

**For Immediate Release**

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**AMVESCAP REPORTS RESULTS FOR THREE MONTHS ENDED MARCH 31, 2006**

**London, April 26, 2006** – AMVESCAP reported that profit before tax for the three months ended March 31, 2006, amounted to \$171.7 million (three months ended March 31, 2005: \$110.8 million). Net revenues for the first quarter of 2006 included the recognition of performance fees of \$33.2 million (first quarter of 2005: \$4.7 million). Operating profit for the first quarter of 2006 amounted to \$186.6 million (first quarter of 2005: \$129.2 million). Diluted earnings per share was \$0.13 for the first quarter of 2006 (first quarter of 2005: \$0.09). **(NYSE: AVZ)**.

“Positive net fund flows for the company and enhanced profitability have produced a solid start for AMVESCAP in 2006,” said AMVESCAP president and CEO Martin L. Flanagan. “Actions we have taken to unlock the inherent strengths of AMVESCAP and operate more efficiently and effectively combined with disciplined expense management have resulted in increased business momentum and margin expansion.”

“Investment performance continues to improve in our U.S. retail mutual fund business and we have made progress towards our goal of bringing the “Best of AMVESCAP” to our clients with the recent addition of seven new U.S. retail mutual funds advised by investment teams throughout the company,” added Mr. Flanagan. “The upcoming addition of PowerShares’s distinctive ETFs to our broad range of actively managed investment products will provide our clients with one of the industry’s most comprehensive sets of investment solutions.”

	Results for Three Months Ended		
	March 31, 2006	December 31, 2005 <sup>(a)</sup>	March 31, 2005
Net revenues <sup>(b)</sup>	\$584.1m	\$551.4m	\$537.8m
Operating expenses	\$397.5m	\$427.3m	\$408.6m
Operating profit	\$186.6m	\$124.1m	\$129.2m
Net operating margin <sup>(c)</sup>	31.9%	22.5%	24.0%
Profit before tax	\$171.7m	\$94.3m	\$110.8m
Earnings per share:			
--basic	\$0.14	\$0.07	\$0.09
--diluted	\$0.13	\$0.07	\$0.09

- (a) Results for the three months ended December 31, 2005, are presented before the restructuring charge.  
 (b) Net revenues represent total revenues less third-party distribution, service and advisory fees.  
 (c) Net operating margin is equal to operating profit divided by net revenues.

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## Earnings Summary

Net revenues for the three months ended March 31, 2006, were \$584.1 million (three months ended December 31, 2005: \$551.4 million). Net revenues for the first quarter of 2006 included the recognition of institutional performance fees of \$33.2 million (fourth quarter of 2005: \$16.4 million). Operating expenses totaled \$397.5 million for the first quarter of 2006 (fourth quarter of 2005 before the restructuring charge: \$427.3 million). The net operating margin for the three months ended March 31, 2006, was 31.9% (three months ended December 31, 2005, before the restructuring charge: 22.5%).

Net debt (total debt of \$1,182.6 million, less cash and cash equivalents of \$321.5 million, which excludes client cash of \$172.0 million) as of March 31, 2006, was \$861.1 million compared to \$733.6 million as of December 31, 2005.

## Assets Under Management

Assets under management at March 31, 2006, were \$410.9 billion (December 31, 2005: \$386.3 billion). Average assets under management during the first quarter were \$401.3 billion, compared to \$380.9 billion for the fourth quarter of 2005 and \$377.4 billion for the first quarter of 2005.

Net inflows for the three months ended March 31, 2006, were \$1.5 billion, with inflows of \$23.1 billion and outflows of \$21.6 billion. Net outflows for the three months ended December 31, 2005, and March 31, 2005, were \$3.7 billion and \$2.5 billion, respectively. In addition, money market assets continue to grow, with net inflows of \$7.4 billion in the first quarter of 2006 versus \$1.8 billion in the fourth quarter of 2005. Further analysis of assets under management is included in the supplemental schedule to this release.

