

For Immediate Release

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**AMVESCAP PLC REPORTS RESULTS
 FOR YEAR ENDED DECEMBER 31, 2001**

London, February 5, 2002 – AMVESCAP reported that profit before tax, goodwill amortization and exceptional items decreased 13.8% to £477.9 million (\$693.0 million) from £554.5 million (\$826.2 million) in 2000. Diluted earnings per share before goodwill amortization and exceptional items decreased to 40.0p for the 2001 year (2000: 54.7p). Earnings before interest, taxes, depreciation and amortization (“EBITDA”) reached £603.4 million (\$874.9 million) for 2001, compared to £659.7 million (\$983.0 million) for the 2000 period. Revenues amounted to £1,619.8 million (\$2,348.7 million) compared to £1,628.7 million (\$2,426.8 million) in 2000 (NYSE: AVZ).

	Results for Year Ended			
	2001	2000	2001‡	2000‡
Revenues	£1,619.8m	£1,628.7m	\$2,348.7m	\$2,426.8m
Profit before tax, goodwill amortization and exceptional items	£477.9m	£554.5m	\$693.0m	\$826.2m
Earnings per share before goodwill amortization:				
--basic	36.3p	52.7p*	\$1.05†	\$1.57*†
--diluted	35.2p	50.1p*	\$1.02†	\$1.49*†
Earnings per share before goodwill amortization and exceptional items:				
--basic	41.2p	57.5p*	\$1.19†	\$1.71*†
--diluted	40.0p	54.7p*	\$1.16†	\$1.63*†
Dividends per share	11.0p	10.0p	\$0.32†	\$0.30 †

* Restated for adoption of FRS 19, “Deferred Tax”.

† Per American Depository Share equivalent to 2 ordinary shares.

‡ For the convenience of the reader, pounds sterling for the year ended December 31, 2001 have been translated to US dollars using \$1.45 per £1.00 (2000: \$1.49 per £1.00).

"The market corrections of 2001 compounded by the tragic events of September 11 tested the strength of the global economy and AMVESCAP," said Mr. Charles W. Brady, Executive Chairman. "While our financial performance was impacted by these conditions, our diversified product lines and global reach helped to mitigate the impact of the sharply declining market levels and supported the soundness of these elements of our strategy. We enter 2002 in a solid position."

The UK Accounting Standards Board issued FRS 19, "Deferred Tax", which requires companies to change the method of computing deferred taxes. The Company has adopted this new statement in 2001, including a restatement of prior years' profit and loss accounts. The effect of FRS 19 has been to reduce the income tax provision and increase net income for 2001 by £4.5 million (0.5p per diluted share) and to reduce the tax provision and increase net income previously reported for 2000 by £12.2 million (1.7p per diluted share).

The Company completed five acquisitions during 2001. These combinations have been accounted for as acquisitions and results have been included from the respective dates of purchase.

Exceptional charges of £60.0 million were provided in 2001. Integration costs relating to acquisitions accounted for £43.3 million of the charge with the remainder relating to expenses incurred in the design and planning for an operating facility which was postponed indefinitely and for internal restructurings and severance charges.

Funds under management totaled \$397.9 billion (£274.4 billion) at December 31, 2001, a decrease of \$4.7 billion from December 31, 2000. Net new business amounted to \$1.8 billion during the year of 2001. The 2001 acquisitions added \$32.4 billion of funds under management at dates of acquisition. Average funds under management amounted to \$384.9 billion for the fourth quarter compared to \$389.1 billion for the previous quarter and \$394.7 billion for the fourth quarter of 2000. Average funds under management amounted to \$395.0 billion for 2001 compared to \$388.5 billion for the prior year.

Net debt at December 31, 2001 amounted to £837.0 million (excluding client cash) compared to £691.6 million at December 31, 2000. The Company paid cash of approximately £311.4 million for acquisitions during the current year. Net debt declined by £166.0 million during 2001 excluding the cash paid for acquisitions.

The Board has recommended a final dividend of 6.5p resulting in a total dividend of 11.0p for 2001 (2000: 10.0p). This is an increase of 10% over the prior year and the ninth 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 2, 2002 to shareholders on the register on April 5, 2002. The ex-dividend date for the dividend will be April 3, 2002.

THE YEAR IN REVIEW

"We achieved gross sales of approximately \$98 billion and positive net sales because of the diversification of our product range, even with the shift away from growth products into fixed income and more conservative equity products," said Mr. Brady. "We entered the private wealth management business during the year with the acquisition of Pell Rudman, providing an excellent base to move forward in this marketplace. The INVESCO Retirement group attained record growth, adding approximately 250,000 plan

participants during the year. While our overall revenues and profits declined from the record levels of 2000, our financial position remains strong."

