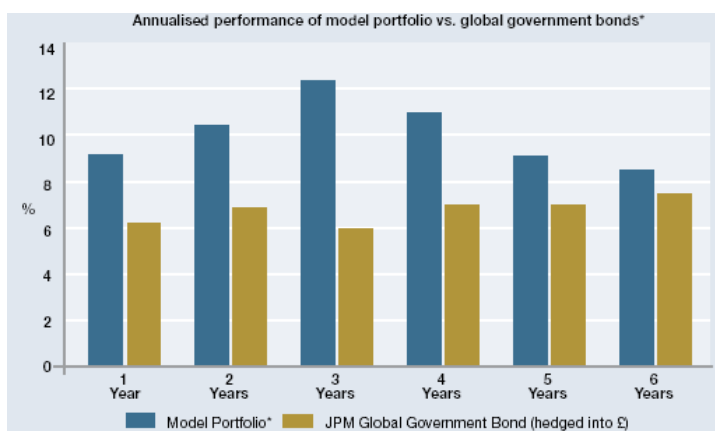


**PRESS RELEASE**

Date: 27 April 2006  
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**NEWTON SAYS DIVERSIFICATION IS KEY TO FIXED INCOME SUCCESS**

According to research by Newton Investment Management, a diversified approach to constructing a fixed income portfolio including corporate bonds, government, high yield and emerging markets securities, can outperform a traditional global government bond portfolio.



Source: Newton. Total return 100% hedged into sterling, gross fees, from 31/12/99 to 31/12/05

Moreover, Newton believes that dynamic allocation within a broad universe of global fixed income securities could deliver higher returns than a static portfolio.

Launching on 28 April, the **Newton Global Dynamic Bond Fund** will capitalise on this opportunity, targeting higher returns than a typical global government bond index through a total return proposition that combines an unconstrained and dynamic asset allocation approach.

The fund will be managed by Paul Brain, Newton's credit specialist and manager of the Newton European High Yield Bond Fund: "Fixed income markets have developed significantly over the last 10 years and it is now possible to diversify bond positions globally. The UK market remains relatively small and there are increasing opportunities to invest in other government and corporate bonds."

The **Newton Global Dynamic Bond Fund** aims to provide investors with greater scope for diversification of capital and income return through investment in high yielding corporate and government fixed interest securities from a variety of bond markets around the globe. The fund will follow an unconstrained, highly active asset allocation approach between four key asset classes: government, emerging markets, high yield and investment grade corporate bonds.

All information and figures source Mellon Global Investments unless otherwise stated as at 31 March 2006. This press release is issued by Mellon Global Investments 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.

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Newton's team-based approach to global bond management is to identify the long range driving forces or themes acting upon bond and currency markets, selecting assets that will react to these themes and invest to make a difference. The fund will build on the strength of Newton's expertise for investing in global bonds and specialised credit funds, which represent assets of nearly £3 billion.

- ENDS -

Notes to editors

Newton Global Dynamic Bond Fund will be a sub-fund of the Mellon Investment Funds ICVC (Investment Company with Variable Capital) and the investment adviser will be Newton Investment Management Limited. The Authorised Corporate Director is Mellon Fund Managers Limited which is authorised and regulated by the Financial Services Authority and a member of the IMA.

Key charges/minimum investments relate to Sterling Income Share Class:

Initial charge - 4%

Annual Management Charge - 1.25%

Minimum investment - £1,000 or £50 a month

Minimum subsequent investment - £250

**Newton Investment Management Limited** is a London-based UK asset management subsidiary of Mellon Financial Corporation. With assets under management of over £31 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** 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 \$4.9 trillion in assets under management, administration or custody, including \$808 billion under management. News and other information about Mellon is available at [www.mellon.com](http://www.mellon.com).

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