AMVESCAP is a leading independent global investment manager, dedicated to helping people worldwide build their financial security. Operating under the AIM, INVESCO, AIM Trimark, Invesco Perpetual and Atlantic Trust brands, AMVESCAP strives to deliver outstanding products and services through a comprehensive array of enduring investment solutions for our retail, institutional and private wealth management clients around the world. The company is listed on the London, New York and Toronto stock exchanges with the symbol "AVZ." Additional information is available at [www.amvescap.com](http://www.amvescap.com).

Members of the investment community and general public are invited to listen to the conference call today, Wednesday, April 26, 2006, at 2:30 p.m. BST (9:30 a.m. EDT), by dialing one of the following numbers: 1-773-756-0108 or 1-888-455-2053 for U.S. callers. An audio replay of the conference call will be available until Wednesday, May 3, 2006, at 10:00 p.m. BST (5:00 p.m. EDT) by calling 1-402-220-9763 or 1-800-294-2498 for U.S. callers. The presentation slides that will be reviewed during the conference call will be available on AMVESCAP's Web site at [www.amvescap.com](http://www.amvescap.com).

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This release may include statements that constitute "forward-looking statements" under the United States securities laws. Forward-looking statements include information concerning possible or assumed future results of our operations, earnings, liquidity, cash flow and capital expenditures, industry or market conditions, assets under management, acquisition activities and the effect of completed acquisitions, debt levels and the ability to obtain additional financing or make payments on our debt, regulatory developments, demand for and pricing of our products and other aspects of our business or general economic conditions. In addition, when used in this release, words such as "believes," "expects,"

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"anticipates," "intends," "plans," "estimates," "projects" and future or conditional verbs such as "will," "may," "could," "should," and "would" and any other statement that necessarily depends on future events, are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Although we make such statements based on assumptions that we believe to be reasonable, there can be no assurance that actual results will not differ materially from our expectations. We caution investors not to rely unduly on any forward-looking statements. In connection with any forward-looking statements, you should carefully consider the areas of risk described in our most recent Annual Report on Form 20-F, as filed with the United States Securities and Exchange Commission ("SEC"). You may obtain these reports from the SEC's Web site at [www.sec.gov](http://www.sec.gov).

**AMVESCAP PLC**  
**Consolidated Income Statement**  
(Unaudited, in thousands, other than per share amounts)

	Q106	Q405	%	Q105	%
			Change		Change
Revenues:					
Management	\$620,069	\$573,674	8.1%	\$541,782	14.4%
Service and distribution	135,626	129,330	4.9%	142,455	(4.8)%
Other	27,298	31,676	(13.8)%	25,862	5.6%
Total revenues	782,993	734,680	6.6%	710,099	10.3%
Third-party distribution, service and advisory fees	(198,874)	(183,238)	8.5%	(172,340)	15.4%
Net revenues	584,119	551,442	5.9%	537,759	8.6%
Operating expenses:					
Compensation	253,360	263,434	(3.8)%	254,883	(0.6)%
Marketing	36,163	33,638	7.5%	39,587	(8.6)%
Property and office	27,040	26,866	0.6%	31,357	(13.8)%
Technology/telecommunications	32,065	31,581	1.5%	36,987	(13.3)%
General and administrative	48,855	71,814	(32.0)%	45,781	6.8%
Restructuring charge	--	75,690	N/A	--	N/A
Total operating expenses	397,483	503,023	(21.0)%	408,595	(2.7)%
Operating profit	186,636	48,419	285.5%	129,164	44.5%
Other income/(loss)	2,317	(9,304)	N/A	2,667	(13.1)%
Interest expense	(17,256)	(20,511)	(15.9)%	(20,989)	(17.8)%
Profit before taxation	171,697	18,604	822.9%	110,842	54.9%
Taxation	(63,430)	(23,376)	171.3%	(39,617)	60.1%
Profit/(loss) after taxation	108,267	(4,772)	N/A	71,225	51.9%
Minority interests	(696)	(256)	171.9%	(146)	376.7%
Profit/(loss) for the period attributable to equity holders of the parent	\$107,571	(\$5,028)	N/A	\$71,079	51.3%
Earnings per share:					
---basic	\$0.14	(\$0.01)		\$0.09	
---diluted	\$0.13	(\$0.01)		\$0.09	
Earnings per share before restructuring charge:					
---basic	\$0.14	\$0.07		\$0.09	
---diluted	\$0.13	\$0.07		\$0.09	
Average shares outstanding:					
---basic	790,847	794,511		793,434	
---diluted	810,317	810,134		800,668	
Ending Headcount	5,586	5,798		6,586	

