	$ 18.4	$ 9.5	$ —

(1) The timing of debt payments assumes that outstanding debt is settled for cash or common stock at the applicable maturity dates. The amounts include the cash payment of fixed interest. Holders of the 2008 convertible notes may put their interests to us for $460.0 million in 2013.

(2) Other liabilities reflect amounts payable to Affiliate managers related to our purchase of additional Affiliate equity interests and deferred purchase price payments for acquisitions. This table does not include liabilities for uncertain tax positions or commitments to co-invest in certain investment partnerships (of $21.8 million and $80.6 million as of March 31, 2012, respectively) as we cannot predict when such obligations will be paid.

(3) The amount of contingent payments related to business acquisitions disclosed in the table represents our expected settlement amounts. The maximum settlement amount through 2012 is approximately $252.1 million and $244.2 million in periods thereafter.

Recent Accounting Developments

In May 2011, the Financial Accounting Standards Board issued an update to the fair value measurements and disclosures guidance. The new guidance clarifies existing fair value measurement principles and expands certain disclosure requirements, particularly for measurements categorized as Level 3. The amendment is effective for interim and fiscal periods beginning after December 15, 2011. We adopted this guidance in the first quarter of 2012. Adoption of this new guidance did not have a material impact on our Consolidated Financial Statements.

Critical Accounting Estimates and Judgments

Indefinite-Lived Intangible Assets

Indefinite-lived intangible assets are comprised of investment advisory contracts between our Affiliates and their sponsored registered investment companies. Because the contracts are with the registered investment companies themselves, and not with the underlying investors, and the contracts between our Affiliates and the registered investment companies are typically renewed on an annual basis, industry practice under generally accepted accounting principles is to consider the contract life to be indefinite and, as a result, not amortizable.

We perform indefinite-lived intangible asset impairment tests annually, or more frequently should circumstances suggest fair value has declined below the related carrying amount. We assess each of our indefinite-lived intangible assets for impairment by comparing their carrying value to the fair value of the investment advisory contract. During the quarter ended March 31, 2012, we determined that the fair value of an indefinite-lived intangible asset at one of our Affiliates, a manager of growth-oriented U.S. equity mutual funds, had declined below its carrying value and, accordingly, we reduced the asset to its current fair value. The fair value of the indefinite-lived intangible assets was determined by discounting the projected future cash flows associated with the underlying mutual fund contracts (such cash flows being dependent upon projected growth). Our discount rates are developed with input from valuation experts. This impairment, which totaled $8.7 million, has been presented within Amortization of intangible assets in our Consolidated Statements of Income. Further declines in the fair value of this asset will likely result in future impairments. For example, if assets under management underlying this asset were to decline 5% (assuming all other factors remain constant), we would likely record an additional impairment of approximately $7.0 million.

Contingent Payment Arrangements

Imputed interest expense results, in part, from accreting the fair value of our contingent payment obligations to our projected future payment amounts over the expected life of these arrangements, as well as any changes to our estimate of the future payments. The fair value of our contingent payment arrangements is determined by discounting the projected future payments (such estimates being dependent upon projected revenue) using current market rates. Our discount rates are developed with input from valuation experts. Our expected lives are determined based on the contractual terms of the underlying arrangements.

During the quarter ended March 31, 2012, we changed our estimate of payments to be made under these arrangements and recognized a gain totaling $9.9 million ($5.0 million of which is attributable to the controlling interest). Changes to our projected future payment amounts could materially affect the amount of Imputed interest expense and contingent payment arrangements we recognize in any period. For example, a 1% change in our assumed discount rate or a 1% change in our projected revenue (assuming all other factors remain constant) at Affiliates with these types of arrangements would result in an increase or decrease to our Imputed interest expense and contingent payment arrangements of $1.0 million and $7.5 million, respectively.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no significant changes to our Quantitative and Qualitative Disclosures About Market Risk in the three months ended March 31, 2012. Please refer to Item 7A in our 2011 Annual Report on Form 10-K.

Item 4. Controls and Procedures

We carried out an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures during the quarter covered by this Quarterly Report on Form 10-Q. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the quarter covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures are effective in ensuring that (i) the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and (ii) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, we recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating and implementing possible controls and procedures. Our disclosure controls and procedures were designed to provide reasonable assurance of achieving their stated objectives and our principal executive officer and principal financial officers concluded that our disclosure controls and procedures are effective at the reasonable assurance level. We review on an ongoing basis and document our disclosure controls and procedures, and our internal control over financial reporting, and we may from time to time make changes in an effort to enhance their effectiveness and ensure that our systems evolve with our business.

