

Class I | BRWIX



Average Annual Returns (%)^{1,2} (as of 06/30/17)

	QTD	YTD	1 yr	3 yr	5 yr	10 yr	Since Incpt. ³
BRWIX (Class I)	3.61	10.21	16.74	8.15	12.37	2.12	10.01
Russell 3000® Growth Index	4.65	13.69	20.72	10.83	15.20	8.82	–
Russell 3000® Index	3.02	8.93	18.51	9.10	14.58	7.26	10.48
S&P 500® Index	3.09	9.34	17.90	9.61	14.63	7.18	–

BRWIX (Class S) Expense Ratio (Gross/Net): 1.11%/1.11%

The performance data shown represents past performance. Past performance is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. The investment return and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For performance information through the most recent month end, please call 800.835.3879 or visit our website at www.amgfunds.com. From time to time the advisor has waived fees or reimbursed expenses, which may have resulted in higher returns.

The **AMG Managers Brandywine Fund** (Class I) returned 3.61% for the second quarter of 2017, compared with a 4.65% return for its benchmark, the Russell 3000® Growth Index. For the quarter, the S&P 500® Index and the Russell 3000® Index returned 3.09% and 3.02%, respectively. For the 12-month period ended June 30, 2017, the Fund returned 16.74%, compared with a 20.72% return for its benchmark. Over the same period, the S&P 500® Index and the Russell 3000® Index returned 17.90% and 18.51%, respectively.

Now it's seven in a row. Three months after the last one, another quarterly gain in major indices is in the books. The market's long-running upward climb, including a series of consecutive quarterly gains that began in autumn 2015, continued in the June quarter.

Positive sentiment withstood high political drama during the quarter, including the dismissal of the F.B.I. director and the fallout that ensued. A lack of legislative cooperation on the Senate's health care bill raised questions as to whether other priorities of the administration, such as tax

reform and infrastructure spending, could be delayed or imperiled, but investors were undeterred.

The Federal Reserve (the Fed) raised interest rates for the third time since December. Still, the move was far from a surprise to the investment community, which predicted the outcome with 98% surety prior to the Fed's announcement in mid-June.⁴

While investors sometimes fear the disruptive potential of higher interest rates, the latest in the Fed's series of increases "reflects the progress the economy has made," as the Fed chair described in a press conference following the announcement. With unemployment low and inflation muted, solid economic conditions appeared to incline investors toward optimism.

Attribution Summary

The Fund posted gains in eight out of the 10 economic sectors represented in its portfolio during the June quarter.

Technology holdings, which comprised the Fund's largest position, contributed the most to absolute performance and the second most to relative results. Technology holdings represented a modestly overweight position versus the Russell 3000® Growth Index while outperforming the sector within the benchmark.

Providers of software solutions, including Trade Desk, ServiceNow and Global Payments, were standout performers. Trade Desk shares rose sharply after the advertising-technology provider reported March-quarter earnings of \$0.18 per share, well ahead of the consensus forecast of \$0.01. Cloud-computing company ServiceNow more than doubled year-ago earnings in the March quarter, topping the consensus estimate by 42%. Payment-technology provider Global Payments beat estimates with 33% March-quarter earnings growth.

Health care holdings were the second-biggest contributors to gains and the third-biggest contributors to relative results. Vertex Pharmaceuticals and Zoetis were noteworthy performers. Strength in domestic sales of its pediatric cystic fibrosis drug helped Vertex earn \$0.41 per share in the March quarter, up from \$0.09 in the year-ago period and ahead of the consensus estimate. Zoetis, which makes veterinary medicines and diagnostics, also exceeded March-quarter earnings expectations.

The Fund held relatively few consumer staples companies, but the sector was still the most meaningful contributor to performance versus the benchmark. Performance Food Group Co. and Estee Lauder Cos. led the way.

