



PRESS RELEASE

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AMVESCAP PLC REPORTS RESULTS FOR THREE MONTHS ENDED SEPTEMBER 30, 2001

London, October 25, 2001 – AMVESCAP reported that profit before tax, goodwill amortization and exceptional items for the three months ended September 30, 2001 amounted to £110.1 million (\$161.8 million) compared to £159.4 million (\$235.9 million) for third quarter of 2000, a decrease of 31%. Diluted earnings per share before goodwill amortization and exceptional items amounted to 9.1p for the 2001 period (2000: 15.0p), a decrease of 39%. Revenues decreased to £387.6 million (\$569.8 million) from £446.0 million (\$660.1 million) in 2000.

	Results for three months ended			
	Sept 30, 2001†	Sept 30, 2000†	Sept 30, 2001	Sept 30, 2000
Revenues	\$569.8m	\$660.1m	£387.6m	£446.0m
Profit before tax, goodwill amortization and exceptional items	\$161.8m	\$235.9m	£110.1m	£159.4m
Earnings per share before goodwill amortization and exceptional items:				
--basic	\$.27*	\$.47*	9.3p	16.0p
--diluted	\$.27*	\$.44*	9.1p	15.0p
Earnings per share:				
--basic	\$.09*	\$.33*	3.0p	11.2p
--diluted	\$.09*	\$.32*	2.9p	10.7p

* Per American Depositary Share, equivalent to 2 ordinary shares.

† For the convenience of the reader, pounds sterling for the period ended September 30, 2001 have been translated to US dollars using \$1.47 per £1.00 (2000: \$1.48 per £1.00).

"The past quarter has presented significant challenges to the global economy, our industry and to our company," said Mr. Charles W. Brady, Executive Chairman. "Our results in the third quarter, while disappointing, reflect the impact of the tragic events of September 11th and the extremely volatile market conditions existing throughout the period."

"While the events of September 11th have taken an enormous toll, the recent actions by the Federal Reserve and European central banks should provide a basis for an economic recovery in 2002," noted Mr. Brady. "We are encouraged by the recent improvements in the global market levels. Our funds under management as of October 19, 2001 reached approximately \$385 billion and October retail net sales have been positive. We remain committed to delivering excellent client service and strong investment performance to produce value to our shareholders and we are optimistic about the long-term outlook for our business."

Profit before tax, goodwill amortization and exceptional items decreased by £34.2 million (8%) during the nine month period of 2001 to £380.8 million (\$559.8 million) from £415.0 million in 2000. Diluted earnings per share before goodwill amortization and exceptional items amounted to 31.3p (2000: 40.7p) for the nine months ended September 30, 2001, a decrease of 23%. Revenues for the nine months ended September 30, 2001 amounted to £1,241.1 million (\$1,824.4 million) compared to £1,200.2 million (\$1,776.3 million) for the corresponding period of 2000.

The Company completed three acquisitions in the quarter ended September 30, 2001. Pell Rudman Corporation, the foundation for our private wealth management business, was completed on August 2, 2001. The Company also purchased Grand Pacific, a leading Taiwan SITE and Parkes & Company, a UK real estate advisor. Results of these purchases are included from September 1, 2001.

Exceptional charges of £24.4 million were provided in the quarter ending September 30, 2001. Integration costs of acquired companies amounted to £17.7 million with the remainder relating to expenses incurred in the design and planning for a new operating facility which has been postponed indefinitely.

Earnings before interest, taxes, amortization and depreciation and exceptional items reached £140.9 million (\$207.1 million) and £475.8 million (\$699.4 million) for the third quarter and nine months ended September 30, 2001.

Funds under management totaled \$361.3 billion (£245.8 billion) at September 30, 2001, a decrease of \$47.1 billion or 12% for the third quarter of 2001. Funds under management of acquired companies at date of purchase totaled \$10.2 billion in the quarter. Average funds under management during the third quarter were \$389.1 billion compared to \$404.4 billion for the preceding quarter. Net new (lost) business amounted to \$(2.6) billion and \$(0.5) billion for the third quarter and nine months ended September 30, 2001.

