

PRESS RELEASE

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**NEWTON BOLSTERS PRIVATE ASSET MANAGEMENT BUSINESS
AND MAINTAINS ROBUST INVESTMENT PERFORMANCE**

Newton Investment Management Limited, the primary UK asset management subsidiary of Mellon Financial Corporation, is pleased to announce the appointments of Harry Morgan and Peter Henderson to its Private Investment Management division.

Morgan joins as Head of Newton's Private Investment Management division in Scotland. Morgan is based in the Edinburgh office and reports to Mark Rayward, Managing Director of Newton Private Investment Management (PIM). Henderson joins as fund manager in its Charities team, based in London and reporting to Jamie Korner, Director of Newton Charities.

Harry Morgan joins from Edinburgh Fund Managers where he was Director and Head of Private Clients, responsible for around £300m of assets under management. The appointment marks an important step in the growth of Newton's PIM operations and he brings with him a wealth of experience in the area. Born in Glasgow, Morgan was educated at Glenalmond College and Cambridge, subsequently joining Henderson Crosthwaite and then Adam & Co where he rose to the position of Investment Director. He joined Edinburgh Fund Managers in February 1997 where, managing a team of 12, he oversaw the doubling of assets under management and the establishment of a strong performance record.

Henderson joins from Cazenove Fund Management where he was Head of Charities, attaining that position in 1995 after two years with the company. Having graduated from Bristol University with a honours degree in Economics with Statistics, he qualified as a Chartered Accountant before moving to Clerical Medical and General. In 1982 Henderson joined Geoffrey Morley and Partners and as a director was involved in its growth from a specialist fund manager through to its acquisition by Commercial Union. He is a Fellow of the Securities Institute, an Associate of the UK Society of Investment Professionals and is involved with a number of charities.

Commenting on the appointments Mark Rayward, Managing Director of Newton PIM, said: "We're delighted to announce two such appointments at this stage in the development of our Private Investment Management business. These arrivals underline Newton's long-term commitment to growing our share of the UK private client and charities asset management market on the back of award-winning service and the 6th year of the Newton Bridge Fund outperforming its benchmark."

The Newton Bridge Fund was made available to Newton private clients in 1996 as an innovative method of allowing clients to invest in the company's unique investment process, through a pooled vehicle. It has outperformed its benchmark for the 6th year in succession, making it one of the market leaders.

Mellon Financial Corporation, founded in 1869, is one of the world's leading private wealth managers, with around £33.8bn of private client assets under management. Newton PIM represents an important international element of Mellon's core wealth management capabilities.

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Notes to Editors

Newton

Newton Investment Management Limited is a London-based UK asset management subsidiary of Mellon Financial Corporation. With assets of almost £20 billion, the company provides a broad range of award-winning investment products and services to individuals, pension funds, charities and corporations. Newton has operations in London, Edinburgh, Leeds, Guernsey and the Isle of Man. News and other information about Newton is available at 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 affluent individuals, providing institutional asset management, mutual funds, private wealth management, asset servicing, human resources services and treasury services. Mellon has approximately \$2.9 trillion in assets under management, administration or custody, including \$581 billion under management. Its asset management companies include The Dreyfus Corporation and U.K.-based Newton Investment Management Limited. News and other information about Mellon is available at www.mellon.com.