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AMVESCAP PLC REPORTS RESULTS FOR SIX MONTHS ENDED 30 JUNE 2000

London, August 3, 2000 – AMVESCAP reported that profit before tax and goodwill amortisation for the six months ended 30 June 2000 amounted to £255.6 million compared to £145.8 million for the six months of 1999, an increase of 75%. Diluted earnings per share before goodwill amortisation amounted to 25.6p (1999: 14.8p), an increase of 73% for the period. Revenues increased to £754.3 million from £500.1 million in 1999.

	Results for six months ended			
	30 June 2000†	30 June 1999†	30 June 2000	30 June 1999
Revenues	\$1,139.0m	\$790.2m	£754.3m	£500.1m
Profit before tax and goodwill amortisation	\$386.0m	\$230.4m	£255.6m	£145.8m
Earnings per ordinary share before goodwill amortisation:				
--basic	\$2.02*	\$1.22*	26.7p	15.4p
--diluted	\$1.93*	\$1.17*	25.6p	14.8p
Dividends per share	\$0.30*	\$0.28*	4.0p	3.5p

* Per American Depositary Share, equivalent to 5 ordinary shares.

† For the convenience of the reader, pounds sterling for the period ended 30 June 2000 have been translated to US dollars using \$1.51 per £1.00 (1999: \$1.58 per £1.00).

"The results for the first half of 2000 continue to reflect the strength of our businesses throughout the world," said Mr. Charles W. Brady, Chairman and Chief Executive Officer. "Our Company has reached record levels of revenues, operating profit and earnings per share in the second quarter and first half of 2000. The Company also had record levels of net new business in the first half of the year."

"Although the global markets were very volatile throughout the second quarter our average funds under management continued to grow," noted Mr. Brady. "We expect that these market fluctuations will continue; however, we remain very positive about the future due to our excellent investment performance and client service—the fundamentals that drive our business."

Profit before tax and goodwill amortisation increased by 72% during the second quarter of 2000 to £130.9 million (1999: £76.2 million). Diluted earnings per share before goodwill amortisation amounted to 13.1p (1999: 7.7p) for the three months ended 30 June 2000, an increase of 70%

over the corresponding period of 1999. Revenues for the three months ended 30 June 2000 amounted to £384.7 million compared to £259.0 million.

Funds under management totalled \$389.0 billion (£257.6 billion) at 30 June 2000, an increase of \$31.6 billion or 9% from 31 December 1999. Average funds under management for the six months ended 30 June 2000 were \$375.1 billion, an increase of \$67.4 billion over the average funds in the second half of 1999 and \$93.0 billion over the first half of 1999. Average funds under management during the second quarter were \$379.6 billion compared to \$370.6 billion for the preceding quarter.

The Board has declared an interim dividend of 4.0p per share (1999: 3.5p), an increase of 14%. The interim dividend will be paid on 5 October 2000 to shareholders on the register on 8 September 2000. The ex-dividend date for the dividend will be 4 September 2000.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) reached £299.0 million (\$451.5 million) and £152.5 million (\$230.3 million) for the six months and second quarter ended 30 June 2000. Net debt at 30 June 2000 amounted to £418.4 million compared to £510.9 million at 31 December 1999.

The Company completed its acquisition of Trimark Financial Corporation on 1 August 2000. The results of Trimark will be included from August 2000. The consideration for this acquisition amounted to approximately £1.2 billion, including transaction costs and was satisfied by the payment of C\$738 million (£332 million) in cash and the issuance of 26.4 million ordinary shares or shares exchangeable for ordinary shares and C\$1.280 billion (£576 million) in Equity Subordinated Debentures.

"The combination of AIM and Trimark positions us among the top three investment management companies in the Canadian marketplace and fits well with our strategy of securing a leading position in each of the world's major investment markets," noted Mr. Brady.

The first half of 2000 was very successful for the Managed Products group, with both AIM and INVESCO reaching new record levels of revenues and operating profits. Revenues increased 58% to £470.5 million during the first six months of 2000. Operating profits were £226.0 million, an increase of 69% during the period, due primarily to increased revenues resulting from higher assets under management.

The Managed Products group generated net new business of \$20.5 billion during the first six months of 2000, reflecting the strength of the AIM and INVESCO brands and continued superior investment performance over a broad range of products. Total funds under management were \$229.3 billion at 30 June 2000.

The US Institutional group generated \$7.2 billion of gross sales in the first half of 2000 compared with \$6.7 billion in the same period of 1999 as a result of strong marketing and the continued acceptance of investment products in the marketplace. Revenues and operating profits totalled £95.7 million and £19.9 million in the 2000 period, and funds under management amounted to \$89.5 billion at 30 June 2000, a decrease of \$3.0 billion during the period. This group continues to invest in projects which will enhance back office operations and administration and update

technology platforms. These projects have resulted in increased costs and reduced operating profits during this period of implementation.

