

Newton Income Fund

Sterling Income Share Class

FUND AIM

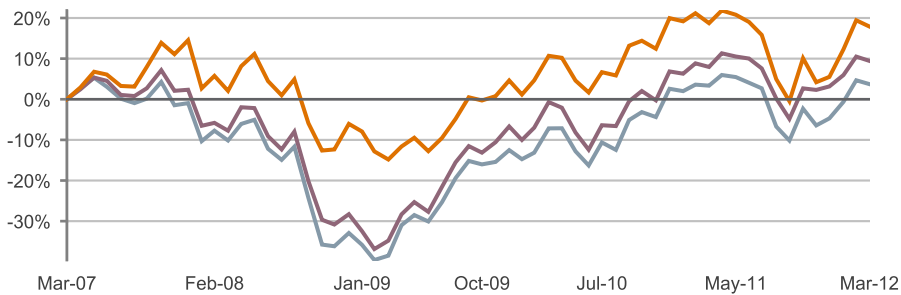
The Fund aims to achieve capital growth and income from a portfolio of predominantly UK company shares identified by Newton's thematic research process.

FUND RATINGS AND AWARDS



Fund ratings represent an opinion only and are not a recommendation to buy or sell any fund.

CUMULATIVE PERFORMANCE



17.91% Newton Income GBP Inc

9.45% FTSE All-Share TR

3.73% IMA UK All Companies

ANNUAL PERFORMANCE TO LAST QUARTER END (%)

| From | Mar 2007 | Mar 2008 | Mar 2009 | Mar 2010 | Mar 2011 |
|-----------------------|----------|----------|----------|----------|----------|
| To | Mar 2008 | Mar 2009 | Mar 2010 | Mar 2011 | Mar 2012 |
| Fund | 2.06 | -16.55 | 29.96 | 7.25 | -0.68 |
| Performance Reference | -7.74 | -29.33 | 52.30 | 8.72 | 1.39 |
| Sector | -10.15 | -31.54 | 50.92 | 11.33 | 0.37 |

PERFORMANCE

| | Fund (%) | Perf. Ref. (%) | Sector (%) | Rank | No. of Funds in Sector | Quartile rank |
|--------------------|----------|----------------|------------|------|------------------------|---------------|
| 1 month | -1.28 | -0.95 | -0.90 | 167 | 284 | 3 |
| 3 months | 11.76 | 6.10 | 8.85 | 53 | 284 | 1 |
| 6 months | 18.48 | 15.01 | 15.46 | 50 | 283 | 1 |
| Year to date | 11.76 | 6.10 | 8.85 | 53 | 284 | 1 |
| 1 year | -0.68 | 1.39 | 0.37 | 182 | 281 | 3 |
| 3 years cumulative | 38.44 | 67.87 | 68.64 | 264 | 267 | 4 |
| 5 years cumulative | 17.91 | 9.45 | 3.73 | 46 | 244 | 1 |
| 3 years annualised | 11.45 | 18.85 | 19.03 | 264 | 267 | 4 |
| 5 years annualised | 3.35 | 1.82 | 0.73 | 46 | 244 | 1 |

Source for all performance: Lipper as at 31 March 2012. 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.

The value of investments and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested.



BNY MELLON
ASSET MANAGEMENT

FACTSHEET FOR RETAIL CLIENTS

As at 31 March 2012

RISK AND RETURN RATING



MEDIUM TO HIGH

Typical investor profile

These investors seek an income and/or capital growth from their investment. They accept sharp fluctuations in the value of their investment in order to achieve greater potential returns over the longer term. These Sub-Funds may not be appropriate for investors who are concerned about sharp, short-term fluctuations in the value of their investments, except as part of a diversified portfolio.

