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**AMVESCAP PLC REPORTS RECORD RESULTS FOR YEAR ENDED DECEMBER 31, 2000**

**London, February 6, 2001** – AMVESCAP reported that profit before tax, exceptional item and goodwill amortization increased 73% to £554.5 million (\$826.2 million) from £319.8 million (\$518.1 million) in 1999. Diluted earnings per share before exceptional item and goodwill amortization increased 62% to 53.0p for the 2000 year (1999: 32.7p). Earnings before interest, taxes, depreciation and amortization (“EBITDA”) reached £659.7 million (\$983.0 million) for 2000, compared to £431.1 million (\$698.4 million) for the 1999 period. Revenues amounted to £1,628.7 million (\$2,426.8 million) compared to £1,072.4 million (\$1,737.3 million) in 1999 (**NYSE: AVZ**).

	Results for Year Ended			
	2000	1999	2000†	1999†
Revenues	£1,628.7m	£1,072.4m	\$2,426.8m	\$1,737.3m
Profit before tax, exceptional item and goodwill amortization	£554.5m	£319.8m	\$826.2m	\$518.1m
Earnings per ordinary share before goodwill amortization:				
--basic	50.9p	34.0p	\$1.52*	\$1.10*
--diluted	48.4p	32.7p	\$1.44*	\$1.06*
Earnings per ordinary share before exceptional item and goodwill amortization:				
--basic	55.7p	34.0p	\$1.66*	\$1.10*
--diluted	53.0p	32.7p	\$1.58*	\$1.06*
Dividends per share	10.0p	9.0p	\$0.30*	\$0.29*

\* Per American Depository Share equivalent to 2 ordinary shares.

† For the convenience of the reader, pounds sterling for the year ending December 31, 2000 have been translated to US dollars using \$1.49 per £1.00 (1999: \$1.62 per £1.00).

“2000 stands out as a year of significant accomplishments for AMVESCAP by every measure, not withstanding the sharp declines in global market levels in the fourth quarter,” said Executive Chairman Charles W. Brady. “We reached record financial results and gained greater scale in key markets, aided by increases in business volumes and a strong demand for our products and services. Through organic business-building and key acquisitions, AMVESCAP increased the strength of our franchise, expanded our range of products and services for clients, and further raised the visibility of our powerful primary brands, AIM and INVESCO. We remain guided by our mission of helping people worldwide build their financial security.”

Profit before tax, exceptional item and goodwill amortization for the fourth quarter of 2000 increased 58% to £139.5 million (\$207.9 million). Diluted earnings per share before exceptional item and goodwill amortization increased 35% to 12.4p (1999: 9.2p) for the quarter. Revenues amounted to £428.5 million (\$638.5 million) compared to £295.7 million (\$479.0 million) in 1999.

The Company completed the acquisition of Trimark Financial Corporation on August 1, 2000. Consideration for this purchase amounted to approximately £1.2 billion, including transaction costs, and was satisfied by the payment of £332 million in cash, the issuance of 26.4 million ordinary shares or shares exchangeable for ordinary shares and £574 million in Equity Subordinated Debentures (ESD's). The 2000 results include the Trimark business from August 1, 2000.

The Company also acquired Perpetual plc, a leading UK retail fund manager in December 2000. This acquisition was recorded as of December 31, 2000 and was valued at approximately £1.0 billion, including transaction costs, and was completed by the issuance of 60.1 million ordinary shares, payment of £171.4 million in cash and the issuance of £128.9 million in loan notes due in 2005. Perpetual results will be included beginning January 1, 2001.

These acquisitions are being integrated with our existing businesses at a combined cost of £43.8 million. These activities include combining office locations, consolidating back office and administrative activities and processes and bringing technology onto common platforms. Such costs have been reflected as an exceptional charge in the 2000 accounts.

