



Summary Annual Report for 1999



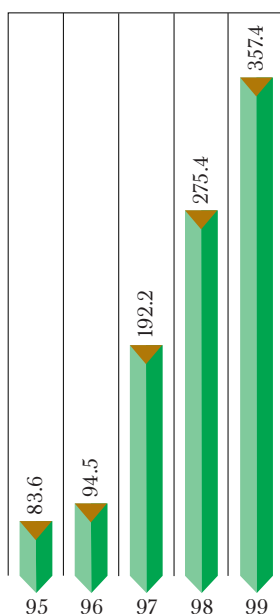
Financial Highlights

<i>Year ended 31 December</i>	1999 ⁽¹⁾	1999	1998 ⁽¹⁾	1998
Revenues	\$1,737.3m	£1,072.4m	\$1,347.7m	£802.2m
Profit before taxation, exceptional item, and goodwill amortisation	\$518.1m	£319.8m	\$388.6m	£231.3m
Earnings per ordinary share before exceptional item and goodwill amortisation				
–basic	\$2.75*	34.0p	\$2.18*	26.0p
–diluted	\$2.65*	32.7p	\$2.04*	24.3p
Dividends per share	\$0.73*	9.0p	\$0.67*	8.0p
Funds under management	\$357.4bn	£220.6bn	\$275.4bn	£163.9bn

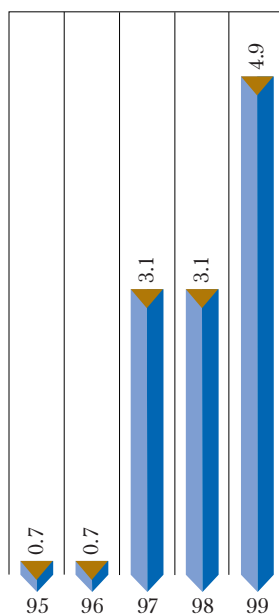
* Per American Depositary Share equivalent to 5 ordinary shares.

⁽¹⁾Pounds sterling for the fiscal years ended 31 December 1999 and 1998 have been translated to US dollars using \$1.62 and \$1.68, respectively, per £1.00.

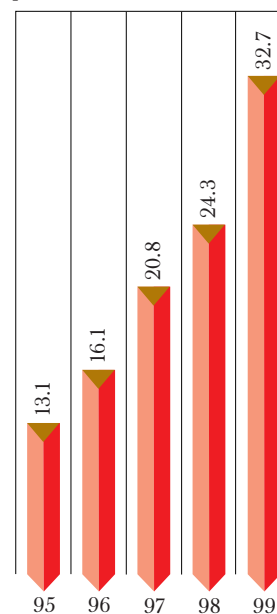
Funds Under Management
\$ billions



Market Capitalisation
£ billions



Diluted EPS*
pence



*(before goodwill amortisation and exceptional item)

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AMVESCAP '99

Robert Botard,
AIM Management
Group

Dear Fellow Shareholders:

The year 1999 marks the conclusion of an unparalleled decade for global capital markets and for our industry.

The decade has seen the US capital markets increase by 450% and the capital markets in Europe and Asia (except Japan) each by approximately four

Chairman's Letter

times during this period. US mutual fund assets today are almost double the total deposits held with US commercial banks. Retirement planning is rapidly shifting away from the traditional state-sponsored plans toward individual saving schemes – a trend that will continue at an increasing pace in the new century. Investors around the world continue to take control over their financial affairs, demanding greater product diversity and higher levels of service.

AMVESCAP is one of the few investment management companies with the potential to succeed in this dynamic and fast-moving marketplace with a full range of traditional and innovative investment products, extensive distribution expertise and a dedicated team of professionals around the globe. We proudly rank today among the world's largest independent fund management companies with operations in 25 countries serving clients in over 100 countries worldwide.

Financial results for 1999 were excellent, extending our record levels of revenue and income to seven consecutive years and confirming the soundness of our strategy. Profit before tax, goodwill amortisation and exceptional item increased 38% to £319.8 million. Funds under management reached \$357.4 billion from \$275.4 billion in 1998, an increase of 30% for the year. Diluted earnings per share, perhaps the best indicator of our success, increased by 35% to 32.7p per share in 1999.

Earnings before interest, taxes, depreciation, and amortisation – the cash flow that drives our business – increased to £431.1 million in 1999. This cash flow enabled us to fund our capital investment and dividend requirements and to repay £108.3 million of debt during the year.

The Board has recommended a final dividend of 5.5p, resulting in a total dividend of 9.0p for the year. This is an increase of 13% over the prior year and is the seventh consecutive year that the dividend has increased.



Charles W. Brady
Executive Chairman



Charles T. Bauer
Vice Chairman

Our business is built around a few important principles – providing superior investment performance to our clients, achieving excellence in client service and creating a culture where people have an intellectual investment in what they are doing and receive rewards and recognition for their efforts. By adhering to these principles, we will build value for our shareholders, our clients and our staff. We are entering the new year with tremendous momentum in each of these key drivers of our success.

The investment performance of the Group in 1999 was simply spectacular. At the end of 1999, over 80% of our total rated retail assets under management were among the best-ranked investment products within their peer groups, providing superior returns to our clients. Many of our investment teams around the world received accolades for achieving these investment results.

Our Group touches the lives of literally millions of people through their savings and pension plans. More and more people will turn to professional managers for help because of the complexity of the investment environment and to provide for their security as state retirement systems prove inadequate.

Our goal is to create superior financial returns for these investors through the efforts of our investment professionals and the teams that

We are today a company with £5 billion in market capitalisation, a recognised leader in our industry and one of the premier global fund management firms.

support them. We have been able to accomplish this goal by employing the best people, giving them the resources and the environment necessary to excel, and rewarding them financially in a culture that emphasises quality of client service and respect for one another.

Technology and e-commerce are redefining the traditional business model for delivering client service successfully and creating new channels of communication. INVESCO and AIM both were recognised for achieving the highest level of customer service in the US mutual fund area. We are proud of this recognition and the many other accomplishments of 1999. We successfully completed the Y2K transition, dealt effectively with dramatic increases in business volumes throughout our organisation and demonstrated great creativity by becoming the first mutual fund company to allow investors to open new accounts on-line.

The ability to adapt rapidly to change will distinguish the successful enterprise of the future. We continue to prepare for the next generation of change with such advances as “straight-through” processing of investment transactions and e-commerce initiatives that enhance customer service throughout the Group.

We believe that having our employees own shares of our Company creates an important alignment of our interests with those of our shareholders. We are fortunate to have a highly professional and dedicated staff. These talented people, over 5,500 in number, are the primary reason for our success. Over half of these employees own or have rights to own shares in AMVESCAP.

The past five years have been exceptional for our Company. Pre-tax profits before goodwill amortisation for 1999 are over 600% greater than for 1995; cash flow has grown by seven times; and the total return to shareholders has grown by four times during this period. AMVESCAP is a constituent of the FTSE 100 Index, the Eurotop 300 and the MSCI World Indices – each reflecting the standing of the Group among the world’s largest global companies. We are today a company with £5 billion in market capitalisation, a recognised leader in our industry and one of the premier global fund management firms.

The trends from the end of 1999 are continuing into the new year. Our revenues and profits are setting a new round of records and the volumes of new business remain strong. We recognise that the trends in the capital markets from the 1990s may not continue. Therefore, we must be ready to adjust our expense levels quickly to remain in line with our revenues in the event of a market correction, thus retaining our strategy of creating value for shareholders.

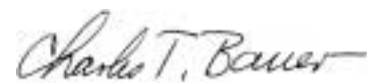
This new decade will bring many opportunities and challenges. We do not, however, expect our operating philosophies to change. Clients will always remain our first priority. We will continue to empower our employees to deliver superior investment advice and service to those clients in an environment that will see rapid change.

We are very optimistic about the future of our industry and our Company.

Very truly yours,



Charles W. Brady
Executive Chairman



Charles T. Bauer
Vice Chairman



REVIEW OF OPERATIONS

▲
Joe Jennings, Barbara March
and Mark Jones, Retirement and
Benefit Services Group



All three businesses in the Managed Products Group – AIM Management Group (AIM) and INVESCO Funds Group in the United States, and AIM Funds Management Canada – experienced remarkable growth and exceptional product performance in 1999.

Managed Products

At Houston-based AIM, a diverse selection

of superior investment products brought exceptional long-term net flows in 1999. As a result, AIM moved from the tenth largest to the eighth largest US-based mutual fund company overall and is now fourth among US non-proprietary mutual fund companies.

AIM continued to modify its retail product line to serve the best interests of investors. Four new funds were launched and two popular small-cap funds were closed to new investors to preserve the liquidity of their underlying securities. In addition, AIM expanded the development of its sub-advised business, in which investment teams manage funds for annuities and other insurance products offered by third parties. Finally, AIM's institutional money market assets increased to a record high of \$40 billion in 1999, which helped AIM grow its overall institutional market share ranking from ninth to seventh.

Denver-based INVESCO Funds Group enjoyed a banner year, ranking fifth in net flows in a universe of more than 340 US fund companies that sell directly to the public.

All three businesses in the Managed Products Group experienced remarkable growth and exceptional product performance in 1999.

Recognising the growing demand for advice by investors, the company has expanded its wholesaling force and

has introduced Class C shares on most of its funds. INVESCO also made headlines in 1999 when it became the first US-based mutual fund company to allow investors to open new accounts on-line.

The AIM and INVESCO funds continued to provide shareholders with exceptionally strong performance in a year that greatly favoured actively managed funds over index funds. At AIM, 29 funds, representing 95% of equity assets, outperformed the S&P 500 in 1999. At INVESCO Funds Group, 82% of funds, weighted by assets, received highly coveted five- or four-star ratings for performance by mutual fund rating agency Morningstar.

Managed Products Highlights

Revenues

1999: £644.8m

1998: £488.9m

1997: £339.4m

Operating profit

1999: £287.9m

1998: £198.4m

1997: £160.4m

Funds under management

1999: \$199.7bn

1998: \$134.5bn

1997: \$101.4bn

While performance was critical to the asset growth at AIM and INVESCO, electronic commerce and customer service remained areas of focus in a highly competitive marketplace. DALBAR, Inc., an independent mutual fund customer service rating agency, rated INVESCO's web site the highest overall among fund companies, and AIM's site ranked the highest among fund companies whose products are sold through financial advisors. INVESCO and AIM were also among nine fund companies to receive DALBAR's Mutual Fund Service Award, given to the few companies that achieve the highest level of customer service in the mutual fund industry. INVESCO received the award for the fifth consecutive year.

To increase AIM's individual brand awareness and promote its tagline "Invest with Discipline", the company launched an acclaimed ad campaign featuring US World Cup soccer star Mia Hamm and world-class cyclist Lance Armstrong. INVESCO continued its successful campaign featuring the tagline, "You should know what INVESCO knows", articulating the message that INVESCO's specialised market knowledge can bring investment success.

In Canada, AIM Funds Management was named Fund Company of the Year for 1999. While net sales for the Canadian mutual fund industry were down 23% overall, net sales for AIM Funds Management showed an increase of 115%, among the most robust in the industry. Assets under management increased 71%. Eight new funds were launched and two funds received honours as Equity Funds of the Year. AIM also was recognised by Marketing Solutions, Canada's leading research and business development consultancy for individual advisors and investment firms, citing the achievements of its multi-lingual service staff and for the calibre of its wholesale team.

As we enter a new millennium, the Managed Products Group has the products, expertise and people to continue growing in the constantly evolving asset management industry. We remain committed to delivering superior investment performance, marketing and service as our dedicated team of employees strives to serve the interests of our clients and business partners.

Following a strategy that emphasises product diversity, innovation, leading-edge technology and excellence in customer service, the US Institutional Group made substantial progress and produced outstanding results in 1999.

US Institutional

As of year-end 1999, we became the sixth largest manager of active, tax-exempt assets in the United States, and overall our diverse product line continued to deliver solid performance.

Building relationships with influential business partners remained a high priority in 1999. For example, as a greater number of institutions seek asset management advice from their consulting firms, consultants have become critical to our new-business development process. In 1999, we launched a marketing team dedicated to educating consulting groups about INVESCO and its products. Last year, while US institutional asset managers earned 50% of all new business revenue through recommendations by consultants, INVESCO's figure was 70%, attesting to the skill and expertise of our team. A recent survey by Eager Manager Advisory Services further validated the impact of our approach, verifying that consultants have held an increasingly positive impression of INVESCO since our marketers have been in the field.

US Institutional became the 6th largest manager of active, tax-exempt assets in the United States, and its diverse product line delivered solid performance.

Through the consolidation of the PRIMCO and INVESCO fixed income groups in Louisville, Atlanta, Boston and New York, we became a significant player in tax-exempt fixed income management. With more than 40 analysts and portfolio managers working in teams covering every fixed income asset class, we offer a diverse offering of US fixed income products. Our talent and expertise is among the most impressive in the industry.

The year also saw success for INVESCO's growing focus on high-revenue specialty products and services such as private equity. These capabilities add to the revenue potential of our fee-based business and extend the range of our products to cover a broader portion of the risk-reward spectrum. In 2000, we plan to build on our strong sales in INVESCO's private equity and market-neutral product lines, as we continue to augment our revenue base with high-revenue specialty products.

US Institutional Highlights

Revenues

1999: £172.7m

1998: £143.2m

1997: £99.9m

Operating profit

1999: £60.3m

1998: £55.2m

1997: £45.7m

Funds under management

1999: \$92.5bn

1998: \$93.9bn

1997: \$67.5bn

Our Atlanta-based fundamental equity product line – the foundation upon which INVESCO was built – expanded its product offerings in 1999, adding fundamental value and core products to the large cap value flagship product.

In our ongoing effort to leverage the efficiencies and client-service potential presented by new technology, we continued our move toward a common group-wide platform. Specifically, we made progress on system conversions and on the development of a consolidated back office operation for our Northeastern-based products. For clients, our goal is to use technology to increase access to real-time account information.

