



News Release

Contact: Jamie Brookes
+44 20 7163 2146
brookes.j@mellon.com

Rebecca Grundy
+44 20 7163 2744
grundy.r@mellon.com

Mellon Global Investments
Mellon Financial Centre,
160 Queen Victoria Street,
London EC4V 4LA

Date: 28 September 2006

MELLON SETS THE STANDARD FOR UCITS FUNDS WITH INNOVATIVE NEW ABSOLUTE RETURN FUND

*An exciting new opportunity for investors to access a successful hedge fund strategy
via a UCITS fund range*

Mellon Global Investments, the international distribution subsidiary of Mellon Financial Corporation, has announced the addition of the **Mellon Evolution Global Alpha Fund** to its Dublin-domiciled Mellon Global Funds, plc (MGF) umbrella. Launched on 22 September, the Fund is managed by Mellon Capital Management Corporation, a Mellon subsidiary and a leading quantitative fund manager.

The Fund sets a new standard for UCITS funds by offering investors a derivative-based, hedge fund style investment strategy. It employs a systematic investment strategy known as Global Tactical Asset Allocation[®] (GTAA), which takes advantage of relative valuation opportunities due to market inefficiencies, within and across global equity, bond and currency markets.

Mellon Capital uses sophisticated quantitative techniques to take long and short positions, seeking to capture alpha and manage risk. This is facilitated by utilising the wider investment powers granted under the European UCITS III Directive. The Fund has an annualised target return of 1 month EURIBOR + 4%* over a 3 to 5 year rolling period. In recognition of the strategy's strong track record, Standard and Poor's have already awarded the Fund a AA rating.

Commenting on the launch, Alan Mearns, head of global marketing and deputy chief executive officer of Mellon Global Investments, said: "This innovative absolute return fund combines our recognised leadership in GTAA strategies with the wider investment powers granted under UCITS III. We believe this represents a ground breaking opportunity for investors."

*Net of annual management fees and expenses. All information and figures source Mellon Global Investments unless otherwise stated as at 30 June 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.

Registered office: Mellon Financial Centre, 160 Queen Victoria Street, London, EC4V 4LA • Registered in England no.1118580
Authorised and regulated by the Financial Services Authority
A Mellon Financial CompanySM

Charlie J. Jacklin, president and chief executive officer of Mellon Capital Management Corporation, commented: "For over 30 years, groundbreaking research by our professionals has led us to apply financial economic theory to the investment management process. We have been managing global tactical asset allocation since 1990. This new fund applies our systematic, rigorous investment and risk management processes and aims to return consistent performance with low volatility. A representative portfolio for the Fund's strategy has outperformed its cash benchmark over the last five years with a bond-like risk profile."

Founded in 1983 by innovators in the investment management field, Mellon Capital is the Fund's investment manager. The firm has US\$148.8 billion in assets under management, including assets managed by dual officers and US\$25.3 billion in overlay strategies. Mellon Capital is recognised as one of the originators of relative value-based tactical asset allocation strategies known as Global Tactical Asset Allocation. Additional information about Mellon Capital is available at www.mcm.com.

- ENDS -

Notes to editors

London-based **Mellon Global Investments Limited** is the international distributor of the investment skills and products of the asset management subsidiaries of Mellon Financial Corporation. Each of Mellon's asset managers is a specialist in its field. Their combined offering includes mainstream and high yield bond, cash, equity management, currency overlay, indexation and alternative investment management. Mellon Global Investments delivers these diverse skills to a wide and varied client base, providing a wealth of solutions. More information is available at www.mellonglobalinvestments.com.

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 asset management, private wealth management, asset servicing, and payment solutions and investor services. Mellon has approximately \$5.1 trillion in assets under management, administration or custody, including \$870 billion under management. News and other information about Mellon is available at www.mellon.com.

*Net of annual management fees and expenses. All information and figures source Mellon Global Investments unless otherwise stated as at 30 June 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.

Registered office: Mellon Financial Centre, 160 Queen Victoria Street, London, EC4V 4LA • Registered in England no.1118580
Authorised and regulated by the Financial Services Authority
A Mellon Financial CompanySM