

For Immediate Release

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**AMVESCAP PLC REPORTS RESULTS
 FOR SIX MONTHS ENDED JUNE 30, 2002**

London, August 2, 2002 – AMVESCAP reported that profit before tax, goodwill amortization and exceptional items for the six months ended June 30, 2002 amounted to £192.5 million compared to £270.7 million for the six months of 2001, a decrease of 29%. Diluted earnings per share before goodwill amortization and exceptional items amounted to 16.2p (2001: 22.6p), a decrease of 28% for the period. Revenues decreased to £746.7 million from £853.6 million in 2001. (NYSE: AVZ).

	Results for Six Months Ended			
	2002	2001	2002‡	2001‡
Revenues	£746.7m	£853.6m	\$1,135.0m	\$1,203.6m
Profit before tax, goodwill amortization and exceptional items	£192.5m	£270.7m	\$292.6m	\$381.7m
Earnings per share before goodwill amortization and exceptional items:				
--basic	16.5p	23.4p*	\$0.50†	\$0.66*†
--diluted	16.2p	22.6p*	\$0.49†	\$0.64*†
Earnings per share before goodwill amortization:				
--basic	14.7p	21.3p*	\$0.45†	\$0.60*†
--diluted	14.4p	20.6p*	\$0.44†	\$0.58*†
Dividends per share	5.0p	4.5p	\$0.15†	\$0.13†

* 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 period ended June 30, 2002 have been translated to US dollars using \$1.52 per £1.00 (2001: \$1.41 per £1.00).

"Global capital markets continue to reflect severe volatility which has impacted revenues from management fees," said Mr. Charles W. Brady, Executive Chairman. "Against this backdrop, many business indicators suggest an improving world economy. In addition, this week President Bush has signed new corporate reform legislation designed to restore investor confidence in the reliability of financial reporting and corporate governance. Hopefully, these factors will lead to recoveries in the equity markets by the end of the year."

"While a quick recovery does not seem likely, the fundamentals of our business remain sound and we are confident about the long-term future for our company. We remain committed to strong expense controls during this period of uncertainty in the general business environment," noted Mr. Brady.

Profit before tax, goodwill amortization and exceptional items decreased by 30% during the second quarter of 2002 to £95.1 million compared to £135.7 million in the 2001 second quarter. Diluted earnings per share before goodwill amortization and exceptional items amounted to 8.0p (2001: 11.3p) for the three months ended June 30, 2002, a decrease of 29% over the corresponding period of 2001. Revenues for the three months ended June 30, 2002 amounted to £368.9 million compared to £426.3 million from the prior year's quarter.

The Company recorded an exceptional charge of £20.1 million (1.7p per share) in the second quarter of 2002 for costs relating to internal reorganizations and restructuring programs. The Company adopted FRS 19, "Deferred Tax" in 2001 and the prior year's profit and loss accounts have been restated to reflect these new reporting requirements.

Funds under management totaled \$364.0 billion (£239.5 billion) at June 30, 2002, a decrease of \$33.9 billion from December 31, 2001. Average funds under management for the six months ended June 30, 2002 were \$389.1 billion, an increase of \$1.2 billion over the average funds in the second half of 2001 and a decrease of \$14.0 billion over the first half of 2001. Average funds under management during the second quarter were \$385.9 billion compared to \$392.3 billion for the preceding quarter. Approximately 55% of the total funds under management was invested in equity securities and 45% was invested in fixed income securities at June 30, 2002.

Earnings before interest, taxes, depreciation and amortization (EBITDA) reached £251.3 million and £123.9 million for the six months and second quarter ended June 30, 2002. Net debt at June 30, 2002 amounted to £746.1 million compared to £837.0 million at December 31, 2001.

The Board has declared an interim dividend of 5.0p per share (2001: 4.5p), an increase of 11%. The interim dividend will be paid on October 4, 2002 to shareholders on the register on August 30, 2002. The ex-dividend date for the dividend will be August 28, 2002.

The Managed Products group reported revenues of £440.7 million during the first six months of 2002, a decrease of £88.9 million over the prior year due to market declines and net redemptions in the AIM and INVESCO units. Operating profits were £185.4 million, a decrease of £52.6 million during the period. This group generated approximately \$20.0 billion of gross sales in 2002 and experienced net redemptions of \$2 billion during the period, as investors shifted away from growth-oriented products to more conservative equity and fixed income products. The Canadian retail business gained \$1.4 billion in net sales in the six months ended June 30, 2002. Funds under management amounted to \$183.0 billion at June 30, 2002, including \$23.3 billion relating to the Canadian unit and \$57.6 billion in institutional money market assets.

