

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): July 24, 2002

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.)

600 Hale Street, Prides Crossing, MA 01965

(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 recent 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 July 24, 2002 (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: July 30, 2002

/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 July 24, 2002 (filed for informational purposes).

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

AMG REPORTS FINANCIAL AND OPERATING RESULTS
FOR SECOND QUARTER AND FIRST HALF OF 2002

COMPANY REPORTS CASH EPS FOR SECOND QUARTER OF \$1.12

BOSTON, MA, JULY 24, 2002 - Affiliated Managers Group, Inc. (NYSE: AMG) today reported its financial and operating results for the quarter and six months ended June 30, 2002.

Cash earnings per share ("Cash EPS") for the second quarter of 2002 were \$1.12. (Cash EPS is the Company's reported EPS figure plus non-cash charges on a per share basis 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 second quarter of 2002 were \$0.67, and net income for the second quarter was \$15.4 million. Cash Net Income (net income plus the non-cash charges for depreciation and amortization and deferred taxes related to intangible assets) was \$25.7 million. These operating results reflect changes in the accounting for intangible assets as a result of the implementation of Financial Accounting Standard No. 142 in the first quarter of 2002, and therefore are not directly comparable to operating results for the second quarter of 2001. For the second quarter of 2002, revenue was \$129.6 million, compared to \$100.7 million for the second quarter of 2001. EBITDA for the second quarter of 2002 was \$37.4 million, compared to \$33.6 million for the same period of 2001. For the six months ended June 30, 2002, revenue was \$249.0 million, compared to \$201.1 million for the six months ended June 30, 2001. EBITDA for the six months ended June 30, 2002 was \$72.8 million, compared to \$64.9 million for the same period of 2001.

The aggregate assets under management of AMG's affiliated investment management firms at June 30, 2002 were \$74.1 billion. The aggregate net client cash flows were approximately \$11 million, with outflows from directly managed assets for the second quarter of approximately \$107 million, and net inflows of approximately \$118 million in overlay assets. Given a favorable mix of inflows to higher margin products and Affiliates in which AMG has a larger financial interest, the net effect of these client cash flows was an increase of approximately \$1.1 million to AMG's annualized EBITDA.

"Given the continued challenges of a difficult equity market environment, our Affiliates produced solid results for the quarter and the year-to-date," stated William J. Nutt, Chairman and Chief Executive Officer. "The diversity among our Affiliates' investment styles and distribution channels continues to provide stability to our earnings. While our overall assets were impacted by adverse market conditions, our Affiliates continue to generate internal growth in earnings through client cash flows, and on an overall basis, Cash EPS rose quarter over quarter."

(MORE)

"While our value-oriented managers, such as Tweedy, Browne, Systematic and Skyline, were less affected by unfavorable markets, our growth managers, including Friess, Essex and Davis Hamilton, also posted strong relative results for the quarter and the year-to-date," stated Sean M. Healey, President and Chief Operating Officer. "Our Affiliate Development team continues to execute growth initiatives with our Affiliates, including the launch of another series of multi-Affiliate portfolios with Wells Fargo Private Client Services. The portfolios are similar to those introduced earlier this year, but will offer a different set of asset allocation models and Affiliate managers. Finally, this quarter we announced our agreement to invest in Third Avenue Management. Third Avenue's excellent long-term performance record and its value-oriented investments, which include real estate and distressed securities, further strengthen and diversify our Affiliate group."

Separately, AMG's Board of Directors approved an increase in the Company's share repurchase program, authorizing the purchase of up to an additional five percent of shares outstanding. The purchases would be effected at times and in amounts determined at the discretion of AMG's management.

AMG is an asset management company with equity investments in a diverse group of 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 equity 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, 2001.

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 1-888-467-1742 (DOMESTIC CALLS) OR 1-703-871-3722 (INTERNATIONAL CALLS) STARTING AT 10:45 A.M. EASTERN TIME. PLEASE 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, JULY 31, 2002. TO ACCESS THE REPLAY, PLEASE DIAL 1-888-266-2086 (DOMESTIC CALLS) OR 1-703-925-2435 (INTERNATIONAL CALLS), PASS CODE 6104431. THE LIVE CALL AND THE REPLAY (THROUGH JULY 31, 2002) MAY 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 6/30/01	Three Months Ended 6/30/02
	-----	-----
Revenue	\$ 100,663	\$ 129,631
EBITDA (A)	\$ 33,564	\$ 37,448
Net Income	\$ 13,107	\$ 15,353
Cash Net Income (B)	\$ 21,475	\$ 25,708
Average shares outstanding - diluted	22,654,951	22,862,980
Earnings per share - diluted	\$ 0.58	\$ 0.67
Cash earnings per share - diluted (C)	\$ 0.95	\$ 1.12
	December 31, 2001	June 30, 2002
	-----	-----
Cash and cash equivalents	\$ 73,427	\$ 127,914
Senior debt	\$ 452,894	\$ 483,461
Stockholders' equity	\$ 543,340	\$ 568,340

