

Newton Higher Income

As at 31 May 2009

Prepared for professional investors

Investment objective

The objective of the Sub-Fund is to achieve increasing distributions on a calendar year basis with long term capital growth. The Sub-Fund may also invest in collective investment schemes.

General information

Total net assets (million)	£ 2,273.51
Historic yield (%)	6.9
IMA sector	UK Equity Income
Lipper sector	LGC - Equity UK Income
Index	FTSE All-Share
Fund domicile	UK
Fund type	ICVC
Fund manager	Tineke Frikkee
Alternate	Simon Nichols
Base currency	GBP
Currencies available	GBP
Historic yields are not indicative of future yields.	

Key dates

Fund launch	01 Jun 1987
Close of financial year	30 Jun
Distributions	28 Feb, 31 Aug

Dealing

09:00 to 17:00 each business day
Valuation point: 12:00 London time

Sterling income shares

General	
Share class launch date	01 Jun 1987
Maximum initial charge	4.00%
Annual management charge	1.50%
Minimum investment	£ 1,000
Codes	
ISIN	GB0006779218
Bloomberg	NEWHIGI LN
Sedol	0677921
Valoren	827844
WKN	930436
Registered for sale in: DE, UK, ES, AT	

Historical fund statistics - 3 years

Jensen alpha	-0.09
Beta	0.80
Correlation to benchmark	0.93
Annualised information ratio	0.14
Annualised Sharpe ratio	-0.60
Annualised tracking error	6.63
R ²	0.86

Important information

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Statutory performance data updated quarterly

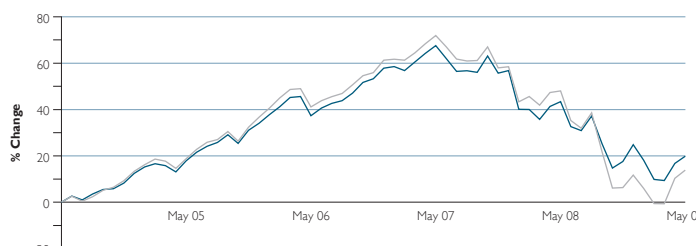
From	31 Mar 08	30 Mar 07	31 Mar 06	31 Mar 05	31 Mar 04
To	31 Mar 09	31 Mar 08	30 Mar 07	31 Mar 06	31 Mar 05
Fund	-19.4%	-15.5%	10.5%	25.4%	17.0%

Source: Lipper as at 31 May 2009. Total return including income net of UK tax and annual charges, but excluding initial charge. All figures are in sterling terms. The impact of the initial charge, which may be up to 4%, can be material on the performance of your investment. Performance figures including the initial charge are available upon request. Past performance is not a guide to future performance.

Performance record over 5 years

19.83
Newton Higher Income

13.83
UK Equity Income Sector



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Calendar Performance

	2004	2005	2006	2007	2008
Fund	15.62	19.27	17.69	-0.69	-20.36
Sector	16.41	20.64	18.12	-1.30	-28.97
Quartile Rank	3	3	3	2	1

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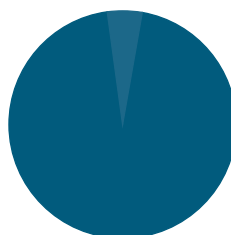
Performance to

	Sterling income shares					
	Fund	Index	Sector	Ranking	No. of funds in sector	Quartile rank
1 month	2.64	4.19	3.01	52	87	3
3 months	9.06	18.31	14.49	74	86	4
6 months	1.94	7.97	7.25	70	78	4
YTD	-4.01	4.15	2.17	75	79	4
1 year	-16.43	-23.66	-23.02	6	78	1
3 years	-12.73	-13.74	-18.58	20	74	2
5 years	19.83	21.94	13.83	19	63	2
3 years annualised	-4.44	-4.81	-6.75	20	74	2
5 years annualised	3.69	4.05	2.54	19	63	2

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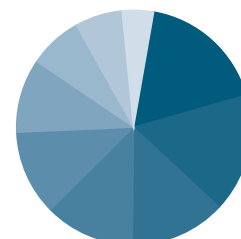
Asset allocation

- 95.1% United Kingdom
- 4.9% Cash



Asset allocation - industry

- 17.8% Oil & Gas
- 16.4% Utilities
- 13.2% Consumer Goods
- 12.4% Health Care
- 11.8% Financials
- 10.2% Telecommunication
- 7.3% Industrials
- 6.6% Consumer Services
- 4.3% Others