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the quarter covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) None.

(b) None.

(c) Purchases of Equity Securities by the Issuer.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under Outstanding Plans or Programs(1)
January 1–31, 2012	—	$ —	—	2,855,472
February 1–29, 2012	50,000	106.89	50,000	2,805,472
March 1–31, 2012	285,000	107.79	285,000	2,520,472
Total	335,000	$ 107.65	335,000	

(1) In February 2007, July 2010 and October 2011, the Board of Directors approved share repurchase programs authorizing us to repurchase up to 3.0 million, 0.5 million and 2.0 million shares, respectively, of our common stock. As of March 31, 2012, 2.5 million shares remain available for repurchase under these programs, which do not expire. Purchases may be made from time to time, at management's discretion.

Item 6. Exhibits

The exhibits are listed on the Exhibit Index and are included elsewhere in this Quarterly Report on Form 10-Q.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AFFILIATED MANAGERS GROUP, INC.
(Registrant)

May 8, 2012

/s/ JAY C. HORGEN

Jay C. Horgen
on behalf of the Registrant as Chief Financial Officer and Treasurer (and also as Principal Financial and Principal Accounting Officer)

EXHIBIT INDEX

Exhibit No.	Description
3.1	Amended and Restated By-laws (incorporated by reference to the Company's Current Report on Form 8-K filed March 6, 2012).
10.1	Service Agreement, dated as of June 7, 2011, by and between Affiliated Managers Group Limited and Andrew Dyson.
31.1	Certification of Registrant's Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Registrant's Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Registrant's Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Registrant's Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial statements from the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012 are furnished herewith, formatted in XBRL (eXtensible Business Reporting Language): (i) the Consolidated Statements of Income for the three month periods ended March 31, 2012 and 2011, (ii) the Consolidated Balance Sheets at March 31, 2012 and December 31, 2011, (iii) the Consolidated Statement of Equity for the three month period ended March 31, 2012, (iv) the Consolidated Statements of Cash Flows for the three month periods ended March 31, 2012 and 2011, and (v) the Notes to the Consolidated Financial Statements.

QuickLinks

Exhibit 10.1

7 JUNE 2011

ANDREW DYSON

AFFILIATED MANAGERS GROUP LIMITED

SERVICE AGREEMENT

FRESHFIELDS BRUCKHAUS DERINGER

Freshfields Bruckhaus Deringer LLP

CONTENTS

THIS AGREEMENT is made on 7 June 2011

BETWEEN

(1) **AFFILIATED MANAGERS GROUP LIMITED** which has its registered office at 17 Old Park Lane, 7th Floor, London W1K 1QT (the ***Company***); and

(2) **ANDREW DYSON** of 43 The Marlowes, St Johns Wood, London NW8 6NB (the ***Employee***)

IT IS AGREED as follows:

1. DEFINITIONS

In this Agreement the following expressions have the following meanings:

AMG means Affiliated Managers Group, Inc., the parent company of the Company;

Confidential Information means any confidential information received or acquired by the Employee from the Company or any Group Company or any of its or their partners, members, directors, employees, affiliates, customers or clients in pursuance of the Employee's duties under this Agreement; which the Employee knew or ought reasonably to have known to be confidential concerning the business or affairs of (a) the Company, (b) any Group Company or (c) any of its or their partners, members, directors, employees, affiliates, customers or clients, including but not limited to information regarding trade secrets, marketing plans and strategies, business methods, business plans, processes, formulations, technical data, reports and forecasts, customer and client lists and information, hardware, software (including computer-based files and databases and other related applications), network, costs and pricing, finances, systems, information relating to portfolio investments or mandates, or potential portfolio investments or mandates, and lists and information concerning actual or possible investors in an entity managed, proposed to be managed or advised by the Company or any Group Company, and all non-public, competitively or technically valuable information;

Effective Date means 6 July 2011;

Employment means the Employee's employment in accordance with the terms and conditions of this Agreement;

Group Company means AMG or any holding company (as defined in the Companies Act 2006) or subsidiary (as defined in the Companies Act 2006) of AMG or any subsidiary of any such holding company or any other company or limited liability partnership or partnership or similar entity in which AMG or any holding company or subsidiary of AMG directly or indirectly holds an ownership interest and ***Group*** will be construed accordingly; and

Prospective Client means any person, firm, company or entity with whom the Company or any Group Company was at any time during the period of 12 months immediately prior to the Termination Date negotiating with for the supply of goods or

services by the Company or any Group Company or to whom the Company or any Group Company had at any time during the period of 12 months immediately prior to the Termination Date pitched for the supply of goods or services by the Company or any Group Company.