We enter the 21st century confident that we can build on the momentum gained in 1999. INVESCO will continue to grow by offering clients an expanding universe of investment choices, with consistent returns across multiple asset classes and for all market environments, and by seeking excellence in every facet of our business.

INVESCO Global anticipated the world's rapid rebound from financial crisis and capitalised on the impact of the euro, contributing to an outstanding 1999. We saw record sales across the continents, strong investment performance in such key product areas as Europe and Japan equity, the successful integration of GT Global, and the near-flawless completion of the Y2K initiative.

Assets under management rose by 40%, due primarily to the strength of the markets and impressive net sales across our businesses.

If 1998 was characterised by its volatility, 1999 will be remembered as a year of global recovery. The swift action taken by monetary authorities in late 1998 to stem the global financial crisis ensured an economic rebound that was stronger than expected. Because the investment strategy of INVESCO Global incorporated this optimistic view, our investment performance benefited greatly.

In Continental Europe, the introduction of the euro in 1999 was a seminal event, driving consolidation in the capital markets and intensifying competition among financial services companies. There has been a fundamental shift in the way the retirement provision problem is perceived, and the opportunities for an asset manager such as INVESCO Global, with a presence in every market, are significant.

Indeed, our two-pronged strategy of delivering local knowledge and global expertise helped us seize opportunities in the new Europe. Funds under management in Continental Europe doubled in 1999, with \$1 billion of growth

INVESCO Global Highlights

Revenues

1999: £223.9m

1998: £150.5m

1997: £77.8m

Operating profit

1999: £49.6m

1998: £31.7m

1997: £7.3m

Funds under management

1999: \$57.2bn

1998: \$40.8bn

1997: \$18.4bn

coming from our newly expanded Milan office. With a dedicated staff of investment and marketing professionals offering a full range of services to investors, we look forward to a productive future in the burgeoning Italian market.

In the United Kingdom, INVESCO ranked second in growth among fund providers in 1999. Funds in UK Authorised Unit Trusts, PEPs (Personal Equity Plans) and ISAs (Individual Savings Accounts) increased more than 60%. At year-end, all key onshore UK funds returned first quartile performance across all time horizons.

Our offshore business consolidated its products and operating platform to deliver capabilities seamlessly to clients around the world. Funds under management doubled in 1999 on strong sales worldwide.

Turning to Asia, INVESCO Global saw yet another year of solid growth in sales in Hong Kong, on both the retail and the institutional side. The introduction early in the year of a mandatory pension scheme for all employees in Hong Kong, the Mandatory Provident Fund, is now at the top of many fund providers' agendas.

Preparations for the launch of a marketing campaign have been under way since the last quarter of 1999 and INVESCO Asia

INVESCO Global anticipated the world's rapid rebound from financial crisis and capitalised on the impact of the euro, contributing to an outstanding 1999.

has committed considerable resources to what it regards as a dominant theme in the future. In Japan, 1999 was a year of adjustment as the financial services sector confronted evolution in government regulations and consumer behaviour. Even so, as Japan continues to adopt modern financial practices, it remains an important market for the group.

INVESCO Global North America grew its assets under management by 77.5% in 1999 with solid profitability, and the business continues to build an impressive list of US institutional clients seeking international investments.

Even as business lines made substantial progress in most markets, our operations team scored major successes in 1999, as well. Both the integration with GT Global and the 18-month Year 2000 effort went smoothly. These achievements highlight the skill and professionalism of the people supporting our businesses.

In the coming year, we will continue to use our global presence and local expertise to help our organisation deliver capabilities to clients effectively and efficiently. INVESCO Global is committing the resources necessary to maintain a state-of-the-art technology infrastructure. Even as we develop our capabilities and technology to meet the ever-changing needs of clients, our primary focus will remain: to leverage our capabilities for top-level investment performance.

Nineteen ninety-nine was an outstanding year for the Retirement and Benefit Services Group (RBS). We served more clients than ever before in the rapidly growing defined contribution market, continued to leverage AMVESCAP's

Retirement and Benefit Services

extensive investment expertise to expand our portfolio of innovative products, and achieved record sales, asset growth and profitability.

In the US, RBS offers competitive full-service recordkeeping, plan administration, employee communication, and investment services for defined contribution plans. The nation's defined contribution market is rivaling the defined benefit market in overall assets, and RBS capitalised on this sea change in 1999. We had 336,000 plan participants. At 31 December 1999, assets reached \$23.6 billion, a 57% increase from 1998, and annual net sales rose 83% to \$3.3 billion. High-quality service and substantial investment product diversity helped RBS maintain an outstanding client retention record.

Our success drew from a co-ordinated effort to market our plan administration services directly to plan sponsors and consultants, while also aggressively marketing our investment products through major third-party vendors. This two-pronged approach proved very successful, underscoring the importance of a distribution channel that selects from among the best available AMVESCAP products to deliver the most effective solution for each retirement client.

In 1999, the RBS Financial Services group increased its focus on the growing IRA rollover market, selling high-quality, fully competitive IRA rollover services to individuals who are retiring or changing jobs. As Baby Boomers reach retirement age, the need for post-retirement IRA rollover accounts is expected to grow annually at more than 18% per year, creating a market worth more than \$5 trillion by 2006.

The Institutional Trust Company was reorganised in 1999 to offer an expanded range of services for individuals who are retiring or planning retirement. The group sponsors collective funds that are currently offered

Retirement and Benefit Services Highlights

Revenues

1999: £31.0m

1998: £19.5m

1997: £13.3m

Defined contribution assets

1999: \$23.6bn

1998: \$15.0bn

1997: \$10.6bn

Plan participants

1999: 336,000

1998: 260,000

1997: 175,000

exclusively to qualified retirement plans. As we extend our marketing effort to endowments and foundations, which can also use the collective trust format, we expect strong growth to continue in 2000.

Overseas, emerging economies made clear progress in their conversion of under-funded, state-sponsored social security systems into employee-directed savings programs patterned after US defined contribution plans. In June 1999, RBS and the Polish Conference of Bishops formed the joint-venture ARKA-INVESCO. This new company successfully participated in the initial phase of the privatisation of the Polish Social Security System by providing comprehensive defined contribution retirement services and investment products.

As the defined contribution approach makes further inroads globally, RBS will work closely with the INVESCO Global Division to position AMVESCAP to tap opportunities for growth. This year, we expect to launch a comprehensive defined contribution retirement service in the UK and establish recordkeeping, client service, and employee communication capabilities to participate in the privatisation of the social security system in Hong Kong. We are currently

RBS served more clients than ever before in the rapidly growing defined contribution market, expanded its portfolio of innovative products and achieved record sales, growth and profitability.

developing the best strategies for the defined contribution markets that will eventually emerge in Germany, France and other European countries. Early appraisals of these projects are encouraging, indicating long-term potential for a strong and profitable business.

In the US and around the world, defined contribution plans will continue to be a major force in the retirement market. As investors continue to take control over their financial futures, including retirement, clients will demand greater product diversity and higher levels of service. With a full range of investment products, extensive retirement expertise and a dedicated team of professionals around the globe, AMVESCAP is one of the few investment management companies with the potential to succeed in this dynamic and fast-moving market.

Special Report

THINKING GLOBAL ACTING LOCAL



Mike Hanley and
Muffet Arroll, US
Institutional Group

Trading for Results

AMVESCAP's divisions traded more than 20 billion equity shares last year to achieve strong performance for clients.



Highlights from a Year of Total Performance

The following pages show how AMVESCAP combined global capabilities and local expertise to serve clients in 1999.



Global Asset Allocation

Choosing the right asset mix can be a key decision for our clients. Finding the right balance between stocks and bonds, countries and industries is a complex task.

One of the tools we have applied to this challenge over the past decade is the Global Asset Allocation Process. At its heart is the concept called “Valuation and Dynamics”. This approach captures the key variables that drive returns over time for each asset class. Sophisticated modeling techniques draw on our global network of investment professionals, economists and analysts to provide insights and information. Our global asset allocation team then refines this information into clear asset allocation strategies. These strategies are then implemented locally by our investment teams around the world, based on the individual preferences and risk tolerances of their clients.

In recent years, events like the recession in Japan, structural changes in Europe and the global technology revolution have created opportunities for investors. Our asset allocation skills have helped clients profit from the evolving global investment environment. As long as the world creates change, we will continue to look beyond the horizon to develop the right investment strategies.

Beating Benchmarks

95% of AIM's equity assets outperformed the S&P 500 in 1999.



Insightful Investments

In 1999, INVESCO's private equity group took stakes in several companies before their successful IPOs, including Portal Software, Promotions.com and Ventro. Other notable investments included COMPUSA, Egghead.com, Petsmart and Starbucks.



Leadership in Europe

INVESCO ranked #1 in Austria with a market share of 12.4%, and it ranked #2 among foreign asset managers in the German institutional market.





Some of the senior personnel involved in the global asset allocation process (clockwise): Anna Tong, INVESCO Global Group; Hock Lau, US Institutional

Group; Tristan Hillgarth, INVESCO Global; Tony Broccardo, INVESCO Global; and Kal Salama, US Institutional



▲
Mike Rome, David Bachert
and Clarissa Perez-Machado,
AIM Management Group

The Power of People Attract talented people with an intellectual investment in their work, and help them excel – that is AMVESCAP’s strategy for delivering the high level of performance and service that our clients expect.

AMVESCAP is committed to offering training and professional support to employees in all areas of the company and at all stages of their careers. At “AIM University”, employees logged 136,000 hours in 542 skills-building and professional development classes. Employees of INVESCO Funds Group and the Retirement and Benefit Services Group benefited from similar programs, and the US Institutional Group and the INVESCO Global Group provided a more-select offering of classes.

The Corporate Associates Program broadens the horizons of recent business school graduates. This two-year program rotates people through company offices to experience the full scope of activities in the AMVESCAP family. The Chairman’s Advisory Council, a 12-person group selected from the ranks of management, shares knowledge and gains new perspectives on issues shaping the organisation.

How do we know that our commitment to people leads to a healthier company? In 1999, both the AIM and INVESCO fund groups earned the prestigious DALBAR award for customer service, and our employee turnover remains among the lowest in the industry. In the end, the most compelling evidence of the strength of AMVESCAP is the quality of our people.

Internet Innovator

In 1999, INVESCO Funds Group became the first mutual fund company to let investors open and fund new accounts on-line.



Advertising a Winner

AIM’S new television commercials featuring women’s soccer star Mia Hamm and champion cyclist Lance Armstrong required 24 hours of filming, 200 hours of editing and two gallons of artificial sweat.



Answering to Clients

Every day, Julie Mongeau and other Managed Products Group client representatives turn 8,765 telephone inquiries into positive customer service experiences.



A Landmark Year of Growth for AIM in Canada

AIM's extraordinary success in Canada was the result of an important organisational transformation and the hard work of our dedicated employees.

The Canadian operations of AIM and GT Global merged successfully to form AIM Funds Management Inc. – a single company with a unified senior team, a common strategy, shared technology, and one family of funds. This move positioned AIM to deliver a full spectrum of investment products and services in Canada with greater efficiency. As a result, we grew by virtually every key measure: 1999 total gross sales increased dramatically, assets under management rose 71% to CAD\$6.8 billion, and we finished December as the third best selling fund group in Canada. During the year, 60 professionals joined our team, increasing our Canadian staff to 180.

While growing in size and scope, AIM retained its high standards for innovation and performance. As Canadian investors increased foreign investments, AIM called upon AMVESCAP's global expertise to launch eight new funds that provide global diversification within the investors' portfolio restrictions. Overall, AIM funds in Canada performed with consistent strength. The AIM Canadian Premier Fund, managed by AIM in Houston, and the AIM European Growth Fund, managed by INVESCO in London, were named Equity Funds of the Year by our Canadian peers. AIM was also recognised for the achievements of our multi-lingual service staff and for the calibre of our sales team.

Our staff also continued to play supportive roles in Canadian communities through their active participation in local charities, arts and sports organisations. Although we describe ourselves as “global to the core”, we recognise the importance of full and active local participation wherever we do business.

Leveraging Relationships

In 1999, through a single defined contribution alliance partner, INVESCO funds were added to over 3,000 government plans and over 3,000 corporate 401(k) plans.



Banking on Distribution

AIM's sales to banks increased by 52%, making it the second largest seller of funds through the bank channel.