Managed Products

The Managed Products group reported revenues of £986.2 million during 2001, a decrease of £78.3 million over the prior year. Operating profits were £436.5 million, a decrease of £76.5 million during the period. The group generated approximately \$50.0 billion of gross sales in 2001 and experienced net redemptions of \$308 million during the year. Funds under management amounted to \$211.2 billion at December 31, 2001.

INVESCO Institutional

The INVESCO Institutional group reported revenues and operating profits of £211.9 million and £53.6 million in the 2001 period. The results for 2001 include National Asset Management and Parkes & Co. from the dates of acquisition. This group generated approximately \$26.6 billion in gross sales during 2001 compared to \$20.2 billion in 2000, and net sales of \$2.6 billion. Funds under management amounted to \$116.8 billion at December 31, 2001.

INVESCO Global

INVESCO Global's revenues amounted to £340.3 million for 2001, an increase of £36.4 million over the prior year due to the inclusion of the Perpetual results in 2001, offset in part by declines in the global capital markets. Operating profit totaled £76.4 million for the year-ended December 31, 2001. The current year's results include County and Grand Pacific from dates of acquisition. Funds under management were \$60.0 billion at December 31, 2001, a decline of \$6.6 billion from the end of 2000. Gross sales for 2001 totaled approximately \$20.7 billion with net redemptions of \$541 million for the year due largely to a contract loss of a \$1 billion institutional client.

INVESCO Retirement

INVESCO Retirement's assets under administration and net sales scored record growth during 2001. The group experienced a 25% increase in assets under administration during the 2001 year, reaching \$34.6 billion at December 31, 2001. This group services 630,000 plan participants at December 31, 2001, up from 381,000 participants at the end of 2000. Approximately 65% of INVESCO Retirement's assets under administration were invested in AMVESCAP funds in 2001, compared to 82% in 2000.

Private Wealth Management

The Private Wealth Management (PWM) division was launched with the Pell Rudman acquisition, which was completed in August 2001. PWM provides asset management services to high net worth individuals, families, foundations and endowments. Revenues and operating profits totaled £21.2 million and £1.2 million for 2001. Funds under management were \$9.9 billion at December 31, 2001.

OUTLOOK

"Although concerns continue over near term prospects for corporate earnings and the uncertain economic and political climates around the world, the long-term outlook for our industry remains bright. Demographic shifts and government reforms worldwide continue to point to a dramatic increase in retirement savings, the driving force of our business," noted Mr. Brady. "We remain focused on the essential aspects of our business: investment performance, managing expenses, and customer service."

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, Tuesday, February 5, 2002 at 9:30a.m. Eastern Time, by dialing one of the following numbers: 888-201-4990 for US callers or 712-257-2476 for international callers. An audio replay of the conference call will be available until Tuesday, February 12, 2002 at 5:00p.m. Eastern Time by calling 800-873-1631 for US callers or 402-280-9915 for international callers.

AMVESCAP PLC
Group Profit and Loss Account
(in thousands)

	Year Ended December 31,			2000
	2001			
	Ordinary activities	Exceptional items	Total	
Revenues	£1,619,847	£ --	£1,619,847	£1,628,662
Operating expenses	(1,096,487)	(59,997)	(1,156,484)	(1,091,555)
	523,360	(59,997)	463,363	537,107
Goodwill amortization	(137,477)	--	(137,477)	(56,417)
Operating profit	385,883	(59,997)	325,886	480,690
Investment income	10,433	--	10,433	17,147
Interest expense	(55,881)	--	(55,881)	(51,604)
Profit before taxation	340,435	(59,997)	280,438	446,233
Taxation	(146,242)	20,607	(125,635)	(145,505)
Profit after taxation	194,193	(39,390)	154,803	300,728
Dividends	(89,260)	--	(89,260)	(75,827)
Retained profit	£104,933	£(39,390)	£65,543	£224,901
Earnings per share before goodwill amortization:				
---basic	41.2p	(4.9)p	36.3p	57.5p*
---diluted	40.0p	(4.8)p	35.2p	54.7p*
Earnings per share:				
---basic	24.1p	(4.9)p	19.2p	44.4p
---diluted	23.4p	(4.8)p	18.6p	42.3p
Average shares outstanding:				
---basic	805,061		805,061	678,006
---diluted	829,983		829,983	720,766

*Before goodwill amortization and exceptional items.

Note: Profit and loss account for 2000 has been restated for adoption of FRS 19, "Deferred Tax".