**AMVESCAP PLC**  
**Consolidated Balance Sheet**  
(Unaudited, in thousands)

	<u>March 31, 2006</u>	<u>Dec 31, 2005</u>
<b>Non-current assets</b>		
Goodwill	\$4,217,995	\$4,213,648
Intangible assets	94,658	98,971
Property and equipment	177,873	180,044
Deferred sales commissions	72,124	78,944
Deferred tax assets	155,601	150,600
Investments	162,369	149,410
	<u>4,880,620</u>	<u>4,871,617</u>
<b>Current assets</b>		
Trade and other receivables	1,266,121	749,181
Investments	1,360,404	1,202,076
Cash and cash equivalents	493,533	754,754
	<u>3,120,058</u>	<u>2,706,011</u>
<b>Total assets</b>	<b>8,000,678</b>	<b>7,577,628</b>
<b>Current liabilities</b>		
Current maturities of long-term debt	(309,599)	(10,045)
Trade and other payables	(2,920,849)	(2,461,006)
Provisions	(69,379)	(52,108)
	<u>(3,299,827)</u>	<u>(2,523,159)</u>
<b>Non-current liabilities</b>		
Long-term debt	(873,045)	(1,212,191)
Deferred tax liabilities	(36,141)	(43,496)
Provisions	(166,227)	(182,479)
	<u>(1,075,413)</u>	<u>(1,438,166)</u>
<b>Total liabilities</b>	<b>(4,375,240)</b>	<b>(3,961,325)</b>
<b>Net assets</b>	<b><u>\$3,625,438</u></b>	<b><u>\$3,616,303</u></b>
<b>Equity</b>		
Share capital	\$82,169	\$81,811
Share premium	106,850	84,968
Shares held by employee trusts	(570,256)	(413,473)
Exchangeable shares	430,687	431,778
Retained earnings	772,159	638,739
Other reserves	2,799,714	2,789,187
Equity attributable to equity holders of the parent	<u>3,621,323</u>	<u>3,613,010</u>
Minority interests	4,115	3,293
<b>Total equity</b>	<b><u>\$3,625,438</u></b>	<b><u>\$3,616,303</u></b>

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**AMVESCAP PLC**  
**Consolidated Statement of Changes in Equity**  
(Unaudited, in thousands)

	<u>2006</u>
December 31, 2005	\$3,616,303
Profit after taxation	108,267
Currency translation differences on investments in overseas subsidiaries	18,393
Gains/losses on available-for-sale assets	<u>1,501</u>
Total recognized income and expense attributable to equity holders of the parent	<u>128,161</u>
Total equity before transaction with owners	3,744,464
Share-based payment charge	15,199
Issuance of new shares	21,862
Increase in shares held by employee share ownership trusts	(156,783)
Total amounts attributable to minority interests	<u>696</u>
March 31, 2006	<u>\$3,625,438</u>