INVESCO Global's revenues amounted to £166.0 million for the first half of 2000 and operating profits were £53.2 million for the period. This group continues to benefit from the strong momentum across its businesses, reflecting the shift toward greater individual savings around the world. Investment performance and strong marketing results are also benefiting the businesses. Gross and net new business flows remained at record levels with net new business reaching \$7.7 billion in the first half of the year. Total funds under management have grown 10% to \$62.7 billion at 30 June 2000.

The Retirement and Benefit Services group experienced a 22% increase in assets under administration during the six month period, reaching \$28.8 billion at 30 June 2000. The US defined contribution group brought in over \$3.4 billion of net new business for various AMVESCAP units. This group services 368,000 plan participants at 30 June 2000, up from 336,000 participants at the end of 1999.

AMVESCAP is one of the world's largest independent investment managers, operating under the AIM and INVESCO brand names. AMVESCAP is a holding company offering a broad array of investment products and services to institutions and individuals across all distribution channels. The Company is listed on the London, New York, Paris and Toronto Stock Exchanges with the symbol "AVZ."

AMVESCAP PLC
Group Profit and Loss Account
(in thousands)

	Six Months Ended		Year 1999
	30 June 2000	30 June 1999	
Revenues	£754,253	£500,080	£1,072,350
Operating expenses	(485,962)	(336,103)	(719,637)
	268,291	163,977	352,713
Goodwill amortisation	(18,370)	(18,151)	(36,754)
Operating profit	249,921	145,826	315,959
Investment income	7,423	5,147	11,809
Interest payable	(20,150)	(23,283)	(44,726)
Profit before taxation	237,194	127,690	283,042
Taxation	(81,780)	(47,399)	(102,010)
Profit after taxation	155,414	80,291	181,032
Dividends	(28,014)	(22,425)	(58,244)
Retained profit for the period	<u>£127,400</u>	<u>£57,866</u>	<u>£122,788</u>
Earnings per ordinary share:			
---basic	23.9p	12.6p	28.3p
---diluted	22.9p	12.0p	27.1p
Earnings per ordinary share before goodwill amortisation:			
---basic	26.7p	15.4p	34.0p
---diluted	25.6p	14.8p	32.7p

AMVESCAP PLC
Group Profit and Loss Account
(in thousands)

	Three Months Ended	
	30 June 2000	30 June 1999
Revenues	£384,737	£259,028
Operating expenses	(248,321)	(173,838)
	136,416	85,190
Goodwill amortisation	(9,071)	(9,011)
Operating profit	127,345	76,179
Investment income	3,945	2,363
Interest payable	(9,448)	(11,370)
Profit before taxation	121,842	67,172
Taxation	(41,892)	(24,761)
Profit after taxation	79,950	42,411
Dividends	(28,014)	(22,425)
Retained profit for the period	£51,936	£19,986
Earnings per ordinary share:		
---basic	12.3p	6.6p
---diluted	11.7p	6.3p
Earnings per ordinary share before goodwill amortisation:		
---basic	13.7p	8.0p
---diluted	13.1p	7.7p

AMVESCAP PLC
Group Balance Sheet
(in thousands)

	30 June 2000	31 Dec 1999
Fixed Assets		
Goodwill	£646,071	£664,135
Investments	158,909	128,921
Tangible assets	115,538	108,021
	<u>920,518</u>	<u>901,077</u>
Current Assets		
Debtors	833,969	675,856
Investments	65,248	60,135
Cash at bank and in hand	160,847	189,732
	<u>1,060,064</u>	<u>925,723</u>
Creditors: amounts falling due within one year	(850,754)	(706,289)
Net current assets	<u>209,310</u>	<u>219,434</u>
Total assets less current liabilities	<u>1,129,828</u>	<u>1,120,511</u>
Creditors: amounts falling due after one year		
Long-term debt	(565,130)	(659,120)
Provisions for liabilities and charges	(23,708)	(24,730)
Net assets	<u>£540,990</u>	<u>£436,661</u>
Capital and reserves		
Called up share capital	£169,252	£168,617
Share premium account	484,296	478,860
Other reserves	(620,675)	(591,533)
Profit and loss account	508,117	380,717
Shareholders' funds, equity interests	<u>£540,990</u>	<u>£436,661</u>

AMVESCAP PLC
Group Cash Flow Statement
(in thousands)

	Six Months Ended	
	30 June 2000	30 June 1999
Operating profit	£249,921	£145,826
Amortisation and depreciation	41,668	48,579
Change in debtors, creditors, and other	(31,116)	(53,833)
Net cash inflow from operating activities	<u>260,473</u>	<u>140,572</u>
Interest paid, net of investment income	(14,246)	(16,225)
Taxation	(72,232)	(44,828)
Capital expenditures, net of sales	(25,365)	(21,424)
Net (purchases) / disposals of fixed asset investments	(19,180)	12,705
Dividends paid	(36,439)	-
Net repayment of debt	(126,764)	(59,209)
Foreign exchange on cash at bank and in hand	4,868	4,431
(Decrease) / increase in cash at bank and in hand	<u>£(28,885)</u>	<u>£16,022</u>

