



News Release

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MELLON GLOBAL INVESTMENTS BRAZIL NAMED HEDGE FUND MANAGER OF THE YEAR

The Brazilian arm of Mellon Global Investments, the international distribution subsidiary of Mellon Financial Corporation, has been named Hedge Fund Manager of the Year 2006 by Exame Magazine in its acclaimed annual Guide for Personal Investments.

Each year, Exame magazine, Brazil's largest business magazine, recognises the most outstanding managers and funds in Brazil over the previous 12 months based on their performance.

This year, in a glittering awards ceremony in São Paulo, Mellon Global Investments - Brasil scooped the prize for the category 'Best Specialist Manager – Leveraged', specially dedicated to hedge fund managers in Brazil. Additionally, Mellon's hedge fund, Mellon Hedge Fundo de Investimento Multimercado, received the maximum award of five stars for its performance in the last year, meaning it is classified among the top 10% of funds in its category.

The Mellon Hedge Fundo de Investimento Multimercado Fund aims to maximise returns through long-term capital appreciation of its investments in Brazilian capital markets, with an emphasis on risk-adjusted return, regardless of the direction of the market and interest rates. The Fund maintains a broad asset allocation in stocks, interest rates, currencies, commodities, derivative instruments and Brazilian foreign debt opportunities and has generated a cumulative return of 134.69% over the past five years*.

*Performance in R\$ terms, net of fees, to 30 September 2006. All information and figures source Mellon Global Investments unless otherwise stated as at 30 September 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.

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Commenting on the awards, Zeca Oliveira, chief executive officer of Mellon Global Investments - Brasil, said: "We are delighted to have been honoured with the award for Hedge Fund Manager of the Year. This award is a credit to Mellon's investment team and approach, which covers a diverse range of investments in the Brazilian market place, and which has enabled us to combat the volatility often experienced in Brazil."

Referring to the future of the Brazilian hedge fund market, Jon Little, chief executive officer of Mellon Global Investments and co-chair of Mellon International, added: "Brazil, along with other Latin American markets, continues to attract attention from hedge fund investors who have enjoyed stellar returns over most of 2006. Despite the last quarter producing particularly choppy trading conditions for hedge funds, those investors that take a long term view on the opportunities offered by this exciting asset class could continue to reap the rewards."

Brazil is among the fastest growing economies in the world and enjoys continued high prices of commodities, thanks to its wealth of natural resources such as iron ore. This, coupled with the liberation of capital markets in Brazil earlier this year where tax breaks have been introduced for foreign investors in public sector bonds, has intensified the spotlight on the country.

Mellon plans to launch an international version of its domestic Brazilian hedge fund which will target sophisticated investors, including international fund of hedge funds. The new fund is expected to be launched in early 2007.

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Notes to editors

Mellon Global Investments – Brasil S/C Ltda is a Brazilian regulated asset management company that manages hedge funds, fixed income and equity products in the Brazilian marketplace. The firm has approximately R\$10bn in assets under management.

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.

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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 \$5.3 trillion in assets under management, administration or custody, including \$918 billion under management. News and other information about Mellon is available at www.mellon.com.

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