**AMVESCAP PLC**  
**Consolidated Cash Flow Statement**  
(Unaudited, in thousands)

	<u>Three Months Ended March 31,</u>	
	<u>2006</u>	<u>2005</u>
Operating profit	\$186,636	\$129,164
Amortization and depreciation	16,687	20,987
Interest paid, net of interest received and other investment income/losses	(20,709)	(20,120)
Taxation	(46,603)	(22,457)
Change in other assets and liabilities	<u>(207,070)</u>	<u>(82,439)</u>
Net cash (outflow)/inflow from operating activities	(71,059)	25,135
Investing activities:		
Capital expenditures, net of sales	(8,650)	(8,144)
Purchase of long-term investments, net	<u>(11,859)</u>	<u>(4,487)</u>
Net cash outflow from investing activities	(20,509)	(12,631)
Financing:		
Net repayment of debt	(40,000)	(106,003)
Purchase of shares	(153,727)	--
Issuance of new shares	<u>21,006</u>	<u>514</u>
Net cash outflow from financing activities	(172,721)	(105,489)
Decrease in cash and cash equivalents	(264,289)	(92,985)
Foreign exchange	3,068	20
Cash and cash equivalents, beginning of period	<u>754,754</u>	<u>546,928</u>
Cash and cash equivalents, end of period	<u><u>\$493,533</u></u>	<u><u>\$453,963</u></u>

## Notes

1. *Accounting policies*

The accounting policies applied to the information in the earnings release follow International Financial Reporting Standards in effect as of the date of this release and are consistent with those applied in the 2005 Annual Report. Refer to the 2005 Annual Report, available at [www.amvescap.com](http://www.amvescap.com), for a more detailed discussion of these policies.

2. *Taxation*

A significant proportion of the tax charge arose from U.S., U.K., and Canadian operations. The effective tax rate is 36.9% for the first quarter of 2006 (first quarter of 2005: 35.7%).

3. *Earnings per share*

Basic earnings per share is based on the weighted average number of ordinary and exchangeable shares outstanding during the respective periods, excluding shares purchased and held by employee share ownership trusts. Diluted earnings per share takes into account the effect of the potential issuance of ordinary shares.

(in thousands)	Three Months Ended March 31, 2006		
	Profit for the period attributable to equity holders of the parent	Number of shares	Per share amount
Basic earnings per share	\$107,571	790,847	\$0.14
Dilutive effect of share-based awards	--	19,470	
Diluted earnings per share	\$107,571	810,317	\$0.13

(in thousands)	Three Months Ended March 31, 2005		
	Profit for the period attributable to equity holders of the parent	Number of shares	Per share amount
Basic earnings per share	\$71,079	793,434	\$0.09
Dilutive effect of share-based awards	--	7,234	
Diluted earnings per share	\$71,079	800,668	\$0.09

4. *Acquisitions*

On January 23, 2006, AMVESCAP announced the acquisition of PowerShares Capital Management LLC ("PowerShares"). The transaction, subject to certain conditions including approvals from the Board of Directors and the shareholders of PowerShares, is expected to close in the second or third quarter of 2006. The initial purchase consideration is estimated to be \$100 million, to be paid at closing based on PowerShares assets under management of greater than \$5 billion. Additional consideration of up to a maximum of \$630 million is payable in the future depending on the achievement of various revenue and assets under management growth targets.

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5. *Dividends*

A final dividend in respect of 2005 of 5.5p per share (approximately \$0.10 per share, or \$78.9 million, at an exchange rate of \$1.75 per £1.00: \$76.7 million for ordinary shares and \$2.2 million for exchangeable shares) has been proposed by the Board of Directors and will be paid, subject to shareholder approval, in May 2006. The dividend will be accrued when approved by shareholders.

6. *Statutory financial statements*

The financial information shown in this earnings release is unaudited and does not constitute statutory financial statements. The 2005 Annual Report, which will be filed with the Registrar of Companies after the company's annual general meeting of shareholders, includes an unqualified audit report that does not contain a statement under section 237(2) or section 237(3) of the Companies Act 1985.

