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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**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 29, 2018**

**Affiliated Managers Group, Inc.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**001-13459**

(Commission File Number)

**04-3218510**

(IRS Employer Identification No.)

**777 South Flagler Drive**

**West Palm Beach, Florida**

(Address of Principal Executive Offices)

**33401**

(Zip Code)

**(800) 345-1100**

(Registrant's Telephone Number, Including Area Code)

**N/A**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**ITEM 2.02 Results of Operations and Financial Condition.**

On October 29, 2018, Affiliated Managers Group, Inc. (the “Company”) issued a press release setting forth its financial and operating results for the quarter ended September 30, 2018.

**ITEM 8.01 Other Events.**

The press release announced that the Company’s Board of Directors authorized and declared a quarterly dividend of \$0.30 per share of common stock, payable November 21, 2018 to stockholders of record as of the close of business on November 8, 2018.

A copy of the press release announcing the Company’s earnings results and the dividend is furnished as Exhibit 99.1 hereto, except for such portions which are filed, as noted below under Item 9.01.

**ITEM 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

The financial statement tables set forth on pages 4 through 11 in Exhibit 99.1 hereto are “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall be deemed incorporated by reference into the filings of the Company under the Securities Act of 1933, as amended. The remaining information in Exhibit 99.1 is being “furnished” to the Securities and Exchange Commission as provided pursuant to General Instruction B.2 of Form 8-K.

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#"><u>Earnings Press Release issued by the Company on October 29, 2018.</u></a>





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**AMG Reports Financial and Operating Results  
for the Third Quarter and Nine Months Ended September 30, 2018**

*Company Reports EPS of \$2.34; Economic EPS of \$3.45*

**WEST PALM BEACH, FL, October 29, 2018** - Affiliated Managers Group, Inc. (NYSE: AMG) today reported its financial and operating results for the quarter ended September 30, 2018.

For the third quarter of 2018, diluted earnings per share were \$2.34, compared to \$2.22 for the same period of 2017, and Economic earnings per share (“Economic EPS”) were \$3.45, compared to \$3.41 for the same period of 2017. For the third quarter of 2018, Net income was \$124.9 million, compared to \$125.4 million for the same period of 2017. For the third quarter of 2018, Economic net income was \$184.0 million, compared to \$191.3 million for the same period of 2017. For the third quarter of 2018, Adjusted EBITDA was \$237.8 million, compared to \$256.3 million for the same period of 2017. For the third quarter of 2018, Revenue was \$601.3 million, compared to \$585.7 million for the same period of 2017. For the third quarter of 2018, Aggregate fees (an operating measure comprising the total asset- and performance-based fees of all Affiliates) were \$1.3 billion, compared to \$1.3 billion for the same period of 2017. (Economic EPS, Economic net income, and Adjusted EBITDA are defined in the attached tables, along with reconciliations to the most directly comparable GAAP measure.)

For the nine months ended September 30, 2018, Net income was \$394.9 million, compared to \$374.2 million for the same period of 2017. For the nine months ended September 30, 2018, Economic net income was \$594.8 million, compared to \$563.2 million for the same period of 2017. For the nine months ended September 30, 2018, Adjusted EBITDA was \$770.5 million, compared to \$754.8 million for the same period of 2017. For the nine months ended September 30, 2018, Revenue was \$1.8 billion, compared to \$1.7 billion for the same period of 2017. For the nine months ended September 30, 2018, Aggregate fees were \$4.2 billion, compared to \$3.9 billion for the same period of 2017.

Net client cash flows for the third quarter of 2018 were \$0.9 billion. AMG’s aggregate assets under management were approximately \$830 billion at September 30, 2018.

AMG repurchased approximately \$113 million in stock, or 0.8 million common shares, during the third quarter of 2018, and a total of approximately \$414 million in the nine months ended September 30, 2018. The Company also announced a fourth-quarter cash dividend of \$0.30 per common share, payable November 21, 2018 to stockholders of record as of the close of business on November 8, 2018.

