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ALLIANCE TRUST'S NEW ASSET MANAGEMENT COMPANY ANNOUNCES DETAILS OF ITS FIRST INVESTMENT FUNDS

AT Asset Management (Asia-Pacific) Limited, the new boutique asset management company launched by Alliance Trust PLC, the largest generalist investment trust company listed on the London Stock Exchange, today announced the details of the first two investment funds to be managed by its investment team. The two funds, Premier Alliance Trust Asia-Pacific Equity Fund and Premier Alliance Trust Japan Equity Fund, are launched under an open-ended investment company umbrella structure – a first for Alliance Trust.

The Asia-Pacific fund management team, led by Anthony Muh, will oversee the portfolios, with Tathagata Guha Roy managing Asia-Pacific ex-Japan and Harfun Ven managing Japan. Muh and Roy have worked together for more than eight years at Alliance Trust and elsewhere, winning many awards for investment management during that time. This tightly-knit team with 56 years' combined investment experience has delivered excellent performance since Muh took over responsibility for Alliance Trust's own investments in the region in April 2005. Since then, the Trust's Asia-Pacific portfolio has delivered total return of 38.2%, outperforming its benchmark by 2%, and the Japanese portfolio has delivered total return of 39.6%, outperforming its benchmark by 11.2% (as at 30 September 2006). (Past performance is not a guide to future performance).

The new funds are targeted at UK retail and institutional investors. The A Class shares, intended for retail investors, have an initial charge of 5% with an annual management charge of 1.25%, plus a performance fee for out-performance over benchmark. The I Class shares, available to larger investors who invest a minimum of £1 million, have no initial charge, and an annual management charge of 0.75% plus a performance fee.

However, investors who subscribe to the two new funds through Alliance Trust's financial services business, Alliance Trust Savings, will have a unique opportunity to benefit from the I Class rates normally available only to institutional and other larger investors, and they will pay no initial charge. Through an Alliance Trust Savings plan, these customers can invest from as little as £150 in a fund. Purchase dealing charges will also be waived for these customers when they buy either of the two new funds before 31 December 2006. This dealing charge is normally £15 for a daily purchase or £7.50 for a weekly purchase.

The Asia-Pacific equity fund will be benchmarked against the FTSE All World Asia-Pacific (ex-Japan) index while the Japan equity fund will be benchmarked against the FTSE All World Japan index. Both funds are intended to provide investors with exposure to key investment opportunities in Asia-Pacific and Japan respectively. The portfolios will have a long-term perspective and will seek out the most promising sectors

and, within them, the companies best placed to grow their earnings. The investment process mixes analysis of sectors with bottom-up scrutiny of companies, seeking out those stocks whose potential is undervalued by the market.

Commenting on the new funds Anthony Muh, Executive Director of AT Asset Management (Asia-Pacific) Limited, said: *“The case for long-term investment in Asia is now more compelling than ever. The region has transformed itself over the past decade, massively reinforcing the pillars needed to sustain medium to long-term growth such as healthier public finances, broader based economies and better corporate governance. We believe this region will be the main engine of world economic growth over the next decade and beyond. These new funds will offer investors looking for focused Asia-Pacific exposure an alternative to benefit from the long-term growth prospects from this region.*

“Excellent stock selection is at the heart of our investment approach. The funds will look to invest in quality companies that are fundamentally undervalued and in the early to mid-phase of super growth cycles. These companies must be well managed and possess a competitive edge or well-placed market position which is capable of delivering sustainable, strong earnings growth.”

Commenting on the future of AT Asset Management, Alan Harden, Chief Executive of Alliance Trust PLC said: *“This is only the start for our new company. Over the next 18 months a suite of new products will be created to give investors more opportunities to tailor their investments to their particular needs. This builds on our core offering at Alliance Trust by allowing investors to pick and choose more selectively from different regions or levels of risk. Through the forthcoming suite of funds investors will be able to gain access to our investment expertise, but in a more focused way, and with the level of risk that suits their individual circumstances.”*

The initial offer period for the two new funds will be from 6 November to 10 November 2006, when fund shares may be subscribed at the initial offer price of £1.00 per share. Both funds will then launch on 13 November 2006.

For more details about buying these funds through an Alliance Trust Savings plan, call 08000 326 323 or visit www.alliancetrust.co.uk. Institutional investors can get more information about the funds from Kelly O'Donnell or Andrew Killean on (01382) 201700.