The INVESCO Institutional group reported revenues and operating profits of £102.8 million and £23.1 million in the 2002 period. Operating profits have declined by £3.6 million over the prior year due to lower revenue levels with continued emphasis on cost controls. This group generated \$9.5 billion in gross sales during the first half of 2002, a decline from 2001 due to much lower industry-wide activity for new business opportunities and net redemptions of \$2.3 billion due to the continued loss of large, lower fee mandates to

smaller but higher fee specialized products. Funds under management amounted to \$110.6 billion at June 30, 2002.

INVESCO Global's revenues amounted to £152.3 million for the first half of 2002, a decrease of £34.0 million from the prior year. Operating profits totaled £23.9 million for the first half of 2002. The results for 2001 include the acquired companies only from date of purchase. The operating profits of the Global businesses also declined in 2002 due to significantly lower revenues, offset in part by lower operating costs. This business generated \$14.4 billion in gross sales and \$1.0 billion in net sales during the period. Funds under management were \$61.1 billion at June 30, 2002, an increase of \$1.1 billion from the end of 2001.

The Private Wealth Management division is in its first full year of business. Revenues and operating profits amounted to £19.3 million and £1.0 million during the six months ended June 30, 2002. We continue to develop the infrastructure of this group to build a sound platform for growth and market penetration. The new Atlantic Trust brand was launched during the current year.

INVESCO Retirement had \$32.9 billion in assets under administration at June 30, 2002, a 5% decrease in the six month period. The INVESCO Retirement group reported \$1.8 billion in net new sales during the current year and continues to gain new clients from various distribution channels. This group services 645,000 plan participants at June 30, 2002, up from 630,000 participants at the end of 2001.

AMVESCAP is a leading independent global investment manager, dedicated to helping people worldwide build their financial security. Operating under the AIM, INVESCO and Atlantic Trust 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, Friday, August 2, 2002 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 630-395-0024 for international callers. An audio replay of the conference call will be available until Friday, August 9, 2001 at 5:00 pm Eastern Time by calling 1-800-704-0517 for US callers or 402-220-0329 for international callers.

AMVESCAP PLC
Group Profit and Loss Account
(in thousands)

	<u>Six Months Ended June 30,</u>	
	<u>2002</u>	<u>2001</u>
Revenues	£746,685	£853,552
Expenses:		
Operating	(533,722)	(559,972)
Exceptional	(20,067)	(25,252)
Goodwill amortization	(73,688)	(65,038)
Operating profit	119,208	203,290
Investment income	6,812	5,865
Interest payable	(27,241)	(28,792)
Profit before taxation	98,779	180,363
Taxation	(53,066)	(74,402)
Profit after taxation	45,713	105,961
Dividends	(42,359)	(36,552)
Retained profit for the period	<u>£3,354</u>	<u>£69,409</u>
Earnings per share before goodwill amortization and exceptional items:		
---basic	16.5p	23.4p
---diluted	16.2p	22.6p
Earnings per share:		
---basic	5.6p	13.2p
---diluted	5.5p	12.8p
Average shares outstanding:		
---basic	812,210	802,077
---diluted	<u>827,314</u>	<u>837,745</u>

AMVESCAP PLC
Group Profit and Loss Account
(in thousands)

	Three Months Ended June 30,	
	2002	2001
Revenues	£368,936	£426,275
Expenses:		
Operating	(260,821)	(278,955)
Exceptional	(20,067)	(21,045)
Goodwill amortization	(36,851)	(33,227)
Operating profit	51,197	93,048
Investment income	159	2,864
Interest payable	(13,203)	(14,486)
Profit before taxation	38,153	81,426
Taxation	(23,243)	(33,105)
Profit after taxation	14,910	48,321
Dividends	(42,359)	(36,552)
Retained profit for the period	£(27,449)	£11,769
Earnings per share before goodwill amortization and exceptional items:		
---basic	8.1p	11.7p
---diluted	8.0p	11.3p
Earnings per share:		
---basic	1.8p	6.0p
---diluted	1.8p	5.8p
Average shares outstanding:		
---basic	812,528	805,453
---diluted	824,323	838,807

AMVESCAP PLC
Group Balance Sheet
(in thousands)