2. TERM AND JOB DESCRIPTION

2.1 The Employee shall be employed as an Executive Vice President and Head of Global Distribution.

2.2 The Employment shall begin on the Effective Date. The Employee's period of continuous employment for all statutory purposes will also begin on the Effective Date.

2.3 Subject to clause 13, the Employment will continue until terminated by either party giving to the other six months' written notice.

3. DUTIES

3.1 The Employee will be responsible for the growth and development of the Group's shared distribution platforms through enhancing (and without disrupting) the Group's established relationship management model, including:

(a) integrating the following holding company, US and global distribution platform functions into a world class sales, marketing and client service platform:

 (i) existing institutional sales platforms:

 (ii) holding company support efforts in operational and product areas;

 (iii) existing retail sales platforms:

(b) positioning these platforms for growth after integration as well as leading the development of, and execution of, future distribution platforms (both institutional and retail); and

(c) leading the development of shared cross-affiliate product and distribution initiatives.

3.2 The Employee shall also perform such other duties consistent with the Employee's position as may be assigned to him by the Company from time to time.

3.3 The Employee will initially report to the Group's President in relation to his management responsibilities (although the Employee acknowledges and agrees that reporting lines may reasonably be changed by AMG from time to time).

3.4 The Employee's working hours shall be such hours as may be necessary to properly perform the Employee's duties.

3.5 The Employee agrees, in accordance with Regulation 5 of the Working Time Regulations 1998 (the ***Regulations***), that the provisions of Regulation 4(1) do not apply to him, and that the Employee shall give the Company three months' notice in writing if the Employee wishes Regulation 4(1) to apply to him.

3.6 The Employee will be based in the Company's principal UK office or such other location at which the Company may from time to time require, although it is expected that he will be required to travel and work globally as necessary or appropriate for the proper performance of the Employee's duties under the Employment. For the avoidance of doubt, the Company and Employee agree that in the event the Employee is required to move from the London office prior to the end of 2012 and declines to move, the Employee will nevertheless be entitled to the bonuses referenced in clause 5.3 herein, and the notice term in clause 2.3 (or alternative provision under clause 13.2).

3.7 The Employee agrees to act in accordance with all applicable laws and regulatory requirements, both in and outside the UK.

4. SALARY

4.1 The Employee's initial salary is £214,000 (less any required deductions) on an annualized basis. The salary will be reviewed annually during the Employment, with the first review expected to take place at 2011 calendar year-end. No salary review will be undertaken after notice has been given by either party to terminate the Employment. The Company is under no obligation to increase the Employee's salary following a salary review, but will not decrease it.

4.2 The Employee's salary will accrue on a daily basis, and will be payable in advance in equal monthly instalments.

4.3 The Employee agrees that, pursuant to Part II of the Employment Rights Act 1996, the Company has the right to deduct from the Employee's salary and/or bonus any amount owed to the Company or any Group Company by the Employee.

5. ANNUAL BONUS

5.1 The Employee is eligible to participate in the Company's discretionary bonus plan but, except as set out in clause 5.3 below, the Employee has no contractual entitlement to receive any bonus.

5.2 The factors that will be taken into account in determining whether to award the Employee a discretionary bonus, and if so in what amount, may include, but will not be limited to, the Company's financial performance as a whole, the Company's need to retain the Employee in employment and the Employee's individual performance. The Employee's individual performance will be assessed by reference both to financial performance and performance in meeting any other objectives set by the Company, including mutually agreeable key performance indicators (***KPIs***), which will be set by the Employee and the Company within three months of the Effective Date, and within three months of the beginning of each calendar year thereafter. The

satisfactory achievement of these KPIs will be one of the factors used to assess the Employee's individual performance each year.

