

**Annual Review**  
for the year ended 31 January

**2011**



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## Statement of Investment Objective and Policy

Alliance Trust is a self-managed investment company with investment trust status. Our objective is to be a core investment for investors seeking increasing value over the long term. We have no fixed asset allocation benchmark and we invest in a wide range of asset classes throughout the world to achieve our objective. Our focus is to generate a real return for shareholders over the medium to long term by a combination of capital growth and a rising dividend.

We pursue our objective by:

- Investing in both quoted and unquoted equities across the globe in different sectors and industries;
- Investing internationally in fixed income securities;
- Investing in other asset classes and financial instruments, either directly or through investment vehicles; and
- Investing in subsidiaries and associated businesses which allow us to expand into other related activities.

We are prepared to invest any proportion of the total corporate capital in any of the above asset classes, subject only to the restrictions imposed on us by the regulatory or fiscal regime within which we operate. However, we would expect equities to comprise at least 50% of our portfolio. Changes to the asset allocation will be dependent upon attractive investment opportunities being available.

Where market conditions permit, we will use gearing of not more than 30% of our net assets at any given time. We can use derivative instruments to hedge, enhance and protect positions, including currency exposures.

## The nature of investment trusts

Investment trusts are able to take a long-term investment perspective through different economic cycles because of their closed-end structure – we have a long history of investing, dating back to the 1880s.

We have the ability to move between asset classes as markets change – we started out as a mortgage company specialising in US land, but now invest predominantly in quoted equities.

Not being restricted to one geographical area can enhance returns – our ability to invest globally allows us to move funds to those areas where we see the greatest potential gains.

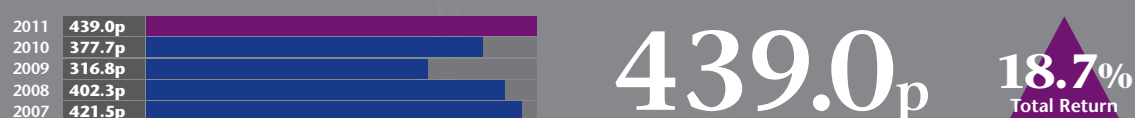
Gearing can be used to enhance returns where the cost of borrowing is lower than the returns we expect on our investments – at the year end we had borrowings in place of around 11% of our net assets.

Our costs are well below those of comparable open-ended funds – our published TER is 0.63%.

# Company Highlights

- Total Shareholder Return +19.2% following +20.3% last year
- Share price and Net Asset Value reached 3 year highs in early January
- Net Asset Value increased by 11.9% in second half of the year
- Increased gearing put in place prior to market rally in the second half
- Full year dividend of 8.395p per share – a 3% increase on 2010 and covered by current year earnings
- Third party assets under management rose from £12 million to £83 million
- Losses at Alliance Trust Savings reduced by 30%

## Net Asset Value (per share)



Source: Alliance Trust

## Share Price



Source: FactSet

## Dividend



Source: Alliance Trust

## Total Expense Ratio



Source: Alliance Trust

# Chairman's Statement



Lesley Knox



**Over the last three years your Company has withstood the impact of dramatic shifts in the economic climate and its consequences for investments across the globe. We have made good progress in the modernisation of Alliance Trust to ensure that we are well-placed to take advantage of the opportunities which are now emerging. At the same time we have made significant strides in the development of our subsidiary businesses.**

In this year's review we talk about the actions we have taken in order to create long-term value for shareholders at a time when the opportunities for investment trusts are increasingly evident.

## **Investment performance**

Our investment philosophy allows us to allocate capital to those asset classes and regions where we see the best opportunities for growth. We took advantage of this flexibility during the year to shift our equity portfolio increasingly in favour of companies in Asia and Emerging Markets, and also to those companies which generate a significant part of their revenues from these regions. This contributed to a total return of 19.2% for shareholders over the period.

Over the three year period to 31 January 2011, we are now at the median of our peer group, reflecting the significant improvements in our investment process which have been made by the current management team.

## **Performance management**

During the year we reviewed the Key Performance Indicators which are used by the Board to assess performance. Given the long-term investment focus of the Company, the Board agreed that the following metrics should be used to communicate performance to shareholders:

- Percentage change in Net Asset Value against the peer group over 6 months, 1, 3 and 5 years on a rolling basis
- Percentage change in Total Shareholder Return against the peer group over 6 months, 1, 3 and 5 years on a rolling basis
- Dividend growth over 1, 3 and 5 years
- Management of the Company's cost base in line with market conditions

The peer group we have adopted for the future is the AIC Global Growth investment trust sector.

We are also asking shareholders to approve changes to the long-term incentive plan to reflect these changes.

For the current year we have continued to report on the previous Key Performance Indicators to assist comparability.

I am asked occasionally by shareholders why we do not have a fixed asset allocation benchmark and this is a question we considered during the review. However, the absence of a benchmark means that we are not constrained by a need to remain close to the chosen index and instead can deploy the Company's capital where we see the best opportunities for long-term returns.

## Dividend

As noted above, we recognise the importance of a growing dividend to our shareholders and I am particularly pleased to report that this has continued for a 44th consecutive year, with an increase in the full year dividend of 3% from 8.15p per share to 8.395p per share, which we have been able to cover from current year earnings rather than out of reserves.

## Discount and Share buybacks

Our discount was unchanged over the year, starting and ending at 17.1%, but having narrowed significantly from levels seen over the summer months. The discount was less volatile than both the previous financial year and our peer group average, giving our long-term investors the benefit of stability. We do, of course, recognise the concerns of shareholders as to the absolute level of discount, and keep this under constant review.

During the year we undertook our second share buyback, purchasing and cancelling just under 1% of the Company's shares. Since the year end we have undertaken a series of further buybacks of a total of 3,575,000 shares. The Board's view remains that we will use share buybacks as one of the investment tools available to us to create long-term value for shareholders. We believe this flexible approach will benefit our long-term shareholders. The introduction of a rigid discount control mechanism would constrain our investment flexibility while at the same time increasing our total expense ratio, cost of debt and jeopardising our ability to maintain a progressive dividend.

## Engagement with shareholders

Investment trusts offer an excellent means for individual investors to access a diversified investment portfolio at relatively low risk and cost. As well as our institutional shareholders Alliance Trust has over 44,000 individual shareholders, either directly or through our subsidiary Alliance Trust Savings. We actively engage with them, not just once a year at the Annual General Meeting, but also throughout the year, through our regular Investor Forums and ongoing communications by letter, email and telephone.

The debate around stewardship by institutional investors is well-advanced, and as an investor Alliance Trust is pleased to have adopted the Stewardship Code which was issued by the Financial Reporting Council during the year. Action is still, however, required by all companies to encourage the engagement of individual investors.

## Regulatory change

The pace of regulatory change is relentless and Alliance Trust is determined to play its part in the debate to shape the regulatory environment in a way that protects and enhances value for our shareholders.

We continue to take a close interest in developments in relation to the Retail Distribution Review. We believe that it will create a fairer environment for investment trusts, although much has still to be done to ensure that advisers appreciate the key characteristics of investment trusts in general and Alliance Trust in particular.

## The Board

We welcomed Alan Trotter as Finance Director at the start of the year. During the year we also appointed Timothy Ingram, who recently retired as Chief Executive of Caledonia Investments PLC, as a Non-Executive Director and I am delighted to welcome him to the Board. His obvious commitment to the investment trust sector, combined with his wider financial services experience, is of great benefit to the Board. Sadly, we are losing Clare Sheikh from the Board at the Annual General Meeting, having served as a Non-Executive Director for six years. On behalf of the Board I thank her for her contribution and wish her well for the future.

We note the continuing debate on the topic of diversity on boards. We concur with the conclusion of Lord Davies' review that quotas are not the preferred option and may indeed be counterproductive. Since 2001 women have always comprised at least 20% of the Board but, more importantly, 17% of our Senior Leadership Group is female. Only by fostering talent at all levels can companies expect to achieve diversity around the board table and the resulting benefits.

## Annual General Meeting

Our Annual General Meeting will be held in Dundee on Friday 20 May 2011. As always there will be formal business to consider, and you can read about this in the notice of meeting, but, first and foremost, this is an opportunity to meet the management team and hear about your Company's progress and views on the markets in which we invest. I would encourage shareholders to attend and look forward to seeing as many of you as possible then. If you are not planning to attend the meeting I would urge you to return a voting form beforehand so your views can be heard.

# Chief Executive's Review



Katherine  
Garrett-Cox

## Performance Summary

The first half of 2010 was dominated by the Sovereign Debt crisis in peripheral Europe which led ultimately to emergency bail-out programmes being introduced in Greece and Ireland. After some nervousness, markets stabilised to post positive returns for the period, the Company's Net Asset Value (NAV) rising 3.8% in the 6 months to 31 July. Against this backdrop, our confidence in the sustainability of the recovery in corporate earnings in western economies grew, as did our conviction in the long-term growth opportunities available in Asian and Emerging Markets. Accordingly, we maintained our high weighting in global equities and increased further our allocation within our equity portfolio to Asia and Emerging Markets. Our performance benefited from these moves as our Asian holdings returned the highest absolute returns among our regional equity portfolios. These two areas accounted for 26% of our equity portfolio at the year-end, our highest weighting in over 20 years.

The second half of the year saw momentum in stock markets gather pace as economic reports confirmed that measures taken by the global authorities were driving growth, albeit at subdued levels. Markets were encouraged by the Federal Reserve's commitment to a second round of Quantitative Easing in the US, by favourable company earnings reports and by evidence of strengthening of corporate balance sheets. All markets performed strongly over the second half with our UK, North American, European, Global and Asian portfolios all producing double-digit returns. We benefited by weighting our portfolios towards companies in sectors which would perform well in a cyclical upturn, such as Industrials, Financials, Multi-nationals and Resources. Growth in personal consumption in Asia was also a consistent positive investment theme across our portfolios. Stock selection in the UK and Asia contributed positively to our relative returns in these areas. Our North American portfolio, however, lagged its benchmark as stocks perceived to have greater recovery potential fared better than our more defensive growth stocks in the strong market towards the end of 2010. The NAV of the Company rose 11.9% in the second half of the year.

Over the full year, the Company's basic NAV rose 16.2% and produced a total return of 18.7%. The share price rose 16.3% and the Total Shareholder Return (TSR) was 19.2%. Our TSR has increased by 43.3% over the past two years as stock markets have continued their recovery from the financial crisis in 2008, the share price having risen from 268p at 31 January 2009 to 364p at 31 January 2011.

When we look back over the last three years we have witnessed periods of extreme volatility, with markets falling sharply in 2008 and recovering since March 2009. Despite these varying conditions, Alliance Trust has outperformed

the FTSE All-Share and is ranked 18/36 in its peer group of investment trusts in the Global Growth and Global Growth and Income sectors.

As at 31 January 2011 the Company's net assets were allocated thus:-

Quoted Equities	97%
Fixed Income	5%
Private Equity	4%
Property	2%
Other Assets (including subsidiaries)	3%
Gearing	(11%)

### Income Generation

A major attribute of the global spread of our portfolio is that we derive income from a variety of businesses, sectors and regions. Higher income returns from our holdings across the globe have helped us to pay an increased dividend to shareholders this year in a continuing difficult environment for income generation. Total corporate dividends in the UK are reported to have been reduced by a further 3% in 2010, having fallen by 15% in 2009. The decision of one of our largest holdings, BP, to suspend its dividend reduced our income by £2.9 million. Key elements of our investment process are an assessment of the underlying strength of the cash flow of a company and its ability to sustain its dividend payments. Keen attention to these factors, combined with our increased allocation to fixed income securities, has enabled the increased dividend to be paid from current year earnings, while at the same time adding to our revenue reserves. Against this backdrop our annual dividend grew by 3%.

### Gearing

Net debt was increased by £127 million to £247 million as we used our banking facilities to increase our quoted equity holdings prior to the rally in markets in the second half of the year and also to fund our fixed income

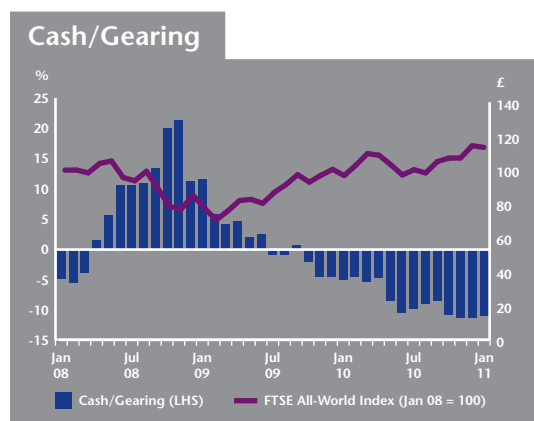
investments. Net gearing stood at 11% at the year end, which we believe to be an appropriate level in the current market environment. During the year we negotiated three new committed facilities and renegotiated to 36 months an existing committed facility which was nearing maturity. The competitive terms and length of the committed facilities secured attest to the financial strength of the Trust.

