

**PRESS RELEASE**

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**LONDON PENSIONS FUND AUTHORITY AWARDS  
GLOBAL EQUITY MANDATE TO NEWTON**

Newton Investment Management Limited, the UK asset management subsidiary of Mellon Financial Corporation, has been awarded a £330m global equity mandate for the London Pensions Fund Authority.

Newton has been managing global equity mandates for over 25 years. Its institutional global equity composite that is most applicable to the London Pensions Fund Authority mandate, has outperformed the benchmark in all 29 rolling three-year periods since inception\*. The mandate will be managed by members of the global team at Newton.

Commenting on the win, Helena Morrissey, Chief Executive Officer of Newton, said: "We are pleased to open 2006 with the award of such a significant mandate. It reflects Newton's continued strong performance in all markets and robust team-based investment process driven by global research. We are delighted to work with the London Pensions Fund Authority on their new structure and look forward to seeing our relationship develop further."

The Board of the £3bn London Pensions Fund Authority (LPFA) announced the completion of its comprehensive review of investment strategy in December of 2005. The new strategy, which came into effect on 1 January 2006, marks a shift away from the traditional bond/equity structure, to one that is more closely related to liabilities and cash flow requirements. It will take a more aggressive approach to seeking returns, while managing risk through diversification and the introduction of a currency overlay. The Authority has introduced new mandates for global equities, for absolute return targets, and for cash flow matching bonds. In combination, these will deliver both the necessary short-term cash flows and long-term stability.

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Notes to editors

**Newton Investment Management Limited** is a London-based UK asset management subsidiary of Mellon Financial Corporation. With assets under management of almost £29 billion, the company provides a broad range of award-winning investment products and services to individuals, pension funds, charities and corporations. Newton has offices in London, Edinburgh, Leeds and Jersey. News and other information about Newton is available at [www.newton.co.uk](http://www.newton.co.uk).

**Mellon Financial Corporation** is a global financial services company. Headquartered in Pittsburgh, Mellon is one of the world's leading providers of financial services for institutions, corporations and high net worth individuals, providing institutional asset management, mutual funds, private wealth management, asset servicing, payment solutions and investor services, and treasury services. Mellon has approximately \$4.7 trillion in assets under management, administration or custody, including \$781 billion under management. News and other information about Mellon is available at [www.mellon.com](http://www.mellon.com).

\*Source: Newton internal composite 01/01/96 – 31/12/05. All information and figures source Newton unless otherwise stated as at 31 December 2005. This press release is issued by Newton Investment Management Limited to members of the financial press and media and the information contained herein should not be construed as investment advice. Past Performance is not a guide to future performance. Registered office: Mellon Financial Centre, 160 Queen Victoria Street, London, EC4V 4LA. Registered in England no. 1371973.