5.3 For each of the calendar years 2011 and 2012, and subject to clause 5.4, the Employee will be paid a minimum annualised bonus of £918,000 (as applicable, the ***Guaranteed Bonus*** or ***Guaranteed Bonuses***), pro-rated for actual service time (i.e., in 2011, from July 6-December 31) less any required deductions. Notwithstanding any other provision of this agreement (including clause 8.3), the Guaranteed Bonuses shall be paid entirely in cash, and shall not be deferred.

5.4 Except as set out in this clause 5.4, the Employee will only be eligible to receive payment of any discretionary bonus if he is in the Company's employment at the date of payment (which will normally be in January of the year following the year in which the bonus relates) and he has not given or received notice to terminate his employment in accordance with clause 2 or clause 13 of this Agreement or otherwise. Notwithstanding the above, the Employee will remain entitled to any unpaid Guaranteed Bonus where his employment is terminated by the Company (or he is under notice of termination from the Company) before the payment date for the Guaranteed Bonus unless such termination has taken effect or notice has been given in accordance with clause 13.3 of this Agreement or for any other reason justifying summary termination at law.

5.5 Payment of a bonus in any year does not give rise to any obligation on the Company to make a payment in any subsequent or future year.

6. ELIGIBILITY FOR EQUITY COMPENSATION

6.1 The Employee will also be eligible to participate in the AMG Long-Term Equity Interests Plan (the ***LTEIP***). The Employee shall be granted an award of 71.43 Units (or its equivalent) under the LTEIP, under terms substantially similar to those described in Exhibit A to this Agreement. Any further grants under the LTEIP are at AMG's discretion. For the avoidance of doubt, the Company and Employee agree that regardless of the final terms of the initial LTEIP grant, the Company will ensure that either (i) the Employee is not taxed upon the grant of the Units or (ii) in the event that the Employee is deemed under applicable laws or with the prior agreement of the Company elects to be taxed upon grant of the Units, the Employee is held harmless for any income tax and social security contributions payable by him as a consequence of the initial LTEIP grant.

6.2 The Employee shall be eligible to participate in the AMG 2011 Stock Option and Incentive Plan (the ***SOIP***). The Employee shall be granted options over 50,000 shares of common stock of AMG with a par value of $.01 per share under the SOIP, under the terms described in Exhibit B to this Agreement. Any further grants under the SOIP are at AMG's discretion.

7. EXPENSES

The Company will reimburse (or procure the reimbursement of) all out-of-pocket expenses properly and reasonably incurred by the Employee in the course of the Employee's Employment subject to production of receipts or other appropriate

evidence of payment, in accordance with the Company's policies from time to time in force.

8. BENEFITS; COMPENSATION STRUCTURE GENERALLY

8.1 The Company will provide a set of benefits for which the Employee will be eligible.

8.2 Subject to clause 8.3, such benefits shall include health insurance, life insurance, retirement plan benefits, long-term disability and travel insurance.

8.3 The compensation and benefits structure may be adjusted from time to time (including adjustments to amounts and rates, timings of payment and types of benefits offered), at the Company's absolute discretion.

9. HOLIDAY

9.1 The Employee is entitled to 25 working days' paid holiday (on an annualized basis) per calendar year during the Employment (in addition to public holidays in England), to be taken at a time or times convenient to the Company. The right to paid holiday will accrue pro-rata during each calendar year of the

Employment, and the Employee’s amount of paid holiday will be pro-rated for partial calendar years.

9.2 Up to a maximum of 5 days’ accrued but untaken holiday may be carried forward to the next calendar year. Subject to clause 9.3 the Employee have no entitlement to be paid in lieu of accrued but untaken holiday.

9.3 On termination of the Employment, the Employee’s entitlement to accrued holiday pay shall be calculated on a pro-rata basis (which calculation shall be made on the basis that each day of paid holiday is equivalent to 1/260 of the Employee’s salary). If the Employee has taken more working days’ paid holiday than the Employee’s accrued entitlement, the Company is authorised to deduct the appropriate amount from the Employee’s final salary instalment (which deduction shall be made on the basis that each day of paid holiday is equivalent to 1/260 of the Employee’s salary.)