### Asset Allocation

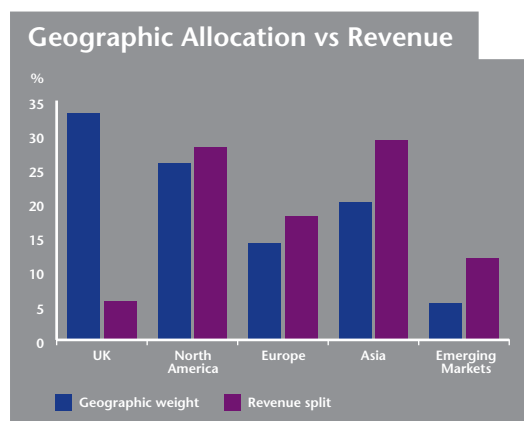
In the first half of the year we increased our exposure to Asian and Emerging Markets where we expect long-term premium growth rates to be maintained in economies which are not saddled with the debt burdens afflicting many western countries. Both areas rose strongly, particularly over the second half of the year. We added £166 million to the Asian and £124 million to the Emerging Markets portfolios in the first half of the year. Reflecting our higher conviction investment approach, this reallocation of assets resulted in the two portfolios representing 26% of our net assets at the year end, against 14% twelve months ago.

These additions were funded by reductions of £140 million in our UK quoted equity portfolio and £150 million from other global equities. UK equities now represent 34% of net assets, our lowest UK weighting in over 20 years. The recent UK budget has confirmed our expectations of subdued domestic growth in 2011. While we have reduced the proportion of the equity portfolio invested in UK large cap companies exposed to western economies, our investment process has also identified companies which are benefiting from the higher growth opportunities available in Asia. Asian growth has been a key theme in our UK portfolio this year. The chart below illustrates that 29% of revenues of the companies in our portfolio are derived from Asia, while only 6% of revenues are generated in the UK.

We added £50 million to European equities in November as we considered valuations and dividend growth prospects to



Source: Alliance Trust/FactSet

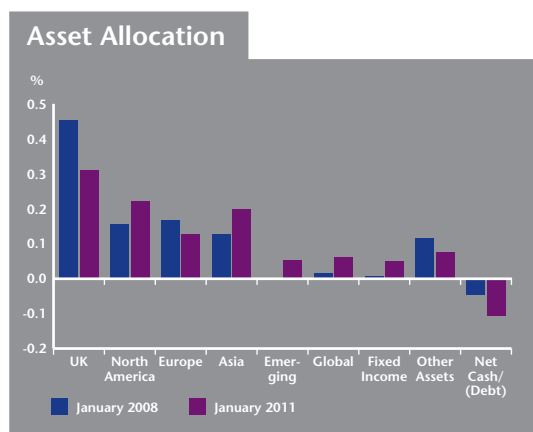


Source: Alliance Trust

be favourable. Sovereign Debt issues in peripheral European economies have depressed valuations in the Eurozone and we took advantage of the opportunity by adding to our positions in some solid long-term growth stocks.

Our allocation to fixed income securities was increased following a commitment of £100 million to the Alliance Trust Monthly Income Bond Fund in June. This new Fund is managed by the team of fixed income managers we appointed towards the end of last year. The Fund is predominantly invested in a diversified portfolio of investment grade corporate bonds and has an estimated annual distribution yield of over 6%, making a significant contribution to the income generation of our investment portfolio and helping us to diversify our sources of income while supporting our growing dividend. Our preference share portfolio was valued at £6.3 million at the year end compared to £17.5 million 12 months previously as we sold down the holdings, re-investing the proceeds into the Fund and our equity portfolio.

In line with our previously stated strategy, we made two further disposals from our direct property portfolio which was valued at £28.5 million at the year end. Since the year end we have announced our intention to close our Private Equity business which represented 4% of our net assets at 31 January. We intend to wind down our exposure in order to maximise the return to shareholders.



Source: Alliance Trust

## Key Priorities

Since 2009 we have focused on five key priorities which we believe are necessary to enable us to achieve our objective of delivering long-term value for shareholders. These are:

### To focus on investment in equities

Quoted equities represented 97% of net assets at the year end, the highest quoted equity weighting held by the Company in the past 7 years. Net debt was increased from 5% of net assets at the start of the year to 11% by drawing down on our banking facilities through the year. This helped us to increase further our already high weighting in global equities. Within our equity portfolio we have also made significant moves to increase our allocation to those parts of the world which we believe offer highest potential for future growth.

### To continue to improve investment performance

Our quoted equity portfolio returned a gain of 19% for the year. Almost three quarters of the return was generated in the second half of the year when equity markets performed strongly as global policymakers acted to sustain the economic recovery following the crisis of 2008. Performance benefited from our increase in net debt levels implemented in the first half of the year, and our higher conviction approach to asset allocation. We also developed further our risk management and monitoring systems within our investment process.

### To manage our cost base in line with market conditions

The Total Expense Ratio (TER) for the period was 0.63% (0.69%).

We have continued to apply strict cost controls across the Company, while focusing resources in those areas of the business which we believe offer the greatest potential for longer term growth. Further efficiencies were delivered from a new supplier management framework, reducing costs on information systems, although this was offset by higher overseas custody costs as we increased our exposure to Asia and Emerging Markets. We invested in new computer servers and infrastructure hosting capability to ensure we are able to meet industry best practice. The Company expenses also include necessary professional expenses associated with preparing a response to the AGM requisitions submitted by Laxey Partners in December 2010. As a result, Company expenditure increased to £17.0 million (£16.0 million).

### To develop our subsidiary businesses

Alliance Trust Asset Management currently offers six funds in its range, five of which invest in equities on a regional basis. Its first fixed income fund, the Alliance Trust Monthly Income Bond Fund, was launched in June. Third party assets under management have grown from £12 million twelve months ago, to £83 million at the year end. The extensive sales and marketing activities of the business, aimed at growing its profile and brand throughout the UK, are also

highly beneficial in raising interest in the Company in the intermediary market.

Alliance Trust Savings, our subsidiary business which offers share dealing services, a fund platform, ISA and pensions administration, made significant progress during the year. The company has redeveloped its i.nvest online dealing platform, which is one of the UK's leading fund platforms and is the UK's largest investment trust platform. Revenues grew by 28% to £12.8 million. 44% of Alliance Trust Savings' clients are shareholders in the Company.

#### **To invest in the development of our people**

We have invested prudently in leadership development during 2010, building a framework which we have begun to apply consistently across the entire employment experience of our leaders, i.e. recruitment, induction, communications, performance management, development and reward. We have developed a set of values and behaviours under the headings of "integrity, responsibility, communications, passion, performance and teamwork" which exemplify how we are perceived and behave as a company.

We have established a Senior Leadership Group and are introducing appropriate development programmes. We have also introduced an Emerging Leaders Group and will be delivering a tailored development programme for this group during 2011.

#### **Economic Background**

The major issue in the UK at the moment is that of inflation. For the Monetary Policy Committee to ensure overall inflation of 2%, it may have to tighten policy such that it pushes the domestic economy back into recession. The authorities are walking a tightrope and may be willing to accept a higher rate of headline inflation in the short term, knowing that growth and inflation are both expected to be muted in 2012. The planned cuts in fiscal spending in the UK are severe and will take place over several years. Household spending is likely to remain muted. On the more positive side the corporate sector remains healthy, with relatively strong balance sheets.

The economic recovery in the US waned last summer, causing the Federal Reserve to introduce another round of Quantitative Easing. This additional liquidity has improved confidence in asset markets and in the corporate sector but has yet to have an impact on households, which make up the bulk of the economy. We believe that we need to see recovery in the labour and housing markets, an improvement in consumer confidence and spending and real wage growth before we can be sure of a relatively strong and sustainable US recovery.

The benefits of strong Chinese growth are spilling over into the rest of Asia. Indeed, the global economy has become increasingly dependent on China being able to continue to achieve a relatively high rate of economic growth. China has again achieved growth of more than 10%, led by investment funded largely by huge levels of bank lending. Inflation is

also the major concern throughout Asia. Policy makers now face the tough choice of either tightening monetary policy to dampen the impact of inflation on their domestic economies or maintaining extremely loose policy in an attempt to maintain currency stability.

Europe's biggest economic issue over the last year has been the Sovereign Debt crisis and the need for fiscal austerity packages throughout the periphery of the region. The resulting weakness of the Euro has largely benefited Germany which has achieved a relatively high rate of growth based on exports. With fiscal policy throughout the region likely to remain tight, there is still heavy reliance on monetary policy. Although there are questions about the sustainability of the Euro, we do not underestimate the political will to keep Europe together through this period of crisis.

#### **Outlook**

The near term outlook for stock markets remains clouded by a number of uncertainties. Inflation has been pushed higher by increased food and energy prices. The oil price has risen rapidly as a result of the political unrest in some Middle Eastern countries and concerns on the potential impact on oil supplies. We have no direct holdings in the Middle East. Since the year end we have increased our exposure to developed markets in Asia at the expense of the region's emerging markets due to the inflationary outlook. Overall our largest weightings remain in the Financials, Industrial, Oil & Gas and Consumer Goods sectors. Our consumer exposure remains biased towards the higher growth markets rather than developed economies.

Recent events in Japan are tragic. The extent of human loss is a stark reminder of the risks that are faced daily in some parts of the world. It will be many years before the damage to property, industry and infrastructure is repaired. We are greatly encouraged by the immediacy of the response of the Japanese authorities and by the concerted international efforts that will do much to assist in stabilisation of the country at both a human and economic level. This applies particularly to currency markets, as an economy much reliant on exports would be weakened by further strength in the Yen. There are clearly many domestic uncertainties to be resolved in Japan over the coming months. We do not think, however, that these recent events will derail the global economic recovery.

We expect volatility in markets this year in response to further fiscal and monetary policy actions. Corporate balance sheets and cash flow are generally strong and we continue to identify first class stock specific investment opportunities in all markets. The recent corrections in stock markets, triggered by the disaster in Japan, have resulted in valuations looking attractive in many areas. We are optimistic on the outlook for the year and are at present retaining our high weighting in global equities along with our level of gearing. We will, however, be quick to reduce gearing and increase our cash levels if we believe circumstances warrant such a change. Returns will be driven by a combination of asset allocation and stock selection and we will focus our resources to make timely and high conviction decisions in both areas.

# Investment Portfolio Information

## Top 50 quoted equity holdings as at 31 January 2011

Stock	Country of Listing	Sector	Value £m	% of quoted equities
Royal Dutch Shell	UK	Oil & Gas Producers	82.2	2.9
BHP Billiton	UK/Australia	Mining	76.1	2.7
HSBC Holdings	UK	Banks	70.0	2.5
BP	UK	Oil & Gas Producers	67.1	2.4
Rio Tinto	UK	Mining	62.7	2.2
GlaxoSmithKline	UK	Pharmaceuticals & Biotechnology	47.0	1.7
New York Community Bancorp	USA	Banks	37.9	1.3
Philip Morris International	USA	Tobacco	37.0	1.3
InterOil	Canada	Oil & Gas Producers	36.9	1.3
British American Tobacco	UK	Tobacco	32.7	1.2
Diageo	UK	Beverages	32.7	1.2
Prudential	UK	Life Insurance	32.5	1.2
CNOOC	Hong Kong	Oil & Gas Producers	32.5	1.2
Canadian Pacific Railway	Canada	Industrial Transportation	31.2	1.1
AstraZeneca	UK	Pharmaceuticals & Biotechnology	31.1	1.1
Clean Harbors	USA	Support Services	30.1	1.1
Unilever	UK	Food Producers	29.0	1.0
Taiwan Semiconductor Manufacturing	Taiwan	Technology Hardware & Equipment	28.1	1.0
Vodafone Group	UK	Mobile Telecommunications	27.8	1.0
Suncor Energy	Canada	Oil & Gas Producers	27.6	1.0
Carillion	UK	Support Services	26.8	1.0
Tullow Oil	UK	Oil & Gas Producers	26.4	0.9
American Tower	USA	Mobile Telecommunications	25.6	0.9
Industrial & Commercial Bank of China	China	Banks	24.7	0.9
Scottish & Southern Energy	UK	Electricity	23.9	0.9
National Grid	UK	Gas, Water & Multiutilities	23.3	0.8
Apache	USA	Oil & Gas Producers	22.7	0.8
Toyota Motor	Japan	Automobiles & Parts	22.5	0.8
Bank of Nova Scotia	Canada	Banks	22.2	0.8
Siemens	Germany	General Industrials	22.1	0.8
Man Group	UK	Financial Services	22.0	0.8
Ross Stores	USA	General Retailers	21.8	0.8
Adecco	Switzerland	Support Services	21.5	0.8
Intel	USA	Technology Hardware & Equipment	21.5	0.8
Polycom	USA	Technology Hardware & Equipment	21.1	0.8
Cisco Systems	USA	Technology Hardware & Equipment	21.0	0.8
United Technologies	USA	Aerospace & Defense	20.9	0.7
Allianz	Germany	Nonlife Insurance	19.9	0.7
SAP	Germany	Software & Computer Services	19.8	0.7
Kasikornbank	Thailand	Banks	19.8	0.7
Johnson & Johnson	USA	Pharmaceuticals & Biotechnology	19.6	0.7
Reckitt Benckiser Group	UK	Household Goods & Home Construction	19.6	0.7
Amdocs	USA	Software & Computer Services	19.5	0.7
Pearson	UK	Media	19.5	0.7
Barclays	UK	Banks	19.4	0.7
Total	France	Oil & Gas Producers	19.0	0.7
Standard Chartered	UK	Banks	18.6	0.7
Canon	Japan	Technology Hardware & Equipment	18.6	0.7
Mitsui & Co.	Japan	Support Services	18.6	0.7
Informa	UK	Media	18.5	0.7

A full list of companies in which we invest can be found on our website [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk)

Values and weightings are calculated on a look through basis whereby the Trust's exposure is combined with that of its holdings in Alliance Trust Asset Management's funds in order to calculate total exposures.

