



**Asset Management Investment Company
PLC**

Interim Results

31 March 2002

CORPORATE OBJECTIVE

The objective of AMIC is to provide shareholders with long term growth of capital and revenue through investment in the global investment management industry, which the directors believe will benefit from economic and demographic trends in the years ahead to outperform many other sectors of the market.

The principal aim of the company is to build up a portfolio of investments in private companies in the sector. During that gradual process investments may be held in quoted investment management companies, but the proportion of the assets of the company held in the quoted sector will diminish as investment opportunities in private companies are identified and completed.

The Directors believe that AMIC is the only organisation in the United Kingdom at the present time operating as a specialist investor in the investment management industry.

DIRECTORS AND ADVISERS

DIRECTORS	Sir Frederick Douglas David Thomson, Bt. George Alan Robb David Lindsay Martin-Clark Norman Malcolm Marshall Riddell John William Spurdle, Jnr.	Chairman (Non-Executive) Managing Director and Chief Investment Officer (Non-Executive) (Non-Executive) (Executive)
	Sir David Thomson, Mr Martin-Clark and Mr Riddell are members of the Audit and Remuneration Committees	
SECRETARY & REGISTERED OFFICE	Alessio Corbo 32 Ludgate Hill London EC4M 7DR	
COMPANY NUMBER	2918390 (Incorporated in England and Wales)	
AUDITORS	Solomon Hare Chartered Accountants Oakfield House, Oakfield Grove Bristol BS8 2BN	
BANKERS	Bank of Scotland 38 Threadneedle Street London EC2P 2EH	
REGISTRARS	Lloyds TSB Registrars Scotland Finance House Orchard Brae Edinburgh EH4 1WQ	
SOLICITORS	Burgess Salmon Narrow Quay House Narrow Quay Bristol BS1 4AH Salans Hertzfeld Heilbronn Christy & Veiner Rockerfeller Center 620 Fifth Avenue New York NY 10020-2457 USA	
STOCKBROKERS	Collins Stewart Limited 9th Floor 88 Wood Street London EC2V 7QR	
OFFICE IN THE UNITED STATES	Asset Management Investment Company Inc. 515 Madison Avenue New York, NY 10022 USA	
OFFICE IN CANADA	AMIC Canada Limited Suite 1300 4 King Street West Toronto ON M5H 1B6 Canada	

CHAIRMAN'S STATEMENT

Your company's last financial year closed not long after September 11. The principal world markets made a quick recovery from the lows reached after these appalling events, but have since lacked the confidence to make any significant upward progress. They have recently weakened due largely to investor uncertainty as a result of reported accounting irregularities by large institutions in the United States. This inevitably means that valuations of asset management businesses, whether those with stock exchange quotations or unquoted companies such as those in which AMIC has largely invested, will be held back until conditions improve.

Total assets less current liabilities were £48.6 million at 31 March 2002 compared with £47.9 million at 30 September 2001, giving a net asset value per share of 139.9p at 31 March 2002 compared with a diluted net asset value per share of 143.0p at 30 September 2001, or a diluted net asset value per share of 158.8p at the previous half-year. Profits after taxation and minority interests as at 31 March 2002 were £1.417 million compared with £1.244 million at the previous half-year. Your Directors propose to pay an interim dividend of 7.00p per share (2001: 4.00p) on 30 July 2002 to shareholders on the register at 5 July 2002.

Three new investments were completed in the six months to 31 March 2002, in Hillview Capital Advisors, New Star Asset Management and AMIC Distribution Partners. Hillview Capital Advisors is based in Philadelphia, Pennsylvania and provides financial and asset management services to high net worth individuals. AMIC invested a total of US\$5,850,000 for an ultimate equity stake, following conversion of a note, of 49%. New Star Asset Management, located in London, was established in June 2000 and in a short time has gained significant retail market recognition and approximately £2 billion under management. AMIC invested £500,000 for a holding of less than 1% of the company. AMIC Distribution Partners, in which your company invested US\$2,500,000 for an ultimate equity stake, following conversion of a note, of 46%, is located in New York City and was established in October 2001 to offer specialised sales and marketing support services to the companies in which AMIC is invested and to other clients.

In December 2001 your company made an important strategic move by acquiring for C\$10,550,000 the share capital of InterUnion Asset Management Limited, the Toronto based holding company of three Canadian asset management firms. Following the acquisition InterUnion was renamed AMIC Canada Limited and became a 100% owned subsidiary of AMIC. This is the first investment AMIC has made in Canada and has brought with it a network in Canada and personnel experienced in investment in the asset management sector, at a time when our business in North America is particularly active. Certain group functions, including the monitoring and analysis of the financial and investment management performance information received from companies in which AMIC is invested, are now performed from the office of AMIC Canada Limited in Toronto, and it is anticipated that these functions will become increasingly important as the investment portfolio continues to grow.