You should read the simplified prospectus in full to understand the features and risks associated with this fund. Information on the risks and returns associated with this investment can be found within this document or you can visit our website. For further information please visit our website www.bnymellonam.co.uk

Managed by

NEWTON
The Power of Ideas

For further information please speak with a financial adviser, alternatively you can contact us directly:

Tel: 0800 614 330 Email: clientservices@bnymellon.com

Newton Income Fund Sterling Income Share Class

Outlook

Many of the problems that led to market turmoil during 2011 have yet to be resolved. Investors are still waiting for a solution to the Eurozone sovereign debt crisis, with the increased possibility that this may result in a break-up of the euro. The outcome of the US presidential election in November will have an effect on markets, as will any potential political change arising from presidential elections in Russia and France during the first half of the year. China will also welcome new leaders towards the end of 2012.

In a globalised world, where economies are interconnected, we expect a slowdown in economic growth in the emerging economies. However, despite the challenges, we are beginning to see some positive developments which could support a recovery in global economic activity. These include signs of a recovery in the US, falling oil and commodity prices, and generally lower rates of inflation. As a result, we believe monetary authorities in many countries now have the ability to use interest rate cuts as a tool to stimulate economic growth.

Fund manager

Richard Wilmot



Richard has been at Newton for 12 years, initially as UK Smaller Companies Analyst before taking responsibility for the Newton UK Smaller Companies Fund in October 2001, the Newton Growth Fund in December 2005, the Newton UK Equity Fund in May 2010 and the Newton Income Fund in March 2011. Richard is qualified as a member of the IIMR (now UKSIP).

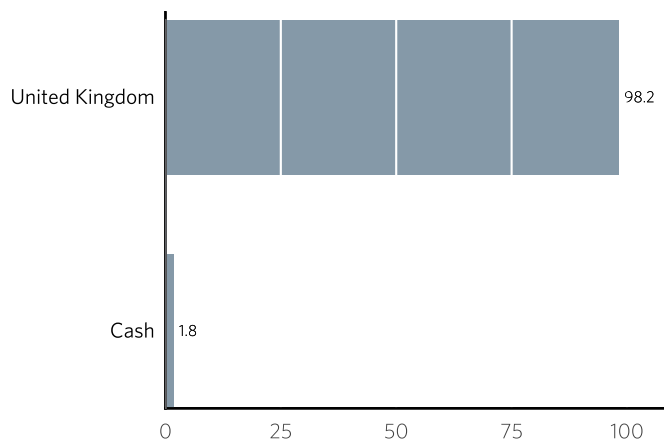
Alternate

Ben Russon

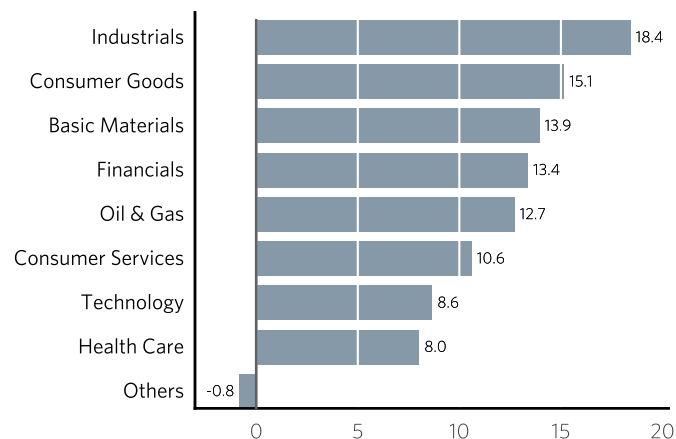
Investment manager

Newton Investment Management: Newton follows a distinct global thematic investment approach and conducts extensive proprietary research.

ASSET ALLOCATION (%)



ASSET ALLOCATION - INDUSTRY (%)



TOP TEN HOLDINGS (%)

| | |
|------------------------------|------|
| British American Tobacco PLC | 5.30 |
| BG Group PLC | 4.17 |
| BHP Billiton PLC | 4.10 |
| Rio Tinto PLC | 3.72 |
| Anglo American PLC | 3.47 |
| AstraZeneca PLC | 3.41 |
| BP PLC | 3.32 |
| Centrica PLC | 3.04 |
| Imperial Tobacco Group PLC | 2.94 |
| SABMiller PLC | 2.89 |

TOP FIVE CONTRIBUTORS (%)

| | |
|----------------------------|------|
| Hargreaves Lansdown PLC | 0.18 |
| Ophir Energy PLC | 0.17 |
| Prudential PLC | 0.17 |
| Spirent Communications PLC | 0.12 |
| Centrica PLC | 0.11 |

Portfolio holdings are subject to change at any time without notice, are for information purposes only and should not be construed as investment recommendations.