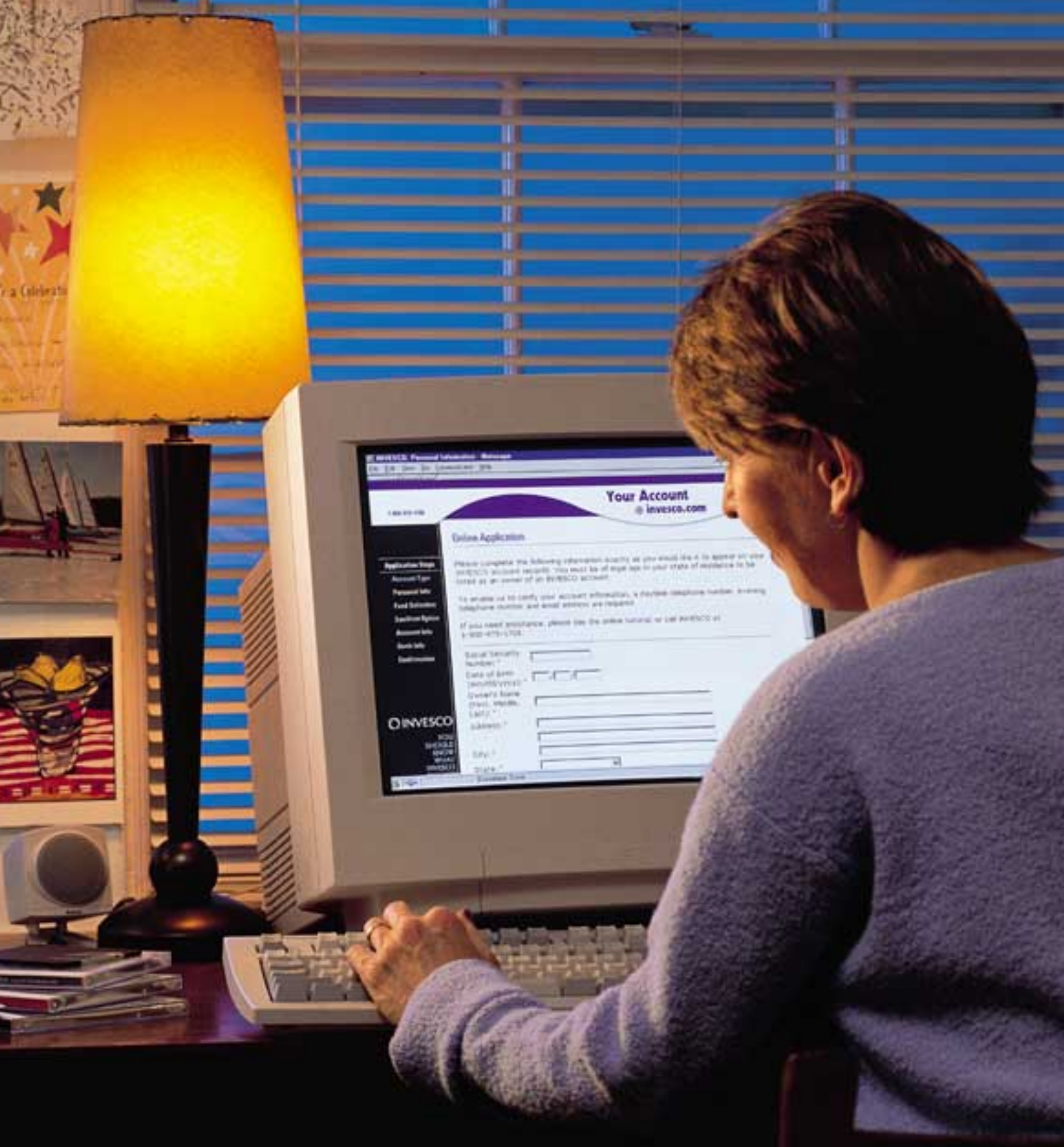
Realty Management

INVESCO's research-driven real estate group acquired more than \$1 billion in private realty in 1999, ranking among the top 10 US tax-exempt realty managers.





Employees from AIM Funds
Management in Toronto
celebrate a stellar year.



▲
Clients of INVESCO Funds Group
can open new accounts on-line
through the award-winning
web site www.invesco.com.

E-Commerce At AMVESCOAP, e-commerce is a natural extension of our businesses with a simple and important goal: to make it easier for clients to do business with us. By delivering products, services and customer support on-line, we can expand our distribution, improve communications with clients and strengthen relationships with business partners.

We're proud of our successes to date. INVESCO was the first mutual fund company to let investors open and fund new accounts on-line, and we recently launched multi-lingual sites to better serve clients in Europe, Asia and Japan. Earlier this year, a leading consumer rating agency, DALBAR, named *invesco.com* and *aimfunds.com* – our primary business sites – the top no-load and load web sites, respectively.

Going forward, we will find new ways to use innovative technology, offering greater convenience to clients and further extending our leadership position in investment management. In early 2000, INVESCO clients will receive additional guidance on-line from a customer service host available through streaming video.

The key to success in e-commerce will be speed. We must move faster, be more innovative and form stronger networks of business partners than our long-time competitors and new entrants. Our extensive range of products and services and our global presence make us an attractive partner for on-line distributors, and we are developing relationships with an increasing number of financial services internet providers around the world. E-commerce will continue to provide great opportunities, and our challenge is to position ourselves to take advantage of them.

Best in Fixed Income...

Jerry Paul, at INVESCO Funds Group in Denver, was named "Fixed Income Mutual Fund Manager of the Year 1999" by the financial information and services firm, Morningstar.



...and German

Equities Leading business

magazine *Finanzen* named Karl Fickel, of INVESCO Global Germany, "Fund Manager of the Year 1999" in the German equity sector for the outstanding performance of the Neue Maerkte fund.



Gaining in Canada

AIM Funds Management in Canada, headed by Rob Hain, grew assets by more than 70% in 1999, making it the country's 19th largest mutual fund manager, up from 21st.



The Euroland Equation The launch of the euro in January 1999 introduced an era of rapid change for asset managers in Continental Europe. The harmonisation of pension fund systems seems likely, and asset managers are seeking prime positioning through cross-border mergers and acquisitions, while more foreign players – especially US companies – are entering the market.

Against this background, European Union (EU) governments are working to design and implement a series of legal and fiscal directives. A fundamental issue facing the pension fund industry in Europe is the severe under-provisioning for retirement. While questions remain as to how EU governments will specifically meet this challenge, INVESCO, with a broad presence on the Continent, stands to reap significant benefits.

With offices in Austria, France, Germany, Italy, The Netherlands, Spain and Switzerland – combined with our access to the worldwide network of AMVESCAP investment professionals – we blend local knowledge and global expertise to provide clients with balanced and insightful investment advice. Assets under management doubled in 1999, validating our local-global strategy, and INVESCO Continental Europe is expected to remain a recognised force in the industry throughout the coming decade.

Client Loyalty INVESCO Retirement Plan Services enjoys a 98% client retention rate. The first company that hired the group to administer its retirement plan over nine years ago, remains a client today.



Service to Clients

For the fifth consecutive year, INVESCO Funds Group was awarded DALBAR's Mutual Fund Service Award. INVESCO also won DALBAR's Intermediary Key Honors Award for excellence in service to financial intermediaries.



Depth and Breadth

INVESCO's fixed income team is one of the industry's most experienced, with a diverse institutional product line ranging from stable value to US high yield and convertible bond products.





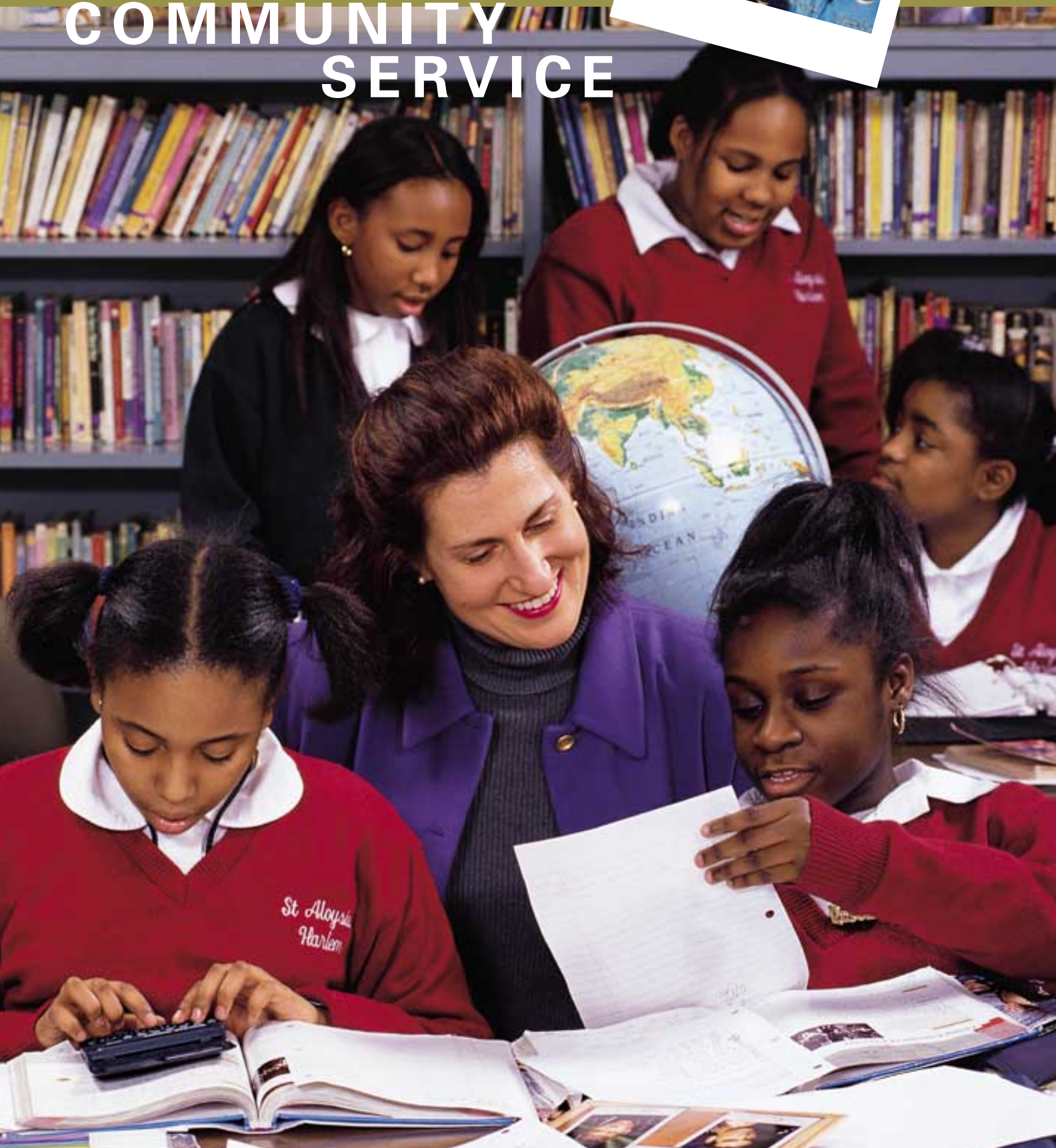
▲
Patrick Riviere, Laurent Huck,
Derek Biggs and Riccardo
Ricciardi, INVESCO Global Group

Around the world, AMVESCAP strives to play an active role in the growth and development of communities, providing support for the arts, education, sports and charitable organisations.

Below, New York employee Elena Tedoldi mentors children at the St. Aloysius School. At right, staff in Atlanta participated in the Susan G. Komen Breast Cancer Race, raising \$15,000.



COMMUNITY SERVICE



FINANCIAL REPORTS

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Financial Overview

AMVESCAP is one of the world's largest independent investment managers, operating under the AIM and INVESCO brand names. AMVESCAP is a holding company that offers a broad array of investment products and services to institutions and individuals across many distribution channels. The Group currently provides services to clients in more than 100 countries, employs 5,545 people in 25 countries and manages more than 1,600 separate institutional accounts and 400 retail funds.

Operating Results

1999 marked another record year for AMVESCAP. Profit before tax, goodwill amortisation and exceptional item increased 38% to £319.8 million from £231.3 million in 1998. Diluted earnings per share before goodwill amortisation and exceptional item increased 35% to 32.7p for the 1999 year (1998: 24.3p). Basic earnings per share before goodwill amortisation and exceptional item increased to 34.0p (1998: 26.0p). Revenues increased £270.2 million to £1.1 billion (1998: £802.2 million) an increase of 34% over the prior year.

The Company completed the acquisition of GT Global on 29 May 1998. The 1998 results include the GT Global business from 1 June 1998 and include an exceptional charge of £48.6 million relating to the integration of these businesses. The integration process was completed during 1999.

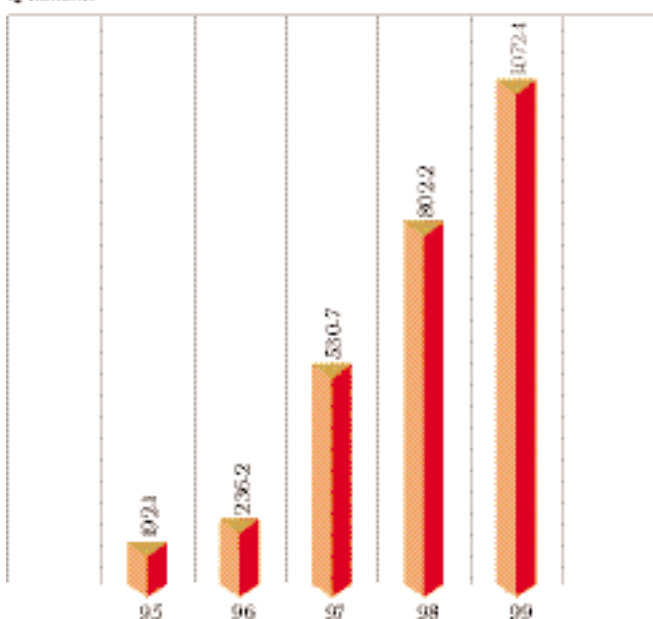
Operating profit before goodwill amortisation totaled £352.7 million in 1999 (1998: £257.3 million) an increase of £95.4 million.

Operating expenses increased 32% to £719.6 million in 1999 (1998: £544.9 million), due primarily to increased staff costs. Compensation and related expenses amounted to £430.2 million (1998: £321.9 million), or 60% of total operating expenses. Headcount levels increased by 660 to 5,545 total employees at the end of 1999, due primarily to increased volumes in the business. Marketing costs represented approximately 14% of total operating costs in 1999, a 19% increase from the prior year as the Group continues to promote its AIM and INVESCO brands. Technology costs were 13% of the total operating expenses for the current year, as investments are continually made to increase the effectiveness of our systems and for increased business volumes. Variable costs accounted for approximately 25% of total expenses, versus 30% in the prior year.

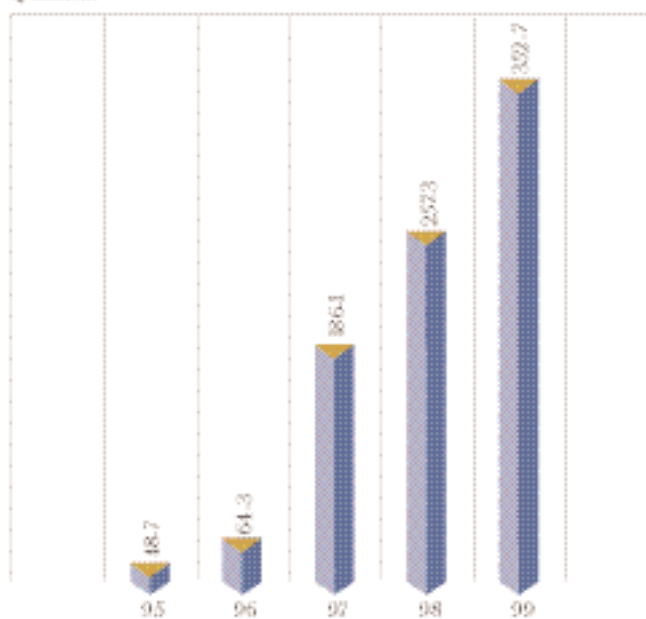
Managed Products

The Managed Products group had an exceptional year in 1999 with revenues and operating profits reaching record levels for both the AIM and INVESCO fund groups. AIM and INVESCO had net new business of \$7.6 billion and \$3.4 billion during the year, fueled by excellent investment performance, continued promotion of our brands and record gross sales levels. According to an independent survey, the diversified equity funds for AIM and INVESCO ranked third in investment performance among the ten largest US fund groups with a combined return of 35.7% for 1999. Funds under management increased to \$199.7 billion at 31 December 1999, an increase of \$65.2 billion for the year.