**AMVESCAP PLC**  
**Assets Under Management**

(in billions)	1Q06	4Q05	% Change	1Q05
Beginning Assets	\$386.3	\$380.5	1.5%	\$382.1
Inflows	23.1	15.8	46.2%	17.2
Outflows	(21.6)	(19.5)	10.8%	(19.7)
Net flows	1.5	(3.7)	N/A	(2.5)
Net flows in money market funds and other	7.4	1.8	311.1%	(1.9)
Market gains/reinvestment	15.3	8.9	71.9%	(1.4)
Foreign currency	0.4	(1.2)	N/A	(0.9)
Ending Assets	<u>\$410.9</u>	<u>\$386.3</u>	6.4%	<u>\$375.4</u>
Average long-term AUM	347.7	337.0	3.2%	336.0
Average money market AUM	53.6	43.9	22.1%	41.4
Average AUM	<u>\$401.3</u>	<u>\$380.9</u>	5.4%	<u>\$377.4</u>
Net revenue yield on AUM (annualized) <sup>(a)</sup>	58bps	58bps		57bps

By channel: (in billions)	Total	Retail	Institutional	Private Wealth Management
December 31, 2005	\$386.3	\$190.2	\$179.8	\$16.3
Inflows	23.1	16.4	5.5	1.2
Outflows	(21.6)	(14.4)	(6.2)	(1.0)
Net flows	1.5	2.0	(0.7)	0.2
Net flows in money market funds and other	7.4	(1.0)	8.4	--
Market gains/reinvestment	15.3	11.4	3.5	0.4
Foreign currency	0.4	0.3	0.1	--
March 31, 2006	<u>\$410.9</u>	<u>\$202.9</u>	<u>\$191.1</u>	<u>\$16.9</u>

By asset class: (in billions)	Total	Equity	Fixed Income	Balanced	Money Market	Stable Value	Alternatives
December 31, 2005 <sup>(b)</sup>	\$386.3	\$178.6	\$47.2	\$40.5	\$52.3	\$45.7	\$22.0
Inflows	23.1	12.5	6.0	2.0	0.6	1.0	1.0
Outflows	(21.6)	(13.9)	(2.6)	(2.6)	(0.9)	(1.0)	(0.6)
Net flows	1.5	(1.4)	3.4	(0.6)	(0.3)	--	0.4
Net flows in money market funds and other	7.4	--	--	--	7.4	--	--
Market gains/reinvestment	15.3	12.5	0.4	1.3	--	0.4	0.7
Foreign currency	0.4	0.3	--	0.1	--	--	--
March 31, 2006	<u>\$410.9</u>	<u>\$190.0</u>	<u>\$51.0</u>	<u>\$41.3</u>	<u>\$59.4</u>	<u>\$46.1</u>	<u>\$23.1</u>

By client domicile: (in billions)	Total	U.S.	Canada	U.K.	Europe	Asia
December 31, 2005	\$386.3	\$235.6	\$42.2	\$53.6	\$32.0	\$22.9
Inflows	23.1	7.5	1.2	2.9	7.8	3.7
Outflows	(21.6)	(9.9)	(2.4)	(2.4)	(4.4)	(2.5)
Net flows	1.5	(2.4)	(1.2)	0.5	3.4	1.2
Net flows in money market funds and other	7.4	7.5	--	--	--	(0.1)
Market gains/reinvestment	15.3	7.4	2.3	2.4	2.2	1.0
Foreign currency	0.4	--	--	0.3	0.2	(0.1)
March 31, 2006	<u>\$410.9</u>	<u>\$248.1</u>	<u>\$43.3</u>	<u>\$56.8</u>	<u>\$37.8</u>	<u>\$24.9</u>

(a) Net revenue yield on AUM is equal to net revenue divided by average AUM.

(b) The asset class beginning balances were adjusted to reflect certain asset reclassifications.