Newton Income Fund Sterling Income Share Class

IMPORTANT INFORMATION ABOUT THIS FUND

You should read the simplified prospectus in full to understand the features and risks associated with this Fund. Further information is available via our website at www.bnymellonam.co.uk

FUND SPECIFIC INFORMATION

With effect from midnight on 31 July 2009, the Annual Management Charge ("AMC") will be deducted from the capital of the Fund rather than the income generated by the Fund, as was previously the case.

RISKS WHICH MAY AFFECT THIS INVESTMENT

- This Fund can invest in overseas securities which may also generate profits overseas and pay dividends in foreign currencies, which means the Fund is exposed to changes in currency rates. Changes in the rates of exchange may affect the value of investments.
- The Fund takes its charges from the capital of the fund. Investors should be aware that there is potential for future capital erosion if insufficient capital growth is achieved by the Fund to cover the charges. Capital erosion may result in the amount of income that can be drawn declining over time.
- The Fund 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.

All these factors may affect the performance of the Fund. You should read the Simplified Prospectus in full to understand the features and risks associated with this Fund.

GLOSSARY

- **Asset/security** - Investments such as shares, bonds and derivatives are also known as securities.
- **Performance Reference** - A performance reference index is a way of expressing the performance of a specific financial market, such as a stock market, and may be suitable for assessing the performance of the fund over a given period of time.
- **Collective investment schemes** - An arrangement that enables a number of investors to pool their capital together and to participate in (and share the costs of) a wider range of investments than would be possible for most individual investors. Collective investment schemes include Unit Trusts or Open Ended Investment Companies (such as BNY Mellon Investment Funds).
- **Dividend** - The distribution of part of a company's earnings to shareholders, usually twice a year in the form of a main dividend and an interim dividend.
- **Dividend income/equity income** - The income earned through an investment in company shares.
- **Historic yield** - Historic yield figures are calculated on the basis of dividing the total dividends paid by the fund over the last 12 months by the fund's current price. Historic yields are shown on a net basis, do not include the impact of any initial charge and investors may be subject to tax on distributions. Historic yields are not indicative of future yields.
- **Net asset value (NAV)** - The market value of assets less the value of any liabilities.
- **Risk and Return rating** - Our funds are categorised on a six point scale from "Capital Preservation" to "High Risk and Return". The higher the category in which the fund is placed, the greater the potential for returns to be significantly higher or lower than expected.

This fund is a Sub-Fund of BNY Mellon Investment Funds.

Investment objective

The objective of the Sub-Fund is to achieve capital growth and income from a portfolio of predominantly UK securities. The Sub-Fund may also invest in collective investment schemes.

Fund details

| | |
|--|------------------|
| Total net assets (million) | £ |
| Historic yield (%) | 2.69 |
| Historic yield is not indicative of future yield | |
| IMA sector | UK All Companies |
| Performance Reference | FTSE All-Share |
| Domicile | UK |
| Fund type | ICVC |
| Fund manager | Richard Wilmot |
| Alternate | Ben Russon |
| Base currency | GBP |
| Currencies available | GBP |

Share class details

| | |
|-------------------------|------------------------|
| Launch Date | 01/05/1985 |
| Min. investment | £ 1,000 |
| Annual mgmt charge | 1.50% |
| Max. initial charge | 4.00% |
| ISIN | GB0006779549 |
| Bloomberg | NEWINCI LN |
| Sedol | 0677954 |
| Valoren | 827846 |
| WKN | 930437 |
| Registered for sale in: | AT, CL, DE, PE, ES, UK |

Key dates

| | |
|-------------------------|--------------------------------|
| Fund launch | 01 May 1985 |
| Close of financial year | 30 Jun |
| Distributions | 28 Feb, 31 May, 31 Aug, 30 Nov |



Tax treatment will depend on the individual circumstances of clients and may be subject to change in the future.