“Notwithstanding industry headwinds, AMG generated solid results in the third quarter, including year-over-year growth in our Economic earnings per share, which were \$3.45, and positive net client cash flows of approximately \$1 billion,” stated Nathaniel Dalton, President and Chief Executive Officer of AMG. “AMG’s net inflows were driven by strong demand for alternative strategies from institutions around the world, partially offset by net outflows in equities. In a challenging environment for asset managers, our results reflect the diversity of our business and the quality of our Affiliates. Looking ahead, a shift from markets driven by excess liquidity to more fundamentally-driven markets provides a meaningfully more favorable environment for the best active managers to distinguish themselves, and given our Affiliates’ broad array of distinctive return streams, AMG is very well-positioned to benefit.”

Mr. Dalton concluded, “Over the past 25 years, AMG has demonstrated the ability to grow across market cycles — in addition to our substantial long-term organic growth opportunities, we continue to have an outstanding proprietary opportunity to partner with the most highly-regarded independent firms around the world, adding earnings accretion and further diversifying our alpha-oriented product set. With our global reputation as the partner of choice among excellent boutique managers, long track record of successful investments, and substantial financial flexibility, along with our commitment to disciplined capital allocation, we are uniquely positioned to generate meaningful shareholder value ahead.”

## About AMG

AMG is a global asset management company with equity investments in leading boutique investment management firms. AMG’s innovative partnership approach allows each Affiliate’s management team to own significant equity in their firm while maintaining operational autonomy. AMG’s strategy is to generate shareholder value through the growth of existing Affiliates, as well as through investments in new Affiliates and additional investments in existing Affiliates. In addition, AMG provides centralized assistance to its Affiliates in strategic matters, marketing, distribution, product development and operations. As of September 30, 2018, AMG’s aggregate assets under management were approximately \$830 billion in more than 550 investment products across a broad range of active, return-oriented strategies. For more information, please visit the Company’s website at [www.amg.com](http://www.amg.com).

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*Certain matters discussed in this press release may constitute forward-looking statements within the meaning of the federal securities laws. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources and other non-historical statements. You can identify these forward-looking statements by the use of words such as “outlook,” “guidance,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “seeks,” “approximately,” “predicts,” “projects,” “positioned,” “prospects,” “intends,” “plans,” “estimates,” “pending investments,” “anticipates” or the negative version of these words or other comparable words. Actual results and the timing of certain events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors, including changes in the securities or financial markets or in general economic conditions, the availability of equity and debt financing, competition for acquisitions of interests in investment management firms, the ability to close pending investments, the investment performance and growth rates of our Affiliates and their ability to effectively market their investment strategies, the mix of Affiliate contributions to our earnings and other risks, uncertainties and assumptions, including those described under the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2017, as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC’s website at [www.sec.gov](http://www.sec.gov). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in our filings with the SEC. We undertake no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law. We have presented certain non-GAAP and operating performance measures in this press release, which are provided in addition to, but not as substitutes for, GAAP measures of performance. Additional information is provided in the attached tables.*

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

A teleconference will be held with AMG's management at 8:30 a.m. Eastern time today. Parties interested in listening to the teleconference should dial 1-877-407-8291 (U.S. calls) or 1-201-689-8345 (non-U.S. calls) starting at 8:15 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 also be available for replay beginning approximately one hour after the conclusion of the call. To hear a replay of the call, please dial 1-877-660-6853 (U.S. calls) or 1-201-612-7415 (non-U.S. calls) and provide conference ID 13684272. The live call and replay of the session, and a presentation highlighting the Company's performance can also be accessed via AMG's website at <http://www.amg.com/InvestorRelations/>.