10. SICKNESS AND OTHER INCAPACITY

10.1 Subject to the Employee’s compliance with the Company’s policy on notification and certification of periods of absence from work, the Employee will continue to be paid the Employee’s full salary during any period of absence from work due to sickness, injury or other incapacity, up to a maximum of 12 weeks in aggregate (or such longer period as necessary for insurance coverage under the Company’s policies to begin, and provided that such period does not exceed 26 weeks) in any period of 52 consecutive weeks. Such payment will be inclusive of any statutory sick pay payable in accordance with applicable legislation in force at the time of absence.

10.2 The Employee will not be paid during any period of absence from work (other than due to holiday, sickness, injury or other incapacity) without the prior permission of the Company.

11. OTHER INTERESTS

During the Employment the Employee will not (without the Company’s prior written consent) be directly or indirectly engaged, concerned or interested in any other business activity, trade or occupation. Consent given in accordance with this clause may be withdrawn at any time.

12. DISCIPLINARY AND GRIEVANCE PROCEDURES

Details of the Company’s disciplinary and grievance procedures are available upon request. These procedures do not form part of the Employee’s contract of employment.

13. TERMINATION

13.1 Either party may terminate the Employment in accordance with clause 2.3.

13.2 The Company may, in its sole discretion, terminate the Employment at any time with immediate effect and pay a sum in lieu of notice (the ***Payment in Lieu***). The Payment in Lieu shall be equal to:

(a) the basic salary which the Employee would have been entitled to receive under this Agreement during the notice period referred to at clause 2.3 if notice had been given (or, if notice has already been given, during the remainder of the notice period) (the ***Relevant Period***);

(b) any employer contributions in respect of insurances and pension contributions provided pursuant to clause 8 which the Employee would have been entitled to receive for the Relevant Period; and

(c) any unpaid Guaranteed Bonus to which the Employee is entitled in accordance with clause 5.4.

For the avoidance of doubt, the Employee will not be entitled to receive any payment in addition to the Payment in Lieu in respect of (i) any holiday entitlement that would have accrued during the period for which the Payment in Lieu is made; or (ii) save in respect of any Guaranteed Bonus to which the Employee is entitled in accordance with clause 5.4, any bonus payment that might otherwise have been due during the period for which the Payment in Lieu is made.

The Payment in Lieu shall be subject to such deductions as may be required by law.

13.3 The Company may also terminate the Employment immediately and with no liability to make any further payment to the Employee (other than in respect of amounts accrued due at the date of termination) if the Employee:

(a) commits any serious or (after warning) repeated breach of any material obligation under this Agreement or the Employment;

(b) is guilty of serious misconduct which, in the Company’s reasonable opinion, has damaged or may damage the business or affairs of the Company or any other Group Company;

(c) is guilty of conduct which, in the Company’s reasonable opinion, brings or is likely to bring the Employee, the Company or any other Group Company into disrepute;

(d) is convicted of a criminal offence (other than a road traffic offence not subject to a custodial sentence);

(e) is disqualified from acting as a director of a company by order of a competent court; or

(f) is declared bankrupt or make any arrangement with or for the benefit of the Employee's creditors or an administration order is made against the Employee under the County Courts Act 1984.

This clause shall not restrict any other right the Company may have (whether at common law or otherwise) to terminate the Employment summarily.

Any delay by the Company in exercising its rights under this clause shall not constitute a waiver of those rights.

13.4 On termination of the Employment for whatever reason (and whether in breach of contract or otherwise) the Employee will:

(a) immediately deliver to the Company all books, documents, papers, computer records, computer data, credit cards, apparatus, equipment and any other property relating to the business of or belonging to the Company or any other Group Company which is in the Employee's possession or under the Employee's control. The Employee is not entitled to retain copies or reproductions of any documents, papers or computer records relating to the business of or belonging to the Company or any other Group Company; and

(b) immediately pay to the Company or, as the case may be, any other Group Company all outstanding loans or other amounts due or owed to the Company or any Group Company. The Employee confirms that, should he fail to do so, the Company is to be treated as authorised to deduct from any amounts due or owed to the Employee by the Company (or any other Group Company) a sum equal to such amounts.

13.5 The Employee will not at any time after termination of the Employment represent himself as being in any way concerned with or interested in the business of, or employed by, the Company or any other Group Company.

13.6 Upon any termination of employment, the Employee will be terminated from any and all offices, positions and directorships with the Company and any of its Group Companies, and agrees to execute any documents to effect such terminations.