## Classification of Investments

	UK %	North America %	Europe %	Asia %	Global %	Emerging Markets %	Total 2011 %	Total 2010 %
Oil & Gas	6.3	3.5	0.7	1.0	0.8	0.9	13.2	13.1
Basic Materials	3.9	0.9	0.8	2.0	0.7	0.7	9.0	8.7
Industrials	2.9	3.8	2.7	6.0	0.8	0.8	17.0	16.3
Consumer Goods	3.8	1.6	2.6	2.5	0.8	0.7	12.0	9.8
Health Care	2.7	3.0	1.3	0.3	0.3	-	7.6	6.6
Consumer Services	2.3	1.9	0.6	1.0	0.3	0.7	6.8	6.9
Telecommunications	1.0	0.1	-	-	-	0.1	1.2	2.4
Utilities	1.6	-	-	-	-	-	1.6	1.9
Financials	6.4	3.1	3.1	3.0	1.5	0.8	17.9	19.7
Technology	-	4.2	0.9	4.0	1.0	0.6	10.7	9.3
<b>Core Equity Portfolio</b>	<b>30.9</b>	<b>22.1</b>	<b>12.7</b>	<b>19.8</b>	<b>6.2</b>	<b>5.3</b>	<b>97.0</b>	<b>94.7</b>
Other Assets	0.4	0.4	-	-	-	-	1.7	2.1
Private Equity	3.9	-	-	-	-	-	3.9	3.2
Subsidiaries	0.6	-	-	-	-	-	0.6	0.6
Property	1.5	-	-	-	-	-	1.5	2.4
Fixed Income	5.1	-	-	-	-	-	5.1	1.6
<b>Total Investments</b>	<b>42.4</b>	<b>22.5</b>	<b>12.7</b>	<b>19.8</b>	<b>6.2</b>	<b>5.3</b>	<b>109.8</b>	<b>104.6</b>
Net Cash/(Gearing)	(9.8)	-	(1.5)	0.5	-	-	(10.8)	(4.7)
Other Net Assets	1.0	-	-	-	-	-	1.0	0.1
<b>Net Assets</b>	<b>33.6</b>	<b>22.5</b>	<b>11.2</b>	<b>20.3</b>	<b>6.2</b>	<b>5.3</b>	<b>100.0</b>	<b>100.0</b>
<b>Net Assets 2010</b>	<b>39.0</b>	<b>21.6</b>	<b>12.0</b>	<b>13.7</b>	<b>12.1</b>	<b>0.8</b>	<b>100.0</b>	

## Performance Attribution

Sector	Portfolio Weight %	Portfolio Return %	Index Return %	Sector Allocation %	Stock Selection %	Currency Effect %	Total Effect %
UK	32.6	19.4	18.1	0.1	1.0	0.0	1.0
North America	25.1	20.7	24.7	0.3	-3.9	0.4	-3.2
Europe	13.6	15.2	15.3	0.1	-1.1	0.8	-0.1
Asia	25.7	21.2	21.1	2.3	0.0	-2.2	0.1
Global	2.0	17.3	20.1	0.9	-3.5	0.3	-2.3
Emerging Markets	1.0	19.1	22.1	2.0	-3.0	-1.5	-2.5

# Portfolio Breakdown

## UK

% of Quoted  
Equities Jan 2011

32%



## North America

% of Quoted  
Equities Jan 2011

23%



## Europe

% of Quoted  
Equities Jan 2011

13%



## Asia

% of Quoted  
Equities Jan 2011

20%



## Global

% of Quoted  
Equities Jan 2011

6%



## Emerging Markets

% of Quoted  
Equities Jan 2011

6%



# UK

## Portfolio performance (12 months to Jan 2011)

UK Portfolio

# +19.4%

Benchmark Index

# +18.1%

Relative performance

# +1.0%

% of Quoted Equities

Jan'11	Jan'10
<b>32%</b>	<b>38%</b>

### Background

Our ability to perform in-depth analysis of global trends, both positive and negative, aided by close engagement with our other regional investment teams helped us to maintain a high conviction portfolio of quality UK companies in a volatile year for the UK stock market. Over the past 12 months our strategy has been to invest in companies with diverse market exposure, both geographically and industrially, whose prospects are driven more by global than domestic forces, and therefore have a high proportion of overseas earnings. This has helped our UK portfolio to outperform its benchmark over the year. In particular, we maintained faith in the Asian led economic cycle and identified themes and companies likely to do well from this. These included holdings in Financials such as HSBC, Standard Chartered and Prudential.

### Performance and Activity

The strongest contributions to portfolio performance came from the engineering companies such as Weir Group, Petrofac, IMI and Rotork and the miners Rio Tinto and BHP Billiton. Individual holdings which also performed strongly included Legal & General and Carillion. These stocks were driven primarily by a combination of good earnings growth and operational delivery in their end markets. Both companies benefited from a re-rating as the market became more convinced of the quality of their management and the market opportunity open to each of them.

We reduced our holdings in companies reliant on discretionary consumer spending in the first half of the year due to the difficult economic environment facing the consumer and this also contributed to our positive relative performance. We increased our holding in BP in June, following the catastrophic Macondo oil spill, as our analysis suggested that there was significant value within the company's equity. The shares performed well over the second half of the year and, although a number of legal uncertainties persist, a quarterly dividend payment has now been restored.

### Outlook

Looking ahead, expectations for robust earnings and dividend growth for 2011 give a positive backdrop to the UK stock market although volatility is likely to remain a feature. Our portfolio is well balanced between positive exposure to demand-led Asian growth opportunities, medium-term structural growth companies and individual stock specific ideas. We expect companies which are dependent on consumer discretionary spending to continue to experience challenging demand conditions. Opportunities may arise should domestic economic conditions become more firmly founded, as valuations in this area have retreated.

### Performance Attribution

FTSE Industry	Portfolio Weight %	Portfolio Return %	Index Return %	Sector Allocation %	Stock Selection %	Total Effect %
Oil & Gas	20.5	15.4	13.2	-0.1	0.3	0.2
Basic Materials	12.6	35.0	33.6	0.2	0.2	0.3
Industrials	9.3	38.5	30.0	0.5	0.8	1.3
Consumer Goods	12.3	15.4	12.6	-0.1	0.3	0.2
Health Care	8.6	2.1	5.0	-0.2	-0.2	-0.4
Consumer Services	7.6	4.8	13.9	0.0	-0.6	-0.6
Utilities	5.2	11.5	14.5	0.0	0.0	0.0
Telecommunications	3.1	34.0	34.1	-0.2	0.0	-0.2
Financials	20.7	16.9	14.5	0.0	0.3	0.4
Technology	0.0	0.0	35.2	-0.2	0.0	-0.2
<b>Total</b>	<b>100.0</b>	<b>19.4</b>	<b>18.1</b>	<b>0.1</b>	<b>1.0</b>	<b>1.0</b>

Holdings Data as of: UK Region 29 Jan 2010 – 31 Jan 2011; FTSE All Share 1 Feb 2010 – 31 Jan 2011

# North America

## Portfolio performance (12 months to Jan 2011)

North American Portfolio

+20.7%

Benchmark Index

+24.7%

Relative performance

(3.2%)

% of Quoted Equities

Jan'11	Jan'10
23%	22%

### Background

The US stock market had a volatile year, driven by swings in sentiment over the health of the US economy. Equities performed strongly buoyed by some signs of economic expansion and growing business confidence. Corporate earnings experienced an exceptionally strong recovery as sales growth leveraged the benefits of cost cutting in the previous year.

### Performance and Activity

Our portfolio, while showing absolute growth of over 20% for the second successive year, lagged its benchmark, particularly during the rally towards the year end when stocks with a higher cyclical bias or perceived greater recovery potential performed strongly. Our holding in Diamond Offshore had the most negative impact on our performance, falling in value by over a third, as it was hit by the Gulf of Mexico oil spill and the drilling moratorium which followed. As a result of the deterioration in outlook, we sold the holding.

In contrast, we added to our investment in Clean Harbors which is benefiting from its expertise in hazardous waste disposal. Shares in our biggest oil and gas investment, InterOil, had a more volatile year following last year's strong price performance. One of our largest investments, Philip Morris International, performed well, the share price rising by 26% over the year, demonstrating the strength of its global operations and high dividend return to shareholders.

Canada remains a beacon of financial and economic health, demonstrated by the Canadian dollar reaching parity with its US counterpart. GDP and employment have recovered to their pre-recession peak levels and the Bank of Canada has seen fit to raise interest rates. We added to our investments there, purchasing new investments in Yellow Media, a high yielding stock operating the Yellow Pages franchise, and TransCanada Corp, an oil and gas pipeline and electricity producer which should have strong profit growth following a period of significant investment.

### Outlook

The US starts the year with good economic momentum which may lead to employment growth. Earnings should continue to grow as business expands, but most likely at a much slower rate than last year as companies cope with rising material, energy and labour costs. Although we expect the market to rise further this year, questions remain over what will happen to the economy when stimulus measures are withdrawn, potentially capping its advance.

### Performance Attribution

FTSE Industry	Portfolio Weight %	Portfolio Return %	Index Return %	Sector Allocation %	Stock Selection %	Currency Effect %	Total Effect %
Oil & Gas	17.4	17.9	34.4	0.3	-2.6	0.1	-2.2
Basic Materials	3.9	43.5	48.0	-0.3	-0.2	0.1	-0.5
Industrials	17.3	22.2	34.4	0.4	-1.8	0.2	-1.3
Consumer Goods	7.1	35.0	20.4	0.0	0.8	0.0	0.8
Health Care	13.6	9.4	5.5	-0.5	0.5	0.0	0.0
Consumer Services	6.9	17.1	26.2	0.0	-0.7	0.0	-0.7
Utilities	0.0	-10.1	15.7	0.2	-0.1	0.0	0.0
Telecommunications	4.1	7.0	26.8	0.0	-0.5	0.0	-0.5
Financials	14.1	30.7	18.0	0.4	1.2	0.1	1.7
Technology	15.2	23.7	28.2	0.1	-0.4	0.0	-0.4
<b>Total</b>	<b>100.0</b>	<b>20.7</b>	<b>24.7</b>	<b>0.3</b>	<b>-3.9</b>	<b>0.4</b>	<b>-3.2</b>

Holdings Data as of: North America Region 29 Jan 2010 – 31 Jan 2011; FTSE All Cap North America 1 Feb 2010 – 31 Jan 2011

# Europe

## Portfolio performance (12 months to Jan 2011)

European Portfolio

# +15.2%

Benchmark Index

# +15.3%

Relative performance

# (0.1%)

% of Quoted Equities

Jan'11	Jan'10
13%	12%

### Background

The first half of the year will be remembered as a period of turmoil within the Eurozone as the debt crisis which started in Greece quickly spread to other peripheral countries. In this difficult environment, European stock markets underperformed relative to other global regions. In contrast, the second half saw investors switch to buying riskier assets and in particular companies exposed to Asian industrial growth and commodity stocks in response to the second round of Quantitative Easing in the US.

### Performance and Activity

Our relatively defensive portfolio of European stocks helped us to outperform the benchmark in the first half. Accordingly, our holdings in the German healthcare companies Fresenius and Fresenius Medical Care did well, as did our holdings in international food companies such as Nestlé and Danone. Our underweight position in domestic European stocks such as Utilities and Telecommunications also boosted relative performance. The second half of the year, however, proved a much more difficult period as we underestimated just how far sentiment would swing in favour of riskier assets. We did reduce our Healthcare holdings on strength and increased partially the cyclical nature of the portfolio with the purchase of holdings in BMW and the temporary employment company, Adecco. These actions were insufficient to maintain the relative performance of the portfolio. Although we are overweight in the industrial sector through positions in Siemens, Deutsche Post and Prysmian, the latter two companies have been overlooked by the market due to either not being "pure play" Asian stocks or their business being a later cycle beneficiary. We have benefited from exposure to the Asian consumer through our holdings in Swatch and BMW.

The Spanish banks, BBVA and Banco Santander, are regarded as long-term winners of the consolidation in the Spanish banking system and have the bulk of their operations outside Spain. Share prices of these holdings have, however, been held back by the tensions within the Eurozone.

### Outlook

Our central investment case for the next twelve months is that EU politicians and the European Central Bank will find a solution to rescue the Eurozone, but we will have to monitor closely this situation and its effect on markets. Another key issue will be the actions of authorities in Asia and emerging markets to address nascent inflationary risks. These will influence the sustainability of the momentum trade in commodity and cyclical stocks. Valuations in Europe are attractive but uncertainties persist.