### **Financial Tables Follow**

# AMG

## Performance Measures

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

	Three Months Ended 9/30/17	Three Months Ended 9/30/18
<b>Operating Performance Measures</b>		
Assets under management (at period end, in billions) (A)	\$ 803.7	\$ 829.6
Average assets under management (in billions) (A)	\$ 790.6	\$ 834.1
Aggregate fees (B)	\$ 1,272.3	\$ 1,278.0
<b>Financial Performance Measures</b>		
Net income (controlling interest)	\$ 125.4	\$ 124.9
Average shares outstanding (diluted)	58.3	55.4
Earnings per share (diluted)	\$ 2.22	\$ 2.34
<b>Supplemental Performance Measures</b>		
Adjusted EBITDA (controlling interest) (C)	\$ 256.3	\$ 237.8
Economic net income (controlling interest) (D)	\$ 191.3	\$ 184.0
Average shares outstanding (adjusted diluted) (E)	56.1	53.2
Economic earnings per share (E)	\$ 3.41	\$ 3.45
	Nine Months Ended 9/30/17	Nine Months Ended 9/30/18
<b>Operating Performance Measures</b>		
Assets under management (at period end, in billions) (A)	\$ 803.7	\$ 829.6
Average assets under management (in billions) (A)	\$ 766.5	\$ 834.5
Aggregate fees (B)	\$ 3,860.7	\$ 4,210.7
<b>Financial Performance Measures</b>		
Net income (controlling interest)	\$ 374.2	\$ 394.9
Average shares outstanding (diluted)	58.8	56.3
Earnings per share (diluted)	\$ 6.57	\$ 7.27
<b>Supplemental Performance Measures</b>		
Adjusted EBITDA (controlling interest) (C)	\$ 754.8	\$ 770.5
Economic net income (controlling interest) (D)	\$ 563.2	\$ 594.8
Average shares outstanding (adjusted diluted) (E)	56.6	54.1
Economic earnings per share (E)	\$ 9.95	\$ 10.99

**AMG**  
**Assets Under Management by Strategy**  
(in billions)

**Statement of Changes — Quarter to Date**

	Alternatives	Global Equities	U.S. Equities	Multi-asset & Other	Total
Assets under management, June 30, 2018	\$ 322.0	\$ 283.3	\$ 116.0	\$ 102.9	\$ 824.2
Client cash inflows and commitments	17.0	10.0	4.7	4.5	36.2
Client cash outflows	(12.5)	(12.0)	(6.4)	(4.4)	(35.3)
Net client cash flows	4.5	(2.0)	(1.7)	0.1	0.9
Market changes	2.3	2.1	6.3	1.1	11.8
Foreign exchange	(0.7)	(0.3)	0.1	0.1	(0.8)
Realizations and distributions (net)	(2.9)	(0.1)	—	(0.1)	(3.1)
Other (F)	(3.3)	1.0	(1.1)	—	(3.4)
Assets under management, September 30, 2018	<u>\$ 321.9</u>	<u>\$ 284.0</u>	<u>\$ 119.6</u>	<u>\$ 104.1</u>	<u>\$ 829.6</u>

**Statement of Changes — Year to Date**

	Alternatives	Global Equities	U.S. Equities	Multi-asset & Other	Total
Assets under management, December 31, 2017	\$ 324.0	\$ 293.4	\$ 116.1	\$ 102.8	\$ 836.3
Client cash inflows and commitments	44.5	33.9	14.3	13.5	106.2
Client cash outflows	(31.9)	(38.8)	(19.3)	(12.9)	(102.9)
Net client cash flows	12.6	(4.9)	(5.0)	0.6	3.3
Market changes	(4.2)	(0.5)	9.8	1.6	6.7
Foreign exchange	(1.8)	(3.1)	(0.2)	(0.8)	(5.9)
Realizations and distributions (net)	(6.4)	(0.2)	—	(0.1)	(6.7)
Other (F)	(2.3)	(0.7)	(1.1)	—	(4.1)
Assets under management, September 30, 2018	<u>\$ 321.9</u>	<u>\$ 284.0</u>	<u>\$ 119.6</u>	<u>\$ 104.1</u>	<u>\$ 829.6</u>



