

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 24, 2001

AFFILIATED MANAGERS GROUP, INC.

(Exact name of Registrant as specified in charter)

Delaware

0001-13459

043218510

(State or other jurisdiction
of incorporation)

(Commission file number)

(IRS employer
identification no.)

Two International Place, 23rd Floor, Boston, MA 02110

(Address of principal executive offices) (Zip code)

(617) 747-3300

(Registrant's telephone number, including area code)

Item 5. Other Events

Registrant is filing this Form 8-K in order to file a current earnings press release. By this filing, Registrant is not establishing the practice of filing all earnings press releases in the future and may discontinue such filings at any time.

Item 7. Financial Statements and Exhibits

(c) Exhibits

Exhibit 99.1 -- Press Release, dated October 24, 2001 (filed for informational purposes).

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 hereunto duly authorized.

AFFILIATED MANAGERS GROUP, INC.

Date: November 14, 2001

/s/ Darrell W. Crate

DARRELL W. CRATE
Executive Vice President,
Chief Financial Officer and Treasurer
(and also as Principal Financial and
Accounting Officer)

Exhibits

Exhibit 99.1 -- Press Release, dated October 24, 2001 (filed for informational purposes).

[AMG LETTERHEAD]

Contact: Darrell W. Crate
Affiliated Managers Group, Inc.
(617) 747-3300

AMG REPORTS FINANCIAL AND OPERATING RESULTS
FOR THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2001

COMPANY REPORTS CASH EPS OF \$0.91
NET CLIENT CASH FLOWS FROM DIRECTLY MANAGED ASSETS WERE \$703 MILLION

BOSTON, MA, OCTOBER 24, 2001 - Affiliated Managers Group, Inc. (NYSE: AMG) today reported its financial and operating results for the quarter and nine months ended September 30, 2001.

Cash earnings per share ("Cash EPS") for the third quarter of 2001 were \$0.91 compared to Cash EPS of \$0.99 for the third quarter of 2000. (Cash EPS is the Company's reported EPS figure plus the non-cash charges on a per share basis for depreciation and amortization of intangible assets which arise from the use of the purchase method of accounting. The Company considers Cash EPS to be the most meaningful measure of its financial performance.) Diluted earnings per share for the third quarter of 2001 were \$0.54, compared to \$0.64 for the third quarter of 2000. Cash Net Income (net income plus the non-cash charges for depreciation and amortization of intangible assets) was \$20.7 million, compared to \$22.4 million for the third quarter of 2000, while EBITDA was \$31.9 million, compared to \$36.4 million for the same period of 2000. Revenues for the third quarter of 2001 were \$96.6 million, compared to \$118.2 million for the third quarter of 2000. Net income for the third quarter of 2001 was \$12.4 million, compared to \$14.4 million for the same period of 2000.

For the nine months ended September 30, 2001, Cash Net Income was \$62.4 million, or \$2.75 on a per share basis, while EBITDA was \$96.8 million. For the same period, net income was \$37.4 million, or \$1.65 on a per share basis, on revenues of \$297.7 million. For the nine months ended September 30, 2000, Cash Net Income was \$64.9 million, or \$2.85 on a per share basis, while EBITDA was \$106.0 million. For the same period, net income was \$41.9 million, or \$1.84 on a per share basis, on revenues of \$343.9 million.

The aggregate assets under management of AMG's affiliated investment management firms at September 30, 2001 were \$65.2 billion. Aggregate net client cash flows were \$731 million, including \$703 million in directly managed assets. These aggregate net client cash flows for the quarter resulted in a net increase of approximately \$2.5 million to AMG's annualized EBITDA.

"Notwithstanding the challenges of a volatile equity market environment, our Affiliates posted solid financial results, driven by continued growth in net client cash flows and strong relative investment performance," said William J. Nutt, Chairman and Chief Executive Officer. "With over \$700 million in net flows for the quarter, our net client cash flows from directly managed assets

(MORE)

year-to-date total \$2.7 billion, which has resulted in an aggregate \$9.1 million increase in our annualized EBITDA. In addition, our Affiliates generally produced solid investment performance relative to their competitors and benchmarks. In particular, value managers such as Tweedy, Browne, Rorer and Systematic had continued growth in net flows and strong relative performance both for the quarter and the year-to-date."

Sean M. Healey, President and Chief Operating Officer, stated, "The quarter was highlighted by continued success in our new investment program, with the announcements of our agreements to invest in two new Affiliates, Welch & Forbes and Friess Associates. Welch & Forbes is a leading Boston-based manager for high net worth individuals and families, and Friess Associates is a highly regarded growth equity manager best known as the advisor to the Brandywine family of funds. Each firm is an excellent addition to the AMG group of Affiliates, and together, they add to the diversity of our sources of EBITDA by strengthening our presence in the mutual fund and high net worth channels." Mr. Healey added, "Finally, we are continuing to pursue additional investments in new Affiliates, and we are pleased with our progress in building relationships with many of the highest quality mid-sized investment management firms."

