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PRICE: 517.0p
NAV (inc Income): 562.4p
DISCOUNT: 8.1%

Alliance Trust PLC Monthly Factsheet

31 December 2015

Objective

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.

Market & Portfolio Commentary

Market

The MSCI All Country World Index rose slightly in December, 0.3% with a modest rise of 3.8% over the course of 2015. The year closed as it had opened with considerable intra-day volatility as a result of economic uncertainties and this looks set to continue into 2016. Commodity prices especially oil, continue to fall and with the prospect of further economic slowing in China and Iranian supply coming on-stream, downward pressure will persist. The US dollar continued to rally against Sterling and the Euro, which helped protect UK investor returns. However, European equity markets were weak across the board as economic data disappointed.

At a Global sector level the best performers were Health Care, up 3.7%, Utilities, up 3.6% and Consumer Staples, up 2.8%. The worst performers were Energy, down 7.1%, Materials, down 1.6% and Industrials, down 0.5%.

Portfolio and performance update

There were no significant changes at a stock level over the month and we closed the year with 60 discrete holdings in the equity portfolio - the top 20 making up 46.8%. Financials, Information Technology and Health Care continue to represent a large portion of the assets, making up 58.1% of the overall equity exposure. The overall regional exposure remains unchanged.

The discount narrowed over the month from 10.1% to close the year at 8.1, its lowest month end level for over 10 years. The year-end gross gearing fell slightly from 14.1% to 13.0%.

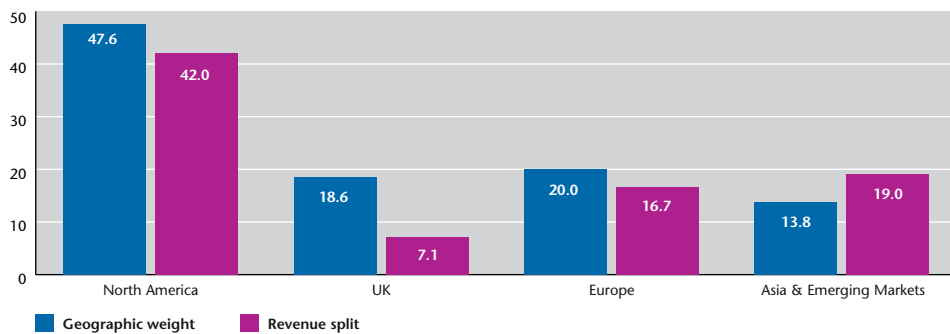
Outlook

This has been a challenging year for stockpickers with significant volatility across many sectors. Our investment process and stock selection has guided us through some of this and had a positive contribution to returns. This once again highlights the need to focus on quality companies with strong fundamentals and sustainable business models. Our philosophy and process identifies these high quality companies and then integrates this assessment into analysis of their value and hence their appropriateness for inclusion in the equity portfolio. Trying to second guess economic changes and political uncertainty will be as difficult in 2016 as it was in 2015 so we will continue to focus on the value drivers of stock specific returns and actively manage the portfolio for the long term.

Buybacks

During the month we bought back 7.8m shares (1.5%) of the issued share capital at the cost of £39.2m.

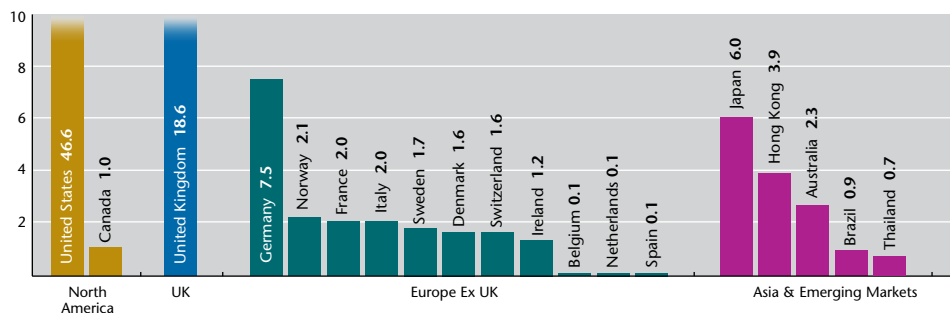
Regional Allocation & Revenue (%)[†]



Source: Alliance Trust and FactSet

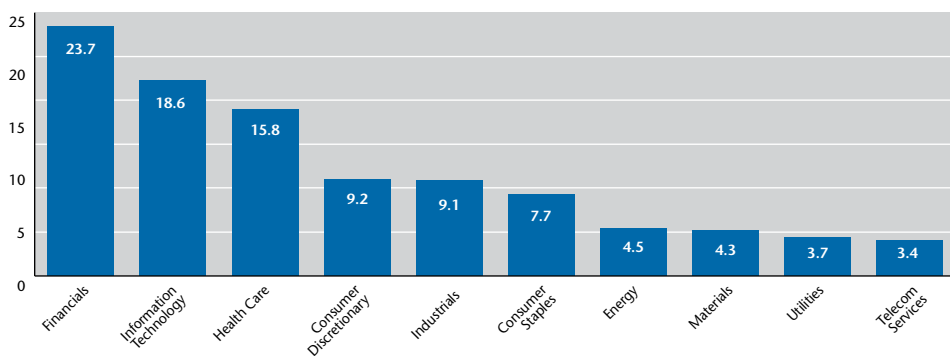
- Geographic weight is based on the region in which the company is listed.
- Revenue split analyses the segmental reporting of revenue by the companies in which Alliance Trust invests.
- Analysis excludes segmental non-specific income such as "Rest of the World" (15.1%) as the definition varies from company to company.