**AMG**  
**Assets Under Management by Client Type**  
(in billions)

**Statement of Changes — Quarter to Date**

	<u>Institutional</u>	<u>Retail</u>	<u>High Net Worth</u>	<u>Total</u>
Assets under management, June 30, 2018	\$ 477.3	\$ 231.2	\$ 115.7	\$ 824.2
Client cash inflows and commitments	20.8	11.4	4.0	36.2
Client cash outflows	(15.1)	(16.3)	(3.9)	(35.3)
Net client cash flows	5.7	(4.9)	0.1	0.9
Market changes	6.4	3.4	2.0	11.8
Foreign exchange	(0.4)	(0.6)	0.2	(0.8)
Realizations and distributions (net)	(3.0)	—	(0.1)	(3.1)
Other (F)	(3.6)	0.5	(0.3)	(3.4)
Assets under management, September 30, 2018	<u>\$ 482.4</u>	<u>\$ 229.6</u>	<u>\$ 117.6</u>	<u>\$ 829.6</u>

**Statement of Changes — Year to Date**

	<u>Institutional</u>	<u>Retail</u>	<u>High Net Worth</u>	<u>Total</u>
Assets under management, December 31, 2017	\$ 488.6	\$ 232.7	\$ 115.0	\$ 836.3
Client cash inflows and commitments	50.3	43.2	12.7	106.2
Client cash outflows	(45.3)	(45.2)	(12.4)	(102.9)
Net client cash flows	5.0	(2.0)	0.3	3.3
Market changes	2.5	1.0	3.2	6.7
Foreign exchange	(3.1)	(2.5)	(0.3)	(5.9)
Realizations and distributions (net)	(6.3)	(0.1)	(0.3)	(6.7)
Other (F)	(4.3)	0.5	(0.3)	(4.1)
Assets under management, September 30, 2018	<u>\$ 482.4</u>	<u>\$ 229.6</u>	<u>\$ 117.6</u>	<u>\$ 829.6</u>

**AMG**  
**Reconciliations of Supplemental Performance Measures**  
(in millions, except per share data)

	<b>Three Months Ended 9/30/17</b>	<b>Three Months Ended 9/30/18</b>
Net income (controlling interest)	\$ 125.4	\$ 124.9
Intangible amortization and impairments	42.2	44.9
Intangible-related deferred taxes	22.9	12.2
Other economic items (H)	0.8	2.0
Economic net income (controlling interest) (D)	<u>\$ 191.3</u>	<u>\$ 184.0</u>
Average shares outstanding (adjusted diluted) (E)	56.1	53.2
Economic earnings per share (E)	<u>\$ 3.41</u>	<u>\$ 3.45</u>
Net income (controlling interest)	\$ 125.4	\$ 124.9
Interest expense	22.1	19.6
Income taxes	64.1	46.2
Intangible amortization and impairments	42.2	44.9
Other items (I)	2.5	2.2
Adjusted EBITDA (controlling interest) (C)	<u>\$ 256.3</u>	<u>\$ 237.8</u>
	<b>Nine Months Ended 9/30/17</b>	<b>Nine Months Ended 9/30/18</b>
Net income (controlling interest)	\$ 374.2	\$ 394.9
Intangible amortization and impairments (G)	121.5	166.9
Intangible-related deferred taxes (G)	61.8	30.1
Other economic items (H)	5.7	2.9
Economic net income (controlling interest) (D)	<u>\$ 563.2</u>	<u>\$ 594.8</u>
Average shares outstanding (adjusted diluted) (E)	56.6	54.1
Economic earnings per share (E)	<u>\$ 9.95</u>	<u>\$ 10.99</u>
Net income (controlling interest)	\$ 374.2	\$ 394.9
Interest expense	67.6	62.6
Income taxes	182.5	138.7
Intangible amortization and impairments	121.5	166.9
Other items (I)	9.0	7.4
Adjusted EBITDA (controlling interest) (C)	<u>\$ 754.8</u>	<u>\$ 770.5</u>