	<u>June 30, 2002</u>	<u>Dec 31, 2001</u>
Fixed assets		
Goodwill	£2,620,585	£2,693,659
Investments	237,577	166,036
Tangible assets	174,092	209,370
	<u>3,032,254</u>	<u>3,069,065</u>
Currents assets		
Debtors	719,455	576,447
Investments	40,955	33,116
Cash	192,142	175,902
	<u>952,552</u>	<u>785,465</u>
Creditors	<u>(885,239)</u>	<u>(640,804)</u>
Net current assets, excluding banking and insurance activities	67,313	144,661
Banking and insurance activities		
Cash	154,093	175,076
Investments	97,500	89,079
Customer and counterparty debtors	159,636	179,223
Policyholder debtors	150,285	134,296
Customer and counterparty creditors	(293,053)	(349,560)
Policyholder creditors	(150,285)	(134,296)
Other assets, net	(9,046)	(9,725)
	<u>109,130</u>	<u>84,093</u>
Total assets less current liabilities	3,208,697	3,297,819
Long-term debt	(755,063)	(844,285)
Provisions for liabilities and charges	(143,729)	(172,070)
Net assets	<u>£2,309,905</u>	<u>£2,281,464</u>
Capital and reserves		
Called up share capital	£197,377	£196,037
Share premium account	1,646,492	1,619,879
Exchangeable shares	428,997	433,597
Profit and loss account	689,238	685,884
	<u>2,962,104</u>	<u>2,935,397</u>
Other reserves	(652,199)	(653,933)
Shareholders' funds, equity interests	<u>£2,309,905</u>	<u>£2,281,464</u>

AMVESCAP PLC
Group Cash Flow Statement
(in thousands)

	Six Months Ended	
	June 30, 2002	June 30, 2001
Operating profit	£118,679	£194,609
Amortization and depreciation	104,519	99,739
Change in debtors, creditors, and other	33,148	(19,026)
Net cash inflow from operating activities	<u>256,346</u>	<u>275,322</u>
Banking and insurance activities	(23,317)	115,031
Interest paid, net of investment income	(18,701)	(22,263)
Taxation	(64,094)	(99,137)
Capital expenditures, net of sales	(13,923)	(39,165)
Net (purchases)/disposals of fixed asset investments	(64,910)	4,666
Acquisitions	--	(106,125)
Dividends paid	(54,646)	(47,986)
Net repayment of debt	(16,923)	(84,263)
Foreign exchange on cash at bank and in hand	(4,575)	6,956
(Decrease) /increase in cash at bank and in hand	<u>£(4,743)</u>	<u>£3,036</u>

AMVESCAP PLC
Segmental Information
(in thousands)

	Six Months Ended June 30, 2002		
	Revenues	Expenses	Oper. Profit
Managed Products	£440,683	£(255,261)	£185,422
INVESCO Institutional	102,843	(79,737)	23,106
INVESCO Global	152,296	(128,379)	23,917
INVESCO Retirement	30,675	(29,161)	1,514
Private Wealth	19,313	(18,333)	980
New Business	875	(6,695)	(5,820)
Corporate	--	(16,156)	(16,156)
	<u>746,685</u>	<u>(533,722)</u>	<u>212,963</u>

	Six Months Ended June 30, 2001		
	Revenues	Expenses	Oper. Profit
Managed Products	£529,645	£(291,599)	£238,046
INVESCO Institutional	104,525	(77,795)	26,730
INVESCO Global	186,289	(139,089)	47,200
INVESCO Retirement	27,811	(23,678)	4,133
Private Wealth	4,461	(3,533)	928
New Business	821	(6,266)	(5,445)
Corporate	--	(18,012)	(18,012)
	<u>853,552</u>	<u>(559,972)</u>	<u>293,580</u>

Notes

1. The taxation charge 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. Prior year taxation has been restated in accordance with FRS 19, "Deferred Tax." The effect of FRS 19 was to reduce the income tax provision and increase net income for the first half of 2001 by £3.2 million (0.4p per diluted share).
2. 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 the year by year performance of the business, therefore the calculation below is presented on that basis. Basic earnings per share is based on the weighted average number of ordinary and exchangeable shares outstanding during the respective periods. Diluted earnings per share takes into account the effect of dilutive potential ordinary and exchangeable shares outstanding during the period.