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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 September 2006.
2. The Trust's total return figures are calculated in-house and total return is defined as absolute capital return plus yield on average capital employed.
3. AT Asset Management (Asia-Pacific) Limited is a wholly-owned subsidiary of Alliance Trust PLC and is registered in Hong Kong. The Board consists of Alan Harden and Grant Lindsay (as Non-Executive Directors); and Anthony Muh as Executive Director.
4. Alliance Trust Savings Limited is the financial services subsidiary of Alliance Trust PLC. Alliance Trust Savings and its subsidiaries offer investment dealing, investment wrappers and self-invested personal pensions and they administer more than £3.3bn on behalf of over 39,000 customers (as at 31 January 2006).
5. Premier Portfolio Managers Limited will be the authorised corporate director (ACD) of the OEIC and will have regulatory responsibility for the funds in the UK. AT Asset Management (Asia-Pacific) Limited will be responsible for the investment decisions.
6. The two new funds, Premier Alliance Trust Asia-Pacific Equity Fund and Premier Alliance Trust Japan Equity Fund, will be launched under a UCITS III OEIC umbrella structure.
7. There is no target number of companies or holding size for the funds.
8. Alliance Trust PLC had 8.9% of its portfolio in Japan and 6.1% in Asia-Pacific (ex-Japan) at the end of September 2006. Its Japanese portfolio held 33 stocks across 17 sectors, while its Asia-Pacific (ex-Japan) portfolio held 43 stocks across 22 sectors and nine countries.
9. Photographs of Anthony Muh, Tathagata Guha Roy, Harfun Ven and Alan Harden are available.

Background Information

Anthony Muh, the Executive Director of the newly launched AT Asset Management (Asia-Pacific) Limited, joined Alliance Trust as Head of Asia-Pacific in April 2005. He was previously Regional Head of Investment for Asia at Citigroup Asset Management with overall responsibility for managing assets of \$10bn in Japan and Asia for institutional, retail and private banking clients. As Regional Head at Citigroup, he carried out the successful merger of three asset management organisations and built a number of asset management businesses around the region. Before then, he was Senior Investment Officer for Citibank Global Asset Management in Asia and New Zealand, responsible for both equity and fixed income investments from 1993 to 1999. Anthony also spent seven years with Bank of New Zealand Investment Management from 1986,

where he held various positions in both fixed income and equities. Anthony is a past Chairman and a Fellow of the New Zealand Society of Investment Analysts. He is also a past Executive Committee Member of the Asian Securities Analyst Federation and has served on the Committee of the International Coordinating Council of Financial Analyst Associations. He has served on the executive committee of the HK Investment Funds Association (HK IFA) and is a past member of the Cash Market Consultative Panel for Hong Kong Exchanges and Clearing Limited. He is currently a member of the Examinations Committee and a Fellow of the Hong Kong Securities Institute, and is a board member of the Asian Corporate Governance Association.

Tathagata Guha Roy is Head of Asian Equities and Senior Portfolio Manager focused on the Asia-Pacific Region based in Hong Kong. In this capacity he is responsible for all equity investments in the Asia-Pacific region. Tathagata has 15 years experience in investment as well as accounting and auditing experience prior to that. Before joining Alliance Trust in August 2005, he was the Head of Equity and Balanced Investments - Asia for Citigroup Asset Management where he worked for almost eight years. He worked with Koeneman Capital Management in Singapore before joining Citigroup. Prior to Singapore, Tathagata was with SBI Funds Management in Mumbai where he managed one of their flagship equity funds. He joined the investment management industry in 1991 with Y.K. Capital Trust in New Delhi. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India and a Management Accountant from the Institute of Cost and Works Accountants of India as well as a Chartered Financial Analyst.

Harfun Ven has eight years of experience in Japanese equity investments. Prior to joining Alliance Trust as a Portfolio Manager, Harfun was an Investment Manager at Bowen Capital Management where he managed Japanese funds. In addition to his fund management responsibilities he was the primary analyst covering Japanese companies during his tenure at Bowen. He also covered the Korean market for three years. Before entering the investment management industry, Harfun worked as a Project Finance Executive with Hopewell Holdings where he was responsible for the financial and contractual arrangements for a \$1.2 billion coal fired power plant. He studied in Japan and the US, and is fluent in Japanese, English and Cantonese. Harfun holds a Master in Business Administration from Boston University and a Bachelor of Science from the University of Massachusetts.