### Performance Attribution

FTSE Industry	Portfolio Weight %	Portfolio Return %	Index Return %	Sector Allocation %	Stock Selection %	Currency Effect %	Total Effect %
Oil & Gas	5.0	5.6	12.9	0.0	-0.3	0.0	-0.3
Basic Materials	6.4	30.2	23.4	0.0	0.0	0.4	0.4
Industrials	20.7	19.7	29.4	0.3	-1.3	0.0	-0.9
Consumer Goods	19.5	27.5	26.1	0.1	-0.5	0.7	0.3
Health Care	9.8	9.6	6.5	-0.5	1.2	-0.4	0.3
Consumer Services	4.9	25.6	16.9	-0.3	0.2	0.1	0.0
Utilities	0.0	-1.7	1.7	0.5	-0.1	0.2	0.6
Telecommunications	0.0	-12.4	11.2	0.3	-0.2	0.0	0.1
Financials	23.9	4.9	7.9	-0.3	-0.7	0.0	-1.0
Technology	7.1	22.9	14.0	0.0	0.7	-0.2	0.5
<b>Total</b>	<b>100.0</b>	<b>15.2</b>	<b>15.3</b>	<b>0.1</b>	<b>-1.1</b>	<b>0.8</b>	<b>-0.1</b>

Holdings Data as of: Europe Region 29 Jan 2010 – 31 Jan 2011; FTSE All-World Developed Europe Ex UK 1 Feb 2010 – 31 Jan 2011

# Asia

## Portfolio performance (12 months to Jan 2011)

Asia Portfolio

# +21.2%

Benchmark Index

# +21.1%

Relative performance

# 0.1%

% of Quoted Equities

Jan'11	Jan'10
20%	14%

### Background

Over the year, a shift in our Asian portfolio away from developed markets into emerging markets was a key theme. The portfolio's exposure to Korea and the domestic Australian economy was reduced in favour of China, Indonesia and India. The rationale behind these moves was the higher anticipated growth rates in the emerging economies led by domestic demand, specifically from investment and consumption. Within the emerging market context, two key themes dominated the past twelve months: strength in commodities and consumption. China's strong demand persisted, resulting in significant price appreciation in both base and bulk commodities.

### Performance and Activity

The portfolio performed slightly ahead of its benchmark over the year, with a rise of over 21%. Exposure to the Resources sector was increased through the purchase of the Australian companies BHP Billiton and Macarthur Coal. Exposure to the commodities supply chain was also increased through the purchase of Orient Overseas (International) Ltd, a Chinese container shipping company, and China Merchants Holdings, China's key operator of ports. Consumption has continued to be a strong secular growth theme in emerging markets. Holdings in two companies offering exposure to Chinese consumption were initiated: Ajisen, a fast-growing restaurant chain and Hengdeli, the largest retailer and distributor of Swiss watches in China.

2010 will be remembered as the year in which China overtook Japan as the world's second largest economy. This was despite Japan's GDP growing by 3.9% – the fastest growth of any G7 economy in 2010. We favoured holdings in Japanese businesses with sustainable competitive advantages and greater exposure to Asian export markets, such as Murata Manufacturing, a leading maker of components for mobile phones and tablets, and SMC Corp, a manufacturer of filtration and factory automation equipment.

### Outlook

Inflationary concerns in emerging markets, fuelled by energy and food price increases, are encouraging investors to lock in some gains. We expect developed markets in Asia to fare better than emerging markets in this environment and have increased further our exposure to developed markets such as Australia. We have increased holdings in selected Japanese exporters with technical superiority in automotive efficiency, electronics and industrial engineering. It is anticipated that few of these companies should be overly affected by the recent tragic natural disaster in Japan as many of their operations are based outside of Japan. The Japanese stock market is trading on historically low valuations which should lend some support as rebuilding work gets underway.

### Performance Attribution

FTSE Industry	Portfolio Weight %	Portfolio Return %	Index Return %	Sector Allocation %	Stock Selection %	Currency Effect %	Total Effect %
Oil & Gas	4.2	35.3	30.0	0.1	0.2	-0.2	-0.1
Basic Materials	8.6	38.7	26.7	-0.1	0.4	0.3	0.7
Industrials	26.9	25.3	28.9	0.4	-0.3	-0.4	-0.3
Consumer Goods	10.6	22.4	18.1	0.0	0.2	0.0	0.1
Health Care	1.5	16.6	12.7	0.2	0.0	0.0	0.2
Consumer Services	4.5	-3.6	21.4	0.0	-0.2	-0.4	-0.7
Utilities	0.0	0.0	7.9	0.4	0.0	0.0	0.4
Collective Investments	14.1	18.2	0.0	1.1	0.0	-1.4	-0.3
Telecommunications	0.0	0.0	16.7	0.1	0.0	0.1	0.2
Financials	11.9	7.5	17.4	0.3	-0.7	0.3	-0.6
Technology	17.0	22.0	23.4	0.1	-0.3	0.1	-0.1
<b>Total</b>	<b>100.0</b>	<b>21.2</b>	<b>21.1</b>	<b>2.3</b>	<b>0.0</b>	<b>-2.2</b>	<b>0.1</b>

Holdings Data as of: Asia Region 29 Jan 2010 – 31 Jan 2011; FTSE All-World Asia Pacific 1 Feb 2010 – 31 Jan 2011

# Global



## Portfolio performance (12 months to Jan 2011)

Global Portfolio	Benchmark Index	Relative performance	% of Quoted Equities	
+17.3%	+20.1%	(2.3%)	Jan'11 6%	Jan'10 13%

Our Global portfolio aims to give extra weight to our favoured long-term investments with most of the holdings being selected from the Company's regional portfolios. The main focus of its stock selection is on non-UK quoted equities.

We maintained a positive outlook on global equities throughout year. The Global benchmark rose by 5% in the first half of the year but accelerated over the second half to produce a 20% return for the year. Our cautious positioning within the portfolio, choosing to own solid long-term investments, resulted in the portfolio's returns lagging those of its index. In the first half of the year, £150 million of investments were realised in the portfolio as we re-allocated funds towards the higher growth opportunities available in our Asian and emerging markets portfolios.

Corporate balance sheets and cash flows are strong, the cost of debt is cheap and the cost of equity is relatively expensive, so we expect excess cash to be used more actively by corporations this year, whether through increased dividends and buy-backs, acquisitions, or investments in plant and machinery. These factors should be positive for markets across the world.

# Emerging Markets



## Portfolio performance (12 months to Jan 2011)

Emerging Market Portfolio	Benchmark Index	Relative performance	% of Quoted Equities	
+19.1%	+22.1%	(2.5%)	Jan'11 6%	Jan'10 1%

2010 was the year of the emerging market consumer as the sector reached record valuations. Low interest rates led to an increase in spending as the economic recovery gained momentum. In contrast to many in the developed world, the emerging markets' population is not burdened by excessive levels of debt.

Our concentrated portfolio of holdings in Emerging Markets performed strongly until the final quarter of the year when inflationary concerns led to a derating of consumer stocks. We retain our belief in the long term growth of the emerging market consumer.

In Asia, the strongest market performance was in the smaller markets in the South-East of the region. Latin America benefited from the rise in commodity prices. Central Europe, Middle East, and Africa (EMEA) was mixed, with Russia recording strong growth, but South African mining companies facing increasing margin pressures. The Russian government appears willing to encourage greater oil and gas development, which is a positive for its market. At a stock level we favoured Chinese oil name CNOOC and this served the portfolio well as production growth was revised higher through the year. Grupo Mexico, a copper producer, also performed well as demand for the metal increased throughout the year.

Although the short-term market outlook is likely to remain volatile, we believe the structural growth in emerging markets will remain strong over the longer term.

# Fixed Income

Fixed Income	
<b>+6.0%</b>	
%	
% of Net Assets	
Jan'11	Jan'10
<b>5%</b>	<b>4%</b>

## Background

Our allocation to fixed income securities was increased in the first half of the year following a commitment of £100 million to the Alliance Trust Monthly Income Bond Fund (the Fund). The Fund is invested predominantly in a diversified portfolio of corporate bonds. With an estimated current annual distribution yield of over 6%, the Fund makes a significant contribution to the income generation of our portfolio.

Within bond markets, credit performed strongly, in line with the rally in risk assets during the course of the financial year. All sectors outperformed Gilts with bank credit instruments producing the strongest overall returns, even taking into account the widening of credit spreads in November on the back of debt concerns in peripheral European economies. The funding problems in peripheral Europe and the threat of a second round of Quantitative Easing in the UK pushed 10 year bond yields to new lows. The move proved to be a false dawn as inflation fears and improved economic forecasts helped push yields higher into the year end.

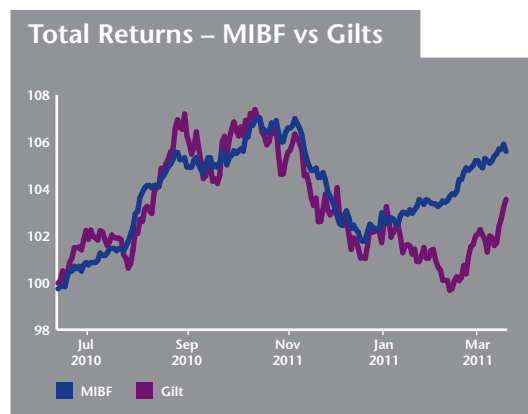
## Performance and Activity

The positive return from our holding in the Fund largely reflects the strong performance of the Fund's credit holdings. The Fund maintained a lower duration position than its benchmark index for most of the holding period and this provided some capital protection as government yields rose from November. Since launch, the Fund has produced returns in line with its objectives, by consistently delivering a high level of income, whilst demonstrating lower levels of volatility than benchmark.

During the year our exposure to preference shares was reduced from £17.5 million to £6.3 million, with the proceeds being reinvested into a combination of equities and additional shares in the Fund.

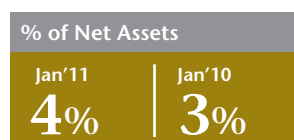
## Outlook

We believe that 10 year bond yields are now approaching fair value and that credit spreads are still attractive, with both economic fundamentals and market technical factors supportive of credit spreads over the next 12 months.



Source: Bloomberg

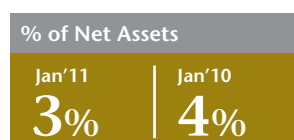
# Private Equity



Since the year end we have announced our intention to close Alliance Trust Equity Partners as part of our strategy to focus on delivering investment performance from our quoted equity and fixed income portfolios. We intend to realise our private equity holdings in an orderly fashion in order to maximise value to shareholders.

The total committed to private equity funds and co-investments as at 31 January 2011 was £308.1 million, of which £114.8 million had been invested. Since the year end we have reduced our commitments by £17 million. Net drawdowns on private equity funds in 2010 were £37.7 million. We continued to reduce our quoted private equity holdings during the year. The quoted private equity portfolio was valued at £10.8 million at the year end, having realised a total of £12.4 million during the year.

# Other Assets



Gross income from our US mineral rights amounted to £1.4 million compared to £1.6 million last year as gas prices were weaker. During the year we conducted a thorough due diligence exercise on the external management of these assets which resulted in a change of manager in order to achieve a lower fee structure and a more pro-active approach to obtaining new sources of income.

We continue to invest a small proportion of our assets in third party funds which we believe will add value in areas in which we do not have direct expertise. Ashmore Global Opportunities Limited is a closed-ended fund which deploys capital in a diversified portfolio of emerging market strategies with a principal focus on special situations. We have a holding valued at £25 million at 31 January which performed well as global emerging markets rallied.

Our residual direct property portfolio consists of four high quality properties valued at £28.5 million. We made two further disposals during the year in line with our previously stated intention to reduce our direct exposure to UK property. Our direct property portfolio provided gross rental income of £2.5 million over the year.

# Financial Services Subsidiaries

## Alliance Trust Asset Management

### Background

Alliance Trust Asset Management achieved significant progress in its second year of operations. The business was established to offer third party investors the opportunity to access individual areas of expertise within our investment team and now manages a core range of five equity funds and one fixed income fund.

### Performance and Activity

The business successfully launched the Alliance Trust Monthly Income Bond Fund in June and completed a scheme of reconstruction whereby the Asia-Pacific and Japanese assets of Premier Alliance Trust Investment Funds were transferred to the Alliance Trust Asia-Pacific Equity Fund and the Alliance Trust Japan Equity Fund respectively.

The Alliance Trust Monthly Income Bond Fund has made a substantial contribution to the growth in third party assets under management, which totalled £83 million at the year end compared to £12 million twelve months earlier. Managed by our team of fixed income specialists, the Fund has been well received by discretionary fund managers seeking income generating investments for their clients. Third party sales in the Fund totalled £57 million from launch in June to the year end.

Our distribution activity has, to date, been focused on the major discretionary fund buyers in the UK and, as our business momentum and assets under management grow, is being extended to target financial intermediaries and fund platforms. During the year more than 300 meetings were held with potential fund buyers. New regulations to be introduced by the FSA's Retail Distribution Review (RDR) at the end of 2012 are expected to increase further the proportion of fund purchases which intermediaries transact through fund platforms. Our funds are currently listed on six of the major fund platforms in the UK, including that of Alliance Trust Savings, and we are aiming to achieve additional listings this year, extending the accessibility of our range.