Revenues
£ millions



Operating Profit*
£ millions



*before goodwill amortisation and exceptional items

US Institutional

Revenue and operating profits improved by 21% and 9%, respectively, over the prior year. While the unit continues to experience a net loss of assets caused by the shift to index products, the flow from active to passive management has declined in the latter part of the year, and the group continues to rank among the largest active-only asset managers in the US. Marketing activity for 1999 produced gross sales of \$11.3 billion and about 100 new clients.

INVESCO Global

INVESCO Global's performance in generating new business in 1999 was excellent. This business is leveraging its infrastructure, resulting in operating profits of £49.6 million in 1999, an increase of 56% over 1998, and a record operating margin level. Funds under management stood at \$57.2 billion at 31 December 1999, compared to \$40.8 billion at the end of the prior year. This 40% increase was due to record gross sales of \$23.2 billion experienced across the business coupled with the strength in the markets. The business in Continental Europe doubled during 1999, due in large measure to the impact of the euro, and Asia saw net sales grow by over 300% from 1998 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.

Retirement and Benefit Services

Retirement and Benefit Services had strong momentum throughout the year, generating over \$3.3 billion in net new business for various units of AMVESCAP during the year. It is responsible for over \$23.6 billion in funds under management for all distribution channels and the group currently services over 421 separate retirement plans with approximately 336,000 plan participants.

New Business Expense

New Business Expense contains costs associated primarily with the Group's efforts in the international defined contribution markets in Poland and Hong Kong. Certain 1998 amounts have been reclassified to reflect the Group's investments in these markets.

Corporate

The increase in corporate expenses for 1999 is due principally to continued expenditures in Group-wide technology initiatives.

Taxation

The Group's effective tax rate on ordinary profit (before goodwill amortisation and exceptional item) was 31.9% for the current year compared to 32.5% in 1998. This decline was due to the realisation of prior year tax losses resulting from a more efficient tax structure relating to the GT businesses.

for the year ended 31 December 1999

	Revenues £'000	Expenses £'000	Operating Profit £'000
Managed Products	644,814	(356,912)	287,902
US Institutional	172,657	(112,333)	60,324
INVESCO Global	223,913	(174,340)	49,573
Retirement and Benefit Services	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 amortisation	-	(36,754)	(36,754)
	1,072,350	(756,391)	315,959

for the year ended 31 December 1998

	Revenues £'000	Expenses £'000	Operating Profit £'000
Managed Products	488,936	(290,562)	198,374
US Institutional	143,221	(88,027)	55,194
INVESCO Global	150,511	(118,784)	31,727
Retirement and Benefit Services	19,504	(26,811)	(7,307)
New Business Expense	-	(3,920)	(3,920)
Corporate	-	(16,752)	(16,752)
	802,172	(544,856)	257,316
Goodwill amortisation	-	(21,221)	(21,221)
	802,172	(566,077)	236,095

Changes in Funds Under Management

billions	Total	Managed Products		US	INVESCO	RBS
		AIM	INVESCO	Institutional	Global	
31 December 1998	\$275.4	\$111.6	\$22.9	\$93.9	\$40.8	\$6.2
Market gains	57.5	30.0	8.3	5.9	12.5	0.8
Net new (lost) business	10.6	7.6	3.4	(5.8)	4.6	0.8
Change in US Money Market Funds	17.0	17.0	–	–	–	–
Transfers	–	(1.0)	(0.2)	(1.5)	2.5	0.2
Foreign currency	(1.1)	0.1	–	–	(1.2)	–
Other	(2.0)	–	–	–	(2.0)	–
31 December 1999	\$357.4	\$165.3	\$34.4	\$92.5	\$57.2	\$8.0

Funds Under Management

Funds under management were \$357.4 billion (£220.6 billion) at the end of 1999, an increase of \$82.0 billion or 30% for the year. Average funds under management were \$294.9 billion (£182.0 billion) for the year 1999, compared to \$232.9 billion (£138.6 billion) for the prior year, an increase of 27% for the year. At 31 December 1999 and 1998, approximately two-thirds of the total funds under management were invested in equity securities and one-third in fixed interest securities.

Financial Resources and Liquidity

The ability to generate cash from operations in excess of our capital expenditures and dividend requirements is one of our fundamental financial strengths. Operations continue to be financed from share capital, retained profits and borrowings. Operating activities in 2000 will continue to provide sufficient cash flows to meet our financial commitments and

to capitalise on opportunities for business expansion. Our free cash flow – the cash remaining from operations after satisfying our business reinvestment needs – will be used primarily to reduce debt levels in 2000.

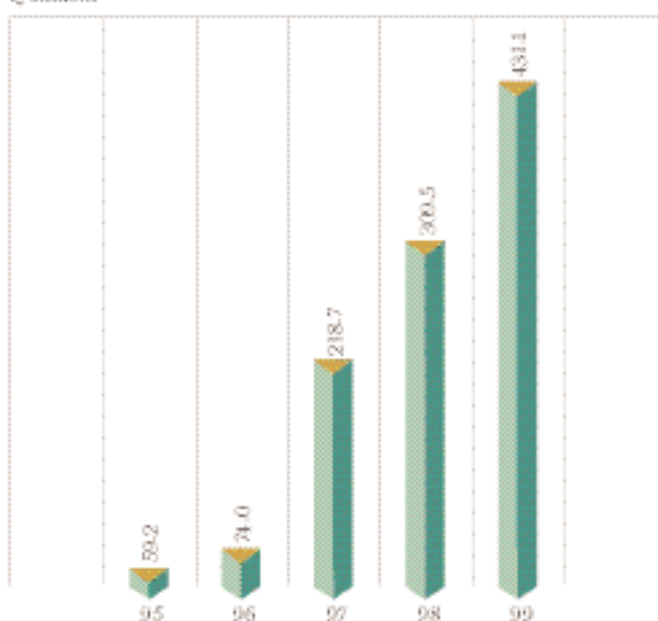
The Group generated £431.1 million of earnings before interest, taxes, depreciation and amortisation (EBITDA) in 1999, an increase of £121.6 million from the prior year. The Company paid £54.4 million in dividends and £58.0 million for fixed assets expenditures, principally for technology. Shareholder funds have increased to £436.7 million at 31 December 1999.

Free cash flow was utilised during the year to pay down £108.3 million in total debt. At 31 December 1999, long-term debt amounted to £659.1 million, and net debt at the end of 1999 was £512.6 million, excluding cash held as a result of short-term timing differences on customer transactions of £41.5 million.

The Group has not changed its financial instruments policies in the current year and does not hedge any of its operational foreign exchange exposures, as a result the Group's balance sheet may be impacted by movements in US dollar/sterling exchange rates. This is partially mitigated by incurring US dollar denominated borrowings. Other than this, the Group does not actively manage its currency exposures.

The Group has a \$700 million credit facility with a group of 17 international banks. At 31 December 1999, £228.1 million (\$369.5 million) was drawn under this facility and £405.0 million remains outstanding under the Company's fixed rate senior notes.

EBITDA*
£ millions



*before exceptional items

The existing capital structure of the Group together with the cash flow from operations and borrowings under the credit facility will provide the Group with sufficient resources to meet present and future cash needs.

Dividends

The final dividend is recommended at 5.5p per share, resulting in a total dividend of 9.0p for 1999 (1998: 8.0p), an increase of 13% over the prior year and the seventh consecutive year that the dividend has been increased.

Financial Statement Risks

The Group does not hedge (through derivative or other financial instruments) the translation of its profits from overseas subsidiaries or other interest rate or foreign exchange exposures; therefore, significant changes in exchange rates or interest rates can materially affect the results of operations, particularly since a majority of the business and debt is denominated in US dollars.

The Group holds or issues financial instruments primarily to finance its operations, but also for client trading purposes in a limited number of subsidiary operations.

The main risks arising from the Group's processing of customer transactions primarily arise as a result of the Group holding securities in its own investment vehicles to facilitate their orderly management. The risks associated with these securities are interest rate risk, foreign currency risk and counterparty risk. These are managed in accordance with limits established by Group management and applicable regulations.

Trading in financial instruments for customer related transactions only occurs in the Group's German and Austrian subsidiaries, which conduct treasury operations for their clients. This activity involves both the acceptance and placement of client deposits and loans as well as executing client foreign currency and interest rate derivative contracts. Interest rate, liquidity and currency risks arising from these transactions are actively managed so as to minimise any residual exposure to the Group.

At 31 December 1999, 65% of the Group's borrowings were fixed for an average period of 4.5 years. The remainder were floating.

Year 2000

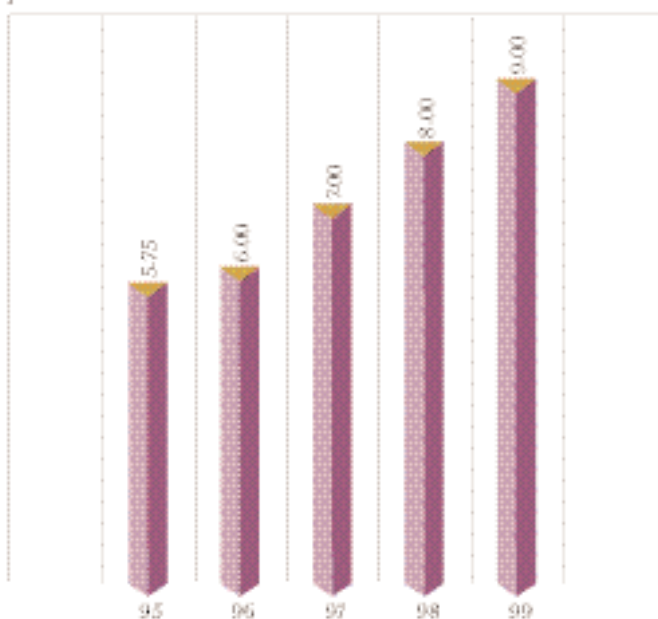
The rollover into the Year 2000 did not impact the Group's business or financial condition. During 1999, the Group reviewed, tested, and made upgrades to systems and programs as necessary. Total costs incurred for the transition into 2000 were in line with previous estimates. Although the Group is heavily dependent upon a complex worldwide network of third-party systems, business transactions with third parties were not materially impacted by the transition into 2000.

Forward-Looking Statements

This report and oral and written statements by the Group and its management may include forward-looking statements. Forward-looking statements include information concerning possible future results of the Group's operations, earnings, industry conditions, assets under management and other aspects of its business. Such statements are based on beliefs and assumptions of the Group's management and on information available to management at the time such statements are made. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. The Group does not intend to review or revise any particular forward-looking statements referenced in this report in light of future events.

Dividends per Share

pence



Group Profit and Loss Account

for the year ended 31 December

	1999	1998
	£'000	£'000
Revenues	1,072,350	802,172
Operating expenses	(719,637)	(544,856)
	352,713	257,316
Exceptional item—integration	–	(48,600)
Goodwill amortisation (note 8)	(36,754)	(21,221)
Operating profit	315,959	187,495
Investment income (note 2)	11,809	12,183
Interest payable (note 3)	(44,726)	(38,200)
Profit before taxation	283,042	161,478
Taxation (note 5)	(102,010)	(67,373)
Profit for the financial year	181,032	94,105
Dividends (note 6)	(58,244)	(50,594)
Retained profit for the year	122,788	43,511
Earnings per ordinary share (note 7):		
–basic	28.3p	15.7p
–diluted	27.1p	14.7p
Earnings per ordinary share before goodwill amortisation and exceptional item (note 7):		
–basic	34.0p	26.0p
–diluted	32.7p	24.3p

Group Statement of Total Recognised Gains and Losses

for the year ended 31 December

	1999	1998
	£'000	£'000
Profit for the financial year	181,032	94,105
Currency translation differences on investments in overseas subsidiaries	(18,645)	14,609
Total recognised gains and losses for the year	162,387	108,714

The accompanying notes form part of these accounts.

Group Balance Sheet

as at 31 December

	1999	1998
	£'000	£'000
Fixed assets		
Goodwill (note 8)	664,135	711,795
Investments (note 9)	128,921	131,738
Tangible assets (note 10)	108,021	88,781
	901,077	932,314
Current assets		
Debtors (note 11)	675,856	479,381
Investments (note 9)	60,135	79,469
Cash at bank and in hand	189,732	119,651
	925,723	678,501
Creditors: amounts falling due within one year (note 12)	(706,289)	(550,397)
Net current assets	219,434	128,104
Total assets less current liabilities	1,120,511	1,060,418
Long-term debt (note 13)	(659,120)	(686,010)
Provisions for liabilities and charges (note 14)	(24,730)	(43,438)
Net assets	436,661	330,970
Capital and reserves		
Called up share capital (note 15)	168,617	167,506
Share premium account	478,860	469,382
Profit and loss account	380,717	257,929
	1,028,194	894,817
Other reserves	(591,533)	(563,847)
Shareholders' funds, equity interests	436,661	330,970

The accompanying notes form part of these accounts.

