

July 2010

**Alliance Trust's new Monthly Income Bond Fund now available on
Transact**

Alliance Trust Asset Management's recently launched Monthly Income Bond Fund is now available to buy via Transact, one of the UK's most widely used wrap platforms.

The Alliance Trust Monthly Income Bond Fund has been designed to invest in a diversified portfolio of predominantly sterling denominated, high quality, investment grade corporate bonds, while at the same time allowing the managers to protect investors against a rising interest rate environment. This portfolio is highly liquid, benefitting from no legacy positions, and is expected to generate an annualised income yield of 6.3%*, payable on a monthly basis.

Commenting on the availability of the fund on Transact, Tom Pearson, Director, Head of Retail Sales at Alliance Trust Asset Management, said:

"With over 4200 IFAs using Transact, the platform quickly presented itself as the preferred choice for the launch of our new bond fund. We are working closely with Transact and with our other distribution platforms to ensure that Alliance Trust Asset Management's investment products have the widest possible availability to advisers and their clients."

The Alliance Trust Monthly Income Bond Fund is co-managed by Gareth Quantrill and Stuart Steven, working closely with Rod Davidson and Stuart McMaster. The team have over eighty years' combined experience of managing fixed income funds and have won many industry awards. All members have held key positions within fixed income and credit at major fund management groups, such as Scottish Widows Investment Partnership, Henderson and Aberdeen Asset Management.

Tom Pearson continued:

"We are confident that many advisers and private investors agreed with us that in these tough and volatile market conditions, the time was right to launch

such a high quality monthly income bond fund. We are absolutely thrilled with the level of support we have received so far – a testimony to the fixed income team’s outstanding reputation.

“Platforms will become a central component of our distribution strategy for our full fund range, as they will account for an increasing proportion of UK sales.”

Transact has been operating for nearly 10 years and currently has £6bn of assets under administration. Operating on a B2B basis, the platform has over 4200 IFAs regularly doing business with it.

*Income can fall as well as rise as a result of market and currency fluctuations. The yield may fall below this figure.

Key features of the fund

- Managed by an experienced team of fixed income specialists
- Diversified portfolio of 60-70 holdings
- Estimated Fund Income Yield – 6.3%
- Gross Redemption Yield – 6.0%
- A liquid, more nimble corporate bond fund
- Interest rate risks hedged
- Currency risks hedged
- Cross market opportunities

About Alliance Trust Asset Management:

Alliance Trust Asset Management provides direct investors, financial intermediaries and institutional clients access to a range of core, long-term investment strategies that benefit from the group's 120 years' experience and history.

It currently offers six funds investing in North American equities, Japanese equities, Asia-Pacific (ex Japan) equities, European equities, UK Equities and a Fixed Income fund. All are managed by highly experienced, tight-knit investment teams and leverage existing, successful strategies within its parent company, Alliance Trust PLC.

The Alliance Trust Asset Management structure has all the benefits of an investment start-up together with the significant strength provided by its parent company Alliance Trust PLC.

Alliance Trust Asset Management is authorised and regulated by the Financial Services Authority, whose address is 25 The North Colonnade, Canary Wharf, London E14 5HS, firm reference number 479764. Registered office: 8 West Marketgait, Dundee, DD1 1QN.

About Alliance Trust PLC:

Alliance Trust PLC is a self-managed investment company with investment trust status. A FTSE-100 company, it is the largest generalist UK investment trust by assets listed on the London Stock Exchange.