

JUPITER ASSET MANAGEMENT LIMITED
REPORT AND ACCOUNTS FOR THE YEAR ENDED
31 DECEMBER 1999

Company Registration No. 2036243



JUPITER ASSET MANAGEMENT LIMITED

DIRECTORS

a. Directors who are also directors of the parent undertaking, Jupiter International Group PLC:

J L Duffield (Chairman)	M R L Astor
C W Crowther (Deputy Chairman)	J H D Carey
M F Heathcoat Amory (Managing Director)	P T R Adderson

b. Other directors:

J C R D'Albiac (non-executive director)	
R M A Allison	P J Hulse
S J D Baker	W J Littlewood
R E M Bland	A J R Miller
E H Bonham Carter	A G Nutt
P A Butt	C E O'Donnell
T A Campbell	R V Parker
C Chisholm	H A L Paterson
K S Cliff	R P Pease
W A H Crewdson	L G Petar (appointed 10.11.99)
A F C Darwall (appointed 1.3.2000)	T C Pilkington
P K C Gibbs	K Pritchard
J Hamilton	P Rajasekaran
J M G Hamilton-Sharp	M Schuller
E Howard Boyd	R G Williams (appointed 1.3.2000)
	P R Withers Green

SECRETARY

Jupiter Administration Services Limited

AUDITORS

Ernst & Young
Rolls House
7 Rolls Buildings
Fetter Lane
London EC4A 1NH

BANKERS

The Royal Bank of Scotland plc
5-10 Great Tower Street
London EC3P 3HX

Cater Allen Limited
29/33 Princess Victoria Street
Clifton
Bristol BS8 4BY

REGISTERED OFFICE

1 Grosvenor Place
London SW1X 7JJ.

JUPITER ASSET MANAGEMENT LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 1999

The directors present their report and accounts for the year ended 31 December 1999.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS DEVELOPMENTS

The company continues to act as investment managers and is regulated by the Investment Management Regulatory Organisation Limited. No significant change in the business of the company is envisaged at present.

Jupiter International Group PLC, the intermediate holding company, is wholly owned by Commerz Asset Management (UK) plc ("CAM(UK)"), a subsidiary of Commerzbank AG.

RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 6.

A dividend of £34,963,000 was paid during the year (1998 - £19,000,000) which leaves retained profit for the year of £5,445,794.

DIRECTORS AND THEIR INTERESTS

The directors of the company at the date of this report are shown on page 2.

No director had any interest in the shares of the company. The interests of the directors of the company who are also directors of Jupiter International Group PLC, in the shares of CAM(UK) are disclosed in the accounts of Jupiter International Group PLC. The remaining directors' interests are shown in note 15.

During the year, the company has maintained liability insurance for directors in accordance with Section 310 of the Companies Act 1985.

YEAR 2000 COMPLIANCE

Many computer systems express dates using only the last two digits of the year and to avoid malfunction required modification or replacement to accommodate dates beyond the year 2000. Although the group has in-house computer systems, our business in the main depends upon externally supplied core systems which could expose us to risks in the event that there is a failure by other parties to remedy their own Year 2000 issues.

A company wide program designed to address the impact of the Year 2000 on our business was commissioned by the Board and has been completed.

A significant risk analysis was performed to determine the impact of the issue on all our activities. Priority was given to those systems which could have caused a significant financial or legal impact on the company's business if they had failed. However, the Board believes that thus far no significant problems have been encountered.

JUPITER ASSET MANAGEMENT LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 1999

CHARITABLE DONATIONS

The company made charitable donations during the year of £75,000.

SUPPLIER POLICY

It is the company's payment policy to obtain the best terms for all business and therefore there is no consistent policy as to the terms used. In general, the company agrees with its suppliers the terms on which business will take place and it is our policy to abide by these terms. The company has no trade creditors.

AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted at the Annual General Meeting.

By order of the board

Secretary
Jupiter Administration Services Ltd



DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

The directors consider that in preparing the financial statements, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been applied and that applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent fraud and other irregularities.