These accounts were approved by the board of directors on 25 February 2000 and were signed on its behalf by:

Charles W. Brady

Robert F. McCullough

Group Shareholders' Funds

Movements in shareholders' funds for the Group comprise:

	Share capital £'000	Share premium £'000	Other reserves £'000	Profit and loss account £'000	Total £'000
At 1 January 1998	148,855	157,365	(542,100)	214,418	(21,462)
Profit for the financial year	–	–	–	94,105	94,105
Dividends	–	–	–	(50,594)	(50,594)
Exercise of options	4,362	37,164	(36,356)	–	5,170
GT Global acquisition	10,625	263,196	–	–	273,821
Conversion of loan note	3,664	11,657	104	–	15,425
Currency translation differences on investments in overseas subsidiaries	–	–	14,505	–	14,505
At 31 December 1998	167,506	469,382	(563,847)	257,929	330,970
Profit for the financial year	–	–	–	181,032	181,032
Dividends	–	–	–	(58,244)	(58,244)
Exercise of options	1,111	9,478	(9,041)	–	1,548
Currency translation differences on investments in overseas subsidiaries	–	–	(18,645)	–	(18,645)
At 31 December 1999	168,617	478,860	(591,533)	380,717	436,661

The accompanying notes form part of these accounts.

Group Cash Flow Statement

for the year ended 31 December

	1999	1998
	£'000	£'000
Operating activities		
Operating profit	315,959	187,495
Exceptional item	–	32,207
Depreciation	40,621	26,216
Amortisation	62,674	34,965
(Increase)/decrease in debtors	(235,873)	26,255
Increase/(decrease) in creditors	166,071	(147,730)
Other	16,595	453
	366,047	159,861
Returns on investments and servicing of finance		
Interest and dividends received	13,123	10,804
Interest paid	(44,148)	(34,210)
	(31,025)	(23,406)
Taxation	(56,454)	(60,111)
Capital expenditure and financial investment		
Purchase of tangible fixed assets, net of sales	(56,721)	(54,644)
Disposals/(purchases) of fixed asset investments, net of purchases of £24.4 million in 1999 and net of sales of £33.5 million in 1998	6,425	(18,706)
	(50,296)	(73,350)
Acquisitions, net of cash, cash equivalents, and bank overdraft acquired	–	(126,959)
Dividends paid	(54,394)	(44,410)
Cash inflow (outflow) before the use of cash equivalents	173,878	(168,375)
Financing		
Issues of ordinary share capital	1,548	5,170
Issue of senior notes	–	395,155
Credit facility, net	(53,911)	72,889
Other loans and bank overdrafts	(54,381)	(252,856)
	(106,744)	220,358
Change in bank overdrafts	24,529	(21,627)
Change in cash equivalents	6,852	(33,833)
Increase/(decrease) in cash	98,515	(3,477)
Reconciliation to increase in cash at bank and in hand		
Increase/(decrease) in cash	98,515	(3,477)
Change in bank overdrafts	(24,529)	21,627
Change in cash equivalents	(6,852)	33,833
Foreign exchange movement on cash and cash equivalents	2,947	(3,013)
Increase in cash at bank and in hand	70,081	48,970

The accompanying notes form part of these accounts.

Company Balance Sheet

as at 31 December

	1999	1998
	£'000	£'000
Fixed assets		
Investments (note 9)	1,752,265	1,673,851
Current assets		
Debtors (note 11)	165,102	253,317
Investments	-	2,861
Cash at bank and in hand	5,338	384
	170,440	256,562
Creditors: amounts falling due within one year (note 12)	(499,228)	(477,944)
Net current liabilities	(328,788)	(221,382)
Total assets less current liabilities	1,423,477	1,452,469
Long-term debt (note 13)	(633,101)	(658,644)
Provisions for liabilities and charges (note 14)	(13,167)	(13,333)
Net assets	777,209	780,492
Capital and reserves		
Called up share capital (note 15)	168,617	167,506
Share premium account	478,860	469,382
Profit and loss account (note 16)	15,691	27,048
	663,168	663,936
Other reserves (note 16)	114,041	116,556
Shareholders' funds, equity interests	777,209	780,492

The accompanying notes form part of these accounts.

These accounts were approved by the board of directors on 25 February 2000 and were signed on its behalf by:

Charles W. Brady

Robert F. McCullough

Accounting Policies

(a) Basis of accounting

The accounts have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards.

(b) Basis of consolidation

The Group accounts consolidate the accounts of the Company and all its subsidiaries.

Operating profit includes the results of subsidiaries acquired from their effective dates of acquisition. No profit and loss account is presented for the Company as permitted by S230 of the Companies Act 1985.

(c) Goodwill

The excess of the cost of shares in subsidiary undertakings acquired over the fair value of their net assets is capitalised as an asset and amortised through the profit and loss account over an estimated useful life of 20 years. Prior to 1998, goodwill was charged directly to other reserves.

(d) Revenue

Revenue represents management, distribution, transfer agent, trading and other fees.

(e) Tangible fixed assets and depreciation

Depreciation is provided on fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life: leasehold improvements over the lease term; computers and other various equipment, between three and seven years.

(f) Investments

Investments held as fixed assets in the Group and Company balance sheets are stated at cost less provisions for any impairment in value. Investments held as current assets are stated at the lower of cost or net realisable value.

(g) Leases

Assets held under finance leases are capitalised and included in fixed assets. Rentals under operating leases are charged evenly to the profit and loss account over the lease term.

(h) Taxation

Corporation tax payable is provided on taxable profits at the current rate. Deferred taxation is provided on the liability method on all timing differences to the extent that they are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable.

(i) Foreign currencies

Group: Assets and liabilities of overseas subsidiaries are translated at the rates of exchange ruling at the balance sheet date. Profit and loss account figures are translated at the weighted average rates for the year. Exchange differences arising on the translation of overseas subsidiaries' accounts are taken directly to reserves. Exchange differences on foreign currency borrowings, to the extent that they are used to finance or provide a hedge against Group equity investments in foreign enterprises, are taken directly to reserves. All other translation and transaction exchange differences (which are not material) are taken to the profit and loss account.

Company: Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rates ruling at the date of the transactions. Differences on foreign currency borrowings to the extent used to finance or provide a hedge against foreign equity investments are taken directly to reserves together with the exchange differences on the carrying amount of the related investments. All other differences are taken to the profit and loss account.

(j) Pensions

For defined contribution schemes, pension contributions payable in respect of the accounting period are charged to the profit and loss account. For defined benefit schemes, pension contributions are charged systematically to the profit and loss account over the expected service lives of employees. Variations from the regular cost are allocated to the profit and loss account over the average remaining service lives of employees.

Notes on the Accounts

1. Segmental Information

Geographical analysis of the Group's business, which is principally investment management, is as follows:

	Revenue		Profit after exceptional item		Net assets	
	1999 £'000	1998 £'000	1999 £'000	1998 £'000	1999 £'000	1998 £'000
North America	859,993	659,241	322,611	208,379	187,434	143,701
Europe and Pacific	212,357	142,931	30,102	337	97,707	82,799
	1,072,350	802,172	352,713	208,716	285,141	226,500
Goodwill					664,135	711,795
Goodwill amortisation			(36,754)	(21,221)		
Net interest payable			(32,917)	(26,017)		
Profit before taxation			283,042	161,478		
Net debt					(512,615)	(607,325)
Net assets					436,661	330,970

The US dollar profits have been translated into sterling at an average rate for 1999 of 1.62 (1998: 1.66). Revenue reflects the geographical segments from which services are provided and is not materially different from the geographical

segments to which services are provided. Profit after exceptional item is stated after charging auditors' remuneration of £1,218,000 in 1999 (1998: £878,000) for audit work and £1,044,000 in 1999 (1998: £905,000) for non-audit work.

2. Investment Income

	1999 £'000	1998 £'000
Interest receivable	8,597	12,235
Income/(loss) from listed investments	1,480	(1,347)
Income from unlisted investments	1,732	1,295
	11,809	12,183

3. Interest Payable

	1999 £'000	1998 £'000
Senior notes	26,343	16,771
Credit facility	14,448	13,501
Other	3,935	7,928
	44,726	38,200

4. Directors and Employees

	1999 £'000	1998 £'000
Wages and salaries	308,213	237,008
Social security costs	18,523	14,366
Other pension costs	22,440	17,451
	349,176	268,825

Global Stock Plan ("the Plan")

A sum of £12,453,000 (1998: £9,826,000) has been paid into the Plan, a remuneration scheme for senior executives. This Plan is funded by a profit-linked bonus paid annually

in respect of directors and senior employees into a discretionary employee benefit trust which then purchases shares or share equivalents of the Company in the open market. These securities are allocated within the trust and, provided

they retain their position within the Group for a period of three years from the date of the bonus, are transferred to the participants upon retirement or termination of employment. The trust held 9,341,000 ordinary shares at 31 December 1999 (1998: 7,632,000).

The average number of employees of the Group during the year was 5,300 (1998: 4,500). Of these totals, 4,000 (1998: 3,600) were employed in North America and the remainder were employed in Europe and the Pacific.

Directors' Remuneration

	Aggregate		Highest Paid Director	
	1999 £'000	1998 £'000	1999 £'000	1998 £'000
Emoluments	15,559	13,556	3,805	2,761
Gains on exercise of share options	1,121	1,291	–	–
Pension contributions	192	190	19	18
	16,872	15,037	3,824	2,779

There are 9 (1998:10) directors who are members of Group pension schemes.

5. Taxation

	1999 £'000	1998 £'000
UK taxation:		
Corporation tax at 30.25% (1998: 31.0%)	12,097	2,500
Overseas current taxation	79,333	58,770
Overseas deferred taxation	10,580	6,103
	102,010	67,373

As at present there is no intention to distribute the retained earnings of certain overseas subsidiaries, no provision has been made for any additional taxation that might arise on distribution. Deferred taxation principally arises in relation

to employee share options, contributions to the Global Stock Plan, and certain items related to the acquisition of GT Global.

6. Dividends

	1999 £'000	1998 £'000
Interim paid, 3.5p per share (1998: 3p)	22,700	18,900
Final proposed, 5.5p per share (1998: 5p)	35,544	31,694
	58,244	50,594

The trustees of the Employee Share Option Trust waived dividends amounting to £2,796,000 in 1999 (1998: £2,470,000).

7. Earnings per Share

The directors consider that the profit before goodwill amortisation and exceptional item is a more appropriate basis for the calculation of earnings per ordinary share since this represents a more consistent measure of the year by year performance of the business. Profit is shown below before

£36,754,000 (1998: £21,221,000) of goodwill amortisation and before a £40,800,000 net of tax exceptional item in 1998. Diluted earnings per share takes into account the effect of dilutive potential ordinary shares outstanding during the period.

	Profit £'000	Number of shares '000	Per share amount
1999			
Basic earnings per share	217,786	639,636	34.0p
Issuance of options	-	27,271	
Diluted earnings per share	217,786	666,907	32.7p
1998			
Basic earnings per share	156,126	601,234	26.0p
Issuance of options	-	33,145	
Conversion of loan note	521	8,977	
Diluted earnings per share	156,647	643,356	24.3p

8. Goodwill

	Cost £'000	Amortisation £'000	Net book value £'000
At 1 January 1999	733,016	(21,221)	711,795
Exchange adjustment	(280)	-	(280)
Provided during the year	-	(36,754)	(36,754)
Purchase price adjustment	(10,626)	-	(10,626)
At 31 December 1999	722,110	(57,975)	664,135

On 29 May 1998, the Company completed its acquisition of several legal entities within the Asset Management Division of Liechtenstein Global Trust AG (collectively referred to as "GT Global"). The results of GT Global have been included in the Accounts from 1 June 1998. Total consideration for the acquisition was £499 million. The cost of the integration of the GT Global businesses was £48.6 million (£40.8 million after tax), which was recorded as an exceptional item in 1998. The goodwill created by the acquisition was capitalised and is being amortised over 20 years.

Prior to 1998, goodwill has been written off as follows:

	£'000
To other reserves	1,184,339
To cancellation of share premium account	44,468
To profit and loss account	73,600
	1,302,407

9. Investments (held as fixed assets)

	Shares of AMVESCAP PLC £'000	Other investments £'000	Total £'000
(a) Group investments			
Cost			
At 1 January 1999	108,393	26,803	135,196
Exchange adjustments	–	3,608	3,608
Additions	8,207	16,235	24,442
Disposals	(19,784)	(11,027)	(30,811)
At 31 December 1999	96,816	35,619	132,435
Provisions against investments			
At 1 January 1999	(2,027)	(1,431)	(3,458)
Net change	–	(56)	(56)
At 31 December 1999	(2,027)	(1,487)	(3,514)
Net book value			
At 31 December 1998	106,366	25,372	131,738
At 31 December 1999	94,789	34,132	128,921

Shares of AMVESCAP PLC include the holdings of the Employee Share Option Trust and comprise 26,716,000 ordinary shares, all of which are under option at 31 December 1999 to qualifying employees of the Group. The options vest after three years from the date of grant and lapse after 10 years. At 31 December 1999 there were options over these securities at exercise prices between 90p

and 660p. The market price of the ordinary shares at the end of 1999 was 720p.

Other investments consist of investments in various Group mutual funds and unit trusts, investments on behalf of deferred compensation plans, and investments in insurance companies.

	Shares in subsidiary undertakings £'000	Loans to subsidiary undertakings £'000	Shares of AMVESCAP PLC £'000	Total £'000
(b) Company investments				
Cost				
At 1 January 1999	984,163	625,493	108,393	1,718,049
Exchange adjustments	18,710	13,118	–	31,828
Additions	52,197	23,014	8,207	83,418
Disposals	–	(17,048)	(19,784)	(36,832)
At 31 December 1999	1,055,070	644,577	96,816	1,796,463
Provisions against investments				
At 1 January 1999				
and at 31 December 1999	(34,699)	(7,472)	(2,027)	(44,198)
Net book value				
At 31 December 1998	949,464	618,021	106,366	1,673,851
At 31 December 1999	1,020,371	637,105	94,789	1,752,265

The principal operating companies, which are all held through intermediate holding companies, are set out in the Group Directory. The holdings in all UK subsidiaries (which are all registered in England and Wales) consist of ordinary and/or preference shares. In the case of US subsidiaries, the holdings are of common stock. All material holdings are of 100 per cent of the equity capital, and the country of incor-

poration and the country in which the subsidiary operates is the same as shown in its address.