Industrial holdings were the most significant detractors from the Fund's relative performance. While political uncertainty and interest rates didn't sour the market's overall mood, they appeared to contribute to heightened sensitivity to warning signs among industrial holdings that enjoyed recent positive runs. GMS, which distributes wallboard, suspended-ceiling

¹ Returns for periods greater than one year are annualized.

² Prior to February 27, 2017, the Fund's I shares were known as S shares.

³ Since the inception of the Fund on December 30, 1985.

⁴ Bloomberg

Class I | BRWIX

systems and other indoor-construction products, reported fiscal fourth-quarter results that exceeded consensus estimates for earnings and revenue. Its shares declined because management told investors to expect tighter profit margins in the quarter ahead.

Although they were a modestly positive influence on absolute performance, consumer discretionary holdings detracted from relative results. Consumer discretionary companies represented the Fund's second-largest position, and holdings underperformed the sector within the benchmark. Declines in Ethan Allen Interiors, Thor Industries and Walt Disney Co. weighed on the upside generated by retailers and consumer-service providers that the Fund held.

Energy, which detracted the most from absolute return and the third most from relative performance, was the poorest-performing sector in the benchmark. During the quarter, oil prices fell 22% from a high in early April to a low for the period in late June.⁵ Against this backdrop, Weatherford International delivered better March-quarter revenue than expected, but investors expressed concern about the pace of progress in the company's plan to strengthen its balance sheet by reducing its debt load.

The views expressed represent the opinions of Friess Associates, LLC as of June 30, 2017, are not intended as a forecast or guarantee of future results, and are subject to change without notice.

Top Ten Holdings (%)⁶ (as of 06/30/17)

Company	% of Net Assets
Alphabet Inc, Class A	2.19
Broadcom Ltd	2.18
Facebook Inc, Class A	2.01
Amazon.com Inc	1.99
Cigna Corp	1.81
Expedia Inc	1.77
Thermo Fisher Scientific Inc	1.77
Global Payments Inc	1.71
Albemarle Corp	1.70
Zoetis Inc	1.69
TOTAL %	18.82

Disclosure

⁵ WTI crude futures

⁶ Mention of a specific security should not be considered a recommendation to buy or a solicitation to sell that security. Holdings are subject to change.

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. For this and other information, please call 800.835.3879 or download a free prospectus. Read it carefully before investing or sending money.

Past performance is no guarantee of future results.

The Fund is subject to risks associated with investments in small- and mid-capitalization companies, such as erratic earnings patterns, competitive conditions, limited earnings history, and a reliance on one or a limited number of products.

The Fund invests in growth stocks, which may be more sensitive to market movements because their prices tend to reflect future investor expectations rather than just current profits. Growth stocks may underperform value stocks during given periods.

Active and frequent trading of a fund may result in higher transaction costs and increased tax liability.

Investments in international securities are subject to certain risks of overseas investing, including currency fluctuations and changes in political and economic conditions, which could result in significant market fluctuations. These risks are magnified in emerging markets.

The Russell 3000[®] Growth Index measures the performance of those Russell 3000[®] Index companies with higher price-to-book ratios and higher forecasted growth values.

The Russell 3000[®] Index is composed of the 3,000 largest U.S. companies as measured by market capitalization and represents about 98% of the U.S. stock market.

The Russell Indices are trademarks of the London Stock Exchange Group companies.

The S&P 500[®] Index is capitalization-weighted index of 500 stocks. The S&P 500 Index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The S&P 500[®] Index is proprietary data of Standard & Poor's, a division of McGraw-Hill Companies, Inc. All rights reserved.

Unlike the Fund, the indices are unmanaged, are not available for investment and do not incur expenses.

Any sectors, industries, or securities discussed should not be perceived as investment recommendations. Any securities discussed may no longer be held in the Fund's portfolio. It should not be assumed that any of the securities transactions discussed were or will prove to be profitable, or that the investment recommendations we make in the future will be profitable.

AMG Funds are distributed by AMG Distributors, Inc., member FINRA/SIPC.