AMVESCAP PLC
Segmental Information
(in thousands)

	Six Months Ended 30 June 2000		
	Revenues	Expenses	Oper. Profit
Managed Products	£470,512	£(244,482)	£226,030
US Institutional	95,664	(75,811)	19,853
INVESCO Global	165,980	(112,737)	53,243
Retirement and Benefit Services	21,920	(20,899)	1,021
New Business	177	(6,240)	(6,063)
Corporate	--	(25,793)	(25,793)
	<u>754,253</u>	<u>(485,962)</u>	<u>268,291</u>
Goodwill amortisation	--	(18,370)	(18,370)
	<u>£754,253</u>	<u>£(504,332)</u>	<u>£249,921</u>

	Six Months Ended 30 June 1999		
	Revenues	Expenses	Oper. Profit
Managed Products	£297,915	£(164,435)	£133,480
US Institutional	84,009	(54,084)	29,925
INVESCO Global	104,298	(80,790)	23,508
Retirement and Benefit Services	13,858	(15,529)	(1,671)
New Business	--	(3,816)	(3,816)
Corporate	--	(17,449)	(17,449)
	<u>500,080</u>	<u>(336,103)</u>	<u>163,977</u>
Goodwill amortisation	--	(18,151)	(18,151)
	<u>£500,080</u>	<u>£(354,254)</u>	<u>£145,826</u>

Notes

1. The taxation charge for the six months ended 30 June 2000 is estimated based on the total expected tax charge for the year. A significant proportion of the charge is expected to arise from US operations.
2. The Directors consider that profit before goodwill amortisation is a more appropriate basis for the calculation of earnings per ordinary share since this represents a more consistent measure of operating performance.

	<u>2000</u>		
	Profit before Goodwill Amortisation £'000	Number of Shares '000	Per Share Amount
Basic earnings per share	173,784	650,089	26.7p
Issuance of options	--	29,545	
Diluted earnings per share	173,784	679,634	25.6p

	<u>1999</u>		
	Profit before Goodwill Amortisation £'000	Number of Shares '000	Per Share Amount
Basic earnings per share	98,442	637,954	15.4p
Issuance of options	--	29,214	
Diluted earnings per share	98,442	667,168	14.8p

Independent Review Report to AMVESCAP PLC

Introduction

We have been instructed by the company to review the financial information set out on pages four to nine and we have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority and applicable United Kingdom accounting standards. The Listing Rules require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued in the United Kingdom by the Auditing Practices Board and with our profession's ethical guidance. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2000.

Arthur Andersen
Chartered Accountants
1 Surrey Street
London

3 August 2000

AMVESCAP PLC
Funds Under Management

(in billions)

Managed Products

	<u>Total</u>	<u>AIM</u>	<u>INVESCO</u>	<u>US Inst</u>	<u>Global</u>	<u>RBS & New Bus.</u>
31 Dec 1999	\$357.4	\$165.3	\$34.4	\$92.5	\$57.2	\$8.0
Market gains	5.6	3.8	2.0	0.7	(0.7)	(0.2)
Net new (lost) business	24.1	12.1	8.4	(3.6)	7.7	(0.5)
Change in US Money						
Market Funds	4.0	2.2	1.1	--	0.7	--
Transfers	--	--	--	(0.1)	(0.1)	0.2
Foreign Currency	(2.1)	--	--	--	(2.1)	--
30 June 2000	<u>\$389.0</u>	<u>\$183.4</u>	<u>\$45.9</u>	<u>\$89.5</u>	<u>\$62.7</u>	<u>\$7.5</u>
30 June 2000†	<u>£257.6</u>	<u>£121.4</u>	<u>£30.4</u>	<u>£59.3</u>	<u>£41.5</u>	<u>£5.0</u>

† Translated @ \$1.51 per £1.00.

Reconciliation to US Accounting Principles

(in thousands)

	<u>Six Months Ended</u>	
	<u>30 June 2000</u>	<u>30 June 1999</u>
Net profit under UK GAAP	£155,414	£80,291
<i>US GAAP Adjustments:</i>		
Acquisition accounting	(31,634)	(39,139)
Taxation	(15,381)	(10,271)
Other	411	(1,011)
Net income under US GAAP	<u>£108,810</u>	<u>£29,870</u>
Earnings per ordinary share before goodwill amortisation:		
--basic	21.6p	9.5p
--diluted	20.7p	9.0p
Earnings per ordinary share:		
--basic	16.7p	4.7p
--diluted	16.0p	4.5p
	<u>30 June 2000</u>	<u>31 Dec 1999</u>
Shareholders' funds under UK GAAP	£540,990	£436,661
<i>US GAAP Adjustments:</i>		
Acquisition accounting	1,020,834	993,765
Treasury stock	(165,874)	(132,615)
Dividends	28,014	35,544
Other	5,548	3,957
Shareholders' equity under US GAAP	<u>£1,429,512</u>	<u>£1,337,312</u>