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## ALLIANCE TRUST PLC REPORTS RISE IN HALF-YEAR REVENUE

### **Revenue climbs despite choppy stock markets**

Alliance Trust PLC, the largest generalist investment trust company listed on the London Stock Exchange, reported today (Monday) that pre-tax revenue rose to £30.6m in the six months to the end of July, up from £28.2m in the same period last year. Increased income from dividends, interest, oil and gas royalties and subsidiaries helped push revenue higher.

A downturn in overseas stock markets, where nearly 42% of the company's assets are invested, restrained capital growth, which appreciated £2.4m in the half year, although all the company's regional portfolio managers outperformed local benchmark indices. Consolidated pre-tax profit from capital and revenue was £33.0m for the half-year. Subsidiary revenue increased by 77%, reflecting the benefits of the acquisition of Wolanski & Co. Trustees Ltd, now renamed Alliance Trust Pensions Ltd, as well as an increase in overall customer transaction activity and interest.

The half-year results are the first that the Alliance Trust has reported since it successfully merged with The Second Alliance Trust PLC on 21 June 2006. As part of the merger, which streamlined the structure of the two companies, the Company carried out a ten-for-one share split. An interim dividend of 3.75p was paid on 16 June 2006, up 2.7% from the first half of 2005.

Alliance Trust Chief Executive Alan Harden said, "Despite a more difficult backdrop for equities over the last half-year, we are pleased that our revenue has continued to climb. I'm particularly delighted that the reorganisation and investment in the quoted equity team has continued to deliver superior investment performance. All of our investment managers continue to outperform their respective geographic indices. Our simpler corporate structure following the

merger allows us to focus on growing our existing financial services business and continuing to seek new opportunities.”

Head of Equities Grant Lindsay said, "We have taken a more defensive stance towards equity markets in the short term because of our expectations of lower growth from the US. A sharply deteriorating housing market could materially dent consumer confidence and any ripple effect will be felt well beyond North America. Over the six months we reduced our exposure to the US and to companies elsewhere most vulnerable to a US consumer slowdown. Since the end of the period we have further built up our cash reserves and have no tactical gearing, but continue to seek long term opportunities to return to full investment as they arise.”

	31 July 2006	31 January 2006	Change
Net Asset Value per share	398.8p	404.2p	-1.3%
Share Price	345.25p	349.0p	-1.1%
FTSE All-Share Index	3,004.28p	2,928.56p	2.6%
FTSE World Index ex UK (sterling adjusted)	281.16p	295.28p	-4.8%

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## Notes to editors

1. Alliance Trust PLC is the largest generalist investment trust listed on the London Stock Exchange. A FTSE-250 company, it had £2.7bn of assets at the end of July 2006.
2. Photographs of Alan Harden and Grant Lindsay are available.