We have completed, on a selective basis, several proposal questionnaires for institutional mandates. We anticipate greater activity in this area as we continue to build our performance track record.

We have strengthened the marketing capabilities of the business over the year. Brand awareness is a key factor in the decision-making process of fund buyers in the investment funds industry. We have delivered a number of focused advertising campaigns and contributed to the debate on fund industry issues such as RDR in the specialist financial media throughout the year which have been successful in increasing our business profile.

Operating costs for the year amounted to £5.0 million as we continued to invest for growth of the business in accordance with our medium term plan. The loss was £3.4 million in line with expectations at this stage of development.

### Outlook

We anticipate, on a selective basis, adding further funds to our range, which will aim to draw upon our team's strengths in equity and fixed income investing in order to provide solutions to identified needs of investors. Our relationship with Alliance Trust Savings is important in this regard. Clients of Alliance Trust Savings held a total of £15.3 million in our funds at 31 January.

We expect Alliance Trust Asset Management to deliver long-term value to the Company's shareholders as it grows its external assets under management and enhances the Company's ability to attract and retain high quality investment managers.

## Alliance Trust Savings

### Background

Alliance Trust Savings has achieved significant progress over the last two years and it is pleasing to report that the rate of progress accelerated during the past year. Alliance Trust Savings supports the creation and management of wealth through the ability to research, buy and sell a wide range of investments, the provision of tax efficient products and the ability to aggregate the administration of investments in one place.

Alliance Trust Savings is one of the leading providers of Self Invested Personal Pensions (“SIPP”) in the UK, but we are increasingly known for our share and investment dealing platform, i.nvest, which was successfully relaunched during the year and also our Stocks & Shares ISA. In November we were awarded the title of “Best Stocks & Shares ISA Provider” by “What Investment” magazine, for the fourth consecutive year.

Alliance Trust Savings also plays an important strategic role in increasing demand for both the Trust’s shares and Asset Management Funds. Some 44% of Alliance Trust Savings clients are also shareholders of the Trust and some £8.6m has been invested into our own Fund range through our platform during the year. It is anticipated that the level of demand will increase further as we now actively seek to grow client numbers.

### Performance and Activity

During the first half of the year we undertook an investment programme focused on providing a better service and a more comprehensive product offering. In addition we improved systems and automation to underpin profitable growth. The latter part of the year was characterised by a material strengthening of the distribution capabilities of the business with the creation of a marketing function and a dedicated sales team to help us grow the business. We commenced an intensive IFA visit programme with over 320 meetings held in the last four months of the year, the feedback from which has been positive.

The i.nvest dealing platform has been completely redeveloped and it now represents one of the UK’s leading investment platforms. It offers an extensive investment choice along with enhanced investment tools and services for both private clients and advisors. We also have a number of further developments planned for this year with same day trading, a monthly dealing facility and foreign equities all due to go live in the first half of 2011. Our unique business model is based on a simple flat fee structure, which is increasingly receiving significant profile and interest across the media and industry alike. Specifically, unlike many of our competitors, we return all commissions received from fund management groups back to our clients. As a result of this model we are one of the few firms ideally placed to benefit from the fundamental changes which will result from the FSA’s Retail Distribution Review which is expected to be implemented at the end of 2012.

Alliance Trust Savings made strong financial progress during the year with the loss for the year reducing some 30% to £5.4 million. Revenues grew strongly for the year to £12.8 million compared with £9.9 million last year. Operating costs for the year were tightly controlled increasing only 3% to £18.2 million (£17.7 million), whilst maintaining significant investment in systems and people. The benefit of this investment will be increasingly evident as the business is now well placed to grow volumes at a relatively low additional cost, increasing both margins and financial performance.

### Outlook

The focus for Alliance Trust Savings is to continue to grow the business based upon the solid foundations now in place to deliver sustainable long term value to shareholders.

# Risk Factors & Risk Management

The following section sets out our approach to risk management and focuses on the key risks which we believe could impact on the performance of the business. Effective risk management is a key component of the business's operating model and assists in ensuring that the different parts of the business operate within acceptable risk parameters.

The Board has overall responsibility for setting the level of risk which it is prepared to accept. The risk framework is overseen by the Risk Committee, which meets at least quarterly, is chaired by the Finance Director and is made up of representatives from Alliance Trust and each of its regulated subsidiaries. The Risk Committee has oversight of the risk and controls self-assessment exercise and the operation of the risk framework as a whole. Each business unit maintains and reviews its risk register and the controls in place to mitigate, reduce or prevent loss arising from their key risks. A common risk categorisation is in place for all business units.

We continue to enhance the Risk Framework and over the year undertook an external review of our current risk management practices to help us identify other areas, based on experience of emerging practices across the industry, for development.

This year the Board, as a whole, participated in a workshop to fully debate the risk framework within the group and review the risk appetite statement. This articulates the Board's position on liquidity, adequacy of capital, investment, operations and remuneration.

As part of the current work to refresh the Risk Management Framework, a single group wide system and process to capture, consolidate and report on Risk within Alliance Trust and its subsidiary companies was created. This allows us to capture risks, controls, events and action plans and to provide comprehensive reporting for Alliance Trust and the subsidiary companies.

The key risks and mitigating actions are discussed below:-

## Risk

**Investment (Market)** – unfavourable market moves or volatility. The risk typically arises from equity, property and bond exposures, and the impact of interest rates and property values.

**Liquidity** – the risk that the Company/subsidiary does not have sufficient financial resources to meet its commitments when they fall due, or can secure them only at an excessive cost.

**Credit** – the risk that Alliance Trust or one of its regulated subsidiaries has insufficient capital to meet its regulatory capital requirements; that the group has insufficient capital to provide a stable resource to absorb any losses up to the confidence levels defined by the group; that the group loses reputational status as a result of having capital that is regarded as inappropriate either in quantity, type or distribution; or that the capital structure is inefficient.

**Reputational** – the risk that the value of the Company is diminished due to adverse publicity regarding the way in which it does business.

**Strategic** – a strategy that does not maximise value and/or fails to achieve the initiatives in the agreed strategic plan due to changing or flawed assumptions.

## Mitigation

The Asset Allocation Committee meets monthly to manage the allocation of the capital of the Company between and among the asset classes approved by the Board and within the risk parameters, policies and other limits and guidelines set by the Board from time to time and with a view to the income derived from the Company's assets.

Cash is managed on a daily basis. The bulk of the Trust's investments are quoted equities which may be realised at short notice if required.

The Company, and its regulated subsidiary companies, comply with the requirements of the Internal Capital Adequacy Assessment Process ('ICAAP') under Basel II. This means that the Company considers the risks to which it is, or could be, exposed in order to ensure that there is sufficient capital adequacy on an ongoing basis.

The Company has a risk framework in place to reduce the likelihood of such a loss event taking place. In addition, the Company has in place arrangements to enable it to respond to and minimise the impact of any adverse incident.

The Board allocates time at each Board meeting to consider the implications of the Company's strategy, both for investment and the subsidiary businesses. Separately, the different Boards within the Group measure their performance against agreed business objectives.

## Risk

**Credit and Counterparty** – the failure of a party with which we have contracted to meet its obligations both on and off the balance sheet.

## Mitigation

Management measure exposure to counterparties on a daily basis. Counterparty exposures are set by the Authorisation Committee and take into account credit as well as investment exposure.

### Operational –

**Legal, Regulatory and disclosure** – loss arising from failure to comply with applicable laws, regulations and codes.

The Company has separate legal, compliance and internal audit functions to keep the business apprised of regulatory developments.

**Customer Treatment** – loss arising from inappropriate or poor customer treatment.

Our regulated subsidiaries, Alliance Trust Savings and Alliance Trust Asset Management, monitor this via regular management information on Treating Customers Fairly metrics.

**Process and Resources** – loss arising from inadequate or failed internal processes and systems.

Staff members have individual objectives and their performance is assessed against these. Investment managers operate within parameters set by the Asset Allocation Committee which in turn operates within limits set by the Board. Management Information from performance and risk measurement systems are reviewed by management committees and the Boards.

**Theft and other criminal acts** – loss associated with financial crime or the failure to put in place effective systems and controls to comply with regulatory and legal responsibilities to detect and prevent financial crime.

We take care to segregate duties between front and back office functions. We do not handle cash. We have anti-money laundering requirements in place and enforced.

**Financial and Prudential Reporting** – the risk of adopting inappropriate accounting policies; ineffective controls over financial and regulatory reporting.

The Board receives its internal accounts at each meeting. The Audit Committee reviews the internal controls of the Company and its subsidiaries. During the year it met on six occasions. At the year end the accounts are subject to external audit.

**People** – loss arising from inappropriate behaviour, industrial action or health and safety issues. This includes the failure to retain and motivate staff and to recruit appropriately skilled staff to fulfil the business objectives.

Policies are in place to ensure effective remuneration and that an appropriate working environment is maintained throughout the Group. Employee Key Performance Indicators such as absence and turnover are monitored regularly by management.

**Management of change** – loss arising from projects and business change failing to be introduced on time and within budget, and failure to realise the intended benefits.

Major projects are considered and monitored by a Project Control Group or other senior committee.

**Management of third party suppliers** – loss arising from the service failure from a third party arising due to inadequate contractual arrangements; failure to manage third party, or a failed or discontinued service.

A supplier framework is in place to ensure that the appointment, creation and review of contracts and management of third parties appointed are appropriate.

**Business continuity** – loss arising from the interruption or disruption to critical processes and could include building unavailability; lack of IT services; environmental hazards; unavailability of human resources or an inadequate response to disruption from flawed or insufficient planning.

The Company has tested business continuity management processes and plans in place.

# Corporate Responsibility

**By adopting a responsible approach to our dealings with four key stakeholders other than our shareholders, we believe that we create a more sustainable basis for the continuing progress of the Company and so are better-placed to create long-term value for shareholders.**

In the paragraphs below we report on our activities with reference to four headings reflecting each of these stakeholders – marketplace, workplace, community and environment.

## **Marketplace – the businesses in which we operate, both as an investment company and through our subsidiaries**

Responsible investment is a cornerstone of Alliance Trust's investment process. We welcome the implementation of the Stewardship Code by the Financial Reporting Council during the year. This sets out a strong framework within which investors can act responsibly in their engagement with the companies in which they invest. Both Alliance Trust PLC and Alliance Trust Asset Management adopted the Code during the year and introduced a number of enhancements to their existing procedures to ensure compliance with all the principles of the Code. We outline below how we have engaged with our investee companies during the year and how the Code's principles have been applied.

We combine detailed financial analysis of the companies in which we invest with a thorough review of their Environmental, Social and Governance (ESG) profile. This assessment gives us a better insight into the non-financial risks which may adversely impact on a company's valuation and enables us to take this into account in our investment decisions. We meet regularly with the management of companies to assess all aspects of their performance and to raise any concerns. Alongside our ongoing monitoring of companies' strategy and performance, we will consider whether action is appropriate to escalate any concerns.

Our policy is to exercise the voting rights attaching to the shares we own after careful consideration of company proposals. In doing so, we have regard to our stewardship policies and any actual or potential conflicts of interest. In most cases we follow the recommendation of management but we vote against management or abstain where we believe that the recommendation carries significant governance risks or is otherwise not in shareholders' interests.

During the year ended 31 January 2011 we voted as follows:

In favour of management recommendations	137
Against management recommendations	8
Abstentions	3

Votes against management included three occasions where we voted in favour of having an advisory vote on executive remuneration and another two votes again on remuneration issues, in each case relating to US companies. We also voted to maintain a prohibition on the Directors of one of our Asian investments participating in competitive businesses.

Our stewardship policy statements and full details of our quarterly voting activity are published on the Alliance Trust PLC and Alliance Trust Asset Management websites.

We adopt the same approach to engagement with our own shareholders, meeting with both individual and

institutional shareholders on a regular basis throughout the year. We also publish monthly investment performance reports on our website.

Our subsidiary businesses offer a range of financial services products all of which operate within a regulatory framework which promotes customer interests through the Treating Customers Fairly principles. We also adopt pricing structures which are intended to share the costs of these businesses among their customers on an equitable basis. This is also supported by a range of policies on issues such as gifts and hospitality and conflicts of interests to avoid any bias which might act to customers' detriment.

### **Workplace – providing an environment in which each of our employees has an equal chance to develop their full potential**

We are committed to promoting a culture across the company which removes all forms of unlawful discrimination and encourages all employees to treat each other with consideration and respect in an environment which allows individual performance to be recognised and rewarded.

We have adopted a comprehensive range of policies which are intended to meet this objective as well as ensuring that we comply with our health and safety requirements and treat disabled employees in accordance with our statutory obligations. Employees have access to a confidential whistleblowing facility through which they can raise any issues or concerns independently from their own line management.

