

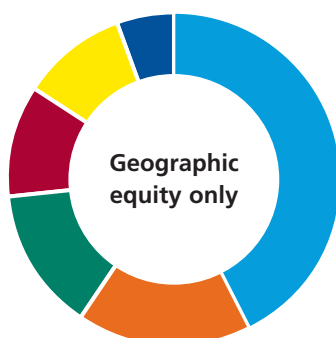
# Interim Management Statement

for Quarter ending 30 April 2007

## Material developments

- The rise in NAV over the quarter reflects good performance from global equities, particularly in Europe and Asia. At present, the equity portfolio comprises about 84% of the company's assets.
- Market weakness in late February and early March was used to invest cash, to the equivalent of 2% of net assets, into the UK, Europe and North America. In particular, we made meaningful additions in Europe by adding to the holdings in insurance company Allianz and food retailer Colruyt and initiating a new holding in Syngenta. This agricultural chemicals company should benefit from ongoing demand for improvements in crop yields.
- As markets rallied, we reduced our asset allocation position in Japan by some 2% because of our concerns over the durability of the economic recovery. We will look to redeploy these monies into Asia Pacific ex Japan on any market setback.
- Elsewhere, we increased both our property portfolio, with the acquisition of a London West End office/retail block, and our private equity exposure, with new holdings in RIT Capital and Promethean India.
- Major features over Q1 included a large amount of merger and acquisition activity, which was particularly evident in Western markets. Corporate earnings were generally encouraging in Q1, with US results coming in much higher than expected. To some extent, this was because the market had underestimated the benefits of the weaker \$ for US exporters and overseas earners.

## Equity portfolio distribution



	%
UK Large Cap	42.5
Europe ex UK Large	17.0
N America Large Cap	13.9
UK Small Cap	11.0
Asia Pacific ex Japan	10.1
Japan	5.5



	%
Financials	29.6
Industrials	13.0
Oil & Gas	11.2
Consumer Goods	10.5
Consumer Services	9.2
Health Care	8.1
Basic Materials	6.6
Technology	5.2
Utilities	3.9
Telecommunications	2.7

## Key facts

**Total Assets:** £2,962.0m

**Total Return from 31/01/07 to 30/04/07:** +2.53%

**NAV\*:** 436.6p

The NAV is published daily on our website  
www.alliancetrust.co.uk

**Share price\*:** 372.7p

**Discount\*:** 14.6%

**Total Expense Ratio (year to 31/01/07):** 0.35%

**Year End:** 31 January 2008

**Date of Incorporation:** 21 April 1888

**Dividend:** Dividends are paid quarterly on or around the last day of January, April, July and October. The total dividend payable for the year to 31 January 2007 was 7.575p

**Capital:** 671,909,760 shares of 2.5p

**ISIN:** GB00B11V7W98

\* Source: Datastream

## Asset allocation

Equities	84.1
Private Equity	3.3
Fixed Income	0.9
Subsidiaries	1.7
Real Estate	3.2
Cash	6.3
Other Net Assets	0.5
<b>Gross Assets</b>	<b>100.0</b>

## Objective

Alliance Trust is a self-managed investment company with investment trust status. Alliance Trust has the objective of being a core investment for investors seeking a long term store of increasing value.

We allocate our capital across a broad range of asset classes to enhance and preserve total returns and to provide shareholders with real growth over the medium to long term.

## Top 20 investments\*

Rank	Move-ment	Rank last qtr	Name	Value £m
1	▲	(3)	Alliance Trust Real Estate Partnership	84.9
2	-		BP	73.7
3	▼	(1)	GlaxoSmithKline	62.9
4	-		Royal Dutch Shell	59.2
5	▲	(7)	HSBC	54.1
6	▼	(5)	Royal Bank of Scotland	53.6
7	▲	(13)	Vodafone	45.0
8	-		Lloyds TSB	43.1
9	▲	(10)	Premier Alliance trust (Asia Pacific)	39.0
10	▲	(11)	Premier Alliance Trust (Japan)	34.0
11	▲	(12)	Barclays	33.8
12	▼	(6)	HBOS	32.6
13	★(new)		BHP Billiton	32.1
14	▲	(17)	Tesco	30.3
15	▲	(19)	Reckitt Benckiser	30.0
16	-		Anglo American	29.2
17	▼	(15)	Alliance Trust Savings	28.2
18	-		Exxon Mobil	26.6
19	▼	(14)	Rio Tinto	26.4
20	-		Prudential	26.3

Persimmon has dropped out of the top 20

\* Includes preference holdings

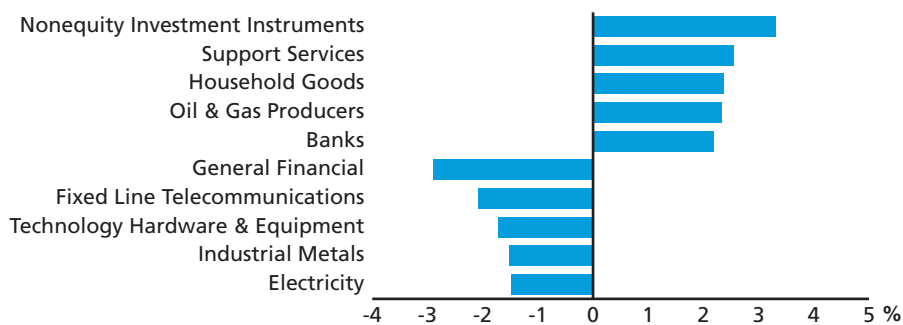
Total Investments (ex Cash): ▲ (4.8%)

Top 10 as % of Total: 20.0% ▼ (0.8%)

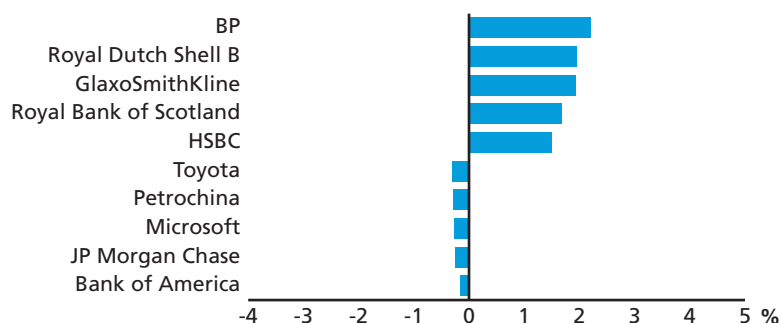
Top 20 as % of Total: 30.7% ▼ (1.0%)

## Sector weightings

### Top 5 overweight/underweight sector holdings\*\*



### Top 5 active overweight/underweight holdings\*\*



\*\* FTSE Global Equity Index Series All Cap used

## Investment policy

We use investment techniques such as gearing and hedging to enhance returns and reduce risks within its portfolio. We do not benchmark against any equity index as we retain the freedom to move not only between equity markets as opportunities arise but also to invest in other asset classes.

We pursue our objective by:

- investing in quoted and unquoted equities across the globe in different sectors and industries;
- investing internationally in preference shares and in debt securities including government and corporate bonds;
- investing in other assets, including property, cash and other financial instruments and investment vehicles;
- retaining the ability to borrow, from time to time, and thereby to gear our portfolio; and
- investing in subsidiary and associated businesses which allows us to expand into other related activities with the objective of enhancing shareholder value.

## Important information

Alliance Trust PLC is a self-managed investment trust company, operating from Meadow House in Dundee.

The views, information and data in this publication should not be deemed as a financial promotion or recommendation. Alliance Trust PLC is not authorised to give financial advice.

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

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