



**Asset Management Investment Company
PLC**

Interim Results

31 March 2000

CORPORATE OBJECTIVE

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

The principal aim of the company is to develop a portfolio of investments in private companies in the industry. Investments may also be held in quoted asset management companies where particular value is perceived.

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

DIRECTORS AND APPOINTMENTS

DIRECTORS	The Viscount Bridgeman Sir Frederick Douglas David Thomson, Bt. George Alan Robb David Lindsay Martin-Clark Norman Malcolm Marshall Riddell	Chairman (Non-Executive) Deputy Chairman (Non-Executive) Managing Director (Non-Executive) (Non-Executive)
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Viscount Bridgeman, Sir David Thomson, Mr Martin-Clark and Mr Riddell are members of the Audit and Remuneration Committees

**SECRETARY &
REGISTERED OFFICE** Nicola Jane Crickmore
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

Robert Fleming & Co. Limited
25 Cophall Avenue
London EC2R 7DR

REGISTRAR Lloyds TSB Registrars Scotland
117 Dundas Street
Edinburgh EH3 5ED

SOLICITORS Burges Salmon
Narrow Quay House
Narrow Quay
Bristol BS1 4AH

STOCKBROKERS Peel, Hunt & Company Ltd
62 Threadneedle Street
London EC2R 8HP

**OFFICE IN THE
UNITED STATES** Asset Management Investment Company Inc.
515 Madison Avenue
New York, NY 10022
USA

**OFFICE IN
SWITZERLAND** AMIC AG
Schutzengraben 28
Postfach 1
CH 8204 Schaffhausen
Switzerland

CHAIRMAN'S STATEMENT

I am pleased to report that the forecast in my statement in the annual report to 30 September 1999 of positive growth in both income and capital has been proved correct. This has reflected a period of stability in the current year in financial markets with an absence of major economic or market upsets outwith the control of the investment management sector.

During the first half of our financial year the principal market features were the gradual upwards movement in interest rates and the extreme volatility in the high technology sector of global markets. In the opinion of your directors United Kingdom interest rates may be at or near a cyclical high, although those in the United States may have some way still to go. However, it is difficult to predict the future course of high technology valuations. Happily the companies in which AMIC is invested have only been marginally affected by the change in sentiment in that sector and on the whole have made useful progress in the development of their businesses.

In particular IFDC Group S.A., specialising in the management of Japanese funds and a range of emerging market funds, has continued the steady growth in its assets under management and has also contributed significantly to the strong first half income performance your company has been able to report. Meaningful progress has also been featured by Clark Capital Management, Ely Fund Managers and Thornhill Holdings and several of the companies in the portfolio are actively working on transactions to enhance the quality of their businesses. The recovery in Regent Pacific Group and the development of that company's online interests, particularly in Korea, has continued and offers most exciting possibilities.

Latchly Management, a company formed to provide administration services to the asset management industry, in which AMIC made a small investment, was ultimately unable to attract sufficient clients to achieve a positive cash flow. After pursuing unsuccessful attempts to find a major financial partner the decision was taken to cease trading. A modest distribution is anticipated, but the loss to AMIC is likely to be in the region of £240,000. Difficult trading conditions have also been experienced at Midhurst Asset Management.

Total assets less current liabilities were £22,098,914 at 31 March 2000 compared with £19,743,488 at 30 September 1999, giving an undiluted net asset value per share of 173.84p compared with 139.80p. There has been a significant increase in revenue compared with the six months to 31 March 1999. Profits after taxation and minority interests as at 31 March 2000 were £644,577 compared with £294,640 at the previous half-year. As previously announced your directors have decided to pay an interim dividend of 2.00p net per share (1999: 1.00p) on 3 July 2000 and are confident that the final dividend to be recommended to shareholders for payment following the Annual General Meeting in January 2001 will be not less than 4.75p net per share (1999: 3.50p). The total forecast dividend of not less than 6.75p net per share represents an increase of not less than 50% on the total dividend of 4.50p net per share paid in respect of the year to 30 September 1999. This stated intention of dividend payment should not be regarded as constituting a profit forecast.