After 31 March 2002 a further investment, of US\$9,000,000, was made in Financial Management Advisors, based in Los Angeles and other investments are currently at various stages of serious negotiation. To assist with the financing of these situations your Directors have supplemented your company's existing US\$14,000,000 loan facility with Bank of Scotland with a new US\$7,500,000 revolving credit facility maturing on 27 October 2006. Further, as shareholders have been advised in a circular letter dated 21 June 2002, your Directors are recommending the approval by shareholders of a term loan facility of US\$10,000,000 from First Republic Bank maturing on 31 May 2006 and with conversion rights into new ordinary shares.

As AMIC has more than one class of share capital it is by definition a split capital investment trust. Given the uncertainty surrounding the split capital sector your Directors would like to make it clear that the company has never invested, and will not invest, in the shares of other split capital investment trusts. In addition cash awaiting investment in the asset management sector is conservatively invested in highly rated fixed interest securities.

AMIC continues to experience a healthy flow of investment opportunities, in terms of both quantity and quality, and your company is steadily building a profile in the asset management sector which will ensure that this will continue. Your directors are confident that AMIC and the companies in which its capital is invested are well placed to benefit from recovery in world stock markets.

David Thomson
Chairman

4 July 2002

**CONSOLIDATED STATEMENT
TO 31 MARCH 2002
(incorporating the**

		Six Months ended 31 March 2002		
	Notes	Revenue £'000	Capital £'000	Total £'000
Gains/(Losses) on investments		–	459	459
Income – Continuing Activities		2,237	–	2,237
– Acquisitions	2	763	–	763
Administration expenses		(949)	(612)	(1,561)
		<hr/>	<hr/>	<hr/>
Net return before finance costs and taxation – Continuing		2,033	(153)	1,880
– Acquisitions	2	18	–	18
Interest payable		(48)	(144)	(192)
Interest receivable		50	–	50
		<hr/>	<hr/>	<hr/>
Return on ordinary activities before taxation		2,053	(297)	1,756
Taxation on ordinary activities		(630)	209	(421)
		<hr/>	<hr/>	<hr/>
Return on ordinary activities after taxation		1,423	(88)	1,335
Minority interest		(6)	9	3
		<hr/>	<hr/>	<hr/>
Appropriation in respect of zero dividend preference shares		–	(439)	(439)
		<hr/>	<hr/>	<hr/>
Return attributable to equity shareholders		1,417	(518)	899
Dividend in respect of equity shares	3	(1,374)	–	(1,374)
		<hr/>	<hr/>	<hr/>
Transfer to reserves		43	(518)	(475)
		<hr/>	<hr/>	<hr/>
Return per ordinary share (basic)	4	7.48p	(2.72)p	4.76p
Return per ordinary share (fully diluted)	4	7.48p	(2.72)p	4.76p
Return per zero dividend preference share	4	–	5.41p	5.41p

*The revenue columns for this statement are the profit and loss account of the Group

Notes

1. Basis of preparation

The interim results for the half year ended 31 March 2002 are unaudited and have been prepared in accordance with the accounting policies set out in the company's annual report and accounts for the year ended 30 September 2001. Comparative figures for 30 September 2001 are extracted from the annual report, a copy of which has been delivered to the Registrar of Companies. The auditors' report on the statutory accounts was unqualified.

2. Investments

The results of three subsidiaries of AMIC Canada Limited, a 100% owned subsidiary, are included above. These results have been consolidated by virtue of their percentage shareholdings. The subsidiaries and their respective shareholdings are:

PJ Doherty & Associates Limited	75%
Guardian Timing Services Inc.	100%
Leon Frazer Inc.	76.5%

3. Dividends

An interim dividend of 7p per share has been declared, and will be paid on 30 July 2002 to the shareholders on the register on 5 July 2002.

STATEMENT OF TOTAL RETURN
2002 (UNAUDITED)
(revenue account*)

Six Months ended 31 March 2001			Year ended 30 September 2001		
Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
–	(2,481)	(2,481)	–	(4,948)	(4,948)
1,858	–	1,858	3,034	–	3,034
–	–	–	–	–	–
(175)	(440)	(615)	(276)	(798)	(1,074)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
1,683	(2,921)	(1,238)	2,758	(5,746)	(2,988)
–	–	–	–	–	–
(81)	(242)	(323)	(172)	(517)	(689)
4	–	4	951	–	951
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
1,606	(3,163)	(1,557)	3,537	(6,263)	(2,726)
(362)	164	(198)	(760)	252	(508)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
1,244	(2,999)	(1,755)	2,777	(6,011)	(3,234)
–	11	11	1	70	71
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
–	(357)	(357)	–	(839)	(839)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
1,244	(3,345)	(2,101)	2,778	(6,780)	(4,002)
(1,457)	–	(1,457)	(2,991)	–	(2,991)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
(213)	(3,345)	(3,558)	(213)	(6,780)	(6,993)
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
6.84p	(18.39)p	(11.55)p	15.05p	(36.74)p	(21.69)p
6.69p	(17.98)p	(11.29)p	14.73p	(35.96)p	(21.23)p
–	4.46p	4.46p	–	10.41p	10.41p