**AMG**  
**Consolidated Statements of Income**  
(in millions, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2018	2017	2018
Consolidated revenue	\$ 585.7	\$ 601.3	\$ 1,700.9	\$ 1,813.9
Consolidated expenses:				
Compensation and related expenses	238.7	253.6	722.9	761.3
Selling, general and administrative	91.9	102.8	269.7	314.4
Intangible amortization and impairments	21.2	30.1	65.1	76.5
Interest expense	22.1	19.6	67.6	62.6
Depreciation and other amortization	4.8	5.3	14.9	16.5
Other expenses (net)	10.9	10.2	35.9	33.4
Total consolidated expenses	<u>389.6</u>	<u>421.6</u>	<u>1,176.1</u>	<u>1,264.7</u>
Equity method income (net) (G)	70.7	59.7	231.6	191.3
Investment and other income	16.1	11.0	46.7	36.7
Income before income taxes	<u>282.9</u>	<u>250.4</u>	<u>803.1</u>	<u>777.2</u>
Income tax expense (J)	66.1	48.5	188.2	146.1
Net income	<u>216.8</u>	<u>201.9</u>	<u>614.9</u>	<u>631.1</u>
Net income (non-controlling interests)	(91.4)	(77.0)	(240.7)	(236.2)
Net income (controlling interest)	<u>\$ 125.4</u>	<u>\$ 124.9</u>	<u>\$ 374.2</u>	<u>\$ 394.9</u>
Average shares outstanding (basic)	55.8	53.1	56.3	53.9
Average shares outstanding (diluted)	58.3	55.4	58.8	56.3
Earnings per share (basic)	\$ 2.25	\$ 2.35	\$ 6.65	\$ 7.32
Earnings per share (diluted)	\$ 2.22	\$ 2.34	\$ 6.57	\$ 7.27
Dividends per share	\$ 0.20	\$ 0.30	\$ 0.60	\$ 0.90

**AMG**  
**Consolidated Balance Sheets**  
(in millions)

	<u>December 31, 2017</u>	<u>September 30, 2018</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 439.5	\$ 448.1
Receivables	433.8	524.5
Goodwill	2,662.5	2,648.4
Acquired client relationships (net)	1,449.7	1,357.4
Equity method investments in Affiliates (net)	3,304.7	3,055.3
Fixed assets (net)	111.0	104.8
Investments and other assets	300.9	400.3
Total assets	<u>\$ 8,702.1</u>	<u>\$ 8,538.8</u>
<b>Liabilities and Equity</b>		
Payables and accrued liabilities	\$ 807.2	\$ 761.6
Senior debt	1,550.3	1,534.8
Convertible securities	304.4	306.6
Deferred income tax liability (net)	467.4	479.2
Other liabilities	182.4	166.5
Total liabilities	<u>3,311.7</u>	<u>3,248.7</u>
Redeemable non-controlling interests	811.9	968.9
Equity:		
Common stock	0.6	0.6
Additional paid-in capital	808.6	707.9
Accumulated other comprehensive loss	(21.8)	(60.1)
Retained earnings	3,698.5	4,044.1
	<u>4,485.9</u>	<u>4,692.5</u>
Less: treasury stock, at cost	(663.7)	(1,074.3)
Total stockholders' equity	<u>3,822.2</u>	<u>3,618.2</u>
Non-controlling interests	756.3	703.0
Total equity	<u>4,578.5</u>	<u>4,321.2</u>
Total liabilities and equity	<u>\$ 8,702.1</u>	<u>\$ 8,538.8</u>

**AMG**  
**Notes**  
(in millions)

- (A) Assets under management is presented on a current basis without regard to the timing of the inclusion of an Affiliate’s results in our operating performance measures or Consolidated Financial Statements. Average assets under management provides a more meaningful relationship to our operating performance measures and financial results as it reflects both the particular billing patterns of Affiliate sponsored products and client accounts and corresponds with the timing of the inclusion of an Affiliate’s financial results in our Consolidated Financial Statements. For certain of our equity method Affiliates, aggregate fees and financial results are reported one quarter in arrears.
- (B) Aggregate fees consists of the total asset- and performance-based fees earned by all of our Affiliates. Aggregate fees is an operating measure used by management to evaluate the operating performance and material trends across our entire business. Aggregate fees is provided in addition to, but not as a substitute for, our GAAP performance measures.
- (C) Adjusted EBITDA (controlling interest) represents our performance before our share of interest expense, income taxes, depreciation, amortization, impairments and adjustments to our contingent payment arrangements. We believe that many investors use this measure when assessing the financial performance of companies in the investment management industry. This non-GAAP performance measure is provided in addition to, but not as a substitute for, Net income (controlling interest) or other GAAP performance measures.
- (D) Under our Economic net income (controlling interest) definition, we add to Net income (controlling interest) our share of pre-tax intangible amortization and impairments (including the portion attributable to equity method investments in Affiliates), deferred taxes related to intangible assets, and other economic items which include non-cash imputed interest (principally related to the accounting for convertible securities and contingent payment arrangements) and certain Affiliate equity expenses. We consider Economic net income (controlling interest) an important measure of our financial performance, as we believe it best represents our performance before our share of non-cash expenses relating to the acquisition of interests in Affiliates, and it is therefore employed as our principal performance measure. This non-GAAP performance measure is provided in addition to, but not as a substitute for, Net income (controlling interest) or other GAAP performance measures.