It is gratifying that the Stock Market has recently accorded to your company's ordinary shares a more acceptable rating and the discount to net asset value is at its lowest level for four years. The flow of potential investment opportunities being examined by your company's management continues at a steady rate; several transactions are currently active which your directors believe will further enhance both income and capital.

Shareholders are invited to visit the AMIC website, where there is regularly updated information regarding the company and its investments. Links are provided to the websites of companies in the portfolio and there are facilities to contact the AMIC management directly online with any queries, which are welcomed. The address is www.amicplc.com.

I am pleased to conclude by confirming the appointment of my colleague Sir David Thomson, Bt as Deputy Chairman.

Bridgeman
Chairman

31 May 2000

**CONSOLIDATED STATEMENT
TO 31 MARCH 2000
(incorporating the**

		Six Months ended 31 March 2000		
Notes	Revenue £'000	Capital £'000	Total £'000	
Gains on investments	–	2,951	2,951	
Income	803	–	803	
Administration expenses	143	143	286	
	<hr/>	<hr/>	<hr/>	
Net return before finance costs and taxation	660	2,808	3,468	
Interest	14	14	28	
	<hr/>	<hr/>	<hr/>	
Return on ordinary activities before taxation	646	2,794	3,440	
Taxation on ordinary activities	2	1	3	
	<hr/>	<hr/>	<hr/>	
Return on ordinary activities after taxation	644	2,793	3,437	
Minority interests	–	23	23	
	<hr/>	<hr/>	<hr/>	
Appropriation in respect of zero dividend preference shares	–	280	280	
	<hr/>	<hr/>	<hr/>	
Return attributable to equity shareholders	644	2,490	3,134	
Dividend in respect of equity shares	173	–	173	
	<hr/>	<hr/>	<hr/>	
Transfer to reserves	471	2,490	2,961	
	<hr/>	<hr/>	<hr/>	
Return per ordinary share (basic)	3	7.43p	28.71p	
Return per ordinary share (fully diluted)	3	6.61p	25.53p	
Return per zero dividend preference share		–	4.82p	

*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 2000 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 1999. Comparative figures for 30 September 1999 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. Dividends

An interim dividend of 2p per share has been declared, and will be paid on 3 July 2000 to shareholders on the register on 9 June 2000.

3. 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 8,672,596 to 31 March 2000, 30 September 1999 and 31 March 1999. Return per zero dividend preference share is calculated on the appropriation in respect of the zero dividend preference shares of £279,830 (30 September 1999: £498,000; 31 March 1999: £259,000) divided by 5,800,000 (30 September 1999 and 31 March 1999: 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 9,752,205 shares (30 September 1999 and 31 March 1999: 8,672,596 shares) after adjusting for warrants and options.

4. Net asset value

The net asset value per ordinary share at 31 March 2000 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 2000 is calculated 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.

STATEMENT OF TOTAL RETURN
2000 (UNAUDITED)
(Revenue account*)

Six Months ended 31 March 1999			Year ended 30 September 1999		
Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
–	470	470	–	4,033	4,033
496	–	496	925	–	925
172	170	342	328	321	649
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
324	300	624	597	3,712	4,309
1	1	2	38	38	76
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
323	299	622	559	3,674	4,233
25	1	26	36	2	38
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
298	298	596	523	3,672	4,195
4	4	8	–	26	26
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
–	259	259	–	522	522
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
294	35	329	523	3,124	3,647
87	–	87	390	–	390
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
207	35	242	133	3,124	3,257
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
3.40p	0.39p	3.79p	6.03p	36.02p	42.05p
3.40p	0.39p	3.79p	6.03p	36.02p	42.05p
–	4.26p	4.26p	–	8.58p	8.58p

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2000 (UNAUDITED)