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invest in overseas securities which may also generate profits overseas and pay dividends in foreign currencies, which means the funds are exposed to changes in currency rates. Certain Funds may invest in emerging markets. It should be noted that these markets have additional risks associated with local custody and registration practices that may be less developed than more mature markets. Certain Funds take their charges from the capital of the fund. Investors should be aware that there is potential for future capital erosion. Certain Funds may hold sub-investment grade bonds that typically have a low credit rating and carry a high degree of default risk, which can affect the capital value of your investment. Certain Funds may hold fixed interest securities, which are particularly affected by trends in interest rates and inflation. This may affect the capital value of your investment. Certain Funds have a concentrated portfolio of stocks due to investment in a single country and/or geographic area/limited industry diversification/investment in a limited number of securities, giving rise to concentration risk. Certain Funds may invest in smaller companies. Smaller companies may be riskier and less liquid than larger companies. This means that their share prices may be more volatile. Certain Funds may invest in illiquid securities, which means that there is a possibility that they cannot be readily converted into cash when required. The value of these securities is subject to greater fluctuation if they are not regularly traded. All of the sub-funds may use derivatives for efficient portfolio management (EPM) purposes. EPM restricts the use of derivatives for the reduction of risk, the reduction of cost and the generation of additional capital or income with no or an acceptable low level of risk. EPM transactions must be economically appropriate and the exposure fully covered. Certain Funds will, additionally to EPM, make use of the expanded regulations and use derivatives in pursuit of their investment objectives. All of these factors may affect the performance of the Funds. In Germany, the Prospectus is available from JP Morgan AG, Junghofstrasse 14, 60311 Frankfurt Am Main Germany, in Austria from Raffeißen Zentralbank Österreich Aktiengesellschaft, Am Stadtpark 9, A-1030 Vienna. BNY Mellon Investment Funds is a collective investment vehicle ("Institución de Inversión Colectiva") that is duly registered by the Comisión Nacional del Mercado de Valores on the Register of foreign Collective Investment Institutions commercialised in Spain ("Registro de Instituciones de Inversión Colectiva extranjeras comercializadas en España") under the number 186. This document is issued in the UK and in mainland Europe (excluding Germany) by BNY Mellon Asset Management International Limited, BNY Mellon Asset Management International Limited, 160 Queen Victoria Street, London EC4V 4LA. Registered in England No. 1118580. Authorised and regulated by the Financial Services Authority. BNYMAMI, BNY MFM and NIM, are all ultimately owned by The Bank of New York Mellon Corporation.
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Absolute contribution - top 5

Stock level contributors	%
Royal Dutch Shell PLC	0.80
BP PLC	0.67
Standard Chartered PLC	0.40
Unilever PLC	0.37
AstraZeneca PLC	0.34

Top 10 holdings

	%
Royal Dutch Shell PLC	9.0
BP PLC	8.8
GlaxoSmithKline PLC	7.9
Vodafone Group PLC	7.0
British American Tobacco PLC	5.7
AstraZeneca PLC	4.5
National Grid PLC	4.2
Centrica PLC	4.1
Scottish & Southern Energy PLC	3.8
Unilever PLC	3.5

Portfolio holdings are subject to change at any time without notice. The information provided is for illustrative purposes only and should not be construed as a recommendation to purchase or sell any security.

Active money	Fund	Index	Relative	Fund	Index	Relative
Top 5 overweight	%	%	%	Top 5 underweight	%	%
Utilities	16.4	4.1	12.2	Financials	11.8	21.8
Telecommunication	10.2	5.8	4.4	Basic Materials	0.0	9.7
Health Care	12.4	8.2	4.2	Consumer Services	6.6	10.1
Consumer Goods	13.2	11.5	1.7	Oil & Gas	17.8	20.6
Industrials	7.3	6.8	0.6	Technology	0.0	1.4

Summary attribution - sectors

Top 5	%	Bottom 5	%
Utilities	0.29	Telecommunication	-0.68
Consumer Goods	0.22	Basic Materials	-0.47
Industrials	0.21	Financials	-0.26
Oil & Gas	0.00	Options	-0.25
Technology	-0.05	Consumer Services	-0.15

Summary attribution - stocks

Top 5	%	Bottom 5	%
Royal Dutch Shell PLC	0.26	HSBC Holdings PLC	-0.68
Lloyds Banking Group PLC	0.19	Cable & Wireless PLC	-0.40
Unilever PLC	0.13	Pearson PLC	-0.29
Davis Service Group PLC	0.11	Vodafone Group PLC	-0.27
Centrica PLC	0.11	Anglo American PLC	-0.25

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