We add back intangible amortization and impairments attributable to intangible assets (including goodwill) because these expenses do not correspond to the changes in the value of these assets, which do not diminish predictably over time. The portion of deferred taxes attributable to intangible assets (including goodwill) is added back because we believe it is unlikely these accruals will be used to settle material tax obligations. We add back non-cash imputed interest and reductions or increases in contingent payment arrangements because it better reflects our contractual interest obligations. We add back non-cash expenses relating to certain transfers of equity between Affiliate partners when these transfers have no dilutive effect to shareholders.

- (E) Economic earnings per share represents Economic net income (controlling interest) divided by the Average shares outstanding (adjusted diluted). In this calculation, the potential share issuance in connection with our convertible securities is measured using a “treasury stock” method. Under this method, only the net number of shares of common stock equal to the value of the convertible securities in excess of par, if any, are deemed to be outstanding. We believe the inclusion of net shares under a treasury stock method best reflects the benefit of the increase in available capital resources (which could be used to repurchase shares of common stock) that occurs when these securities are converted and we are relieved of our debt obligation. This method does not take into account any increase or decrease in our cost of capital in an assumed conversion. This non-GAAP performance measure is provided in addition to, but not as a substitute for, Earnings per share (diluted) or other GAAP performance measures.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2018	2017	2018
Average shares outstanding (diluted)	58.3	55.4	58.8	56.3
Convertible securities shares	(2.2)	(2.2)	(2.2)	(2.2)
Average shares outstanding (adjusted diluted)	56.1	53.2	56.6	54.1

**AMG**  
**Notes (continued)**  
(in millions)

- (F) Other primarily includes the assets under management attributable to Affiliate product transitions and transfers of our interests in Affiliates.
- (G) For the nine months ended September 30, 2018, we recorded a \$33.3 expense associated with the impairment of one of our Affiliates accounted for under the equity method, which also reduced intangible-related deferred taxes by \$8.3. This expense, together with the expense we reported in the three months ended December 31, 2017, reduced the carrying value of our investment in the Affiliate to \$0.
- (H) For the three months ended September 30, 2017 and 2018, Other economic items are net of income tax expense of \$0.3 and income tax benefit of \$0.1, respectively. For the nine months ended September 30, 2017 and 2018, Other economic items are net of income tax expense of \$1.4 and income tax benefit of \$0.0, respectively.
- (I) Other items include depreciation and adjustments to contingent payment arrangements.
- (J) Our consolidated income tax provision includes taxes attributable to the controlling interest, and to a lesser extent, taxes attributable to non-controlling interests.

The following table summarizes our consolidated tax provision:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2018	2017	2018
Taxes attributable to controlling interest	\$ 64.1	\$ 46.2	\$ 182.5	\$ 138.7
Taxes attributable to non-controlling interests	2.0	2.3	5.7	7.4
Total income taxes	<u>\$ 66.1</u>	<u>\$ 48.5</u>	<u>\$ 188.2</u>	<u>\$ 146.1</u>
Income before taxes (controlling interests)	\$ 189.5	\$ 171.1	\$ 556.7	\$ 533.6
Effective tax rate (controlling interest)	33.8%	27.0%	32.8%	26.0%