JUPITER ASSET MANAGEMENT LIMITED

REPORT OF THE AUDITORS

To the members of Jupiter Asset Management Limited

We have audited the financial statements on pages 6 to 14 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

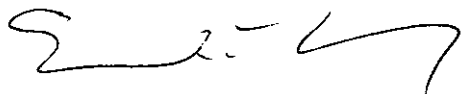
Basis of opinion

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 1999 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst and Young
Registered Auditor

London

Date: 20 - 4 - 00

JUPITER ASSET MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1999

	Notes	1999 £	1998 £
TURNOVER	2	37,293,391	19,465,014
Other operating income		810,885	617,979
Movement in provision for fixed asset investments		(47,507)	(760,082)
Profit on sale of investments		2,438,509	17
Dividend received from subsidiary undertaking		23,000,000	12,500,000
Administrative expenses	3	(16,306,895)	(12,783,971)
OPERATING PROFIT		47,188,383	19,038,957
Interest receivable		<u>343,792</u>	<u>340,096</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		47,532,175	19,379,053
Taxation	6	(7,123,381)	(2,550,615)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		40,408,794	16,828,438
Dividends paid		<u>(34,963,000)</u>	<u>(19,000,000)</u>
RETAINED PROFIT/(LOSS) FOR THE YEAR		5,445,794	(2,171,562)
RETAINED PROFIT BROUGHT FORWARD		2,761,809	4,933,371
RETAINED PROFIT CARRIED FORWARD		8,207,603	2,761,809

All items dealt with in arriving at operating profits for 1999 and 1998 relate to continuing activities.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £40,408,794 (1998: £16,828,438).

JUPITER ASSET MANAGEMENT LIMITED

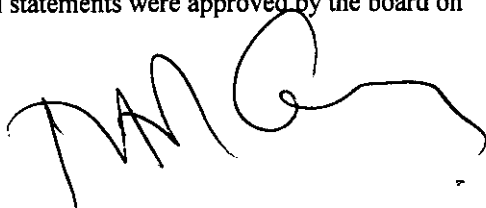
BALANCE SHEET AT 31 DECEMBER 1999

	Notes	1999 £	1998 £ (as restated)
FIXED ASSETS			
Intangible fixed assets	7	7,150,376	7,805,392
Tangible fixed assets	8	940,891	733,207
Investments	9	431,671	4,667,875
Investment in subsidiaries	10	904,759	904,759
		<u>9,427,697</u>	<u>14,111,233</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	18,918,313	5,833,364
Debtors: amounts falling due after more than one year	11	7,089,208	10,193,483
Current asset investments		326	149
Cash at bank and in hand		<u>11,341,423</u>	<u>785,243</u>
		37,349,270	16,812,239
CREDITORS: amounts falling due within one year	12	<u>15,810,050</u>	<u>5,402,349</u>
NET CURRENT ASSETS		<u>21,539,220</u>	<u>11,409,890</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		30,966,917	25,521,123
CREDITORS: amounts falling due after more than one year			
Other creditors	11	2,750,000	2,750,000
Amounts due to subsidiary undertakings		<u>262,500</u>	<u>262,500</u>
		<u>3,012,500</u>	<u>3,012,500</u>
		<u>27,954,417</u>	<u>22,508,623</u>
CAPITAL AND RESERVES			
Share capital	13	19,000,000	19,000,000
Share premium account		316,665	316,665
Profit and loss account		8,207,603	2,761,809
Other reserves		430,149	430,149
EQUITY SHAREHOLDERS' FUNDS		<u>27,954,417</u>	<u>22,508,623</u>

The financial statements were approved by the board on

20.4.2000

Director



JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1999

1. ACCOUNTING POLICIES

a. Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b. Intangible fixed assets

Intangible fixed assets represent the excess of the purchase consideration over the fair value of the assets purchased and are being amortised on a straight line basis over a maximum of 20 years.

c. Tangible fixed assets

Tangible fixed assets are depreciated on a straight line basis calculated to write off the cost of such assets over their anticipated useful lives. The following depreciation rates are applied:

Short leasehold property	- over the period of the lease
Furniture	- 5 years
Motor vehicles	- 4 years
Computer equipment	- 3 years to 5 years

d. Foreign currencies

Foreign currency transactions are translated at the rates of exchange applicable at the dates of the transactions. Foreign currency balances outstanding at the balance sheet date are translated at the rates of exchange ruling on that date. Realised gains and losses are reflected in the profit and loss account.

e. Pension scheme

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

f. Deferred taxation

The company makes provision for deferred taxation on the liability basis to the extent that there is reasonable probability that such deferred taxation may be payable in the foreseeable future.

g. Investments

Fixed asset investments

Fixed asset investments are stated at the lower of cost and market value. The market value for listed investments is the last available quoted price, although some markets may be illiquid.

Current asset investments

Unlisted investments are stated at the lower of cost and directors' valuation. Listed investments are valued at the lower of cost and market valuations.

Investments are valued by the directors on the basis of all information, such as the financial position and operating results relating to these investments, that is available to them at the time of the valuation.

h. Prepayments - Incentive Arrangements

Amounts paid in advance to senior management to encourage them to remain with the company are written off over the period to which the incentive arrangements apply. These payments are required to be repaid should individuals leave before the end of the relevant period.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

2. TURNOVER

Turnover is stated exclusive of value added tax and represents fees receivable in respect of investment management and secretarial services, commission receivable and profit on the sale of securities.

