



## Press Release

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### AMVESCAP PLC REPORTS RECORD RESULTS FOR THREE MONTHS ENDED 31 MARCH 2000

**London, April 19, 2000** – AMVESCAP reported that profit before tax and goodwill amortisation for the three months ended 31 March 2000 amounted to £124.7 million (\$198.3 million) compared to £69.7 million (\$114.3 million) for the first quarter of 1999. Revenues increased to £369.5 million (\$587.5 million) from £241.1 million (\$395.4 million) in 1999. Diluted earnings per share before goodwill amortisation amounted to 12.5p for the 2000 period (1999: 7.1p), an increase of 76%.

	Results for Three Months Ended			
	31 March 2000†	31 March 1999†	31 March 2000	31 March 1999
Revenues	<b>\$587.5m</b>	\$395.4m	<b>£369.5m</b>	£241.1m
Profit before tax and goodwill amortisation	<b>\$198.3m</b>	\$114.3m	<b>£124.7m</b>	£69.7m
Earnings per ordinary share before goodwill amortisation:				
--basic	<b>\$1.04*</b>	\$0.61*	<b>13.1p</b>	7.4p
--diluted	<b>\$0.99*</b>	\$0.58*	<b>12.5p</b>	7.1p
Earnings per ordinary share:				
--basic	<b>\$0.92*</b>	\$0.49*	<b>11.6p</b>	6.0p
--diluted	<b>\$0.88*</b>	\$0.47*	<b>11.1p</b>	5.7p

\* Per American Depository Share equivalent to 5 ordinary shares.

† For the convenience of the reader, pounds sterling for the three months ended 31 March 2000 have been translated to U.S. dollars using \$1.59 per £1.00 (1999: \$1.64 per £1.00).

"Record earnings for the first quarter of 2000 reflect the continued strong momentum of our businesses throughout the world," said Mr. Charles W. Brady, Chairman and Chief Executive Officer. "New business generation in the quarter dramatically exceeded our previous record, reflecting the growing strength of our AIM and INVESCO brands and our superior investment performance across a broad range of products."

"Global markets are always subject to significant fluctuation and the recent declines have been forecasted by many for some time," noted Mr. Brady. "We remain focused on providing excellent investment performance and client service, the key factors that drive our business, to bring value to our shareholders. We believe that the underlying economic factors remain strong and we are very optimistic about the future."

Funds under management totalled \$391.6 billion (£246.3 billion) at 31 March 2000, an increase of \$34.2 billion over 31 December 1999. Average funds under management amounted to \$370.6 billion for the first quarter of 2000, compared to \$323.6 billion for the fourth quarter of 1999; a 14.5% increase.

Managed Products and INVESCO Global both experienced good net flows in the quarter due to strong gross sales across all product ranges. Approximately one-third of the total funds under management remain invested in fixed interest securities.

Earnings before interest, taxes, depreciation and amortisation ("EBITDA") amounted to £146.5 million (\$232.9 million) in the 2000 first quarter, an increase of £51.0 million (\$81.1 million) over the 1999 period. Net debt at 31 March 2000 amounted to £422.2 million, (\$671.3 million) a decrease of £88.7 million (\$152.0 million) since the end of 1999, excluding amounts held for deposit in the Company's unit trusts.

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 Frankfurt Stock Exchanges with the symbol "AVZ."

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

	<b>Three Months Ended 31 March</b>	
	<b>2000</b>	<b>1999</b>
<b>Revenues</b>	<b>£369,516</b>	£241,052
Operating expenses	<b>(237,641)</b>	(162,265)
	<b>131,875</b>	78,787
Goodwill amortisation	<b>(9,299)</b>	(9,140)
<b>Operating profit</b>	<b>122,576</b>	69,647
Investment income	<b>3,478</b>	2,784
Interest payable	<b>(10,702)</b>	(11,913)
<b>Profit before taxation</b>	<b>115,352</b>	60,518
Taxation	<b>(39,888)</b>	(22,638)
<b>Profit after taxation</b>	<b>£75,464</b>	£37,880
<b>Earnings per ordinary share:</b>		
---basic	<b>11.6p</b>	6.0p
---diluted	<b>11.1p</b>	5.7p
<b>Earnings per ordinary share before goodwill amortisation:</b>		
---basic	<b>13.1p</b>	7.4p
---diluted	<b>12.5p</b>	7.1p

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

	31 March 2000	31 Dec 1999
	<u>                    </u>	<u>                    </u>
<b>Fixed assets</b>		
Goodwill	£655,103	£664,135
Investments	137,808	128,921
Tangible assets	107,246	108,021
	<u>900,157</u>	<u>901,077</u>
 <b>Current assets</b>		
Debtors	982,923	675,856
Investments	75,715	60,135
Cash at bank and in hand	205,195	189,732
	<u>1,263,833</u>	<u>925,723</u>
<b>Creditors: amounts falling due within one year</b>	<u>(1,080,787)</u>	<u>(706,289)</u>
<b>Net current assets</b>	<u>183,046</u>	<u>219,434</u>
<b>Total assets less current liabilities</b>	<u>1,083,203</u>	<u>1,120,511</u>
 <b>Creditors: amounts falling due after more than one year</b>		
Long-term debt	(556,845)	(659,120)
Provisions for liabilities and charges	(24,555)	(24,730)
<b>Net assets</b>	<u>£501,803</u>	<u>£436,661</u>
 <b>Capital and reserves</b>		
Called up share capital	£169,069	£168,617
Share premium account	482,717	478,860
Profit and loss account	456,181	380,717
	<u>1,107,967</u>	<u>1,028,194</u>
Other reserves	(606,164)	(591,533)
<b>Shareholders' funds, equity interests</b>	<u>£501,803</u>	<u>£436,661</u>