AMG is an asset management company that addresses the succession and transition issues facing the principals of growing mid-sized investment management firms. AMG's strategy is to generate growth through the internal growth of its existing Affiliates, as well as through investments in new Affiliates. AMG's innovative transaction structure allows individual members of each Affiliate's management team to retain or receive significant direct ownership in their firm while maintaining operating autonomy. In addition, AMG provides centralized assistance to its Affiliates in strategic matters, marketing, distribution, product development and operations.

CERTAIN MATTERS DISCUSSED IN THIS PRESS RELEASE MAY CONSTITUTE FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF THE FEDERAL SECURITIES LAWS. ACTUAL RESULTS AND THE TIMING OF CERTAIN EVENTS COULD DIFFER MATERIALLY FROM THOSE PROJECTED IN OR CONTEMPLATED BY THE FORWARD-LOOKING STATEMENTS DUE TO A NUMBER OF FACTORS, INCLUDING CHANGES IN THE SECURITIES OR FINANCIAL MARKETS OR IN GENERAL ECONOMIC CONDITIONS, THE AVAILABILITY OF EQUITY AND DEBT FINANCING, COMPETITION FOR ACQUISITIONS OF INTERESTS IN INVESTMENT MANAGEMENT FIRMS, THE ABILITY TO COMPLETE PENDING ACQUISITIONS, THE INVESTMENT PERFORMANCE OF OUR AFFILIATES AND THEIR ABILITY TO EFFECTIVELY MARKET THEIR INVESTMENT STRATEGIES, AND OTHER RISKS DETAILED FROM TIME TO TIME IN AMG'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION. REFERENCE IS HEREBY MADE TO THE "CAUTIONARY STATEMENTS" SET FORTH IN THE COMPANY'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2000.

FINANCIAL TABLES FOLLOW

A TELECONFERENCE WILL BE HELD WITH AMG'S MANAGEMENT AT 11:00 A.M. EASTERN TIME TODAY. PARTIES INTERESTED IN LISTENING TO THE TELECONFERENCE SHOULD DIAL 1-888-792-1093 (DOMESTIC CALLS) OR 1-703-871-3597 (INTERNATIONAL CALLS) STARTING AT 10:45 A.M. EASTERN TIME. THOSE WISHING TO LISTEN TO THE TELECONFERENCE SHOULD DIAL THE APPROPRIATE NUMBER AT LEAST TEN MINUTES BEFORE THE CALL BEGINS. THE TELECONFERENCE WILL BE AVAILABLE FOR REPLAY FROM APPROXIMATELY ONE HOUR AFTER THE CONCLUSION OF THE CALL UNTIL 5:00 P.M. EASTERN TIME ON WEDNESDAY, OCTOBER 31, 2001. TO ACCESS THE REPLAY, PLEASE DIAL 1-888-266-2086 (DOMESTIC CALLS) OR 1-703-925-2435 (INTERNATIONAL CALLS), PASS CODE 5551605. THE LIVE CALL AND THE REPLAY (THROUGH OCTOBER 31, 2001) CAN ALSO BE ACCESSED VIA THE WEB AT WWW.AMG.COM.

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For more information on Affiliated Managers Group, Inc.,
please visit AMG's Web site at www.amg.com.

AFFILIATED MANAGERS GROUP, INC.
 FINANCIAL HIGHLIGHTS
 (dollars in thousands, except per share data)

	Three Months Ended 9/30/00	Three Months Ended 9/30/01
	-----	-----
Revenues	\$ 118,205	\$ 96,584
EBITDA (A)	\$ 36,449	\$ 31,937
Net Income	\$ 14,378	\$ 12,352
Cash Net Income (B)	\$ 22,376	\$ 20,734
Average shares outstanding - diluted	22,642,345	22,841,832
Earnings per share - diluted	\$ 0.64	\$ 0.54
Cash earnings per share - diluted (C)	\$ 0.99	\$ 0.91

	December 31, 2000	September 30, 2001
	-----	-----
Cash and cash equivalents	\$ 31,612	\$ 205,064
Total debt	\$ 151,800	\$ 278,403
Stockholders' equity	\$ 493,910	\$ 534,343

AFFILIATED MANAGERS GROUP, INC.
FINANCIAL HIGHLIGHTS
(dollars in thousands, except per share data)

	Nine Months Ended 9/30/00	Nine Months Ended 9/30/01
	-----	-----
Revenues	\$ 343,898	\$ 297,722
EBITDA (A)	\$ 106,023	\$ 96,805
Net Income	\$ 41,870	\$ 37,389
Cash Net Income (B)	\$ 64,858	\$ 62,399
Average shares outstanding - diluted	22,763,049	22,683,862
Earnings per share - diluted	\$ 1.84	\$ 1.65
Cash earnings per share - diluted (C)	\$ 2.85	\$ 2.75