AMVESCAP PLC
Group Balance Sheet
(in thousands)

	Dec 31, 2001	Dec 31, 2000
Fixed assets		
Goodwill	£2,693,659	£2,373,060
Investments	166,036	147,652
Tangible assets	209,370	201,280
	3,069,065	2,721,992
Currents assets		
Debtors	576,447	717,192
Investments	33,116	65,064
Cash	175,902	327,733
	785,465	1,109,989
Creditors	(640,804)	(759,423)
Net current assets, excluding banking and insurance activities	144,661	350,566
Banking and insurance activities		
Cash	175,076	157,626
Investments	89,079	99,166
Customer and counterparty debtors	179,223	227,185
Policyholder debtors	134,296	94,122
Customer and counterparty creditors	(349,560)	(395,819)
Policyholder creditors	(134,296)	(94,122)
Other assets, net	(9,725)	(12,992)
	84,093	75,166
Total assets less current liabilities	3,297,819	3,147,724
Long-term debt	(844,285)	(960,023)
Provisions for liabilities and charges	(172,070)	(57,700)
Net assets	£2,281,464	£2,130,001
Capital and reserves		
Called up share capital	£196,037	£192,759
Share premium account	1,619,879	1,488,933
Exchangeable shares	433,597	477,153
Profit and loss account	685,884	620,341
	2,935,397	2,779,186
Other reserves	(653,933)	(649,185)
Shareholders' funds, equity interests	£2,281,464	£2,130,001

NOTE: Balance sheet for 2000 has been restated for adoption of FRS 19, "Deferred Tax" and revised presentation for Banking and Insurance Activities.

AMVESCAP PLC
Group Cash Flow Statement
(in thousands)

	Year Ended	
	Dec 31, 2001	Dec 31, 2000
Operating profit, excluding banking and insurance activities	£324,355	£463,816
Amortization and depreciation	205,551	108,810
Change in debtors, creditors and other	1,612	(40,139)
Net cash inflow from operating activities, excluding banking and insurance activities	<u>531,518</u>	<u>532,487</u>
Banking and insurance activities	17,450	151,198
Interest paid, net of investment income	(48,106)	(34,030)
Taxation	(167,031)	(120,603)
Capital expenditures, net of sales	(68,013)	(61,051)
Net purchases of fixed asset investments	(17,065)	(16,787)
Acquisitions	(311,441)	(182,595)
Dividends paid	(84,365)	(63,558)
Net incurrence of debt	16,781	75,806
Foreign exchange on cash at bank and in hand	(4,109)	14,760
(Decrease) / increase in cash at bank and in hand	<u>£(134,381)</u>	<u>£295,627</u>
Reconciliation to movement in FRS 1 cash:		
(Decrease) / increase in cash at bank and in hand	£(134,381)	£295,627
Foreign exchange on cash at bank and in hand	6,532	(11,844)
Change in bank overdrafts	(2,040)	(8,315)
Change in cash equivalents	95,382	(120,328)
(Decrease) / increase in FRS 1 cash	<u>£(34,507)</u>	<u>£155,140</u>

AMVESCAP PLC
Segmental Information
(in thousands)

	Year Ended Dec 31, 2001		
	Revenues	Expenses	Profit
Managed Products	£986,234	£(549,763)	£436,471
INVESCO Institutional	211,917	(158,365)	53,552
INVESCO Global	340,293	(263,871)	76,422
INVESCO Retirement	58,224	(53,247)	4,977
Private Wealth	21,211	(19,972)	1,239
New Business	1,968	(12,179)	(10,211)
Corporate	--	(39,090)	(39,090)
	<u>1,619,847</u>	<u>(1,096,487)</u>	<u>523,360</u>
Goodwill amortization	--	(137,477)	(137,477)
	<u>£1,619,847</u>	<u>£(1,233,964)</u>	<u>£385,883</u>

	Year Ended Dec 31, 2000		
	Revenues	Expenses	Profit
Managed Products	£1,064,530	£(551,562)	£512,968
INVESCO Institutional	211,377	(157,771)	53,606
INVESCO Global	303,857	(222,075)	81,782
INVESCO Retirement	48,898	(44,941)	3,957
New Business	--	(15,422)	(15,422)
Corporate	--	(47,980)	(47,980)
	<u>1,628,662</u>	<u>(1,039,751)</u>	<u>588,911</u>
Goodwill amortization	--	(56,417)	(56,417)
	<u>£1,628,662</u>	<u>£(1,096,168)</u>	<u>£532,494</u>

Notes

1. Acquisitions and Exceptional Items

The Company completed five acquisitions during 2001. These combinations have been accounted for as acquisitions and results have been included from the respective dates of purchase. The following table sets forth the terms of these transitions (each for 100% of the share capital of the companies acquired).