14. SUSPENSION AND GARDENING LEAVE

14.1 Where notice of termination has been served by either party whether in accordance with clause 2.3 or otherwise, the Company shall be under no obligation to provide work for or assign any duties to the Employee for the whole or any part of the relevant notice period and may require the Employee:

(a) not to attend any premises of the Company or any other Group Company; and/or

(b) to refrain from business contact with any customers, clients or employees of the Company or any Group Company; and/or

(c) to take any holiday which has accrued under clause 9 during any period of suspension under this clause 14.1.

The provisions of clause 11 shall remain in full force and effect during any period of suspension under this clause 14.1. The Employee will also continue to be bound by duties of good faith and fidelity to the Company during any period of suspension under this clause 14.1.

Any suspension under this clause 14.1 shall be on full salary and benefits (save that the Employee shall not be entitled to earn or be paid any bonus other than the Guaranteed Bonuses during any period of suspension).

14.2 The Company may suspend the Employee from the Employment during any period in which the Company is carrying out a disciplinary investigation into any alleged acts or defaults of the Employee. Such suspension shall be on full salary and benefits (save that the Employee shall not be entitled to earn or be paid any bonus during any period of suspension, unless such investigation does not result in any adverse findings and so long as the Company reinstates the Employee following such suspension on the same employment terms in effect at the time of suspension).

15. RESTRAINT ON ACTIVITIES OF EMPLOYEE AND CONFIDENTIALITY

The Employee will keep secret and will not at any time (whether during the Employment or thereafter) use for the Employee's own or another's advantage, or reveal to any person, firm, company or organisation and shall use the Employee's best endeavours to prevent the publication or disclosure of any Confidential Information.

The restrictions in this clause shall not apply:

(a) to any disclosure of information which is already in the public domain otherwise than by breach of this Agreement;

(b) to any disclosure of information which was known to, or in the possession of, the Employee prior to his receipt of such information from the Company or any Group Company whenever so received;

(c) to any disclosure of information which has been conceived or generated by the Employee independently of any information or materials received or acquired by the Employee from the Company or any Group Company;

(d) to any disclosure or use authorised by the Company or required by the Employment or by any applicable laws or regulations, provided that the Employee promptly notifies the Company when any such disclosure requirement arises to enable the Company to take such action as it deems necessary, including, without limitation, to seek an appropriate protective order and/or make known to the appropriate government or regulatory authority or court the proprietary nature of the Confidential Information and make any applicable claim of confidentiality with respect hereto;

(e) so as to prevent the Employee from using his own personal skill, experience and knowledge in any business in which the Employee may be lawfully engaged after the Employment is ended, so long as this use is consistent with the Employee's continuing obligations and duties to the Company, including without limitation those set forth in this Agreement; or

(f) to prevent the Employee making a protected disclosure within the meaning of s43A of the Employment Rights Act 1996.

16. POST-TERMINATION COVENANTS

16.1 For the purposes of clause 16 the term "Termination Date" shall mean the date of the termination of the Employment howsoever caused (including, without limitation, termination by the Company which is in repudiatory breach of this agreement).

16.2 The Employee covenants with the Company (for itself and as trustee and agent for each other Group Company) that the Employee shall not, whether directly or indirectly, on the Employee's own behalf or on behalf of or in conjunction with any other person, firm, company or other entity:

(a) for the period of (subject to clause 16.3 below) 12 months following the Termination Date, solicit or entice away or endeavour to solicit or entice away from the Company or any Group Company any person, firm, company or other entity who is, or was, in the 12 months immediately prior to the Termination Date, a client of the Company or any Group Company with whom the Employee or his direct reports had personal contact or business dealings during the course of the Employment in that 12-month period. Nothing in this clause 16.2(a) shall prohibit the seeking or doing of business not in direct or indirect competition with the business of the Company or any Group Company;

(b) for the period of (subject to clause 16.3 below) 12 months following the Termination Date, have any business dealings with or interfere with in any way any person, firm, company or other entity who is, or was, in the 12 months immediately prior to the Termination Date, a client of the Company or any Group Company with whom the Employee or his direct reports had personal contact or business dealings during the course of the Employment in that 12-month period. Nothing in this clause 16.2(b) shall prohibit the seeking or doing of business not in direct or indirect competition with the business of the Company;