Funds under management totaled \$402.6 billion (£270.2 billion) at December 31, 2000, an increase of \$45.2 billion over December 31, 1999. Net new business amounted to \$35.4 billion during the year of 2000 (including \$5.1 billion for the fourth quarter). The Trimark and Perpetual acquisitions added \$34.1 billion of funds under management at dates of acquisition. Average funds under management amounted to \$394.7 billion for the fourth quarter compared to \$406.2 billion for the previous quarter and \$323.6 for the fourth quarter of 1999.

The Board has recommended a final dividend of 6.0p resulting in a total dividend of 10.0p for 2000 (1999: 9.0p). This is an increase of 11% over the prior year and the eighth consecutive year that the dividend has been increased. This dividend, if approved by the shareholders at the Annual General Meeting in April, will be paid on May 3, 2001 to shareholders on the register on March 30, 2001. The ex-dividend date for the dividend will be March 28, 2001.

## **THE YEAR IN REVIEW**

"In a year of extremely volatile markets, we continued to distinguish ourselves as a leading independent asset manager with a clear focus on investment performance, distribution, a diversified product line, and world-class customer service," said Mr. Brady. "The Trimark and Perpetual acquisitions have given us leading positions in the retail sectors of two of the world's most important capital markets. We remain well positioned for the future."

### ***Managed Products***

The Managed Products group produced another year of record performance, with revenues up 65% to £1,064.5 million and operating profits of £513.0 million, a 78% increase over 1999. Net new business totaled \$33.4 billion for this group in 2000, up from \$11 billion in 1999. This group has achieved net new business flows for 17 consecutive quarters, reflecting the strength of the AIM and INVESCO brands coupled with excellent investment performance. The acquisition of Trimark created Canada's second largest mutual fund company with a broad range of products and distribution channels. Both AIM and INVESCO were again recognized with the industry's highest client service award.

### ***US Institutional***

This group has undergone a period of restructuring which, coupled with a difficult period for value investment managers, has resulted in a reduced level of operating profits and revenues. Changes in personnel during 2000 account for the £8.0 million exceptional item recorded in the year. This period of change is drawing to a close which should lead to improved operating results in 2001 and beyond. Marketing activity for this group as a whole continues to be very strong, with \$13.7 billion in new gross sales in the year. We continue to benefit from one of the industry's broadest range of products, including our recently developed global balanced product, and we are attracting non-US institutions to our structured US equity products. Our alternative asset products group successfully brought new private equity and secured loan products to the market during a challenging period.

### ***INVESCO Global***

The Perpetual acquisition was the final highlight to a year of significant achievement for INVESCO Global. This business leveraged its infrastructure, resulting in operating profits of £90.0 million (\$134.1 million) in 2000, an increase of 82% over 1999, and a record operating margin of 28% for the year. Funds under management stood at \$73.0 billion at December 31, 2000, compared to \$57.2 billion at the end of the prior year. This 28% increase was due to record gross sales of \$31.2 billion experienced across the business coupled with the strength in the markets. The business in Continental Europe doubled during 2000, and Asia saw net sales grow by over 60% from 1999 levels. INVESCO's presence in the UK markets and in the offshore product range also reached record levels due to strong investment performance and marketing successes. The acquisition of County Investment Management, which was completed on January 31, 2001, will expand our position in Australia, one of the world's fastest growing pension markets.

### ***INVESCO Retirement***

The year ended strong with increases in net sales of \$5 billion, a 52% increase, which brought assets under administration to \$27.6 billion for all distribution channels, a 17% increase over 1999. The number of plans under administration grew by 38% and the number of plan participants rose to 381,000. Internationally, we launched products in Hong Kong's state-sponsored pension system and entered the UK defined contribution market.

### **OUTLOOK**

"The strong performance in 2000 supports our optimism for the future and belief that AMVESCAP is well positioned for continued growth and financial success, though continued pressure on global equity markets may constrain our short-term growth rates," said Mr. Brady. "We recognize that, as always, we must be prepared to adjust expenses quickly to remain in line with revenues that fluctuate with market levels. Going forward, we remain focused on investment performance and customer service, the cornerstones of our business that ultimately build value for shareholders."

