

## Objective

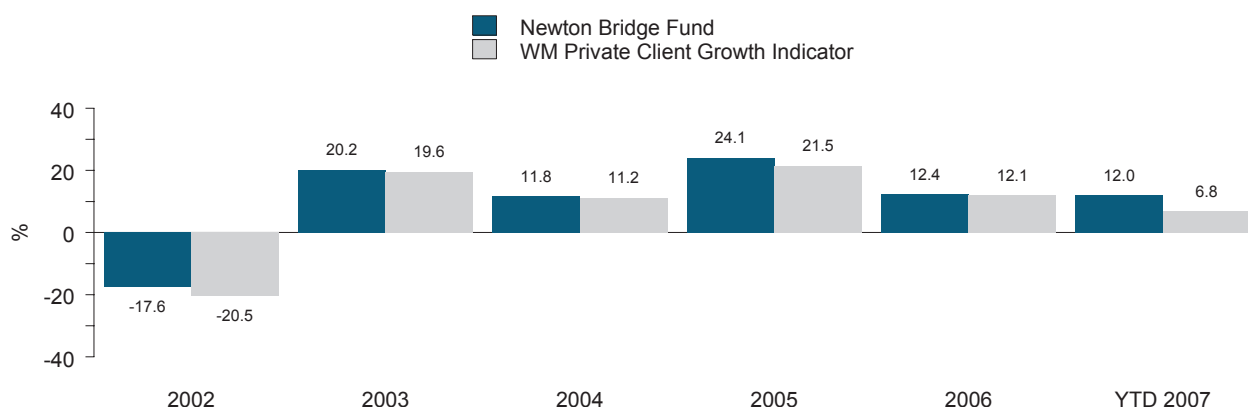
The investment objective of the Scheme is to achieve capital growth through investment principally in UK and international securities. The Scheme may also invest in warrants, deposits, money market instruments, collective investment schemes, derivative instruments and forward transactions.

## Investment Philosophy

Over the long term the total return from equities has normally beaten cash and bonds by a significant margin: the major part of the Fund is therefore invested in equities. The equity element is then balanced by fixed interest, hedge funds and cash in order to reduce the overall portfolio volatility.

The benchmark is the WM Private Client Growth Indicator.

## Performance



	Latest Quarter (%)	Since Re-Launch end November 1996 (%)
Fund Return (after fees)	2.2	160.1
Fund Return (before fees)	2.4	183.6
Benchmark Return	0.1	114.6
FTSE All-Share	-1.8	130.1
FTSE W World Ex UK	1.8	106.6
FTSE Government All Stocks	4.1	96.1

**Source:** Lipper, as at 30 September 2007, total return, bid to bid, net income reinvested, without initial charges, unless otherwise stated figures are gross of management fees. Lipper fund returns are based on midday prices, whereas the index is priced at the close of the relevant markets.

## Statutory Disclosure of Discrete Past Performance - Percentage Change

From	30/09/02	30/09/03	30/09/04	30/09/05	30/09/06
To	30/09/03	30/09/04	30/09/05	30/09/06	30/09/07
Newton Bridge Fund	16.4%	13.8%	22.9%	11.3%	16.8%

**Source:** Lipper, as at 30 September 2007, total return, bid to bid, net income reinvested, without initial charges, net of management fees. Lipper fund returns are based on midday prices.

## Risk Factors

Past performance is not a guide to future returns. The value of investments and the income from them can fall as well as rise and investors may not get back the original amount invested. The value of overseas securities will be influenced by fluctuations in exchange rates. If the portfolio invests in sub-investment grade bonds that typically have a low credit rating these carry a high degree of default risk, which can affect the capital value of your investment. If the portfolio has exposure to hedge funds, gold, private equity and property via publicly quoted transferable securities, there are additional risks associated with these sectors.

## Investment Themes

The identification of global themes is a key component of our investment philosophy. Individual economies, industries or companies should not be analysed in isolation. Only by understanding events, trends and competitive pressures worldwide can investment prospects be properly evaluated. We have approximately a dozen investment themes, some of which have changed little over the past few years whilst others are fairly recent additions. A number of these themes are illustrated below with examples of individual holdings.

## Population Dynamics

A nation's demographic profile has profound implications for its ongoing economic development influencing its patterns of growth, consumption and savings, fiscal policy, healthcare regimes and competitive advantage. Industrialised economies have broadly ageing populations while some developing economies have significantly different profiles.

**Beneficiaries: ABC Learning Centres, GlaxoSmithKline, Medtronic, Novartis, Prudential**

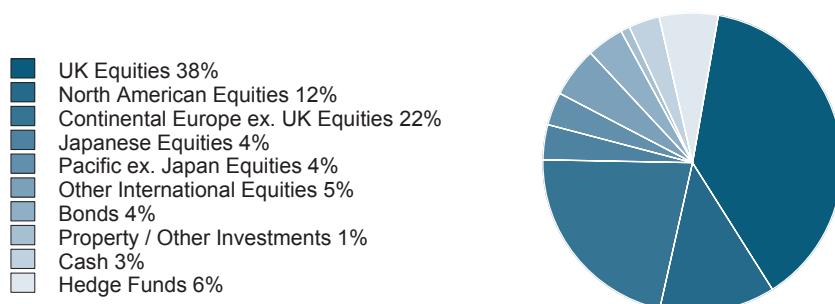
## Global Realignment

Stronger growth and increasing economic influence of the developing world is challenging the western industrialised nations' domination in terms of wealth, consumption of both natural resources and finished goods and market capitalisation of global stock markets. Some realignment over time is inevitable reflecting the developing world's accumulation of foreign exchange reserves and trade surpluses.

**Beneficiaries: BHP Billiton, CVRD, Deutsche Post, Panalpina, Millicom**

## Asset Allocation

### Breakdown as % of total market value



Source: Newton. All data as at 30 September 2007  
Figures are approximate and subject to rounding differences

## Significant Transactions

### Acquisitions

ABC Learning Centres Ltd  
Inchcape PLC  
Tele Norte Leste Participacoes  
K&S AG  
Makhteshim-Agan Industries Ltd

### Disposals

Hanson PLC  
Cemex SAB de CV  
McGraw-Hill Cos Inc  
KT&G Corp  
Newfield Exploration Co

Dividend Yield: 1.8% as at 30 September 2007

| Last Distribution: 2.3708p per unit on 26 September 2007

Fund Size (millions): GBP 318 as at 30 September 2007

| Currency: GBP

Issued by Newton Investment Management Limited. The Newton Bridge Fund is an authorised unit trust operated by Mellon Fund Managers Limited. Newton Investment Management Limited and Mellon Fund Managers Limited are authorised and regulated by the Financial Services Authority and are members of the IMA.

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