Notes

4. Returns per share

Returns per ordinary share are calculated on the basis of retained net revenue after taxation divided by the weighted average number of shares in issue during the period, being 19,017,022 to 31 March 2002, (30 September 2001: 18,451,866 31 March 2001: 18,188,660). Return per zero dividend preference share is calculated on the appropriation in respect of the zero dividend preference shares of £439,800 (30 September 2001: £839,000; 31 March 2001: £357,000) divided by 8,120,000 (30 September 2001: 8,062,795 31 March 2001: 5,800,000) being the number of zero dividend preference shares of £1 each in issue during the period. Diluted return per ordinary share is calculated on 19,024,022 shares (30 September 2001: 18,852,820 31 March 2001: 18,606,246) after adjusting for warrants and options.

5. Investment in own shares

The Company's investment in its own shares consists of shares held by the Trustees of the All Employee Share Ownership Plan ('AESOP'). The AESOP Trustees purchased 8,333 ordinary shares at a cost of £15,000 to be retained in the Trust for the employees. The market value of those shares as at 31 March 2002 was £11,000.

6. Net asset value

The net asset value per ordinary share at 31 March 2002 is calculated on the basis of the net assets attributable to equity shareholders divided by the number of ordinary shares in issue at that date. The net asset value per zero dividend preference share at 31 March 2002 is calculated on the basis of the net assets attributable to zero dividend preference shareholders less the issue costs, divided by the number of zero dividend preference shares in issue at that date.

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2001 (UNAUDITED)

	Notes	31 March 2002		31 March 2001		30 September 2001	
		£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments							
Investment in own shares	5	11		–		15	
Listed investments		9,787		21,672		21,542	
Unquoted investments		33,588		28,902		26,124	
			43,386		50,574		47,681
Intangible fixed assets			5,237		–		–
Tangible fixed assets			135		13		10
			48,758		50,587		47,691
Current assets							
Investments		346		148		124	
Debtors		939		1,244		387	
Cash		1,512		395		1,843	
		2,797		1,787		2,354	
Current liabilities							
Creditors:							
Amounts falling due within one year		2,938		1,449		2,102	
		2,938		1,449		2,102	
Net current (liabilities)/assets			(141)		338		252
Total assets less current liabilities			48,617		50,925		47,943
Creditors:							
Amounts falling due after one year			9,875		10,000		10,000
			38,742		40,925		37,943
Capital and reserves							
Called up share capital			4,906		4,678		4,680
Zero dividend preference shares			8,120		8,120		8,120
Share premium account			22,520		21,529		21,545
Capital reserve - unrealised			1,614		6,516		(1,099)
Capital reserve - realised			(1,749)		(2,739)		1,489
Warrant reserve			–		327		315
Zero dividend appropriation reserve			2,717		1,822		2,277
Revenue Reserve			542		544		541
Shareholders' funds (including non-equity)			38,670		40,797		37,868
Minority interests			72		128		75
			38,742		40,925		37,943
Allocation of Shareholders' funds							
Net assets attributable to equity shareholders			27,459		30,303		27,097
Net assets attributable to zero dividend preference shareholders			11,211		10,494		10,771
Net asset value per ordinary 25p share (basic)	6		139.9p		162.0p		144.8p
Net asset value per ordinary 25p share (diluted)	6		139.9p		158.8p		143.0p
Net asset value per zero dividend preference share	6		138.1p		129.2p		132.7p

CONSOLIDATED CASHFLOW STATEMENT TO 31 MARCH 2002 (UNAUDITED)