Investments Held as Current Assets

Current asset investments include listed investments of £56,786,000 (1998: £75,367,000) and unlisted investments of £3,349,000 (1998: £4,102,000).

10. Tangible Assets

Tangible assets are comprised of technology and other equipment.

	Cost £'000	Depreciation £'000	Net book value £'000
At 1 January 1999	134,228	(45,447)	88,781
Exchange adjustment	5,833	(2,693)	3,140
Additions	58,002	-	58,002
Provided during the year	-	(40,621)	(40,621)
Disposals	(16,985)	15,704	(1,281)
At 31 December 1999	181,078	(73,057)	108,021

Leased assets with a net book value of £1,223,000 (1998: £1,818,000) are included in tangible assets.

11. Debtors

	Group		Company	
	1999 £'000	1998 £'000	1999 £'000	1998 £'000
Unsettled fund debtors	246,364	75,292	-	-
Trade debtors	134,826	112,257	-	-
Customer and counterparty debtors	125,513	132,158	-	-
Deferred sales commissions	68,487	51,320	-	-
Other debtors	63,256	63,295	7,059	5,019
Deferred taxation	21,841	31,859	-	-
Taxation prepaid/recoverable	15,569	13,200	14,923	10,282
Intercompany debtors	-	-	143,120	238,016
	675,856	479,381	165,102	253,317

12. Creditors: amounts falling due within one year

	Group		Company	
	1999 £'000	1998 £'000	1999 £'000	1998 £'000
Unsettled fund creditors	289,212	78,916	-	-
Customer and counterparty creditors	129,842	136,837	-	-
Accruals	168,606	227,809	9,918	19,138
Corporation tax payable	49,437	14,747	1,039	1,411
Proposed ordinary dividend	35,544	31,694	35,544	31,694
Trade creditors	33,648	28,548	-	-
Bank overdraft	-	24,651	-	-
Current maturities of long-term debt	-	7,195	-	-
Intercompany creditors	-	-	452,727	425,701
	706,289	550,397	499,228	477,944

16. Shareholders' Funds

Movements in other reserves and profit and loss account of the Company comprise:

	Warrant reserve £'000	Capital redemption reserve £'000	Currency and merger reserve £'000	Cancellation of share premium account £'000	Total other reserves £'000	Profit and loss account £'000
At 1 January 1999	30,694	3,992	37,402	44,468	116,556	27,048
Profit for the financial year	-	-	-	-	-	46,887
Dividends	-	-	-	-	-	(58,244)
Exercise of options	(9,041)	-	-	-	(9,041)	-
Currency translation differences on investments in overseas subsidiaries	-	-	6,526	-	6,526	-
At 31 December 1999	21,653	3,992	43,928	44,468	114,041	15,691

17. Reconciliation of Net Cash Flow to Movement in Net Debt

	1999 £'000	1998 £'000
Increase/(decrease) in cash	98,515	(3,477)
Cash inflow from client cash	(33,818)	(7,715)
Cash outflow from debt and lease financing	822	415
Cash outflow/(inflow) from bank loans	108,290	(218,195)
Cash (outflow)/inflow from bank overdrafts	(47,578)	44,676
Cash (outflow)/inflow from cash equivalents	(6,852)	33,833
Change in net debt resulting from cash flows	119,379	(150,463)
Debt and finance leases	(664)	(309,765)
Translation difference	(24,005)	15,630
Change in net debt resulting from non-cash changes and translation	(24,669)	(294,135)
Movement in net debt in the year	94,710	(444,598)
Net debt beginning of the year	(607,325)	(162,727)
Net debt end of the year	(512,615)	(607,325)

18. Analysis of Net Debt

1999	31 December 1998 £'000	Cash flow £'000	Non-cash changes and translation £'000	31 December 1999 £'000
Net cash:				
Cash at bank and in hand	119,651	67,134	2,947	189,732
Less: cash equivalents	(67,960)	6,852	(2,281)	(63,389)
Bank overdrafts	(24,651)	24,529	122	-
	27,040	98,515	788	126,343
Client cash	(7,715)	(33,818)	-	(41,533)
	19,325	64,697	788	84,810
Cash equivalents	67,960	(6,852)	2,281	63,389
Debt due within one year	(7,195)	6,494	701	-
Debt due after more than one year	(686,010)	54,218	(27,328)	(659,120)
Finance leases	(1,405)	822	(1,111)	(1,694)
Total	(607,325)	119,379	(24,669)	(512,615)

1998	31 December 1997 £'000	Cash flow £'000	Non-cash changes and translation £'000	31 December 1998 £'000
Net cash:				
Cash at bank and in hand, including cash acquired on acquisition of £8,095,000	70,681	51,983	(3,013)	119,651
Less: cash equivalents, including cash equivalents acquired on acquisition of £108,393,000	(35,250)	(33,833)	1,123	(67,960)
Bank overdrafts, including bank overdrafts acquired on acquisition of £22,703,000	(2,556)	(21,627)	(468)	(24,651)
	32,875	(3,477)	(2,358)	27,040
Client cash	-	(7,715)	-	(7,715)
	32,875	(11,192)	(2,358)	19,325
Cash equivalents	35,250	33,833	(1,123)	67,960
Debt due within one year	(25,991)	10,419	8,377	(7,195)
Debt due after more than one year	(203,598)	(183,938)	(298,474)	(686,010)
Finance leases	(1,263)	415	(557)	(1,405)
Total	(162,727)	(150,463)	(294,135)	(607,325)

19. Commitments and Contingencies

The Group operates a number of pension schemes throughout the world. All are defined contribution schemes with the exception of small schemes operating for employees in the UK, US, Hong Kong and Germany, which are defined benefit schemes. The assets of the defined benefit schemes are held in separate trustee administered funds. The pension costs and provisions of these schemes are assessed in accor-

dance with the advice of professionally qualified actuaries. As of 31 December 1999 all plans are fully funded, with the exception of the German scheme, which is unfunded in accordance with local practice. The costs amounted to £4,791,000 (1998: £3,774,000) for the defined benefit schemes and £17,649,000 (1998: £13,677,000) for the defined contribution schemes.

The Group's annual commitments under non-cancellable operating leases are as follows:

	Land and buildings		Other	
	1999 £'000	1998 £'000	1999 £'000	1998 £'000
Operating leases which expire:				
Within one year	1,439	1,932	424	277
Within two to five years inclusive	11,960	9,683	3,291	1,895
In more than five years	8,676	4,535	1,723	–
	22,075	16,150	5,438	2,172

The majority of the leases of land and buildings are subject to rent reviews. The Company had no annual commitments under non-cancellable operating leases.

Guarantees and contingencies may arise in the ordinary course of business. The directors have not been notified of any material claims arising from such commitments.

In the normal course of business, the Group is subject to various litigation matters; however, in management's opinion, there are no legal proceedings pending against the Group which would have a material adverse effect on its financial position, results of operations or liquidity.

20. Financial Instruments

The interest rate profile of the financial liabilities of the Group at 31 December was:

Currency	Total £'000	Floating rate £'000	Fixed rate £'000	Fixed rate financial liabilities	
				Weighted average interest rate %	Weighted average period for which rate is fixed Years
US dollar	646,824	228,066	418,758	6.5	4.6
DM	12,851	–	12,851	6.5	3.0
Sterling	219	–	219	11.0	1.5
Other	920	–	920	2.8	3.3
	660,814	228,066	432,748	6.5	4.5

1998

Currency	Total £'000	Floating rate £'000	Fixed rate £'000	Fixed rate financial liabilities	
				Weighted average interest rate %	Weighted average period for which rate is fixed Years
US dollar	676,142	275,576	400,566	6.5	5.6
DM	52,859	31,515	21,344	6.0	3.0
Sterling	10,433	10,023	410	12.0	1.0
Other	2,876	2,240	636	8.0	3.5
	742,310	319,354	422,956	6.5	5.5

The Group held the following financial assets as at 31 December:

	1999	1998
	£'000	£'000
Cash Deposits		
US Dollar	88,689	72,738
Sterling	29,685	25,207
Euro	31,029	–
Yen	21,090	–
Other	19,239	21,706
Debt Securities		
Euro	43,083	–
DM	–	47,793
US Treasury bills and other	2,239	4,587
Total	235,054	172,031

The cash deposits comprise deposits placed primarily in money market accounts and 7-day deposits. All the investments in debt securities are in fixed rate securities. The average interest rate on the euro securities is 3.47%, and the average time for which the rate is fixed is 0.1 years. The average interest rate on the US Treasury bills is 5.71% (1998: 4.35%), and average time for which the rate is fixed is 0.7 years (1998: 0.2 years). In 1998, the average interest rate for

the DM securities was 3.5%, and the average time for which the rate was fixed was 0.2 years.

The Group has excluded debtors and creditors from its financial instrument disclosures. The majority of these amounts mature within three months, and there is no material interest rate gap on these amounts. There were no material differences between the book value and fair values of financial assets and liabilities at 31 December 1999 and 1998.

Five Year Summary

	1999 £'000	1998 £'000	1997 £'000	1996 £'000	1995 £'000
Revenues	1,072,350	802,172	530,659	236,235	192,105
Operating expenses	(719,637)	(544,856)	(344,573)	(171,976)	(143,400)
Exceptional item – integration	–	(48,600)	–	–	–
Goodwill amortisation	(36,754)	(21,221)	–	–	–
Operating profit	315,959	187,495	186,086	64,259	48,705
Exceptional item–profit on fixed asset investments	–	–	–	–	700
Other net (expense)/income	(32,917)	(26,017)	(8,793)	1,722	1,020
Profit before taxation	283,042	161,478	177,293	65,981	50,425
Taxation	(102,010)	(67,373)	(60,279)	(20,986)	(14,227)
Profit for the financial year	181,032	94,105	117,014	44,995	36,198
Earnings per ordinary share:					
–basic	28.3p	15.7p	22.7p	17.7p	14.6p
–diluted	27.1p	14.7p	20.8p	16.1p	13.3p
Earnings per ordinary share before exceptional item and goodwill amortisation:					
–basic	34.0p	26.0p	22.7p	17.7p	14.3p
–diluted	32.7p	24.3p	20.8p	16.1p	13.1p
Earnings before interest, taxes, depreciation, amortisation and exceptional item (EBITDA)	431,063	309,459	218,689	74,003	59,186
Dividends per ordinary share	9.0p	8.0p	7.0p	6.0p	5.75p
Weighted average foreign exchange rate (\$/£)	1.62	1.66	1.64	1.56	1.58
Funds under management at year end (\$ millions)	357,417	275,405	192,245	94,483	83,555

Summary Quarterly Information

1999	Three Months Ended:			
	31/3/99 £'000	30/6/99 £'000	30/9/99 £'000	31/12/99 £'000
Revenues	241,052	259,028	276,571	295,699
Operating expenses	(162,265)	(173,838)	(182,200)	(201,334)
	78,787	85,190	94,371	94,365
Goodwill amortisation	(9,140)	(9,011)	(9,332)	(9,271)
Operating profit	69,647	76,179	85,039	85,094
Net interest payable	(9,129)	(9,007)	(8,438)	(6,343)
Profit before taxation	60,518	67,172	76,601	78,751
Taxation	(22,638)	(24,761)	(27,933)	(26,678)
Profit for the financial period	37,880	42,411	48,668	52,073
Earnings per ordinary share:				
–basic	6.0p	6.6p	7.6p	8.1p
–diluted	5.7p	6.3p	7.3p	7.8p
Earnings per ordinary share before goodwill amortisation:				
–basic	7.4p	8.0p	9.1p	9.6p
–diluted	7.1p	7.7p	8.7p	9.2p
EBITDA	95,507	104,044	113,598	117,914
Funds under management at period end (\$ millions)	280,644	295,913	291,633	357,417
1998				
	Three Months Ended:			
	31/3/98 £'000	30/6/98 £'000	30/9/98 £'000	31/12/98 £'000
Revenues	162,075	191,778	226,344	221,975
Operating expenses	(105,187)	(125,138)	(157,817)	(156,714)
	56,888	66,640	68,527	65,261
Exceptional item-integration	–	(48,600)	–	–
Goodwill amortisation	–	(2,856)	(8,553)	(9,812)
Operating profit	56,888	15,184	59,974	55,449
Net interest payable	(995)	(4,955)	(11,181)	(8,886)
Profit before taxation	55,893	10,229	48,793	46,563
Taxation	(19,005)	(13,172)	(19,148)	(16,048)
Profit for the financial period	36,888	(2,943)	29,645	30,515
Earnings per ordinary share:				
–basic	6.5p	(0.5)p	4.8p	4.9p
–diluted	6.0p	(0.4)p	4.5p	4.7p
Earnings per ordinary share before exceptional item and goodwill amortisation:				
–basic	6.5p	6.9p	6.1p	6.5p
–diluted	6.0p	6.4p	5.8p	6.2p
EBITDA	66,289	80,579	81,132	81,459
Funds under management at period end (\$ millions)	208,289	260,883	241,205	275,405

Information for US Shareholders

Reconciliation to US Accounting Principles

The Group prepares its consolidated accounts in accordance with generally accepted accounting principles (“GAAP”) in the United Kingdom which differ in certain material respects from US GAAP.

The following is a summary of material adjustments to profit and shareholders’ funds which would be required if US Generally Accepted Accounting Principles (“US GAAP”) had been applied instead of UK Generally Accepted Accounting Principles (“UK GAAP”).