Net debt at September 30, 2001 amounted to £753.0 million (\$1.1 billion) (excluding client cash) compared to £712.1 million at June 30, 2001 and £691.6 million at December 31, 2000. The Company paid cash of approximately £210.0 million for acquisitions during the third quarter of 2001. Net debt has declined by £255.0 million during 2001 excluding the cash paid for acquisitions.

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 100 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, Thursday, October 25, 2001 at 9:30 a.m. Eastern Time (2:30 p.m. London time), by dialing one of the following numbers: 1-888-201-4990 for US callers or 712-257-3060 for international callers. An audio replay of the conference call will be available until Thursday, November 1, 2001 at 5:00 pm Eastern Time by calling 1-800-839-8790 for US callers or 402-998-1137 for international callers.

AMVESCAP PLC
Group Profit and Loss Account
(in thousands)

	Nine Months Ended Sept 30,			2000
	2001			
	Ordinary activities	Exceptional items	Total	
Revenues	£1,241,102	£ --	£1,241,102	£1,200,211
Operating expenses	(824,438)	(49,685)	(874,123)	(789,036)
	416,664	(49,685)	366,979	411,175
Goodwill amortization	(100,604)	--	(100,604)	(35,391)
Operating profit	316,060	(49,685)	266,375	375,784
Investment income	6,723	--	6,723	13,372
Interest payable	(42,606)	--	(42,606)	(36,391)
Profit before taxation	280,177	(49,685)	230,492	352,765
Taxation	(121,102)	17,309	(103,793)	(120,991)
Profit after taxation	159,075	(32,376)	126,699	231,774
Dividends	(34,746)	--	(34,746)	(28,014)
Retained profit for the period	£124,329	£(32,376)	£91,953	£203,760
Earnings per share before goodwill amortization:				
---basic	32.3p	(4.0)p	28.3p	42.8p*
---diluted	31.3p	(3.9)p	27.4p	40.7p*
Earnings per share:				
---basic	19.8p	(4.0)p	15.8p	35.1p
---diluted	19.2p	(3.9)p	15.3p	33.5p
Average shares outstanding:				
---basic	804,341		804,341	659,944
---diluted	830,650		830,650	701,972

*Before goodwill amortization and exceptional items.

AMVESCAP PLC
Group Profit and Loss Account
(in thousands)

	Three Months Ended Sept 30,			2000
	2001			
	Ordinary activities	Exceptional items	Total	
Revenues	£387,550	£ --	£387,550	£445,958
Operating expenses	(264,466)	(24,433)	(288,899)	(303,074)
	123,084	(24,433)	98,651	142,884
Goodwill amortization	(35,566)	--	(35,566)	(17,021)
Operating profit	87,518	(24,433)	63,085	125,863
Investment income	858	--	858	5,949
Interest payable	(13,814)	--	(13,814)	(16,241)
Profit before taxation	74,562	(24,433)	50,129	115,571
Taxation	(35,059)	8,891	(26,168)	(39,211)
Profit after taxation	£39,503	£(15,542)	£23,961	£76,360
Earnings per share before goodwill amortization:				
---basic	9.3p	(1.9)p	7.4p	16.0p*
---diluted	9.1p	(1.9)p	7.2p	15.0p*
Earnings per share:				
---basic	4.9p	(1.9)p	3.0p	11.2p
---diluted	4.8p	(1.9)p	2.9p	10.7p
Average shares outstanding:				
---basic	808,794		808,794	679,439
---diluted	829,339		829,339	743,126

*Before goodwill amortization and exceptional items.