Turnover and profit before taxation relate to one class of business activity, namely investment management. In the opinion of the directors it is neither practicable nor in the best interest of the company to analyse turnover and attributable profits between earnings from UK and overseas clients.

Turnover includes management fees receivable from group undertakings of £1,900,780 (1998: £1,784,604).

3. ADMINISTRATIVE EXPENSES

	1999	1998
	£	£
Administrative expenses include:		
Amortisation of goodwill	655,016	655,015
Depreciation	369,629	245,888
Auditor's remuneration - audit	46,250	44,000
Auditors' remuneration - other services	30,675	20,500

4. EMPLOYEE INFORMATION

a. Employment costs, including directors, and excluding incentive arrangements of £866,667 paid in 1998

	1999	1998
	£	£
Wages and salaries	8,096,254	7,441,781
Social security costs	903,553	753,934
Employers' pension contributions	854,130	749,322
	<u>9,853,937</u>	<u>8,945,037</u>

b. The average number of persons employed by the company during the year, including directors

1999	1998
<u>133</u>	<u>120</u>

c. Pension arrangements

The company contributes to a defined contribution pension scheme for the benefit of its employees. The contributions are made at the rate of 15% of gross salary into the Jupiter Pension Scheme, whose accounts are available from the trustees at the registered office of the company.

No liability is included in the balance sheet as no obligations were outstanding at the balance sheet date.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

5. DIRECTORS' EMOLUMENTS

a. Directors' emoluments

The emoluments of the Chairman and other directors who are also directors of Jupiter International Group PLC are disclosed in the accounts of that company. Other directors' emoluments, including pension contributions, are as follows:

	1999 £	1998 £
Fees	131,215	167,158
Other emoluments, including incentive arrangements in 1998 of £867,000	4,458,395	5,007,326
Pension contributions	347,971	334,398
	<u>4,937,581</u>	<u>5,508,882</u>

Pension contributions were made to defined contribution pension schemes during the year on behalf of twenty four directors.

b. Emoluments of the highest paid director

Emoluments	1,434,957	1,196,746
Pension contributions	21,966	21,419
	<u>1,456,923</u>	<u>1,218,165</u>

6. TAXATION

	1999 £	1998 £
UK Corporation tax	7,126,413	2,572,938
Prior year adjustments	(3,032)	(22,323)
	<u>7,123,381</u>	<u>2,550,615</u>

7. INTANGIBLE FIXED ASSETS

	Cost £	Amortisation £
Balance brought forward	10,423,850	2,618,458
Additions/amortisation for the year	-	655,016
Balance carried forward	<u>10,423,850</u>	<u>3,273,474</u>
Net book value - 31 December 1999	<u>7,150,376</u>	
Net book value - 31 December 1998	<u>7,805,392</u>	

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

8. TANGIBLE FIXED ASSETS

	Furniture £	Office and Computer equipment £	Motor vehicles £	Total £
Cost:				
Brought forward	8,544	864,647	494,977	1,368,168
Additions	-	435,856	162,582	598,438
Disposals	-	-	(118,832)	(118,832)
Carried forward	<u>8,544</u>	<u>1,300,503</u>	<u>538,727</u>	<u>1,847,774</u>
Depreciation:				
Brought forward	7,694	405,478	221,789	634,961
Charge for the year	850	243,088	125,691	369,629
Disposals	-	-	(97,707)	(97,707)
Carried forward	<u>8,544</u>	<u>648,566</u>	<u>249,773</u>	<u>906,883</u>
Net book value:				
At 31 December 1999	-	651,937	288,954	940,891
At 31 December 1998	<u>850</u>	<u>459,169</u>	<u>273,188</u>	<u>733,207</u>

9. FIXED ASSET INVESTMENTS

	Listed UK £	Listed Overseas £	Total £
Cost			
At 1 January 1999	5,502,099	442,478	5,944,577
Disposals	<u>(5,305,903)</u>	<u>-</u>	<u>(5,305,903)</u>
At 31 December 1999	<u>196,196</u>	<u>442,478</u>	<u>638,674</u>
Amounts written off			
At 1 January 1999	1,164,730	111,972	1,276,702
Disposals	<u>(1,117,206)</u>	<u>-</u>	<u>(1,117,206)</u>
Amounts written off/(released)	<u>(30,816)</u>	<u>78,323</u>	<u>47,507</u>
At 31 December 1999	<u>16,708</u>	<u>190,295</u>	<u>207,003</u>
Carrying value at 31 December 1999	<u>179,488</u>	<u>252,183</u>	<u>431,671</u>
Carrying value at 31 December 1998	<u>4,337,369</u>	<u>330,506</u>	<u>4,667,875</u>
Market value at 31 December 1999	<u>183,075</u>	<u>270,945</u>	<u>454,020</u>

10. INVESTMENT IN SUBSIDIARIES

Investment in subsidiary undertakings are stated at cost. In the opinion of the directors, the aggregate value of the investment in subsidiary undertakings is not less than the amount at which they are stated in the financial statements.