It is important that our employees have a good understanding of the company's activities and its progress against its corporate objectives. As well as team meetings, regular company-wide briefings led by senior management of each business area provide this information. Over 70% of our employees are shareholders in the company, with an average holding of over 5,000 shares, giving them a real interest in the company's success. This is encouraged through the All-Employee Share Ownership Plan which offers all qualifying staff an annual allocation of shares based on company performance.

We provide a flexible benefits programme to employees with offers them the opportunity to structure their remuneration package according to their own circumstances, for example by purchasing up to five additional days' holiday or childcare vouchers. In 2011 we launched a dental plan, a "Bikes for Work" benefit and an online discount site for employees as well as a confidential counselling service.

We undertook a second employee opinion survey during the year. Carried out by an independent research company to maintain confidentiality, this achieved a 76% response rate from employees, up from 67% for the previous survey. This showed improvements resulting from a number of actions taken in response to the previous survey, notably increased training and development activity, and also identified areas

for action both across the organisation and within individual business areas.

**Community – ensuring that our reputation is maintained and enhanced within the communities from which our investors, customers and employees are drawn**

Our staff foundation was set up to raise money through employee fund raising events. The Company matches funds raised by employees, using unclaimed dividends returned to the Company as a result of the shareholder concerned becoming untraceable. The foundation is supported by the Scottish Community Foundation, which offers guidance and support both in identification and screening of requests for assistance and in the administration of the foundation. However decisions on which organisations to support are made by employees through the foundation.

One donation was approved during the year, of £3,500, to Factory Skatepark. This Dundee-based sports centre provides youth services such as homework clubs, a youth club and IT support classes.

As reported last year we have introduced a volunteering policy which allows employees to take up to two days additional leave to act as unpaid volunteers for local organisations. During the year ended 31 January 2011

a total of 45 days were spent by employees at the Brae Dundee Riding Ability Centre, part of the National Riding for the Disabled Association, helping with the work of the Centre.

During 2011 the Company has agreed to sponsor the Alliance Trust CATERAN Yomp. This 54 mile team event based on the CATERAN Trail in Perthshire will raise funds for both ABF The Soldiers' Charity and the staff foundation to support local community groups and charities. The staff foundation has decided that a substantial part of its proportion should be directed towards the Prince's Scottish Youth Business Trust, in order to provide support for its work with the disadvantaged and to assist young entrepreneurs starting up their own businesses.

**Environment – acting responsibly in our consumption of natural resources and energy**

Our principal office at West Marketgait was designed with environmental considerations in mind and maximises energy efficiency and recycling opportunities through a combination of building management systems, motion-sensitive lighting, rainwater harvesting and recycling of paper and cardboard. We use paper from sustainable sources wherever practicable and cost-effective. Computer equipment is either refurbished or recycled, in line with the



European Waste Electrical and Electronic Equipment (WEEE) guidelines, at the end of its useful life.

We encourage shareholders and clients to use electronic communications. Over 5% of our shareholders receive our annual report and other shareholder communications electronically. 51% of clients of Alliance Trust Savings can access our online share dealing service and 29% of its statements and valuations are issued electronically. We continue to promote these services which benefit both the Company through reduced costs and the environment through reduced paper usage.

### Carbon footprint reporting

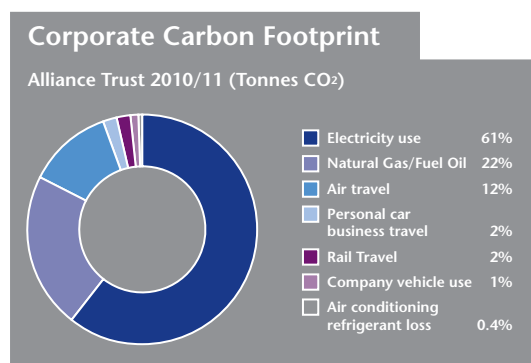
We report on carbon dioxide (CO<sub>2</sub>) emissions based on the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard using:

Scope 1: gas, fuel oil, refrigerant loss

Scope 2: non-renewable electricity purchased

Scope 3: business travel by personal car, air and rail

Our CO<sub>2</sub> emissions during the year amounted to 988 tonnes, a net decrease of 29% from the previous year. This represents 3.81 tonnes per full-time employee. The decrease is attributable to reductions in electricity and gas consumption of 35% and 29% respectively following the move to our new premises in Dundee during the previous year. This was offset by an increase of 10% in air travel, reflecting changes in the equity portfolio in favour of non-UK investments during the year. A breakdown is shown below.



Source: Alliance Trust

# Summary Financial Performance

## Company Total Return

The Company generates returns through revenue earnings and capital growth. For the year ended 31 January 2011 the revenue earnings per share were 9.67p (9.14p) and the capital gain per share was 58.93p (60.45p) representing a total gain per share of 68.60p (69.59p).

## Company Revenue Performance

Revenue earned from the Company's assets increased by 6.9% to £86.8 million (£81.2 million). Income from securities increased to £81.6 million (£73.9 million) due to increased dividend receipts and increased net debt.

Reductions in gas prices during the year reduced mineral rights income to £1.4 million (£1.6 million) and rental income on the Company's property portfolio reduced to £3.5 million (£4.5 million), following the sale of two properties during the year.

## Company Capital Performance

Last year saw a continued recovery in the financial markets and our net asset value per share rose by 16.2% (19.2%). Gains on our investment portfolio totalled £391.9 million (£410.2 million).

## Company Expenses

The Total Expense Ratio (TER) for the period was 0.63% (0.69%).

The Company continued to act decisively to manage the cost base. Further efficiencies were delivered from a new supplier management framework, reducing costs on information systems, although this was offset by higher overseas custody costs as we increased our exposure to Asia and Emerging Markets. We invested in new computer servers and infrastructure hosting capability to ensure we are able to meet industry best practice. The Company expenses also include necessary professional expenses associated with preparing a response to the AGM requisitions submitted by Laxey Partners in December 2010. As a result, Company expenditure increased to £17.0 million (£16.0 million).

## Financial year end

The Company's financial year end will be changing to 31 December in order to aid investment performance comparison. Our next year end will be 31 December 2011. There is no anticipated cost implication as a result of this change.

## Dividend

The Company has a policy of growing the dividend and, subject to external factors such as changes in the economic environment and taxation, the Directors seek to manage the assets of the Company to generate a growing revenue stream which will allow them to continue to declare increasing dividends year on year.

Having paid three interim dividends of 2.0625p for last year, the Directors have declared a fourth interim dividend of 2.2075p per share payable on 3 May 2011. The total dividend for the year, of 8.395p, is an increase of 3.0% on the 8.15p paid for the previous year.

In the absence of any unforeseen developments, we expect to be able to recommend quarterly interim dividends of 2.141p, payable on or around 30 June 2011, 30 September 2011, 3 January 2012 and a fourth interim dividend of at least 2.141p, payable on or around 2 April 2012. These dates reflect the change of the Company's financial year end to 31 December.

## Consolidated Results

For the year ended 31 January 2011 the consolidated gain per share was 68.46p (69.76p) comprising revenue earning per share of 8.20p (7.57p) and capital gain per share of 60.26p (62.19p).

Consolidated administrative expenses charged against revenue profits were £38.1 million (£36.8 million). Consolidated administrative expenses charged against capital profits were £2.7 million (£1.3 million).

## Subsidiaries

Both of our subsidiaries have made good progress during the year as outlined on pages 18 and 19. Alliance Trust Asset Management made a loss of £3.4 million (£2.8 million) in line with our start up plan for the business. Alliance Trust Savings made a loss of £5.4 million (£7.7 million) benefiting from increased sales, tight control of costs and enhanced cash management.

## Cash Flows, Liquidity Position and Borrowing Facilities

We have continued to increase net debt as our confidence grew in the recovery of global equity markets. At 31 January 2011 we had net debt of 11% (5%). The Company had committed funding lines of £450 million (£200 million) in place at the year end and good covenant cover. The vast majority of the Company's assets are quoted equities which are readily realisable.

# Summary Directors' Report

## Summary Financial Statement

This Summary Financial Statement has been prepared voluntarily by the Directors in accordance with section 426 of the Companies Act 2006. It does not contain sufficient information to allow a full understanding of the results and state of affairs of the Company and of its policies and arrangements concerning Directors' remuneration. For further information, the full annual financial statements, the Auditor's Report on those financial statements and the Directors' Report should be consulted. A copy of the Annual Report, which may be obtained free of charge from the Company Secretary, will be delivered to the Registrar of Companies after the Annual General Meeting. Shareholders wishing to receive the full Annual Report in future years may opt to do so by writing to the Company Secretary. KPMG Audit Plc have reported on the Company's Annual Accounts and the auditable part of the Directors' Remuneration Report for the year ended 31 January 2011; this report was unqualified and contained no statement under section 496 of the Companies Act 2006.

## Review of Business

A summary of the Company's activities can be found on pages 4 to 19. A Summary of Financial Performance is on page 26, Risk Factors are on pages 20 and 21 and our Corporate Responsibility Report is on pages 22 to 25.

## Corporate Governance

The Board confirms that throughout the year the Company has complied with the principles of the Combined Code on Corporate Governance issued in June 2008. During the year we considered the terms of the UK Corporate Governance Code issued in June 2010 which will be applicable to us from our next financial year and are pleased to confirm that we are also in compliance with its provisions. The Board has also considered the principles of the AIC Code of Corporate Governance ("AIC Code") issued in October 2010. The AIC Code addresses all of the principles set out in the UK Corporate Governance Code, as well as setting out additional principles on issues that are of specific relevance to investment companies such as Alliance Trust. The Company has complied with the principles of the AIC Code.

The full Corporate Governance Report is set out in the Annual Report for the year ended 31 January 2011, which is available on application to our Company Secretary or on our website [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk).

## The Board

The Board is responsible for setting the long-term objectives of the Company, approving its business plans and strategic direction. It serves to provide the business with a framework of prudent controls to enable risk to be managed effectively. It provides leadership to management, reviews the performance of the business and ensures that the high standards of corporate governance to which the Board has subscribed are met in practice.

The Board, at the year end, comprised the Chairman, five Non-Executive Directors and three Executive Directors. In the course of the year the Board composition changed with the appointment of Timothy Ingram on 24 September 2010. A summary of the experience of the Directors can be found on pages 28 and 29.

Timothy Ingram's appointment falls to be confirmed by shareholders at the Annual General Meeting. The Board has decided that in line with the UK Corporate Governance Code all of the Directors will be subject to re-election every year and all of them, other than Timothy Ingram who falls to be elected and Clare Sheikh who is standing down from the Board, therefore fall to be re-elected at this meeting. The individual performance of each Director and their ongoing suitability for election or re-election was considered and endorsed by the Nomination Committee. All are recommended for election or re-election at the forthcoming Annual General Meeting.

## Investment Trust Status

The Company is an investment company and seeks annual approval from HM Revenue and Customs to maintain its status as an investment trust. The last such approval was granted in respect of the financial year ending 31 January 2010.

# Directors



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## Chairman

### 1. Lesley Knox MA ◆

Joined the Board 2001; appointed Chairman 2004

Chairman of the Nomination Committee

Lesley Knox (57) graduated with an MA in Law from the University of Cambridge, qualified as a lawyer and worked in the UK and US. Subsequently, she worked as a corporate finance adviser, first with Kleinwort Benson, where in 1996 she became a group director. She was also Head of Institutional Asset Management at Kleinwort Benson Investment Management which provided investment services to clients worldwide.

She is Chairman of Grosvenor Group Ltd and a trustee of the Grosvenor Trusts. She is the Senior Non-Executive Director of Hays PLC. She is Chairman of the Turcan Connell Investment Board and is Chairman of Dundee Design Ltd.



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## Non-Executive Directors

### 2. Christopher Masters CBE FRSE BSc PhD AKC ◆◆◆◆ Senior Independent Director

Joined the Board 2002

Chairman of the Remuneration Committee

Christopher Masters (63) took his doctorate in Chemistry at the University of Leeds and worked for Shell in both the UK and the Netherlands. He joined Christian Salvesen as business development manager in 1979, becoming Director of Planning for its US operation and Chief Executive from 1989 to 1997. He was then appointed Executive Chairman of Aggreko PLC, a post he held until January 2002. He is Chairman of the Festival City Theatres Trust.

Other directorships include The Crown Agents and John Wood Group PLC

### 3. Hugh Bolland BA (Hons) ◆◆◆◆

Joined the Board 2007

Hugh Bolland (64) graduated with a BA (Hons) in Economics and Statistics from the University of Exeter. In 1968, he became an economist with the Bank of New South Wales in Australia. In 1970, he joined Schroder Investment Management in London. In 1982, he was



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appointed Investment Director and then Managing Director of Schroders in Hong Kong and later Chief Executive of Schroders Australia. After returning to the UK he became Chairman of Schroder Unit Trusts, Chief Executive and latterly Vice Chairman of Schroder Investment Management. He retired from Schroders in 2000.

He is a Non-Executive Director of JP Morgan Indian Investment Trust PLC, Fidelity Asian Values PLC and Dutch listed Eurocommercial Properties N.V.