AMVESCAP PLC
Group Balance Sheet
(in thousands)

	Sept 30, 2001	Dec 31, 2000
	<u> </u>	<u> </u>
Fixed assets		
Goodwill	£2,733,309	£2,375,542
Investments	177,470	152,521
Tangible assets	<u>214,522</u>	<u>203,341</u>
	3,125,301	2,731,404
Current assets		
Debtors	644,904	686,101
Investments	104,089	124,311
Cash at bank and in hand	<u>220,179</u>	<u>342,073</u>
	969,172	1,152,485
Creditors: amounts falling due within one year	<u>(739,293)</u>	<u>(764,068)</u>
Net current assets, excluding banking and insurance activities	<u>229,879</u>	<u>388,417</u>
Banking and insurance activities, net	<u>16,101</u>	<u>1,812</u>
Total assets less current liabilities	3,371,281	3,121,633
Long-term debt	(918,332)	(960,023)
Provisions for liabilities and charges	<u>(176,550)</u>	<u>(58,530)</u>
Net assets	<u>£2,276,399</u>	<u>£2,103,080</u>
Capital and reserves		
Called up share capital	£195,706	£192,759
Exchangeable shares	444,172	477,153
Share premium account	1,608,801	1,488,933
Profit and loss account	<u>685,373</u>	<u>593,420</u>
	2,934,052	2,752,265
Other reserves	<u>(657,653)</u>	<u>(649,185)</u>
Shareholders' funds	<u>£2,276,399</u>	<u>£2,103,080</u>

AMVESCAP PLC
Group Cash Flow Statement
(in thousands)

	Nine Months Ended	
	Sept 30, 2001	Sept 30, 2000
Operating profit	£266,375	£375,784
Amortization and depreciation	152,976	72,654
Change in debtors, creditors, and other	79,353	8,844
Net cash inflow from operating activities	<u>498,704</u>	<u>457,282</u>
Banking and insurance activities	(9,121)	3,053
Interest paid, net of investment income	(24,197)	(14,833)
Taxation	(109,241)	(99,097)
Capital expenditures, net of sales	(56,254)	(38,121)
Net purchases of fixed asset investments	(23,714)	(26,169)
Acquisitions	(316,349)	(153,422)
Dividends paid	(48,015)	(36,439)
Net repayment of debt	(25,238)	(82,096)
Foreign exchange in cash at bank and in hand	(8,469)	26,590
(Decrease)/increase in cash at bank and in hand	<u>£(121,894)</u>	<u>£36,748</u>

AMVESCAP PLC
Segmental Information
(in thousands)

	Nine Months Ended Sept 30, 2001		
	Revenues	Expenses	Oper. profit
Managed Products	£760,252	£(420,729)	£339,523
INVESCO Institutional	157,715	(117,800)	39,915
INVESCO Global	273,670	(207,821)	65,849
INVESCO Retirement	43,186	(37,867)	5,319
Private Wealth Management	4,618	(4,338)	280
New Business	1,661	(9,155)	(7,494)
Corporate	--	(26,728)	(26,728)
	<u>1,241,102</u>	<u>(824,438)</u>	<u>416,664</u>
Goodwill amortization	--	(100,604)	(100,604)
	<u>£1,241,102</u>	<u>£(925,042)</u>	<u>£316,060</u>

	Nine Months Ended Sept 30, 2000		
	Revenues	Expenses	Oper. profit
Managed Products	£772,518	£(390,458)	£382,060
INVESCO Institutional	159,065	(117,459)	41,606
INVESCO Global	233,201	(167,020)	66,181
INVESCO Retirement	35,090	(32,219)	2,871
New Business	337	(15,908)	(15,571)
Corporate	--	(39,142)	(39,142)
	<u>1,200,211</u>	<u>(762,206)</u>	<u>438,005</u>
Goodwill amortization	--	(35,391)	(35,391)
	<u>£1,200,211</u>	<u>£(797,597)</u>	<u>£402,614</u>

Notes

- The taxation charge for the nine months ended September 30, 2001 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.
- The Directors consider that profit before goodwill amortization and exceptional items is a more appropriate basis for the calculation of earnings per share since this represents a more consistent measure of operating performance.