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

	Three Months Ended 31 March	
	2000	1999
<b>Operating Profit</b>	£122,576	£69,647
Amortisation and depreciation	20,486	23,078
Change in debtors, creditors and other	10,917	11,780
<b>Net cash inflow from operating activities</b>	<b>153,979</b>	<b>104,505</b>
Interest paid, net of investment income	(423)	(953)
Taxation	(7,093)	(10,358)
Capital expenditures, net of sales	(8,761)	(9,847)
Net (purchases) / disposals of fixed asset investments	(13,210)	11,251
Net repayment of debt	(109,312)	(33,303)
Foreign exchange on cash on bank and in hand	283	1,430
<b>Increase in cash at bank and in hand</b>	<b>£15,463</b>	<b>£62,725</b>

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

	Three Months Ended 31 March 2000		
	Revenues	Expenses	Oper. Profit
Managed Products	£227,963	£(119,863)	£108,100
U.S. Institutional	45,513	(33,211)	12,302
INVESCO Global	86,140	(58,157)	27,983
Retirement and Benefit Services	9,859	(9,853)	6
New Business Expense	41	(3,035)	(2,994)
Corporate	-	(13,522)	(13,522)
	369,516	(237,641)	131,875
Goodwill amortisation	-	(9,299)	(9,299)
	£369,516	£(246,940)	£122,576

	Three Months Ended 31 March 1999		
	Revenues	Expenses	Oper. Profit
Managed Products	£141,599	£(80,677)	£60,922
U.S. Institutional	42,670	(26,783)	15,887
INVESCO Global	50,401	(39,042)	11,359
Retirement and Benefit Services	6,382	(7,604)	(1,222)
New Business Expense	-	(1,887)	(1,887)
Corporate	-	(6,272)	(6,272)
	241,052	(162,265)	78,787
Goodwill amortisation	-	(9,140)	(9,140)
	£241,052	£(171,405)	£69,647

## Notes

1. The taxation charge for the three months to 31 March 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 amortisation of goodwill 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	<u>84,763</u>	<u>648,678</u>	<u>13.1p</u>
Issuance of options	-	29,170	
Diluted earnings per share	<u>84,763</u>	<u>677,848</u>	<u>12.5p</u>
		<u>1999</u>	
	Profit before Goodwill Amortisation £'000	Number of Shares '000	Per Share Amount
Basic earnings per share	<u>47,020</u>	<u>635,934</u>	<u>7.4p</u>
Issuance of options	-	29,808	
Diluted earnings per share	<u>47,020</u>	<u>665,742</u>	<u>7.1p</u>

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

	<u>Managed Products</u>			<u>U.S. Instit.</u>	<u>INVESCO Global</u>	<u>RBS &amp; New Bus.</u>
	<u>Total</u>	<u>AIM</u>	<u>INVESCO</u>			
<b>31 Dec 1999</b>	<b>\$ 357.4</b>	<b>\$165.3</b>	<b>\$34.4</b>	<b>\$92.5</b>	<b>\$57.2</b>	<b>\$8.0</b>
Market gains	20.4	13.0	3.7	0.7	3.1	(0.1)
Net new (lost) business	15.2	6.6	5.9	(1.5)	4.6	(0.4)
Change in US Money						
Market Funds	(0.5)	(1.6)	0.6	-	0.5	-
Foreign currency	(0.9)	-	-	-	(0.9)	-
<b>31 March 2000</b>	<b>\$391.6</b>	<b>\$ 183.3</b>	<b>\$ 44.6</b>	<b>\$ 91.7</b>	<b>\$ 64.5</b>	<b>\$ 7.5</b>
<b>31 March 2000 †</b>	<b>£246.3</b>	<b>£115.2</b>	<b>£ 28.1</b>	<b>£ 57.7</b>	<b>£ 40.6</b>	<b>£ 4.7</b>

† Translated @ \$1.59 per £1.00.

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

	<u>Three Months Ended 31 March</u>	
	<u>2000</u>	<u>1999</u>
<b>Net profit under UK GAAP</b>	<b>£75,464</b>	<b>£37,880</b>
<b>US GAAP adjustments:</b>		
Acquisition accounting	(15,406)	(20,456)
Taxation	(17,046)	(1,324)
Other	(61)	(2,876)
<b>Net income under US GAAP</b>	<b>£42,951</b>	<b>£13,224</b>
<b>Earnings per ordinary share:</b>		
-- basic	6.6p	2.1p
-- diluted	6.3p	2.0p
<b>Earnings per ordinary share before goodwill amortisation</b>		
-- basic	9.0p	4.5p
-- diluted	8.6p	4.3p
	<u>31 March 2000</u>	<u>31 Dec 1999</u>
<b>Shareholders' funds under UK GAAP</b>	<b>£501,803</b>	<b>£436,661</b>
<b>US GAAP adjustments:</b>		
Acquisition accounting	992,174	993,765
Treasury stock	(143,175)	(132,615)
Dividends	-	35,544
Other	4,384	3,957
<b>Shareholders' equity under US GAAP</b>	<b>£1,355,186</b>	<b>£1,337,312</b>