- ◆ Member of the Audit Committee
- ◆◆ Member of the Remuneration Committee
- ◆◆◆ Member of the Nomination Committee

**4. John Hylands BSc** ◆◆

Joined the Board 2008

Chairman of the Audit Committee

John Hylands (59) graduated with a BSc in Mathematics from the University of Glasgow. He joined Standard Life in 1979 and qualified as an actuary in 1982. His career at Standard Life spanned 28 years and included various actuarial, finance and management positions including serving as Finance Director from 2001 to 2005.

He is a member of the Aviva UK Life With Profits Committee and is a Non-Executive Director of the Board of Ecclesiastical Insurance Group PLC. He also chairs the trustees of the Standard Life and BOC pension schemes.

**5. Timothy Ingram MA MBA FCIB** ◆◆

Joined the Board 2010

Timothy Ingram (63) graduated with an MA in Economics from the University of Cambridge and an MBA from INSEAD Business School. After an early career in international banking he was Finance Director, Chief Executive and later Chairman of First National Finance Corporation. He was a Managing Director of Abbey National from 1996 to 2002 and Chief Executive of Caledonia Investments PLC from 2002 until July 2010. He was a Non-Executive Director of ANZ



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Bank (Europe) Limited until 2010. He chairs the Fulham Palace Trust.

He is Chairman of Collins Stewart PLC, Senior Independent Director of Savills PLC and he is a Non-Executive Director of Alok Industries Limited.

**6. Clare Sheikh MA** ◆◆

Joined the Board 2005

Clare Sheikh (47) graduated with an MA in English from the University of Cambridge. In 1987, she joined Boston Consulting Group as a management consultant, working in London and Madrid. She gained considerable experience in financial services and was Consumer Marketing Director for the Prudential before joining Avis Europe as Group Marketing Director. After a brief spell at Transacsys PLC she joined Centrica PLC, becoming Managing Director of AA Financial Services before joining the commercial television network ITV as Marketing Director in 2005. She left ITV in January 2007 and is now Group Strategy, Marketing and Customer Director of Royal and Sun Alliance Insurance Group.

She is a Non-Executive director of Codan Forsikring, a major Danish insurance company.

In her role she is responsible for both the investment policy and asset allocation of the company as well as executive oversight for the business. She has more than 21 years' experience in the investment industry, having managed North American, Emerging Market and Global Equities portfolios.

She was Chief Investment Officer and Executive Director of Morley Fund Management, the fund management division of Aviva where she was responsible for more than £160bn invested in equities, fixed income, private equity and alternatives. Prior to that, Katherine was Chief Investment Officer and Executive Director of Aberdeen Asset Management PLC. She began her career as a Portfolio Manager at Hill Samuel Asset Management, where she was Investment Director, Head of American Equities, managing a range of retail and institutional mandates in excess of \$5.5bn.

**8. Robert Burgess BSc (Hons) ACIB**

*Director and Chief Executive, Alliance Trust Savings*

Joined the Board 2009

Robert Burgess (45) is a graduate of Manchester Business School and is an Associate of the Chartered Institute of Bankers.

He has extensive retail financial services experience. Previously, he managed the retail and business banking sectors of Lloyds TSB Scotland as an Executive Director and was subsequently Regional Director for its retail banking business in London and the South East.

Between these roles, he was Strategic Future Business Programme Director for Lloyds TSB's subsidiary, Scottish Widows. More recently, he was Executive Director, Sales and Distribution, for Thomas Cook UK and also spent time at the Bank of England.

**9. Alan Trotter BAcc (Hons) LLB CA CTA**

*Finance Director*

Joined the Board 2010

Alan Trotter (42) graduated with a BAcc (Hons) in Accountancy from the University of Glasgow and with a LLB from the University of London. In 1990 he joined Ernst & Young, qualifying as a chartered accountant in 1993 and a chartered tax adviser in 1995. He gained considerable experience in financial services with them in both the UK and Hong Kong.

In 1996 he joined Standard Life as Finance Manager responsible for Group statutory and regulatory reporting before moving to the newly established Standard Life Bank as Senior Finance Manager.

He joined the Finance department of The Royal Bank of Scotland in 2001 specialising in group corporate finance. He left to join Legal and General in 2007 as Group Corporate Development Director with responsibility for the UK Central Finance function and delivery of the Group's cost challenge. He is a member of the University of Edinburgh Audit Committee.



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## Executive Directors

**7. Katherine Garrett-Cox BA (Hons) ASIP** ◆◆

*Chief Executive*

Joined the Company as Chief Investment Officer in 2007 and appointed Chief Executive in 2008.

Katherine Garrett-Cox (43) graduated with a BA (Hons) in History from Durham University and is a member of the UK Society of Investment Professionals; CFA Institute. She was nominated a Young Global Leader of the World Economic Forum in October 2005, is a Trustee of the Baring Foundation and sits on the Board of Fellows of the Thunderbird School of Global Management, Arizona. She is a Founder Member of the Advisory Council of TheCityUK.

# Summary Directors' Remuneration

We are an investment company and to be successful we must recruit and retain investment professionals. We believe that it is important to ensure that our investment professionals are incentivised to deliver the performance we need to achieve superior performance. At the same time we wish to ensure that they do this in a way which minimises the risk of loss to our shareholders through adverse investment decisions.

Our compensation packages are structured to provide a base salary which is targeted at the median level for jobs of a similar size and complexity in other comparable organisations but with the potential for a significant uplift should Company and individual performance merit it. The Committee sets the ratio of fixed to variable remuneration to ensure an appropriate balance which allows the Company to operate a flexible policy in terms of variable remuneration having regard to all the relevant factors.

## Remuneration Approach

The Committee has agreed the following principles which underpin the Company's Remuneration Policy for its Executive Directors:

- Variable pay will form a significant proportion of executives' total remuneration package and will be discretionary
- Base salaries will be targeted at market median for jobs of a similar size and complexity
- Total direct compensation (base salary plus annual and long-term incentives) will reflect the Company's performance, with the goal of being upper quartile for upper quartile performance
- Benefits offered to executives will be targeted at median for comparable roles
- Pension provision will be taken into consideration as part of the total remuneration package
- Remuneration packages of executives will be structured in such a way as to promote sound and effective risk management within the Company's risk appetite
- Termination payments should not reward failure

## Basic Salary

The Policy adopted by the Committee is that base salaries of executives should be targeted at market median for jobs of a similar size and complexity. As at 1 February 2011 the salaries of all of the Executive Directors are below or around the market median.

## Annual Salary

Following the year end the Remuneration Committee made the following salary changes:

Salary at	1/2/09 (£)	1/2/10 (£)	1/2/11 (£)
Katherine Garrett-Cox	405,000	405,000	425,250
Robert Burgess	230,000*	250,000	262,500
Alan Trotter	-	210,000	225,000

\* Salary is at date of appointment to the Board on 21 September 2009

## Variable Pay

There are two components to variable pay; firstly the Annual Bonus and, secondly, awards made under the Company's Long Term Incentive Plan (LTIP) which was approved by shareholders in 2007.

In 2009, the shareholders approved a change to the corporate targets of the LTIP from a one based on achieving returns against RPI to one based on relative performance against a peer group (see page 32). This latter target reflects the Company's current strategy of focusing on equities as our core area of expertise and retaining only a modest exposure to other asset classes. Awards only vest if the Company achieves a ranking of median or above against its peer group. (See Long Term Incentive Plans on page 31 for further details)

Following the change in the corporate KPIs shareholders will be asked to approve changes to reflect the new KPIs.

## Annual Bonuses

Katherine Garrett-Cox is eligible for an annual bonus of up to 150% of salary. Other Executive Directors are eligible for an annual bonus of up to 100% of their salary. All are totally dependent upon performance. At least 50% of any annual bonus award must be deferred into shares within the LTIP described below. The Director can choose to receive the rest of any bonus in cash or have it deferred into the LTIP.

The Corporate target comprised 50% of the potential bonus award for Katherine Garrett-Cox and Alan Trotter and 25% of the potential award for Robert Burgess. The remainder of the potential award was subject to performance against a combination of business and individual objectives determined at the start of the year. In the case of the Chief Executive, 40% of the potential bonus was attributable to business objectives and the remaining 10% to individual objectives. Similar allocations applied to other executive directors.

The business and individual targets for Katherine Garrett-Cox reflected both her role as Chief Investment Officer and Chief Executive, and related to investment performance and the performance of the subsidiary businesses against their objectives.

The business and individual objectives for Robert Burgess related primarily to the continuing development of Alliance Trust Savings and for Alan Trotter they related to financial planning in support of the business areas alongside his responsibilities for financial reporting and risk.

The following bonuses in respect of the year ending 31 January 2011 were awarded and were payable after the year end.

	Bonus(£)	% of maximum
Katherine Garrett-Cox	420,000	69%
Robert Burgess	210,000	84%
Alan Trotter	130,000	62%

### Long Term Incentive Plans

The Company operates a discretionary plan which was approved by shareholders in 2007. Participants are given the opportunity to acquire shares at nil cost after three years, subject to the Company achieving certain targets. The current target, as approved by the shareholders in 2009, is based on TSR performance against the peer group listed on page 32.

The Company is requesting shareholders to approve a change to the performance conditions of the LTIP so that vesting would be made subject to achieving a combination of TSR and NAV performance above the median of the AIC Global Growth sector with any payment also being subject to an underpin of increased dividend on an absolute basis. It is also intended to introduce a clawback provision in the case of material misstatement or misconduct.

### All Employee Share Ownership Plan

Executive Directors and all employees may participate in the Company's All Employee Share Ownership Plan.

This year all full time participants who were in the Plan for the full year will receive 67% of the maximum award of shares, valued at £2,000. Part time staff and those that joined the Plan part way through the year will receive a pro rated award.

### Directors' Pension Benefits

No current Executive Director is a member of the Company's Defined Benefits plan.

Katherine Garrett-Cox, Robert Burgess and Alan Trotter received contributions to a defined contribution arrangement of 10% of their base salary and a matching contribution of up to 7% of salary when they also contribute 7%. They also receive life insurance cover of four times salary.

During the year the Committee considered current market practice for the pension arrangements for directors.

They agreed that from 1 February 2011 the Executive Directors will no longer receive contributions to a pension arrangement but will receive a payment of 25% of salary in the case of Katherine Garrett-Cox and 20% in the case of the other Executive Directors. All Executive Directors will continue to receive four times salary life insurance cover.

The Company does not grant pension benefits as part of variable remuneration.

### Directors' Shareholdings

All Directors are required to hold 3,000 shares in the Company as a condition of their appointment and all Directors hold at least that number. Details of the shareholdings of all Directors, together with details of shares acquired in the year, are shown below. The Company has issued no options to subscribe for shares.

#### Directors' Shareholdings\*

Name	As at 1/2/10 or date of appointment if later	As at 31/1/11	Acquired between 31/1/11 and 1/4/11
Lesley Knox	151,970	156,976	680
Hugh Bolland	10,000	10,000	-
Robert Burgess	13,596	58,724	2,841
Katherine Garrett-Cox	236,920	287,522	6,035
John Hylands	63,596	65,073	340
Timothy Ingram	8,236	38,182	-
Christopher Masters	11,133	11,401	83
Clare Sheikh	3,749	3,749	-
Alan Trotter	-	8,771	69

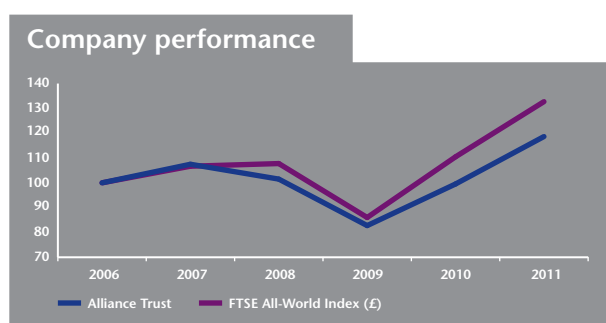
\* Unaudited

As Alan Trotter joined the Board on 1 February 2010, after the Company had gone into a close period, he was unable to acquire any shares in the Company on appointment. He acquired 8,433 shares on 22 April 2010.

The Remuneration Committee has adopted a policy that Executive Directors should, over time, accumulate a personal holding of shares in the Company equivalent to their annual salary.

## Company performance graph

We do not have a benchmark but are required by law to include a graph showing the performance of the Company against a broad equity market index over a five year period. The comparator which has been selected as a broad measure of our performance is the FTSE All-World Index. It should be noted that the Company does not seek to track this index.