Profit	£’000	1999 \$’000*	£’000	1998 \$’000*
Profit for the financial year (UK GAAP)	181,032	293,272	94,105	158,096
Acquisition accounting (a)	(76,380)	(123,736)	(36,091)	(60,633)
Taxation (b)	(14,578)	(23,616)	(13,613)	(22,870)
Other (e)	(2,040)	(3,305)	(150)	(252)
Net income (US GAAP)	88,034	142,615	44,251	74,341
Earnings per ordinary share:				
–basic	14p		7p	
–diluted	13p		7p	
Earnings per ordinary share before goodwill amortisation:				
–basic	24p		17p	
–diluted	23p		16p	
Earnings per ADS**:				
–basic		\$1.13		\$.59
–diluted		\$1.05		\$.59
Earnings per ADS** before goodwill amortisation:				
–basic		\$1.94		\$1.43
–diluted		\$1.86		\$1.34

Shareholders’ funds	£’000	1999 \$’000	£’000	1998 \$’000
Shareholders’ funds (UK GAAP)	436,661	707,391	330,970	556,030
Acquisition accounting (a)	993,765	1,609,899	1,022,254	1,717,387
Treasury stock (c)	(132,615)	(214,836)	(131,857)	(221,520)
Dividends (d)	35,544	57,581	31,694	53,246
Other (e)	3,957	6,410	2,045	3,436
Shareholders’ equity (US GAAP)	1,337,312	2,166,445	1,255,106	2,108,579

* Pounds sterling for the fiscal years ending 31 December 1999 and 1998 have been translated to US dollars using \$1.62 and \$1.68, respectively, per £1.00.

** Per American Depositary Share equivalent to 5 ordinary shares.

(a) Acquisition accounting

Under UK GAAP, goodwill arising on acquisitions prior to 1998 has been eliminated directly against reserves. Goodwill arising in 1998 and after is capitalised and amortised over a period of 20 years. Integration-related amounts were expensed directly to the profit and loss account.

Under US GAAP, goodwill and other intangible assets are capitalised and amortised by charges to the profit and loss account over a period of 20 years. The integration costs were either capitalised as goodwill or expensed to the profit and loss account in the year paid.

(b) Taxation

The taxation adjustment primarily relates to differences in the financial statement treatments of stock option deductions under UK and US GAAP. Under UK GAAP, current tax expense is reduced by the tax benefit of the stock option deduction. Under US GAAP, the tax benefit is written off directly to equity.

The deferred taxation adjustment primarily relates to the difference in the recognition of deferred tax assets under UK and US GAAP. UK GAAP utilises a “partial provisioning” approach which does not allow for the recognition of replaceable deferred assets (assets which will reverse in the next accounting period but are replaced with a similar asset). US GAAP does not have such a provision, instead allowing a “full provisioning” approach. In addition, certain intangibles are treated as deferred tax items for US GAAP that are permanent items under UK GAAP.

(c) Treasury stock

Under UK GAAP, shares held by the ESOT are reflected as investments. Additionally, the trust related to the Global Stock Plan is not consolidated with the Group. Under US GAAP, shares held by the ESOT and the Global Stock Plan trust are reflected as treasury stock.

(d) Dividends

Under UK GAAP, ordinary dividends proposed after the end of an accounting period are deducted in arriving at retained earnings for that period. Under US GAAP, dividends are not recorded until formally approved.

(e) Other

Other adjustments include accounting differences relating to pension costs, interval fund amortisation, loans of employee stock ownership plans, and deferred taxation.

Report of the Auditors

To the Shareholders of AMVESCAP PLC

We have audited the accounts on pages 30 to 45 which have been prepared under the historical cost convention and the accounting policies set out on page 35.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the accounts on pages 30 to 45. The directors are also responsible for preparing Statutory Accounts for distribution to AMVESCAP PLC's shareholders and delivery to the Registrar of Companies. As the Company's auditors, we have separately reported to the Company's shareholders under section 235 of the Companies Act 1985 on the Statutory Accounts of the Company and the Group.

The accounts on pages 30 to 45 are based on the Statutory Accounts without certain supplementary disclosures required by the Listing Rules of the London Stock Exchange. The directors have instructed us to report as to whether these accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. Our responsibilities in providing such a report are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance. As set out on page 58, these accounts do not constitute the Statutory Accounts and accordingly our audit report on them is not issued under section 235 of the Companies Act 1985.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the Company and of the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company and of the Group at 31 December 1999 and of the Group's profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen

Chartered Accountants and Registered Auditors
1 Surrey Street
London
25 February 2000

Statement of Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and Group and of the Group's profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the accounts comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Corporate Governance *(Directors' Statement of Compliance with the Combined Code)*

The London Stock Exchange requires all listed companies registered in the UK to state in their Report and Accounts whether or not they have complied with the Combined Code relating to the principles of good governance and code of best practice prepared by the Committee on Corporate Governance, published in June 1998. The Combined Code is appended to, but does not form part of, the London Stock Exchange Listing Rules. The Board considers that the Company complies substantially with the Code and any variances from Code recommendations are explained below. The directors of the Company are committed to integrity and accountability in the stewardship of Company affairs and recognise the importance of effective corporate governance. Significant matters relating to the governance of the Group, including those relating to the recommendations of the Combined Code, are noted below.

The Board of Directors

The Board of Directors currently consists of nine executive and six non-executive directors. The Board meets regularly throughout the year.

The Board has a schedule of matters reserved for its consideration or approval which includes the Group's strategy, capital expenditures, group financing and material contracts.

The directors' responsibilities for the Report and Accounts are set out elsewhere herein. Procedures exist for directors to take independent legal, accounting or other professional advice at the expense of the Company in the

furtherance of their duties and to receive regular information and appropriate training on appointment and from time to time thereafter.

The Company Secretary's advice and services are available to all Board members.

The Board is supplied in a timely manner with information in a form and of a quality appropriate to allow it to perform its duties.

The roles of Chairman and Chief Executive are not separated. However, the Board includes non-executive directors who bring strong independent judgement, knowledge and experience to the Board's deliberations. No non-executive director has any form of Service Contract with the Company or any of its subsidiaries. In addition, each of the four operating divisions in the Group is headed by its own Chief Executive Officer who is a member of the Board. The audit and remuneration committees of the Board are composed entirely of non-executive directors. This structure, in the opinion of the Board, ensures that a sufficient balance of power and authority exists within the Group to prevent unfettered powers of decision being vested in the hands of the Chief Executive Officer.

Because each of the non-executive directors is independent and directors are available for communication of any concerns, the Company believes it is not appropriate to identify any single director as a senior non-executive director as suggested by the Hampel Committee.

Non-Executive Directors

Non-executive directors do not have formal fixed term contracts; however, under the Articles of Association all directors are required to retire by rotation, and one third of the board is required to seek re-election each year. Re-election is subject to shareholders' approval. As a general rule, it is envisaged that non-executive directors will not serve beyond the Annual General Meeting following their 70th birthday.

The non-executive members are of sufficient calibre and number that their views carry significant weight in the Board's decision making. It is the practice of the non-executive members to meet separately with the Executive Chairman at the time of each regular Board meeting. It is the policy of the Board to ensure that non-executive directors have no ongoing direct financial or contractual interests in the Company other than by way of their fees and shareholdings as disclosed in the Report and Accounts and do not participate in the Group employee share ownership schemes. Mr. Rod Canion and Mr. Stephen West held options under the former AIM share option schemes at the time of the merger between AIM and INVESCO and these are now convertible into shares of AMVESCAP PLC. The Company does not consider that these interests, which serve more fully to align these non-executives with the interests of shareholders generally, in any way adversely affect their independence as non-executives. To the contrary, the Company believes that significant shareholdings serve to enhance the independence of non-executives. Directors' interests, including those of non-executive directors, are disclosed in the Directors' Report within the Report and Accounts. Save as disclosed above non-executive directors do not participate in the Company's Share Option Schemes or Global Stock Plan, and their service is non-pensionable.

Executive Directors

Executive directors with the exception of Messrs. Bauer, Graham, Cemo and Crum are employed under rolling one-year contracts of employment. These contracts were signed prior to the year end.

Directors' emoluments are disclosed in the Report of the Board on Remuneration, included in the Report and Accounts.

Executive directors' emoluments, including participation in the Executive Share Option Scheme and bonus arrangements, are determined by the Remuneration Committee which consists solely of non-executive directors.

Executive Board and Divisional Management Committees

The Board has appointed an Executive Board to oversee and supervise the business and strategy of the executive management of the AMVESCAP PLC group as a whole and to approve and co-ordinate the activities of the Management Committees. Membership of the Executive Board may vary with the approval and consent of the AMVESCAP PLC Board.

The Board has appointed four Management Committees to assist in the day to day management of the operating divisions. The Committees consist wholly of executives of the Group. The Committees are inter-alia responsible for developing strategic plans for conducting the business of the Group worldwide, advising on all the allocation of personnel and capital resources and reviewing performance for all investment activities.

Reporting

The Board is aware of the risks the Company faces, understands the importance of identifying and evaluating the risks of the Company's business, and has adopted procedures and controls which enable it to proactively manage these risks.

The Board is also fully aware of its duty to present a balanced and understandable assessment of the Group's position including interim and other price-sensitive public reports and reports to regulators. It regularly reviews financial statements and forecasts to ensure that a going concern basis for their preparation is appropriate. The Board's assessment of the Group's position at 31 December 1999 is set out in the Chairman's Statement and Financial Overview. The Board's specific responsibilities for reporting to shareholders and for the assets of the Group are set out elsewhere herein.

Internal Controls

The Group operates under a system of internal controls which has been developed and refined to meet its current and anticipated future needs. These include but are not limited to:

- The organisational structure and the delegation of authorities to operational management.
- Procedures for the review and authorisation of capital investments.
- Annual budgets and revised forecasts.
- The reporting and review of financial results and other operating information.
- Accounting and financial reporting policies to facilitate the consistency, integrity and accuracy of the Group's accounting records.

- Financial and operating controls and procedures which are in place throughout the organisation and monitored through various means including routine and special reviews by independent auditors and other specialists.
- Regulatory compliance controls to address the primary risks associated with the fund management industry.

Management and the Board of Directors have overall responsibility for the Group's system of internal controls and for reviewing the system's effectiveness. This control system includes financial and compliance reporting procedures and defined levels of delegated authority, within the Group as a whole and within the Group's operating divisions. The Directors have reviewed the effectiveness of the Group's internal controls and believe that the system of internal controls provides reasonable but not absolute assurance that the Group's assets are safeguarded, transactions are authorised and recorded properly and that material errors and irregularities are either prevented or would be detected within a reasonable period. No significant weaknesses in the system of internal controls have been identified.

The Directors regularly review the effectiveness of the process for identifying, evaluating and managing the Group's key risks, including its system of internal controls. The Board, through its Audit Committee, reviews the scope of the work of the Group compliance function, as well as reports made by independent auditors and other specialists. The Chief Executive Officer reports to the Board regarding changes in the business and the external environment which may affect key risks. The Chief Financial Officer provides the Board with monthly financial information. Where areas for improvement are identified, the Board considers the recommendations made by the Audit Committee and the Executive Board. The Executive Board reviews risk management and control processes for effectiveness and action where necessary.

The Company has a global compliance function which addresses the primary risks associated with the fund management industry. This function reports regularly to the Executive Board and Audit Committee of the Board. The Company periodically also engages independent auditors and other specialists to assist in reviewing the effectiveness of its internal controls. These activities, in the opinion of management and the Board, address the risks associated with the business and provide objective confirmation concerning the adequacy of the system of internal controls.

The Directors confirm that procedures are in place which enable the Board, for the year ending 31 December 2000, to comply with new requirements relating to internal controls under the Turnbull guidance.

Audit Committee

This Committee is responsible for accounting and financial policies and controls being in place, for ensuring that internal and external auditing processes are properly co-ordinated and work effectively for reviewing the scope and results of the audit and its cost effectiveness, and the independence and objectivity of the auditors. In this connection the Committee also reviews the extent and scope of non-audit work supplied by the auditors.

The Committee has written terms of reference and consists of six non-executive directors and no executive directors. Direct access to this Committee is afforded to the auditors. The Committee receives periodic reports on matters related to internal controls and procedures from executives within the Group and from the Group Compliance Officer on the adequacy of compliance arrangements and related matters.

The minutes of all Board Committees are circulated to all Board members in order to ensure that there is a free flow of information and to permit discussion on any matters concerning the Group.

Nomination Committee

The terms of the agreement relating to the merger between INVESCO and AIM give each party to the agreement the right to propose an equal number of executive directors and non-executive directors as appointees to the Board. This right exists until the expiration of the contract terms. Accordingly the Board does not consider it necessary at this time to establish a Nomination Committee. Notwithstanding this agreement, any non-executive director proposed for election to the Board is subject to an appropriate selection process conducted under the direction of the whole Board.

The Combined Code

The Company complies with the recommendations of the Combined Code in relation to the management of the Group with the exception of those matters disclosed herein.

Board of Directors

Charles W. Brady 64 Executive Chairman USA

Charles Brady was a founding partner of INVESCO Capital Management Inc. and has served as Executive Chairman since 1993. He began his investment career in 1959 after graduating with a BS from the Georgia Institute of Technology. He also attended the Advanced Management School at Harvard University. Mr. Brady is a director of the Atlanta College of Art, a Trustee of the Georgia Tech Foundation and the Carter Library, Director of the National Bureau of Asian Research, and he is also a member of the Atlanta Society of Financial Analysts.

Charles T. Bauer 80 Vice Chairman USA

Ted Bauer is Chairman of AIM, which he co-founded in 1976. Prior to founding AIM, he was Chief Investment Officer at a major insurance company and was President and Director of its fund group. Mr. Bauer holds an AB from Harvard University and an MBA from New York University. He has served as Chairman of the American Insurance Association Investments Committee, as a Board Member of the Investment Company Institute, and as a Trustee of the Institute of Chartered Financial Analysts, Inc. He is also a past President of Houston Grand Opera.

Sir John Banham 59 Non Executive *†

Sir John Banham is Chairman of Tarmac PLC, Kingfisher PLC, Whitbread PLC, and ECI Ventures Group, a provider of venture capital for mid-market management buyouts. He was Director General of the Confederation of British Industry between 1987 and 1992 and was a Director of National Power (1992 to 1998) and National Westminster Bank (1992 to 1998). He has also served as Chairman of both National Power and National Westminster Bank's Remuneration Committees. Sir John is a graduate of Cambridge University and has been awarded honorary doctorates by four leading UK universities.