	Six Months ended 31 March 2002		Six Months ended 31 March 2001		Year ended 30 September 2001	
	£'000	£'000	£'000	£'000	£'000	£'000
Net cash inflow from operating activities		307		262		2,126
Returns on investment and servicing of finance						
Interest received	50		4		903	
Interest paid	(191)		(322)		(699)	
Net cash inflow/(outflow) from returns on investment and servicing of finance		(141)		(318)		204
Taxation						
Taxation paid	(98)		(109)		(397)	
Taxation paid		(98)		(109)		(397)
Capital expenditure and financial investment						
Purchase of investments	(19,564)		(50,327)		(68,478)	
Purchase of own shares	–		–		(15)	
Sale of investments	24,292		21,943		40,461	
Purchase of tangible fixed assets	–		(3)		(5)	
Net cash inflow/(outflow) from capital expenditure and financial investment		4,728		(28,387)		(28,037)
Acquisitions and disposals						
Cash outflow from subsidiary acquisition	(6,317)		–		–	
Cash acquired with subsidiary	397		–		–	
Net cash outflow from acquisitions and disposals		(5,920)		–		–
Equity dividends paid		(1,534)		(1,144)		(1,891)
Management of liquid resources						
Short term deposits	167		–		(215)	
Purchase of current asset investments	–		267		–	
Sale of current asset investments	899		–		292	
Net cash inflow from management of liquid resources		1,066		267		77
Net cash (outflow) before financing		(1,592)		(29,429)		(27,918)
Financing						
New Loan	–		10,000		10,000	
Issue of ordinary share capital	886		20,966		18,100	
Issue of zero dividend preference share capital	–		–		2,872	
Repayment of loan: due within one year	(172)		–		–	
Net cash inflow from financing		714		30,966		30,972
(Decrease)/Increase in cash		(878)		1,537		3,054

INVESTMENT PORTFOLIO AT 31 MARCH 2002

Company Name	Cost of investment £'000	Valuation £'000
Listed holdings		
Abbey National 8.625% Non-Cumulative Redeemable Preference Shares	627	600
Bristol & West 13.375% Perpetual Bond	843	806
Britannia Bld Society 13.00% Perpetual Bond	917	858
Commercial Union 8.375% Non-Cumulative Redeemable Preference Shares	340	327
Commercial Union 8.75% Non-Cumulative Redeemable Preference Shares	1,230	1,171
General Accident 7.875% Non-Cumulative Redeemable Preference Shares	318	303
Halifax 9.375% Perpetual Bond	680	633
Integrated Asset Management	1,276	1,051
iRegent Limited	2,157	323
iRegent warrants	23	1
Nottingham Building Society 7.875% Perpetual Bond	664	630
Royal & Sun Alliance 7.375% Non-Cumulative Redeemable Preference Shares	844	810
Seagrams 12.375% Perpetual Bond	1,448	1,385
Standard Chartered 7.375% Non-Cumulative Redeemable Preference Shares	575	546
Standard Chartered 8.25% Non-Cumulative Redeemable Preference Shares	312	298
Stockcube	150	45
	12,404	9,787
Unlisted holdings		
Aberdeen America	338	130
AMIC Distribution Partners		
– Ordinary shares	377	372
– Non Convertible Promissory Note 2011	656	674
– Convertible Promissory Note 2011	711	730
Charlemagne Capital	117	124
City of London Investment Group	2,742	2,457
Clark Capital Management		
– 10% Convertible Subordinated Debentures 2002	332	351
– 9% Convertible Subordinated Debentures 2002 (June)	157	176
– 9% Convertible Subordinated Debentures 2002 (September)	155	176
Columbus Financial Services		
– Ordinary Shares	411	402
– 12% Loan 2002	120	120
FX Concepts 10% Convertible Note 2011	3,567	4,751
IFDC	2,166	4,740
Hillview		
– 10% Convertible Note 2011	2,911	2,931
– 10% Non Convertible Note 2011	1,224	1,232
– 10% Loan	175	176
Integrated Asset Management 12% Convertible Loan 2006	2,000	2,000
Latchly Management		
– Ordinary Shares	10	0
– 10% Unsecured Loan Stock 2002	240	0
Marque Millennium Group		
– Common Stock	358	0
MMCM Holdings		
– Common Stock	2,360	2,555
– 10% Loan	468	509
The Mayberry Group	702	529
Midhurst Asset Management		
– Ordinary Shares	636	0
– Preference A Shares	469	0
– 'A' Ordinary Shares	56	0
New Star Asset Management	500	500
Turnstone Holdings		
– Ordinary Shares	280	809
– 10% Cumulative Convertible Redeemable Preference shares 2008	1,600	1,600
Valenzuela Capital Partners 10% Convertible Note 2011	3,459	5,368
Investments held by: AMIC AG	668	170
Investments held by: AMIC Canada	6	6
	29,971	33,588
Total	42,375	43,375

Quoted investments have been valued at closing middle market prices at the relevant balance sheet date. Unquoted investments have been valued at cost, or at Directors' valuation where subsequent financings or other circumstances indicate that a different valuation is appropriate.

Copies of this document are being sent to all shareholders and may also be obtained from the company's registered office, 32 Ludgate Hill, London EC4M 7DR.

Alessio Corbo Company Secretary



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