Company Name	Acquisition Date	Cash £'000	Shares £'000	Earn out £'000	Total £'000
County Investment Management Ltd.	January 2001	41,105	--	--	41,105
National Asset Management Ltd.	April 2001	69,636	76,069	51,865	197,570
Pell Rudman	August 2001	122,835	--	19,034	141,869
Grand Pacific	August 2001	84,350	--	--	84,350
Parkes & Co.	August 2001	9,210	--	--	9,210
		327,136	76,069	70,899	474,104

An amount of £60.0 million (£39.4 million after tax) has been charged to the consolidated profit and loss account as an exceptional item. Costs include staff retention payments and expenses associated with combining systems and other business processes, and costs incurred in reorganizing, restructuring and integrating the acquisitions. The exceptional charge for the year also includes costs incurred during internal restructurings and severance arrangements.

	2001 £'000	2000 £'000
Acquisitions	43,310	43,804
Restructurings	9,993	8,000
Building termination costs	6,694	--
	59,997	51,804

2. The UK Accounting Standards Board issued FRS 19, "Deferred Tax", which requires companies to change the method of computing deferred taxes. The Company has adopted this new statement in 2001, including a restatement of prior years' profit and loss accounts and balance sheet. The effect of FRS 19 has been to reduce the income tax provision and increase net income for 2001 by £4.5 million (0.5p per diluted share) and to reduce the tax provision and increase net income previously reported for 2000 by £12.2 million (1.7p per diluted share).

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 2001 and 2000 was 30.6% and 29.7%.

3. 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. Earnings per share for 2000 has been restated to reflect the adoption of FRS 19.

	2001		
	Profit before Goodwill Amortization & Exceptional Items £'000	Average Number of Shares '000	Per Share Amount
Basic earnings per share	331,670	805,061	41.2p
Issuance of options	--	24,922	
Diluted earnings per share	<u>331,670</u>	<u>829,983</u>	<u>40.0p</u>
	2000		
	Profit before Goodwill Amortization & Exceptional Items £'000	Average Number of Shares '000	Per Share Amount
Basic earnings per share	389,782	678,006	57.5p
Issuance of options	--	33,763	
Conversion of equity subordinated debentures	4,093	8,997	
Diluted earnings per share	<u>393,875</u>	<u>720,766</u>	<u>54.7p</u>

Number of shares outstanding at December 31, 2001 (in thousands):

Ordinary shares	784,147
Exchangeable shares	39,499
Less: ESOT shares	(12,594)
Shares outstanding	<u>811,052</u>
Shares reserved for:	
Options	87,538
ESD's	6,107
Total shares	<u>904,697</u>

4. Dividends for 2001 and 2000 were as follows:

	<u>2001</u> £'000	<u>2000</u> £'000
Interim paid: 4.5p per share (2000: 4.0p)	36,552	28,014
Final proposed: 6.5p per share (2000: 6.0p)	<u>52,708</u>	<u>47,813</u>
	<u>89,260</u>	<u>75,827</u>

5. The financial information set out above does not constitute the Company's statutory accounts for the years ended December 31, 2001 or 2000. Statutory accounts for 2000 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>INVESCO</u>	<u>Global</u>	<u>Private</u>
		<u>AIM</u>	<u>INVESCO</u>	<u>Inst</u>		<u>Wealth</u>
Dec 31, 2000	\$402.6	\$193.2	\$43.2	\$99.6	\$66.6	\$ --
Market gains/(loss)	(49.5)	(25.3)	(11.5)	(3.1)	(9.3)	(0.3)
Acquisitions	32.4	--	--	17.7	6.7	8.0
Net new (lost) business	1.8	(0.7)	0.4	2.6	(0.5)	--
Change in Money						
Market Funds	12.3	13.0	(0.7)	--	--	--
Transfers	--	0.3	--	--	(2.5)	2.2
Foreign currency	(1.7)	(0.7)	--	--	(1.0)	--
Dec 31, 2001	<u>\$397.9</u>	<u>\$179.8</u>	<u>\$31.4</u>	<u>\$116.8</u>	<u>\$60.0</u>	<u>\$9.9</u>
Dec 31, 2001 †	<u>£274.4</u>	<u>£124.0</u>	<u>£21.7</u>	<u>£80.5</u>	<u>£41.4</u>	<u>£6.8</u>

† Translated at \$1.45 per £1.00.

Note: INVESCO Retirement has \$34.6 billion in assets under administration as of December 31, 2001, compared to \$27.6 billion as of December 31, 2000.