The Hon. Michael D. Benson 56 Chief Executive Officer, INVESCO Global

Michael Benson started his career with the stockbroker L. Messel in 1963. He later joined Lazard Brothers Ltd. and became Managing Director of Lazard Securities Ltd., establishing investment offices in Jersey, Guernsey and Hong Kong. Between 1985 and 1992, he established investment offices in London, Boston, Hong Kong and Singapore for Standard Chartered Bank. In 1992, he joined Capital House Investment Management with responsibility for developing the Far Eastern business.

Joseph R. Canion 55 Non-Executive USA *†***

Joseph Canion was a Director of AIM from 1991 through February 1997, when AIM was merged with a subsidiary of AMVESCAP. He has been Chairman of Insource Technology Corporation, a Houston-based business and technology management company, since 1992. He was co-founder, and from 1982 to 1991, Chief Executive Officer, President and a Director of Compaq Computer Corporation.

Michael J. Cemo 54 USA

Michael Cemo is President of AIM Distributors, Inc. and a Senior Vice President of AIM. He has been in the investment business since 1971. Prior to joining AIM, Mr. Cemo was Executive Vice President and a Director for a major mutual fund company. He joined AIM in 1988. Mr. Cemo holds a BS in economics from the University of Houston. He is a member of the Investment Company Institute's sales force marketing committee.

Gary T. Crum 52 Director of Investments, AIM Capital Management, Inc. USA

Gary Crum was co-founder of AIM and serves as a Senior Vice President of AIM. He is President of AIM Capital Management, Inc., an investment advisory subsidiary of AIM, and is Director of Investments and a member of AIM's Investment Policy Committee. Mr. Crum has been in the investment business since 1972. Prior to founding AIM, he was head of fixed-income investments and a Portfolio Manager of fixed-income securities at a major investment management firm. He holds a BBA from Southern Methodist University and an MBA from the University of Texas at Austin.

A.D. Frazier, Jr. 55 Chief Executive Officer, US Institutional USA

A.D. Frazier was Chief Operating Officer of the Atlanta Committee for the Olympic Games. Before joining the Atlanta Committee in 1991, Mr. Frazier was Executive Vice President in charge of the North American Banking Group of the First Chicago Corporation and First National Bank of Chicago. He received a BA from the University of North Carolina at Chapel Hill and received a JD from the University of North Carolina at Chapel Hill in 1968. He was admitted to the North Carolina Bar in 1969 and attended the Advanced Management School of Harvard University in 1981.

Robert H. Graham 53 Chief Executive Officer, Managed Products USA

Robert Graham is President and Chief Executive Officer of AIM, which he co-founded in 1976. He holds a BS and an MS in electrical engineering and an MBA in finance from the University of Texas at Austin. Mr. Graham has been in the investment business since 1972. He has been a member of the Board of Governors and Executive Committee of the Investment Company Institute and Chairman of the Board of Directors of the ICI Mutual Insurance Company.

Roberto A. de Guardiola 54 Non-Executive USA *†

Roberto de Guardiola is Managing Director of Putnam, Lovell, de Guardiola & Thornton, a New York investment banking firm which specialises in the investment management industry. Mr. Guardiola holds a BS in Economics and an MBA from the Wharton School of the University of Pennsylvania.

Hubert L. Harris, Jr. 56 Chief Executive Officer, Retirement and Benefit Services USA

Hubert Harris served as Assistant Director of Office of Management and Budget in Washington, D.C., in President Carter's administration, and as President and Executive Director of the International Association for Financial Planners. He has a BS from Georgia Institute of Technology and an MBA from Georgia State University.

Bevis Longstreth 66 Non-Executive USA *†****

Bevis Longstreth, a graduate of Princeton University and Harvard Law School, was a partner with Debevoise & Plimpton, a New York City law firm, from 1970 to 1995 and is presently of Counsel to the firm. He was formerly a Commissioner of the US Securities and Exchange Commission. He is a frequent writer on issues of corporate governance, banking and securities law and is the author of *Modern Investment Management and the Prudent Man Rule*, a book on law reform published by Oxford University Press.

Robert F. McCullough 57 Chief Financial Officer USA

Robert McCullough joined the Company in 1996 from Arthur Andersen where he practiced as an accountant in New York from 1964, becoming a partner in 1973. In 1987, he became Managing Partner of Arthur Andersen's Atlanta office. He is a graduate of the University of Texas at Austin and is a Certified Public Accountant. He is a member of the American Institute of Certified Public Accountants and the Georgia Society of Certified Public Accountants.

Stephen K. West 71 Non-Executive USA *†****

Stephen West was a Director of AIM from 1991 through February 1997, when AIM was merged into a subsidiary of AMVESCAP. He was a Partner of Sullivan & Cromwell, a New York City law firm, from 1964 to 1998 and is presently of Counsel to the firm. He is a graduate of Yale University and the Harvard Law School.

Alexander M. White 66 Non-Executive USA *†***

Alexander White has had a distinguished career in the financial services community having been associated with such companies as Merrill Lynch, White Weld & Co. and most recently as a Senior Investment Banker with James D. Wolfensohn, Inc.

* Member of the Remuneration Committee
** Joint Chairman of the Remuneration Committee

† Member of the Audit Committee
*** Joint Chairman of the Audit Committee

Company Secretary: Michael S. Perman FCIS

AMVESCAP Global Partners *As at 25 February 2000*

Mr. Luis A. Aguilar	Mr. W. Lindsay Davidson	Mr. William R. Keithler	Mr. Graeme J. Proudfoot
Ms. Polly A. Ahrendts	Mr. William T. Davis, Jr.	Ms. Karen Dunn Kelley	Mr. Donald C. Pulver
Mr. Robert G. Alley	Mr. John H. Deane	Mr. Robert M. Kippes	Ms. Carol F. Relihan
Ms. Mary Bartlett Arroll	Mr. Jean-Baptiste de Franssu	Mr. Charles K. Koeniger	Mr. Riccardo Ricciardi
Mr. Jeffrey C. Attfield	Ms. Monika H. Degan	Mr. Narabu Koga	Mr. David A. Ridley
Mr. James O. Baker	Mr. Samuel T. DeKinder	Mr. Jeremy C. Lambourne	Mr. James I. Robertson
Mr. David P. Barnard	Mr. R. Scott Dennis	Mr. Edgar M. Larsen	Mr. George S. Robinson, Jr.
Mr. William A. Barron	Mr. Joel E. Dobberpuhl	Mr. Cheng-Hock Lau	Mr. Joe V. Rodriguez
Ms. Sarah C. Bates	Mr. Dennis T. Donahue	Mr. W. Gary Littlepage	Mr. John B. Rofrano
Mr. Charles T. Bauer	Mr. Frank N. Donnelly	Mr. Andrew T.S. Lo	Mr. John D. Rogers
Mr. Bryan F.W. Baughan	Mr. Charles DuBois	Mr. Ralf Lochmueller	Mr. Lanny H. Sachnowitz
Mr. A. George Baumann, II	Mr. David N. Farmer	Mr. Lawrence E. Manierre	Mr. Donald B. Sallee
Mr. Michael D. Benson	Mr. A.D. Frazier, Jr.	Mr. James R. Marbach	Mr. James L. Salners
Mr. Thomas J. Berger	Mr. William J. Galvin, Jr.	Mr. Thomas A. Martin	Mr. Mark D. Santero
Mr. Richard A. Berry	Mr. Robert H. Graham	Mr. Michael L. Matus	Mr. Parag Saxena
Mr. Francesco Bertoni	Mr. Erik B. Granade	Mr. Trent E. May	Mr. Jonathan C. Schoolar
Mr. Frank M. Bishop	Mr. John Greenwood	Mr. Charles P. Mayer	Ms. Leslie A. Schmidt
Mr. Frank A. Bisognano	Mr. A. Dale Griffin, III	Mr. William M. McCarthy	Mr. John R. Schroer
Mr. Roy N. Bracher	Mr. David S. Griffin	Mr. Robert F. McCullough	Mr. Wolfgang Seiler
Mr. Charles W. Brady	Mr. Ronald L. Grooms	Mr. Paul S. Michaels	Mr. Robert C. Shanley
Mr. Bruce Z. Bridges	Mr. James F. Guenther	Ms. Marilyn M. Miller	Mr. Thomas L. Shields, Jr.
Mr. Anthony J. Broccardo	Mr. Robert C. Hain	Mr. Terrence J. Miller	Mr. R. Dalton Sim
Mr. Neilson Brown	Mr. Nigel P. Hale	Mr. Timothy J. Miller	Mr. James S. Skesavage, Jr.
Mr. Kevin R. Burke	Mr. Michael J. Hanley	Mr. Edward C. Mitchell, Jr.	Mr. Robert S. Slotpole
Mr. John Caldwell	Mr. Michael C. Harhai	Mr. John J. Monahan	Mr. J. Abbott Sprague
Mr. Andrew D. Callender	Mr. Evan G. Harrel	Mr. Robert S. Moore, Jr.	Mr. Gordon J. Sprague
Mr. John Campbell	Mr. Hubert L. Harris, Jr.	Mr. John F. Morgan	Mr. Ronald P. Stein
Mr. Ian A. Carstairs	Mr. David A. Hartley	Mr. Anthony A. Myers	Ms. Anna S. Tong
Mr. Michael J. Cemo	Mr. George J. Hauptfuhrer	Mr. Gordon A. Nebeker	Mr. Benjamin M. Utt
Mr. Peter S. Clark	Ms. Dawn M. Hawley	Mr. Gene L. Needles, Jr.	Mr. Chris E. Utz
Mr. Anthony R. Clemente	Mr. Richard W. Healey	Mr. Thomas W. Norwood	Mr. Michael C. Vessels
Mr. Stuart W. Coco	Mr. Tristan P.A. Hillgarth	Mr. Robert J. O'Connor	Mr. Hugh R. Ward
Mr. Claude C. Cody	Mr. Kirk Holland	Mr. Randy G. Paas	Mr. Derek H. Webb
Mr. Adam D. Cooke	Mr. Michael Hyland	Mr. Donovan J. Paul	Mr. Neil Williams
Mr. Mark Anthony Cox	Mr. R. Terrence Irrgang	Mr. Glen A. Payne	Mr. Mark H. Williamson
Ms. Judy C. Creel	Mr. Ralph H. Jenkins, Jr.	Mr. Alonso Perezmartinez	Mr. Paul E. Wise
Mr. Andrew J. Crossley	Mr. Stephen M. Johnson	Mr. Michael S. Perman	Mr. Donald H. Young
Mr. Gary T. Crum	Mr. Mark A. Jones	Mr. Alessandro Piol	
Mr. Stephen A. Dana	Mr. Frank J. Keeler	Mr. Rory S. Powe	

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Notes

1. All of the companies listed herein have been consolidated within the AMVESCAP PLC financial statements for the year.
2. When dialling into the United Kingdom from overseas, the "0" in front of the area code should be excluded.

General Shareholders' Information

Share price information

The latest information on the AMVESCAP PLC share price is available on Ceefax. AMVESCAP trades on the London, New York, Paris and Frankfurt Stock Exchanges under the symbol "AVZ." The share price is also currently listed in the following national newspapers:

The Financial Times	The New York Times
The Times	Les Echos
The Guardian	La Tribune
The Daily Mail	La Vie Française
The Independent	Asian Wall Street Journal
The Daily Telegraph	The Australian Financial Review
The Evening Standard	
The Wall Street Journal	South China Morning Post

Registrars and Transfer Office

All administrative enquiries relating to shareholdings should be addressed to IRG Plc at the address shown below and clearly state the registered shareholders' name and address.

IRG Plc
Bourne House
34 Beckenham Road
BECKENHAM
Kent BR3 4TU

Internet address

AMVESCAP's internet address is
<http://www.amvescap.com>

Taxation

The market valuation of AMVESCAP PLC ordinary shares of 25p each for the purpose of UK capital gains tax at 31 March 1982 was 40.5p. There was a one for four rights issue at 75p with an ex-rights date of 4 November 1983 and a one for five rights issue at 110p with an ex-rights date of 30 May 1986. On 18 December 1996, INVESCO Funding LLC issued Convertible Unsecured Loan Stock "stock units" pursuant to a one for five rights issue, which subsequently converted into ordinary shares of AMVESCAP PLC on 26 February 1997. The issue of the stock units did not constitute a reorganisation of the share capital of AMVESCAP PLC for the purpose of UK capital gains tax. Accordingly, shareholders who took up their rights to stock units are treated as having acquired new assets, separate from their shareholding in AMVESCAP PLC. No tax on chargeable gains will arise on the conversion by an original subscriber. Shares issued on the conversion will be treated

as an addition to shareholders' existing holdings in ordinary shares of AMVESCAP PLC on 26 February 1997 at a cost of 220p, the amount originally subscribed for the stock units.

US Shareholders

(i) ADSs

The Company's American Depositary Shares (ADSs), each representing 5 ordinary shares, are listed on the New York Stock Exchange. The Company files reports and other documents with the Securities and Exchange Commission which are available for inspection and copying at the SEC's public reference facilities or can be obtained by writing to the Company Secretary.

(ii) ADR Depositary

Bank of New York Company, Inc. of New York is the depositary for AMVESCAP PLC. All enquiries concerning American Depositary Receipts records, certificates or transfer of ordinary shares into ADSs should be addressed to the Bank of New York.

(iii) Dividend payments to ADS Holders

Dividend payments to ADS holders are made in US dollars by the Depositary.

(iv) Voting at the Annual General Meeting

The 2000 Annual General Meeting of shareholders takes place in London on 26 April 2000. ADR holders may instruct the Depositary as to how the ordinary shares represented by their ADRs should be voted by completing and returning the voting cards in accordance with the instructions printed thereon.

Statutory Report and Accounts for 1999

The financial information set out in this document does not constitute the Group's statutory accounts for the year ended 31 December 1999. The Group's statutory Report and Accounts for 1999 have been reported on by the Group's auditors under Section 235 of the Companies Act 1985 and delivered to the Registrar of Companies. The audit report was unqualified and did not contain a statement under Section 237(2) or (3) of the Companies Act 1985.



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