AMVESCAP is a leading independent global investment manager, dedicated to helping people worldwide build their financial security. Operating under the AIM and INVESCO brands, AMVESCAP strives to deliver outstanding investment performance and service through a comprehensive array of retail and institutional products for clients in over 140 countries. The Company is listed on the London, New York, Paris and Toronto Stock Exchanges with the symbol "AVZ."

Members of the investment community and general public are invited to listen to the conference call today, Tuesday, February 6, 2001 at 9:30 am Eastern Time, by dialing one of the following numbers: 888-201-4990 for US callers or 312-470-0009 for international callers. An audio replay of the conference call will be available until Friday, February 9, 2001 at 5:00 pm Eastern Time by calling 800-839-4175 for US callers or 402-998-1674 for international callers and providing code 6590575.

**AMVESCAP PLC**  
**Group Profit and Loss Account**  
(in thousands)

	Year Ended December 31,			1999
	2000			
	Ordinary Activities	Exceptional item	Total	
Revenues	£1,628,662	£ --	£1,628,662	£1,072,350
Operating expenses	(1,039,751)	(51,804)	(1,091,555)	(719,637)
	588,911	(51,804)	537,107	352,713
Goodwill amortization	(56,417)	--	(56,417)	(36,754)
Operating profit	532,494	(51,804)	480,690	315,959
Investment income	17,147	--	17,147	11,809
Interest payable	(51,604)	--	(51,604)	(44,726)
Profit before taxation	498,037	(51,804)	446,233	283,042
Taxation	(176,870)	19,167	(157,703)	(102,010)
Profit after taxation	321,167	(32,637)	288,530	181,032
Dividends	(75,827)	--	(75,827)	(58,244)
Retained profit	£245,340	£(32,637)	£212,703	£122,788
<b>Earnings per ordinary share before goodwill amortization:</b>				
---basic	55.7p	(4.8)p	50.9p	34.0p
---fully diluted	53.0p	(4.6)p	48.4p	32.7p
<b>Earnings per ordinary share:</b>				
---basic	47.4p	(4.8)p	42.6p	28.3p
---fully diluted	45.1p	(4.6)p	40.5p	27.1p

**AMVESCAP PLC**  
**Group Balance Sheet**  
(in thousands)

	Dec 31, 2000	Dec 31, 1999
Fixed assets		
Goodwill	£2,375,542	£664,135
Investments	152,521	128,921
Tangible assets	203,341	108,021
	2,731,404	901,077
Currents assets		
Debtors	686,101	550,343
Investments	114,671	60,135
Cash at bank and in hand	342,073	189,732
	1,142,845	800,210
Creditors: amounts falling due within one year	(764,068)	(576,447)
Net current assets, excluding banking and insurance activities	378,777	223,763
Banking and insurance activities		
Cash	90,562	--
Investment held for sale	9,640	--
Customer and counterparty debtors	227,185	125,513
Policyholder debtors	94,122	--
Customer and counterparty creditors	(315,935)	(129,842)
Policyholder creditors	(94,122)	--
	11,452	(4,329)
Total assets less current liabilities	3,121,633	1,120,511
Long-term debt	(960,023)	(659,120)
Provisions for liabilities and charges	(58,530)	(24,730)
Net assets	2,103,080	436,661
Capital and reserves		
Exchangeable shares	477,153	--
Called up share capital	192,759	168,617
Share premium account	1,488,933	478,860
Profit and loss account	593,420	380,717
	2,752,265	1,028,194
Other reserves	(649,185)	(591,533)
Shareholders' funds, equity interests	£2,103,080	£436,661

