



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: 2 November 2006

MELLON ANNOUNCES PROPOSED LAUNCH OF EUROPEAN HIGHER INCOME FUND

Mellon Global Investments, the international distribution subsidiary of Mellon Financial Corporation, has announced its proposal to launch a European equity income fund to be managed by Newton Investment Management.

Following the successful launch of the Newton Global Higher Income and Asian Income funds in November 2005, the new Newton European Higher Income fund will follow the same disciplined yield driven approach to deliver a high yield equity income strategy.

Commenting on the new fund, Alan Mearns, head of global marketing and deputy chief executive of Mellon Global Investments, said: "There are three key dynamics at play here – ageing population and the need for better income paying investments, the need for diversification in income portfolios and, from an investment perspective, much greater emphasis on good shareholder governance and a growing 'dividend culture' amongst European companies.

"The launch of the Newton Asian Income and Global Higher Income funds in November last year has demonstrated the demand that exists for these products. Both funds have already established a loyal following and are rapidly approaching new assets of £200 million since launch."

The fund will be managed by Newton's European equity team, and subject to regulatory approval is likely to be launched in early 2007. Further details will be announced in due course.

- ENDS -

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.

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

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 \$5.3 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.

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.

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