	Notes	31 March 2000		31 March 1999		30 September 1999	
		£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments							
Listed investments		3,545		1,866		2,779	
Unquoted investments		18,108		13,219		16,446	
			21,653		15,085		19,225
Tangible fixed assets			16		21		20
			21,669		15,106		19,245
Current assets							
Investments		–		57		206	
Debtors		241		158		173	
Cash		694		1,591		1,588	
		935		1,806		1,967	
Current liabilities							
Creditors:							
Amounts falling due within one year		505		424		1,469	
		505		424		1,469	
Net current assets			430		1,382		498
Total assets less current liabilities							
Creditors:							
Amounts falling due after one year			–		900		900
			22,099		15,588		18,843
Capital and reserves							
Called up share capital			2,168		2,168		2,168
Zero dividend preference shares			5,800		5,800		5,800
Share premium account			5,393		5,393		5,393
Capital reserve - unrealised			8,001		1,772		5,427
Capital reserve - realised			(1,587)		(980)		(1,520)
Warrant reserve			327		327		327
Zero dividend appropriation reserve			1,208		677		928
Revenue reserve			556		215		94
Shareholders' funds (including non-equity)			21,866		15,372		18,617
Minority interests			233		216		226
			22,099		15,588		18,843
Allocation of Shareholders' funds							
Net assets attributable to equity shareholders			15,076		9,138		12,120
Net assets attributable to zero dividend preference shareholders			6,790		6,234		6,497
Net asset value per ordinary 25p share (basic)	4		173.8p		105.4p		139.8p
Net asset value per ordinary 25p share (fully diluted)	4		165.6p		104.5p		139.8p
Net asset value per zero dividend preference share	4		117.1p		107.5p		112.0p
Net asset value per zero dividend preference share before issue costs	4		120.8p		112.2p		116.0p

INVESTMENT PORTFOLIO AT 31 MARCH 2000

Company Name	Cost of investment £'000	Valuation £'000	Percentage of investment portfolio
Listed holdings			
Integrated Asset Management	526	870	4.0
Man (ED & F)	395	526	2.4
Regent Pacific Group	1,528	1,637	7.6
Savoy Asset Management	102	295	1.4
Investments held by: AMIC AG	69	60	0.3
AMIC Inc.	293	157	0.7
	2,913	3,545	16.4
Unlisted holdings			
Aberdeen America	751	1,269	5.9
City of London Investment Group	1,239	2,428	11.2
Clark Capital Management			1.5
– 8% Convertible Subordinated Debentures 2001	332	324	0.8
– 9% Convertible Subordinated Debentures 2002	157	161	0.7
– 9% Convertible Subordinated Debentures 2002	155	157	
Columbus Financial Services			
– Ordinary Shares	411	458	2.1
– 10 ¹ / ₈ % Loan	50	50	0.2
Ely Fund Managers	1,320	2,775	12.8
IFDC	1,944	5,344	24.7
Latchly Management Limited			
– 10% Unsecured Loan Stock 2002	240	–	–
– Ordinary Shares	10	–	–
Marque Millennium Group			
– Common Stock	358	1,006	4.7
– 10% Loan Note 2000	180	188	0.9
– 9 ¹ / ₂ % Convertible Loan Stock 2000	124	246	1.1
– 9 ¹ / ₂ % Convertible Loan Stock 2001	282	246	1.1
– 13% Loan	214	219	1.0
Mayberry Group			
– 8 ¹ / ₂ % Loan Note	153	157	0.7
– 6 ¹ / ₂ % Convertible Loan Note 2000	511	629	2.9
– 6 ¹ / ₂ % Convertible Loan Note 2000	38	49	0.2
Midhurst Asset Management			
– Ordinary Shares	636	627	2.9
– Preference A Shares	469	266	1.2
Stockcube	100	125	0.6
Thornhill Holdings			
– Ordinary Shares	303	630	2.9
– 11.11% Unsecured Loan Note 2007	933	754	3.5
Investments held by AMIC AG	71	–	–
	10,981	18,108	83.6
Total	13,894	21,653	100.0

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.

Nicola J. Crickmore
Company Secretary

Asset Management Investment Company PLC
Registered Office: 32 Ludgate Hill, London EC4M 7DR
Tel: 020 7329 1290 Fax: 020 7489 1166