**AMVESCAP PLC**  
**Group Cash Flow Statement**  
(in thousands)

	Year Ended	
	Dec 31, 2000	Dec 31, 1999
Operating profit	£480,690	£315,959
Amortization and depreciation	110,024	103,295
Change in debtors, creditors and other	85,115	(53,207)
Net cash inflow from operating activities	<u>675,829</u>	<u>366,047</u>
Interest paid, net of investment income	(26,114)	(31,025)
Taxation	(115,758)	(56,457)
Capital expenditures, net of sales	(62,115)	(56,721)
Net (disposals) / purchases of fixed asset investments	(17,708)	6,425
Acquisitions	(182,595)	-
Dividends paid	(63,562)	(54,391)
Net (repayment) / incurrence of debt	75,806	(106,744)
Foreign exchange on cash at bank and in hand	11,844	2,947
Increase in cash at bank and in hand	<u>£295,627</u>	<u>£70,081</u>

**AMVESCAP PLC**  
**Segmental Information**  
(in thousands)

	Year Ended Dec 31, 2000		
	Revenues	Expenses	Profit
Managed Products	£1,064,530	£(551,562)	£512,968
US Institutional	193,311	(147,929)	45,382
INVESCO Global	321,923	(231,917)	90,006
INVESCO Retirement	48,898	(44,941)	3,957
New Business Expense	--	(15,422)	(15,422)
Corporate	--	(47,980)	(47,980)
	1,628,662	(1,039,751)	588,911
Goodwill amortization	--	(56,417)	(56,417)
	£1,628,662	£(1,096,168)	£532,494

	Year Ended Dec 31, 1999		
	Revenues	Expenses	Profit
Managed Products	£644,814	£(356,912)	£287,902
US Institutional	172,657	(112,333)	60,324
INVESCO Global	223,913	(174,340)	49,573
INVESCO Retirement	30,966	(33,906)	(2,940)
New Business Expense	--	(11,840)	(11,840)
Corporate	--	(30,306)	(30,306)
	1,072,350	(719,637)	352,713
Goodwill amortization	--	(36,754)	(36,754)
	£1,072,350	£(756,391)	£315,959

## Notes

### 1. Acquisitions

The Company completed its acquisition of Trimark Financial Corporation on August 1, 2000. The combination has been accounted for as an acquisition, and the results of Trimark have been included from August 1, 2000. The consideration for this acquisition amounted to £1.2 billion, including transaction costs, and was satisfied by the payment of £332 million in cash and the issuance of 26.4 million ordinary shares or shares exchangeable for ordinary shares, and £574 million in Equity Subordinated Debentures ("ESDs"). An amount of £20.3 million (£11.4 million after tax) has been charged to the Group profit and loss account as an exceptional item in respect of costs incurred in reorganizing, restructuring and integrating the acquisition. Costs include staff retention payments and expenses associated with combining systems and other business processes.

The Company also acquired Perpetual plc. This acquisition was recorded as of December 31, 2000 and was valued at £1.0 billion, including transaction costs, and was satisfied by the issuance of 60.1 million ordinary shares each in the Company, £128.9 million in Loan Notes, and £171.4 million in cash. The combination has been accounted for as an acquisition. The results of Perpetual will be included from January 1, 2001.

An amount of £23.5 million has been charged to the Group profit and loss account as an exceptional item in respect of costs incurred in reorganizing, restructuring and integrating the acquisition. Costs include staff retention payments and expenses associated with combining systems and other business processes.

2. The taxation charge is primarily made up from overseas taxation. After adjusting for the amortization of goodwill and the exceptional item, the effective tax rate for 2000 and 1999 was 31.9%.
3. The Directors consider that profit before goodwill amortization and exceptional item is a more appropriate basis for the calculation of earnings per ordinary share since this represents a more consistent measure of operating performance.