For further information please speak with a financial adviser, alternatively you can contact us directly:

Tel: 0800 614 330 Email: clientservices@bnymellon.com

UNDERSTANDING YOUR FACTSHEET

These ratings are given to funds by various independent agencies that specialise in researching funds and rating them on their Investment style and investment process, compared to funds with similar objectives. They are not an indication that the fund will achieve positive returns and are not a recommendation to buy or sell.

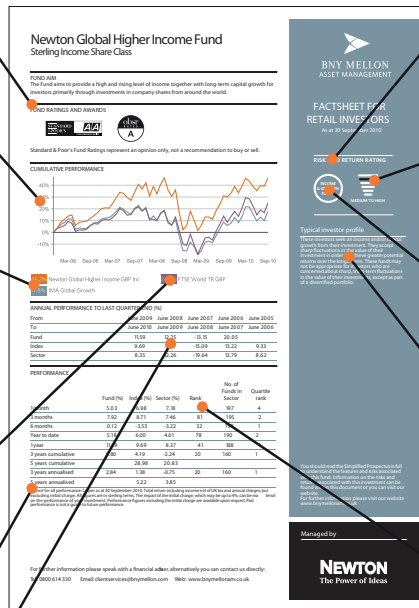
The line chart shows the fund's cumulative returns, against its benchmark and a relevant Investment Management Associations (IMA) sector average over 5 years. A cumulative return, expressed in percentage terms, is the change in value of a fund, benchmark or IMA sector average over a specific period of time – showing if the investment has gained or lost value over time.

There are many different funds on sale in the UK, all with differing characteristics and objectives. The IMA's sectors are designed to group together funds with similar characteristics and objectives to help investors and their advisers compare the historical performance of broadly similar funds, before looking at funds they may be considering purchasing in greater detail. Each IMA sector (as at 31/10/2010 there were 33 in total, collectively accounting for around 2,500 funds) has a clear definition, which sets out the criteria that must apply for a fund to be included in that sector.

An index is a way of expressing the performance of a specific financial market, such as a stock market, over a given period of time. For example, one of the best-known indices in the UK is the FTSE 100 Index, which shows the total share price performance of the 100 largest companies listed on the London Stock Exchange.

The 3 and 5 year annualised figures represent the cumulative return over three and five years expressed as an average annual return, in percentage terms.

These figures show the performance of the fund to the end of the last quarter year, compared with the performance of its benchmark and IMA sector average.



A fundamental concept in investing is the relationship between risk and return. The greater the amount of return an investor aims to achieve, the greater the potential risk. When we talk about risk in investments, we are talking about the chance that a fund may perform differently than expected. This includes the possibility of the fund falling in value. Further information on how to measure your appetite for risk can be found in the simplified prospectus which is available on the fund literature section on www.bnymellonam.com.

This risk and return image illustrates our view of the risk & return profiles of our funds. As an investor moves up the risk and return profile the potential positive returns increase, but so does the likelihood of potential negative returns. This is demonstrated with the higher the risk & return represented by the widest block.

We have grouped our funds according to their investment focus: growth, income or a combination of the two. A detailed explanation of these categories can be found in the funds simplified prospectus.

The risk and return ratings should be read in conjunction with the typical investor profile. All investors have specific, individual objectives and expectations. These illustrative profiles give our view of the type of investors who would typically choose this combination of fund focus and risk and return potential. It is designed to help you determine if the fund you are considering is potentially appropriate for you.

The ranking of a fund's performance relative to its IMA sector peer group. The funds are ranked in descending order with the best performing fund scoring at number one. The number of funds in the sector can vary over time as funds move in and out of the sector.

These tables show how much of the fund is invested in a stock, industry sector (such as telecoms) and/or country, compared to the index against which the fund is measured.



This section contains some key information about the fund.

Some stocks and certain mutual funds subdivide their shares into classes or groups, such as sterling income or institutional, to designate their special characteristics.

This section contains explanations of investment terms used within the factsheet.

This is a financial promotion and is not intended as investment advice. The information provided within is for use by retail clients.

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