AFFILIATED MANAGERS GROUP, INC.
 FINANCIAL HIGHLIGHTS
 (dollars in thousands, except per share data)

	Three Months Ended 9/30/01	Nine Months Ended 9/30/01
	-----	-----
Assets under management (at period end, in millions):	\$ 65,244	\$ 65,244
Revenues:	\$ 96,584	\$ 297,722
Owners' Allocation (D):	\$ 48,593	\$ 149,217
EBITDA Contribution (E):	\$ 36,437	\$ 110,308
RECONCILIATION OF EBITDA CONTRIBUTION TO EBITDA:		
Total EBITDA Contribution (as above)	\$ 36,437	\$ 110,308
Less, holding company expenses	(4,500)	(13,503)
	-----	-----
EBITDA	\$ 31,937	\$ 96,805
	=====	=====

Notes:

- (A) EBITDA represents earnings before interest expense, income taxes, depreciation and amortization.
- (B) Cash Net Income represents net income plus depreciation and amortization.
- (C) Cash earnings per share represents Cash Net Income divided by average shares outstanding.
- (D) Owners' Allocation represents the portion of an Affiliate's revenues which is allocated to the owners of that Affiliate, including AMG, generally in proportion to their ownership interest, pursuant to the revenue sharing agreement with such Affiliate.
- (E) EBITDA Contribution represents the portion of an Affiliate's revenues that is allocated to AMG after amounts retained by the Affiliate for compensation and day-to-day operating and overhead expenses, but before the interest, income taxes, depreciation and amortization expenses of the Affiliate.

AFFILIATED MANAGERS GROUP, INC.
CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

	Quarter Ended September 30, 2000	September 30, 2001	Year to Date September 30, 2000	September 30, 2001
Revenues	\$ 118,205	\$ 96,584	\$ 343,898	\$ 297,722
Operating expenses:				
Compensation and related expenses	48,485	31,463	133,054	98,369
Amortization of intangible assets	6,828	7,006	19,881	20,848
Depreciation and other amortization	1,170	1,376	3,107	4,162
Selling, general and administrative	15,002	18,487	50,389	55,601
Other operating expenses	2,879	2,578	7,711	7,866
	74,364	60,910	214,142	186,846
Operating income	43,841	35,674	129,756	110,876
Non-operating (income) and expenses:				
Investment and other income	(1,174)	(1,952)	(3,394)	(3,946)
Interest expense	4,082	2,970	12,071	9,482
	2,908	1,018	8,677	5,536
Income before minority interest and taxes	40,933	34,656	121,079	105,340
Minority interest	(16,564)	(14,071)	(50,115)	(43,027)
Income before income taxes	24,369	20,585	70,964	62,313
Income taxes	9,991	8,233	29,094	24,924
Net income	\$ 14,378	\$ 12,352	\$ 41,870	\$ 37,389
Average shares outstanding - basic	22,142,194	22,180,058	22,349,998	22,117,858
Average shares outstanding - diluted	22,642,345	22,841,832	22,763,049	22,683,862
Earnings per share - basic	\$ 0.65	\$ 0.56	\$ 1.87	\$ 1.69
Earnings per share - diluted	\$ 0.64	\$ 0.54	\$ 1.84	\$ 1.65

AFFILIATED MANAGERS GROUP, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	December 31, 2000	September 30, 2001
	-----	-----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 31,612	\$ 205,064
Investment advisory fees receivable	66,126	44,043
Other current assets	15,448	10,081
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Total current assets	113,186	259,188
Fixed assets, net	15,346	14,357
Equity investment in Affiliate	1,816	1,616
Acquired client relationships, net	199,354	194,996
Goodwill, net	444,116	453,759
Other assets	19,912	24,649
	-----	-----
Total assets	\$ 793,730	\$ 948,565
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 86,800	\$ 67,196
	-----	-----
Total current liabilities	86,800	67,196
Long-term debt	151,000	277,603
Deferred taxes	31,907	35,551
Other long-term liabilities	2,636	12,332
Subordinated debt	800	800
	-----	-----
Total liabilities	273,143	393,482
Minority interest	26,677	20,740
Stockholders' equity:		
Common stock	235	235
Additional paid-in capital	407,057	409,588
Accumulated other comprehensive income	(342)	(1,485)
Retained earnings	140,513	177,902
	-----	-----
Total stockholders' equity	547,463	586,240
Less treasury shares	(53,553)	(51,897)
Total stockholders' equity	493,910	534,343
	-----	-----
Total liabilities and stockholders' equity	\$ 793,730	\$ 948,565
	=====	=====