	2000		
	Profit before Goodwill Amortization & Exceptional Item £'000	Average Number of Shares '000	Per Share Amount
Basic earnings per share	377,584	678,006	55.7p
Issuance of options	--	33,763	
Conversion of equity subordinated debentures	4,093	8,997	
Diluted earnings per share	381,677	720,766	53.0p

	1999		
	Profit before Goodwill Amortization £'000	Average Number of Shares '000	Per Share Amount
Basic earnings per share	217,786	639,636	34.0p
Issuance of options	--	27,271	
Diluted earnings per share	<u>217,786</u>	<u>666,907</u>	<u>32.7p</u>

Number of shares outstanding at December 31, 2000 (in thousands):

Ordinary shares	771,038
Exchangeable shares	43,559
Less: ESOT shares	(17,712)
Shares outstanding	<u>796,885</u>
Shares reserved for:	
Options	79,374
ESD's	6,181
Total shares	<u>882,440</u>

4. Dividends for 2000 and 1999 were as follows:

	2000 £'000	1999 £'000
Interim paid: 4.0p per share (1999: 3.5p)	28,014	22,700
Final proposed: 6.0p per share (1999: 5.5p)	47,813	35,544
	<u>75,827</u>	<u>58,244</u>

Subject to shareholders' approval at the Annual General Meeting in April 2001, the final dividend in respect of 2000 will be paid on May 3, 2001 to shareholders on the register at the close of business on March 30, 2001. The ex-dividend date for the final dividend will be March 28, 2001.

5. The financial information set out above does not constitute the Company's statutory accounts for the years ended December 31, 2000 or 1999. Statutory accounts for 1999 have been reported on by the Company's Auditors and delivered to the Registrar of Companies. The report of the Auditors was unqualified and did not contain a statement under Section 237 (2) or (3) of the Companies Act 1985.

**AMVESCAP PLC**  
**Funds Under Management**  
(in billions)

	<u>Total</u>	<u>Managed Products</u>		<u>US Inst</u>	<u>Global</u>
		<u>AIM</u>	<u>INVESCO</u>		
Dec 31, 1999	\$357.4	\$165.3	\$34.4	\$100.5	\$57.2
Market gains/(loss)	(32.8)	(19.5)	(5.5)	0.6	(8.4)
Acquisitions:					
-Trimark	16.7	16.7	--	--	--
-Perpetual	17.4	--	--	--	17.4
Net new (lost) business	35.4	20.4	13.0	(8.0)	10.0
Change in US Money					
Market Funds	12.9	10.9	1.3	--	0.7
Transfers	--	--	--	0.1	(0.1)
Foreign currency	(4.4)	(0.6)	--	--	(3.8)
Dec 31, 2000	<u>\$402.6</u>	<u>\$193.2</u>	<u>\$43.2</u>	<u>\$93.2</u>	<u>\$73.0</u>
Dec 31, 2000 †	<u>£270.2</u>	<u>£129.7</u>	<u>£29.0</u>	<u>£62.5</u>	<u>£49.0</u>

† Translated at \$1.49 per £1.00.

Note: INVESCO Retirement has \$27.6 billion in assets under administration as of December 31, 2000, compared to \$23.6 billion as of December 31, 1999.

**AMVESCAP PLC**  
**Reconciliation to US Accounting Principles**  
(in thousands)

	Year Ended Dec 31,	
	2000	1999
Net profit under UK GAAP	£288,530	£181,032
<i>US GAAP Adjustments:</i>		
Acquisition accounting differences	(65,451)	(76,380)
Taxation	(45,127)	(14,578)
Other	2,758	(2,040)
Net income under US GAAP	<u>£180,710</u>	<u>£88,034</u>
Earnings per ordinary share:		
---basic	27p	14p
---diluted	<u>26p</u>	<u>13p</u>
Earnings per share before exceptional item and goodwill amortization:		
--basic	52p	29p
--diluted	<u>50p</u>	<u>28p</u>
	<u>Dec 31, 2000</u>	<u>Dec 31, 1999</u>
Shareholders' funds under UK GAAP	£2,103,080	£436,661
<i>US GAAP Adjustments:</i>		
Acquisition accounting differences	1,020,052	993,765
Deferred taxation	10,665	584
Treasury stock	(168,292)	(132,615)
Dividends	47,813	35,544
Other	5,303	3,373
Shareholders' equity under US GAAP	<u>£3,018,621</u>	<u>£1,337,312</u>