(c) for the period of (subject to clause 16.3 below) 12 months following the Termination Date, have any business dealings with or interfere with in any way any person, firm, company or other entity who is, or was, in the 12 months immediately prior to the Termination Date, a Prospective Client of the Company or any Group Company with whom the Employee or his direct reports had personal contact or business dealings during the course of the Employment in that 12-month period. Nothing in this clause 16.2 (c) shall prohibit the seeking or doing of business not in direct or indirect competition with the business of the Company; and

(d) for the period of (subject to clause 16.3 below) 12 months following the Termination Date, solicit or entice away or endeavour to solicit or entice away any individual who is employed or engaged by the Company or any Group Company as an officer at Vice President level or above, a principal or partner or a sales and marketing or portfolio-management employee and with whom the Employee had business dealings during the course of the Employment in the 12-month period immediately prior to the Termination Date.

16.3 The period during which the restrictions referred to in clauses 16.2(a), (b), (c) and (d) inclusive shall apply following the Termination Date shall be reduced by the amount of time during which, if at all, the Company suspends the Employee under the provisions of clause 14.1.

16.4 The Employee agrees that if, during either the Employment or the period of the restrictions set out in clauses 16.2(a), (b), (c) and (d) inclusive (subject to the provisions of clause 16.3), the Employee receives an offer of employment or engagement, the Employee will provide a copy of clause 16 to the offeror as soon as is reasonably practicable after receiving the offer.

16.5 The Employee will also be subject to various post-termination restrictions by virtue of his participation in the SOIP, pursuant to the terms of the SOIP.

17. WAIVER OF RIGHTS

If the Employment is terminated by either party and the Employee is offered re-employment by the Company (or employment with another Group Company) on terms no less favourable in all material respects than the terms of the Employment

under this Agreement, the Employee shall have no claim against the Company in respect of such termination.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

18.1 Subject to clause 18.2, a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

18.2 AMG shall have the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the terms of this Agreement as if it were a party to this Agreement.

19. MISCELLANEOUS

19.1 This Agreement, together with any other documents referred to in this Agreement, constitutes the entire agreement and understanding between the parties, and supersedes all other agreements both oral and in writing between the Company and the Employee. The Employee acknowledge that he has not entered into this Agreement in reliance upon any representation, warranty or undertaking which is not set out in this Agreement or expressly referred to in it as forming part of the Employee's contract of employment.

19.2 The Employee represents and warrants to the Company that he will not by reason of entering into the Employment, or by performing any duties under this Agreement, be in breach of any terms of employment with a third party whether express or implied or of any other obligation binding on the Employee.

19.3 Any notice to be given under this Agreement to the Employee may be served by being handed to the Employee personally or by being sent by recorded delivery first class post to the Employee at the Employee's usual or last known address; and any notice to be given to the Company may be served by being left at or by being sent by recorded delivery first class post to its registered office for the time being. Any notice served by post shall be deemed to have been served on the day (excluding Sundays and public and bank holidays) next following the date of posting and in proving such service it shall be sufficient proof that the envelope containing the notice was properly addressed and posted as a prepaid letter by recorded delivery first class post.

19.4 This Agreement is governed by, and shall be construed in accordance with, the laws of England.

SIGNED by	)	/s/ Andrew Dyson
ANDREW DYSON	)	7/6/11

SIGNED by		
for and on behalf of	)	/s/ John Kingston, III
the **COMPANY**	)	7/6/11

Exhibit 31.1

**CERTIFICATION PURSUANT TO SECTION 302(a)
OF THE SARBANES-OXLEY ACT OF 2002**

I, Sean M. Healey, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Affiliated Managers Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2012

/s/ SEAN M. HEALEY

Sean M. Healey
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302(a)
OF THE SARBANES-OXLEY ACT OF 2002

I, Jay C. Horgen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Affiliated Managers Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2012

/s/ JAY C. HORGEN

Jay C. Horgen
Chief Financial Officer and Treasurer

Exhibit 32.1

**CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Affiliated Managers Group, Inc. (the "Company") for the period ended March 31, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Sean M. Healey, Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that to his knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2012

By: /s/ SEAN M. HEALEY

Sean M. Healey
Chief Executive Officer

Exhibit 32.2

CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Affiliated Managers Group, Inc. (the "Company") for the period ended March 31, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Jay C. Horgen, Chief Financial Officer and Treasurer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that to his knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2012

/s/ JAY C. HORGEN

Jay C. Horgen
Chief Financial Officer and Treasurer