	<u>2002</u>		
	Profit before goodwill amortization and exceptional items £'000	Number of shares '000	Per share amount
Basic earnings per share	133,619	812,210	16.5p
Issuance of options	--	15,104	
Diluted earnings per share	<u>133,619</u>	<u>827,314</u>	<u>16.2p</u>

	<u>2001</u>		
	Profit before goodwill amortization and exceptional items £'000	Number of shares '000	Per share Amount
Basic earnings per share	187,833	802,077	23.4p
Conversion of ESDs	1,360	6,128	
Issuance of options	--	29,540	
Diluted earnings per share	<u>189,193</u>	<u>837,745</u>	<u>22.6p</u>

3. The consolidated profit and loss includes exceptional charges in 2002 and 2001 as follows:

<u>£'000</u>	<u>2002</u>	<u>2001</u>
Acquisitions	--	25,252
Redundancy and reorganizations	16,853	--
Fixed asset provisions	3,214	--
Total exceptional items	20,067	25,252
Total exceptional items net of tax	14,218	16,834

The restructuring charges include costs associated with redundancy programs and expenses associated with new internal reorganizations. The fixed asset provisions relate to moves to new office facilities and office closures.

Independent Review Report to AMVESCAP PLC

Introduction

We have been instructed by AMVESCAP PLC (the "Group") to review the financial information for the three and six months ended June 30, 2002 which comprises the Group Profit and Loss Accounts, Group Balance Sheet, Group Cash Flow Statement, Segmental Information and the related notes 1 to 3. 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 which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual financial statements 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 'Review of interim financial information' issued by the Auditing Practices Board for use in the United Kingdom. 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 United Kingdom 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 three and six months ended June 30, 2002.

Ernst & Young LLP
London
August 2, 2002

AMVESCAP PLC
Funds Under Management
(in billions)

	Total	Managed Products		INVESCO	INVESCO	Private
		AIM	INVESCO	Inst	Global	Wealth
Dec 31, 2001	\$397.9	\$179.8	\$31.4	\$116.8	\$60.0	\$9.9
Market gains/(losses)	(26.4)	(13.7)	(5.2)	(4.0)	(3.0)	(0.5)
Net new/(lost) business	(3.4)	(0.4)	(1.6)	(2.3)	1.0	(0.1)
Change in money						
market funds	(7.3)	(7.6)	(0.3)	--	0.6	--
Transfers	--	(0.1)	--	0.1	--	--
Foreign currency	3.2	0.7	--	--	2.5	--
June 30, 2002	<u>\$364.0</u>	<u>\$158.7</u>	<u>\$24.3</u>	<u>\$110.6</u>	<u>\$61.1</u>	<u>\$9.3</u>
June 30, 2002 †	<u>£239.5</u>	<u>£104.4</u>	<u>£16.0</u>	<u>£72.8</u>	<u>£40.2</u>	<u>£6.1</u>

† Translated at \$1.52 per £1.00.

Note: INVESCO Retirement has \$32.9 billion in assets under administration as of June 30, 2002, compared to \$34.6 billion as of December 31, 2001.

AMVESCAP PLC
Reconciliation to US Accounting Principles
(in thousands)

	Six Months Ended June 30,	
	2002	2001
Net profit under UK GAAP	£45,713	£105,961
<i>US GAAP Adjustments:</i>		
Acquisition accounting	68,055	(16,610)
Redundancy and reorganizations	12,794	--
Taxation	(8,845)	(27,037)
Other	1,642	577
Net income under US GAAP	<u>£119,359</u>	<u>£62,891</u>
Earnings per share before goodwill amortization:		
--basic	14.9p	20.2p
--diluted	14.6p	19.5p
Earnings per share:		
--basic	14.7p	7.8p
--diluted	14.4p	7.7p
	<u>June 30, 2002</u>	<u>Dec 31, 2001</u>
Shareholders' funds under UK GAAP	£2,309,905	£2,281,464
<i>US GAAP Adjustments:</i>		
Acquisition accounting	1,038,096	984,436
Redundancy and reorganizations	12,794	--
Treasury stock	(225,380)	(186,134)
Dividends	40,479	52,708
Other	(19,710)	(20,443)
Shareholders' equity under US GAAP	<u>£3,156,184</u>	<u>£3,112,031</u>

Note: The US GAAP reconciliation reflects the adoption of Statement of Financial Accounting Standards (SFAS) 141 and 142. SFAS 141, "Business Combinations," requires the allocation of excess purchase price to goodwill or other intangible assets on acquisitions after July 1, 2001. Accordingly, we have preliminarily allocated the majority of the excess purchase price of the Pell Rudman, Grand Pacific and Parkes acquisitions to goodwill. SFAS 142, "Goodwill and Other Intangible Assets," was adopted January 1, 2002. SFAS 142 requires that all goodwill and indefinite-lived intangible assets no longer be amortized, but instead tested for impairment annually. All intangible assets have been preliminarily analyzed as of December 31, 2001 and no impairment exists.