Source: FactSet

(includes dividend reinvested)

## Comparator Group

Anglo & Overseas (to March 2011)	Foreign & Colonial	JPMorgan Overseas	Monks
Bankers	F&C Global Smaller	(from March 2008)	Murray International
British Assets	Companies (from April 2008)	Jupiter Primadona Growth	New Star
British Empire Securities	F&C Managed Portfolio	Law Debenture	Personal Assets
Brunner	Growth (from April 2008)	Lindsell Train	RIT Capital Partners
Caledonia Investments	F&C Managed Portfolio	London & St.Lawrence	Ruffer
Cayenne	Income (from April 2008)	Majedie	Scottish American
Edinburgh Worldwide	Gartmore Global	Martin Currie Portfolio	Scottish Investment
(from March 2008)	Independent	Mid Wynd International	Scottish Mortgage
Electric & General	Invesco Perpetual Select	(from March 2008)	SVM Global Fund
EP Global Opportunities	(from November 2006)	Midas Income & Growth	Witan
Establishment	JPM Elect Managed Growth	Miton Worldwide Growth	World Trust Fund

## Summary Table of Salary and Benefits

Executive Director	Total Emoluments 2011 (£)	Total Emoluments 2010 (£)	2011 DC Pension Contribution (£) <sup>1</sup>	2010 DC Pension Contribution (£) <sup>1</sup>	Long Term Incentive awards as at 31/1/11 <sup>2</sup>	Long Term Incentive awards as at 31/1/10 <sup>2</sup>
Katherine Garrett-Cox	842,645	629,382	68,850	68,850	876,730	1,134,653
Robert Burgess	549,572	437,407 <sup>3</sup>	41,780	33,097	380,680	127,737
Alan Trotter	405,833	-	35,760	-	158,209	-
<b>Non-Executive Director</b>						
Lesley Knox	90,000	90,000				
Hugh Bolland <sup>4</sup>	39,000	39,000				
Timothy Ingram <sup>5</sup>	11,994	-				
John Hylands <sup>6</sup>	44,000	44,000				
Christopher Masters <sup>7</sup>	39,000	39,000				
Clare Sheikh <sup>8</sup>	31,500	31,500				

1 This shows the contribution made by the Company to a defined contribution pension scheme.

2 This shows the maximum total number of awards made under long term incentive plans. Awards are for nil price options. Awards only vest after three years from the date of award and are subject to performance conditions. No awards vested during the year and 566,373 awards held by Katherine Garrett-Cox lapsed.

3 This includes a salary of £175,000 per annum until 31 July 2009 and £230,000 per annum thereafter.

4 Includes £2,500 for membership of Audit Committee, £2,500 for membership of Remuneration Committee and £5,000 for Non-Executive Chairmanship of Alliance Trust Asset Management Ltd.

5 Includes pro rata of £2,500 annual payment for membership of Audit Committee and pro rata of £2,500 annual payment for membership of Remuneration Committee.

6 Includes £5,000 for chairing Audit Committee, £2,500 for membership of Remuneration Committee, £5,000 for chairing Audit Committee of Alliance Trust Savings Ltd and £2,500 for Non-Executive Directorship of Alliance Trust Savings Ltd.

7 Includes £5,000 for chairing Remuneration Committee, £2,500 for membership of Audit Committee and £2,500 as Senior Independent Director.

8 Includes £2,500 for membership of Remuneration Committee.

# Independent Auditor's Report

## To the members of Alliance Trust PLC

We have examined the summary financial statement for the year ended 31 January 2011 which comprises the Summary Consolidated and Company Income Statement, Summary Consolidated and Company Balance Sheet, Summary Directors' Report and Summary Directors' Remuneration Report.

This statement is made solely to the company's members, as a body, in accordance with section 428 of the Companies Act 2006. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in such a statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our work, for this statement, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

The Directors are responsible for preparing the summarised annual report in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the summarised annual report with the full annual financial statements, the Directors' Report and the Directors' Remuneration Report and its compliance with the relevant requirements of section 428 of the Companies Act 2006 and the regulations made thereunder.

We also read the other information contained in the summarised annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statement.

### Basis of opinion

We conducted our work in accordance with Bulletin 2008/3 The auditor's statement on the summary financial statement in the United Kingdom issued by the Auditing Practices Board.

Our report on the group's full annual financial statements describes the basis of our audit opinion on those financial statements, the Directors' Report and the Directors' Remuneration Report.

### Opinion

In our opinion the summary financial statement is consistent with the full annual financial statements, the Directors' Report and the Directors' Remuneration Report of Alliance Trust PLC for the year ended 31 January 2011 and complies with the applicable requirements of section 428 of the Companies Act 2006 and the regulations made thereunder.

**Simon Pashby**

**for and on behalf of KPMG Audit Plc, Statutory Auditor**

Chartered Accountants  
Saltire Court  
Castle Terrace  
Edinburgh  
EH1 2EG

11 April 2011

# Financial Statements

## Consolidated income statement for the year ended 31 January 2011

£000	2011			2010		
	Revenue	Capital	Total	Revenue	Capital	Total
<b>Revenue</b>						
Income	101,943	-	101,943	93,652	-	93,652
Profit on fair value designated investments	-	404,536	404,536	-	420,327	420,327
Profit on investment property	-	589	589	-	4,691	4,691
<b>Total revenue</b>	<b>101,943</b>	<b>405,125</b>	<b>507,068</b>	<b>93,652</b>	<b>425,018</b>	<b>518,670</b>
Administrative expenses	(38,138)	(2,684)	(40,822)	(36,819)	(1,256)	(38,075)
Finance costs	(5,306)	(4,462)	(9,768)	(666)	(1,267)	(1,933)
Impairment losses	-	(297)	(297)	-	-	-
Loss on revaluation of office premises	-	(47)	(47)	-	(951)	(951)
Foreign exchange gains/(losses)	30	95	125	178	(4,505)	(4,327)
<b>Profit before tax</b>	<b>58,529</b>	<b>397,730</b>	<b>456,259</b>	<b>56,345</b>	<b>417,039</b>	<b>473,384</b>
Tax	(4,439)	(73)	(4,512)	(5,567)	355	(5,212)
<b>Profit for the period</b>	<b>54,090</b>	<b>397,657</b>	<b>451,747</b>	<b>50,778</b>	<b>417,394</b>	<b>468,172</b>
Attributable to:						
Minority interest	-	-	-	186	1,583	1,769
Equity holders of the parent	54,090	397,657	451,747	50,592	415,811	466,403
	54,090	397,657	451,747	50,778	417,394	468,172

### Earnings per share from continuing operations attributable to equity holders of the parent

Basic (p per share)	8.20	60.26	68.46	7.57	62.19	69.76
Diluted (p per share)	8.17	60.10	68.27	7.55	62.02	69.57

## Company income statement for the year ended 31 January 2011

£000	2011			2010		
	Revenue	Capital	Total	Revenue	Capital	Total
<b>Revenue</b>						
Income	86,837	-	86,837	81,213	-	81,213
Profit on fair value designated investments	-	391,349	391,349	-	405,539	405,539
Profit on investment property	-	589	589	-	4,691	4,691
<b>Total revenue</b>	<b>86,837</b>	<b>391,938</b>	<b>478,775</b>	<b>81,213</b>	<b>410,230</b>	<b>491,443</b>
Administrative expenses	(15,110)	(1,924)	(17,034)	(14,878)	(1,117)	(15,995)
Finance costs	(3,244)	(2,302)	(5,546)	(636)	(1,267)	(1,903)
Loss on revaluation of office premises	-	(47)	(47)	-	(951)	(951)
Foreign exchange gains/(losses)	-	862	862	-	(3,028)	(3,028)
<b>Profit before tax</b>	<b>68,483</b>	<b>388,527</b>	<b>457,010</b>	<b>65,699</b>	<b>403,867</b>	<b>469,566</b>
Tax	(4,696)	328	(4,368)	(4,574)	355	(4,219)
<b>Profit for the period</b>	<b>63,787</b>	<b>388,855</b>	<b>452,642</b>	<b>61,125</b>	<b>404,222</b>	<b>465,347</b>
Attributable to:						
Equity shareholders	63,787	388,855	452,642	61,125	404,222	465,347

### Earnings per share from continuing operations attributable to equity shareholders

Basic (p per share)	9.67	58.93	68.60	9.14	60.45	69.59
Diluted (p per share)	9.64	58.77	68.41	9.12	60.29	69.41



# Information for shareholders

## Incorporation

Alliance Trust PLC is incorporated in Scotland with the registered number 1731.

The Company's Register of Members is held at Computershare Investor Services PLC, Lochside House, 7 Lochside Avenue, Edinburgh Park, Edinburgh EH12 9DJ.

## General Enquiries

If you have an enquiry about the Company, please contact the Company Secretary at our registered office:

**8 West Marketgait,  
Dundee DD1 1QN  
Tel: 01382 321000  
Fax: 01382 321185  
Email: investor@alliancetrust.co.uk**

For security and compliance monitoring purposes telephone calls may be recorded.

## Investor Relations

Our Head of Investor Relations can be contacted at our registered office (detailed above).

Our website [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk) contains information about the Company, including daily price and net asset value. The Investor Relations section of the website contains the terms of reference of the Audit, Remuneration and Nomination Committees.

## Registrars

Our registrars are:

**Computershare Investor Services PLC  
PO Box 82, The Pavilions,  
Bridgwater Road, Bristol BS99 7NH**

Change of address notifications and registration enquiries for shareholdings registered in your own name should be sent to the Company's registrars at the above address, which should also be contacted if you would like dividends on shares registered in your own name to be sent to your bank or building society account. You may check your holdings and view other information about Alliance Trust shares registered in your own name at [www.computershare.com](http://www.computershare.com).

## Data Protection

The Company is a data controller as defined under the Data Protection Act 1998. Information received from or about shareholders or investors (for example from a stockbroker), whether by telephone or in writing, by fax or by any other electronic or digital means of communication may be processed.

Information held on the Company's Register of Members is, by law, information to which the public may, for a proper purpose, have access and the Company cannot prevent any person inspecting it or having copies of it for such purpose, on payment of the statutory fee.

## Electronic Communications

If you hold your shares in your own name, we are able to send you annual reports and notices of meetings electronically instead of in paper format. If you wish to register for this service please log on to [www.alliancetrust.co.uk/ec.htm](http://www.alliancetrust.co.uk/ec.htm) which will provide you with a link to our registrars' website.

## Taxation

If you are in any doubt about your liability to tax arising from a shareholding in the Company you should seek professional advice.

## Income Tax

Dividends paid by the Company carry a tax credit at 10% of the gross dividend. Dividends are paid net of the tax credit.

If you hold your shares in your own name, the tax voucher which you need for your tax records will be sent to the address we have for you on the register maintained by Computershare. The Registrar will send a consolidated tax voucher to members after the final dividend during the tax year is paid.

If your dividends are received by a nominee, such as your stockbroker's nominee, you must contact that person for the tax voucher. If you invest in the Company through Alliance Trust Savings, it will automatically supply you with a consolidated income tax voucher for income received for you in the Investment Dealing Account.

## Capital Gains Tax

For investors who purchased shares prior to 31 March 1982, the cost of those shares for capital gains tax purposes is deemed to be the price of the share on that date. The market value of each Alliance Trust PLC ordinary 25p share on that date was £2.85 which, when adjusted for the split on a 10 for 1 basis on 21 June 2006, gives an equivalent value of £0.285 per share. The market value of each Second Alliance Trust PLC ordinary 25p share on 31 March 1982 was £2.35. Holders of Second Alliance Trust PLC shares received 8.7453 ordinary 2.5p shares for each 25p ordinary share they held on 20 June 2006 and are treated as though they acquired these shares at the same time and at the same cost as the Second Alliance Trust shares they previously held. This gives an equivalent value of £0.269 per share.

## Risks

If you wish to acquire shares in the Company, you should take professional advice as to whether an investment in our shares is suitable for you. You should be aware that:

- Investment should be made for the long term
- The price of a share will be affected by the supply and demand for it on the London Stock Exchange and may not fully represent the underlying value of the assets of the Company. The price generally stands below the net asset value of the Company ('at a discount') but it may

also stand above it ('at a premium'). Your capital return will depend upon the movement of the discount/premium over the period you own the share, as well as the capital performance of the Company's own assets

- The assets owned by the Company may have exposure to currencies other than Sterling. Changes in market movements and in rates of exchange may cause the value of your investment to go up or down
- Past performance is not a guide to the future. What you get back will depend on investment performance. You may not get back the amount you invest.

## Important dates

Our events give us the opportunity to meet and hear from our shareholders and clients, and are an ideal occasion to get an update on what is happening at Alliance Trust. You can meet senior representatives from the Company including Katherine Garrett-Cox, our Chief Executive, and other key members of our team, and learn about our products and services. There will be many opportunities during the event to ask questions.

### Annual General Meeting

The 123rd Annual General Meeting of the Company will be held at 11.00am on Friday 20 May 2011 at the Apex City Quay Hotel, Dundee. The Notice of Meeting, detailing the business of the meeting, is sent to all shareholders.

### Change of year end

The Company will be changing its year end to 31 December from 31 December 2011 in order to aid investment performance comparison. There is no anticipated cost implication as a result of this change. This will mean a change in the dates of the payment of your dividend.

### Financial Calendar

Proposed dividend payment dates for the financial period to 31 December 2011 are on or around:

30 June 2011

30 September 2011

3 January 2012

2 April 2012

### Investor Forums

We are pleased to announce that we will be holding three investor presentations during 2011 around the UK.

**29 September** Doubletree Dunblane Hydro Hotel, Dunblane

**6 October** Royal York Hotel, York

**3 November** Victoria Plaza Hotel, London

Details of these and future events can be found at [www.alliancetrust.co.uk/events](http://www.alliancetrust.co.uk/events). Registration for the Dunblane and York events will open in July 2011.



Alliance Trust PLC, 8 West Marketgait, Dundee DD1 1QN

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