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

	Six Months Ended 6/30/01	Six Months Ended 6/30/02
	-----	-----
Revenue	\$ 201,138	\$ 248,966
EBITDA (A)	\$ 64,868	\$ 72,845
Net Income	\$ 25,037	\$ 29,860
Cash Net Income (B)	\$ 41,665	\$ 50,394
Average shares outstanding - diluted	22,612,010	22,912,528
Earnings per share - diluted	\$ 1.11	\$ 1.30
Cash earnings per share - diluted (C)	\$ 1.84	\$ 2.20

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AFFILIATED MANAGERS GROUP, INC.
FINANCIAL HIGHLIGHTS
(dollars in thousands, except as indicated)

	Three Months Ended 6/30/02	Six Months Ended 6/30/02
	-----	-----
Assets under management (at period end, in millions):	\$ 74,143	\$ 74,143
Revenue:	\$ 129,631	\$ 248,966
Owners' Allocation (D):	\$ 69,181	\$ 129,945
EBITDA Contribution (E):	\$ 43,448	\$ 84,845
RECONCILIATION OF EBITDA CONTRIBUTION TO EBITDA:		
Total EBITDA Contribution (as above)	\$ 43,448	\$ 84,845
Less, holding company expenses	(6,000)	(12,000)
EBITDA	\$ 37,448	\$ 72,845
	=====	=====

Notes:

- (A) EBITDA represents earnings before interest expense, income taxes, depreciation and amortization.
- (B) Cash Net Income represents net income plus depreciation, amortization and deferred taxes. In periods prior to 2002, 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 revenue 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 revenue 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.

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

	Quarter Ended June 30,		Year to Date June 30,	
	2001	2002	2001	2002
Revenue	\$ 100,663	\$ 129,631	\$ 201,138	\$ 248,966
Operating expenses:				
Compensation and related expenses	32,698	42,046	66,906	83,488
Amortization of intangible assets	6,940	3,364	13,842	6,696
Depreciation and other amortization	1,428	1,452	2,786	2,802
Selling, general and administrative	19,034	24,061	37,115	43,669
Other operating expenses	2,673	3,148	5,288	7,014
	62,773	74,071	125,937	143,669
Operating income	37,890	55,560	75,201	105,297
Non-operating (income) and expenses:				
Investment and other income	(1,470)	(792)	(1,994)	(1,392)
Interest expense	3,351	7,044	6,512	13,580
	1,881	6,252	4,518	12,188
Income before minority interest and taxes	36,009	49,308	70,683	93,109
Minority interest	(14,164)	(23,720)	(28,956)	(43,342)
Income before income taxes	21,845	25,588	41,727	49,767
Income taxes - current	8,110	4,696	13,947	8,871
Income taxes - deferred	628	5,539	2,743	11,036
Net income	\$ 13,107	\$ 15,353	\$ 25,037	\$ 29,860
Average shares outstanding - basic	22,109,068	22,196,540	22,086,244	22,210,658
Average shares outstanding - diluted	22,654,951	22,862,980	22,612,010	22,912,528
Earnings per share - basic	\$ 0.59	\$ 0.69	\$ 1.13	\$ 1.34
Earnings per share - diluted	\$ 0.58	\$ 0.67	\$ 1.11	\$ 1.30

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

	December 31, 2001	June 30, 2002
	-----	-----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 73,427	\$ 127,914
Investment advisory fees receivable	57,148	61,149
Other current assets	9,464	8,966
	-----	-----
Total current assets	140,039	198,029
Fixed assets, net	17,802	19,853
Equity investment in Affiliate	1,732	-
Acquired client relationships, net	319,645	323,384
Goodwill, net	655,311	673,381
Other assets	25,792	25,604
	-----	-----
Total assets	\$ 1,160,321	\$ 1,240,251
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 67,136	\$ 73,503
Zero coupon convertible debt	227,894	-
Senior bank debt	25,000	25,000
	-----	-----
Total current liabilities	320,030	98,503
Mandatory convertible debt	200,000	230,000
Zero coupon convertible debt	-	228,461
Deferred taxes	38,081	49,251
Other long-term liabilities	23,795	36,440
	-----	-----
Total liabilities	581,906	642,655
Minority interest	35,075	29,256
Stockholders' equity:		
Common stock	235	235
Additional paid-in capital	405,087	405,769
Accumulated other comprehensive income	(846)	(564)
Retained earnings	190,502	220,362
	-----	-----
Less treasury shares, at cost	594,978	625,802
	(51,638)	(57,462)
	-----	-----
Total stockholders' equity	543,340	568,340
	-----	-----
Total liabilities and stockholders' equity	\$ 1,160,321	\$ 1,240,251
	=====	=====