The principal operating wholly owned subsidiary is Jupiter Unit Trust Managers Limited, which is incorporated in England and Wales and operates as a unit trust management company.

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

11. DEBTORS

	1999 £	1998 £ (as restated)
Amounts falling due within one year		
Trade debtors	13,952,238	4,462,351
Prepayments - Incentive Arrangements (note 1(h))	3,104,275	-
Other debtors	156,547	154,607
Prepayments and accrued income	278,311	333,433
Amount due from parent undertaking	-	262,981
Amounts due from fellow subsidiary undertakings	1,426,942	615,104
Amount due from subsidiary undertaking	-	4,888
	18,918,313	5,833,364
Amounts falling due after more than one year		
Prepayments - Incentive Arrangements (note 1(h))	7,089,208	10,193,483

Incentive arrangements of £2,750,000 have been included within Prepayments - Incentive Arrangements in respect of one employee. As no amounts have yet been advanced to that employee a corresponding liability has been included within creditors falling due after more than one year. Corresponding amounts have been restated accordingly.

12. CREDITORS

	1999 £	1998 £
Amounts falling due within one year:		
Other creditors	4,117,006	590,126
Amount due to parent undertaking	277,112	-
Amount due to fellow subsidiary undertakings	158,944	116,253
ACT surrendered from CAM(UK)	1,179,738	1,179,738
Corporation tax payable	6,136,413	2,572,938
Accruals and deferred income	3,940,837	943,294
	15,810,050	5,402,349

13. CALLED UP SHARE CAPITAL

	1999 £	1998 £
Authorised, allotted, called up and fully paid:		
Ordinary shares of £1 each	19,000,000	19,000,000

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999 £	1998 £
Profit after taxation	40,408,794	16,828,438
Dividends paid	<u>(34,963,000)</u>	<u>(19,000,000)</u>
Net addition to shareholders' funds	5,445,794	(2,171,562)
Shareholders' funds at beginning of the year	<u>22,508,623</u>	<u>24,680,185</u>
Shareholders' funds at end of the year	<u>27,954,417</u>	<u>22,508,623</u>

15. DIRECTORS' INTERESTS

The beneficial interest of the directors, who were not directors of Jupiter International Group PLC, as defined by the Companies Act 1985 in the share capital of CAM(UK) were as follows:

	Ordinary Shares	
	1999	1998
		or date of appointment
R M A Allison	25,000	25,000
S J D Baker	20,000	20,000
R E M Bland	13,000	13,000
E H Bonham Carter	65,000	65,000
T A Campbell	8,400	8,400
C Chisholm	25,000	25,000
K S Cliff	16,000	16,000
J Hamilton	10,000	10,000
J M G Hamilton-Sharp	15,000	15,000
E Howard Boyd	9,000	9,000
P J Hulse	25,000	25,000
W J Littlewood	80,000	80,000
A J R Miller	50,000	50,000
H A L Paterson	4,800	4,800
R P Pease	65,000	65,000
K Pritchard	25,000	25,000

JUPITER ASSET MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

16. INVESTMENT MANAGEMENT ARRANGEMENTS

The company manages a number of investment trusts and funds. The company receives a management fee from these entities for managing the assets, and in some instances a performance fee. The precise fee arrangements for the different entities are disclosed within the accounts of each entity or within other information which is publicly available.

The majority of the directors of these trusts are independent of the company.

Total amounts received by way of management fees and performance fees are included in turnover.

Included within listed investments in note 9 are investments in investment trusts and funds managed by the company.

17. ULTIMATE HOLDING COMPANY

The company's financial statements present information about the company as a whole and not about its group. The company has taken advantage of the exemption under Section 228 of the Companies Act 1985 not to prepare group accounts.

The ultimate holding company is Commerzbank AG, which is registered in Germany.

The results of the company have been included in the consolidated accounts of Jupiter International Group PLC which are available from the Secretary, Jupiter Administration Services Limited, 1 Grosvenor Place, London SW1X 7JJ.