	<u>2001</u>		
	Profit before goodwill amortization and exceptional items £'000	Number of shares '000	Per share amount
Basic earnings per share	259,679	804,341	32.3p
Issuance of options	--	26,309	
Diluted earnings per share	<u>259,679</u>	<u>830,650</u>	<u>31.3p</u>

	<u>2000</u>		
	Profit before goodwill amortization and exceptional items £'000	Number of shares '000	Per share amount
Basic earnings per share	282,190	659,944	42.8p
Conversion of ESDs	3,197	9,358	
Issuance of options	--	32,670	
Diluted earnings per share	<u>285,387</u>	<u>701,972</u>	<u>40.7p</u>

- An exceptional item of £49.7 million was recognized for the nine months ended September 30, 2001, including £24.4 million of exceptional charges during the third quarter.

in thousands

	<u>September 30,</u>		
	<u>2001</u>		<u>2000</u>
	<u>3 months</u>	<u>9 months</u>	<u>9 months</u>
Acquisition – related costs			
Trimark	£ --	£ --	£20,333
NAM	--	21,045	--
Pell Rudman	13,645	13,645	--
Others	4,094	8,301	--
INVESCO Institutional Restructure	--	--	6,497
Building termination costs	6,694	6,694	--
	<u>£24,433</u>	<u>£49,685</u>	<u>£26,830</u>

AMVESCAP PLC
Funds Under Management
(in billions)

	<u>Total</u>	<u>Managed Products</u>		<u>INVESCO</u>		
		<u>AIM</u>	<u>INVESCO</u>	<u>Inst</u>	<u>Global</u>	<u>PWM</u>
Dec 31, 2000	\$402.6	\$193.2	\$43.2	\$99.6	\$66.6	\$ --
Market gains/(loss)	(77.8)	(37.5)	(15.9)	(8.4)	(15.4)	(0.6)
Acquisitions	32.4	--	--	17.7	6.7	8.0
Net new (lost) business	(0.5)	0.4	0.7	--	(1.5)	(0.1)
Change in US Money Market Funds	5.6	5.5	(0.4)	--	0.5	--
Transfers	--	0.3	--	--	(0.3)	--
Foreign currency	(1.0)	(0.7)	--	--	(0.3)	--
September 30, 2001	<u>\$361.3</u>	<u>\$161.2</u>	<u>\$27.6</u>	<u>\$108.9</u>	<u>\$56.3</u>	<u>\$7.3</u>
September 30, 2001 †	<u>£245.8</u>	<u>£109.7</u>	<u>£18.8</u>	<u>£74.1</u>	<u>£38.3</u>	<u>£4.9</u>

† Translated at \$1.47 per £1.00.

Note: INVESCO Retirement has \$31.6 billion in assets under administration as of September 30, 2001, compared to \$27.6 billion as of December 31, 2000.

AMVESCAP PLC
Reconciliation to US Accounting Principles
(in thousands)

	<u>Nine Months Ended Sept 30,</u>	
	<u>2001</u>	<u>2000</u>
Net profit under UK GAAP	£126,699	£231,774
<i>US GAAP Adjustments:</i>		
Acquisition accounting	(20,897)	(48,475)
Taxation	(32,700)	(12,170)
Other	2,163	508
Net income under US GAAP	<u>£75,265</u>	<u>£171,637</u>
Earnings per share before goodwill amortization:		
--basic	28.1p	38.7p
--diluted	27.2p	36.9p
Earnings per share:		
--basic	9.4p	26.0p
--diluted	9.1p	24.9p
	<u>Sept 30, 2001</u>	<u>Dec 31, 2000</u>
Shareholders' funds under UK GAAP	£2,276,399	£2,103,080
<i>US GAAP Adjustments:</i>		
Acquisition accounting	998,787	1,020,052
Treasury stock	(196,121)	(168,292)
Dividends	--	47,813
Other	5,241	15,968
Shareholders' equity under US GAAP	<u>£3,084,306</u>	<u>£3,018,621</u>