Regional Allocation Breakdown (%)^{†*}



Source: Alliance Trust and FactSet

Sector Allocation (%)[†]



Source: Alliance Trust

[†] Weightings are calculated on a look-through basis whereby the Trust's exposure is combined with that of its holdings in Alliance Trust Investments' funds in order to calculate total exposure.

* All countries with exposure of greater than 0.05% shown.

Key Information

Market Capital:	£2,721.2m
Total Assets:	£3,345.1m
Net Assets:	£2,955.1m
Total Borrowings:	£390.0m
OCR (for the year to December 2014):	0.60%
Net Yield:	1.9%
Year End:	31 December
Date of Incorporation:	21 April 1888
Dividend Paid:	April, June, September, December
Issued Share Capital:	526,340,897

Asset Allocation

Assets	% of Net Assets
Net Equity Exposure	102.0
Fixed Income	2.5
Private Equity	4.3
Operating Subsidiaries	2.5
Cash & Other Net Assets	1.7
Gross Assets	113.0
Gearing	(13.0)
Net Assets Inc Income	100.0

Source: Alliance Trust

Key Trades

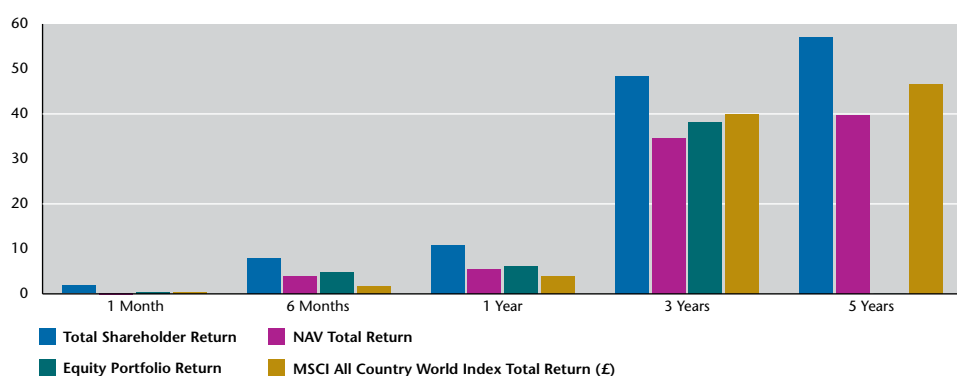
Largest new holdings	None
No Longer Held	Sanofi

Source: Alliance Trust

Performance

Cumulative Performance (%)

To 31 December 2015	One Month	Six Months	One Year	Three Years	Five Years
Total Shareholder Return	1.6	7.8	10.7	48.3	57.1
NAV Total Return	-0.3	4.0	5.4	34.5	39.6
Equity portfolio gross return*	0.3	4.7	6.1	38.1	N/A
MSCI ACWI Total Return (£)	0.3	1.7	3.8	39.9	46.6



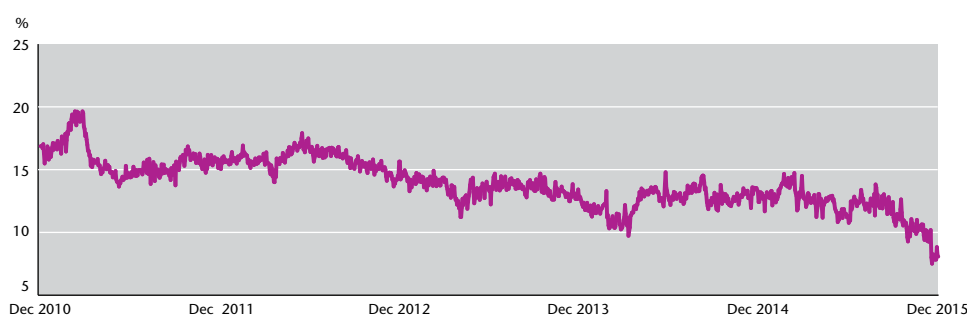
Discrete Performance – Total Return (%)

12 Months to December	2015	2014	2013	2012	2011
Total Shareholder Return	10.7	9.2	22.7	12.4	-5.7
NAV Total Return	5.4	7.9	18.2	12.1	-7.4
Equity portfolio gross return*	6.1	7.2	21.4	N/A	N/A
MSCI ACWI Total Return (£)	3.8	11.2	21.1	11.7	-6.2

Source: FactSet and Morningstar

* The equity portfolio was restructured in December 2011 and equity portfolio returns prior to December 2012 are not comparable.

Alliance Trust Discount



Source: Factset and Morningstar

Important Information

Alliance Trust PLC is a self-managed investment trust company, operating from 8 West Marketgait 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.

Please remember past performance is not a guide to future performance. You may not get back the amount you invest. The value of your investment, and any income from it, may fall as well as increase.

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

Exchange rate changes may cause the value of overseas investments to go down as well as up.

Investment trusts may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that a relatively small movement, down or up, in the value of a trust's assets will result in a magnified movement, in the same direction, of that NAV. This may mean that you could get back nothing at all.

Share Investment

Alliance Trust invests primarily in equities and aims to generate capital growth and a progressively rising dividend from its portfolio of investments. Alliance Trust PLC currently conducts its affairs so that its shares can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future.

The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The shares in the Trust may also be suitable for institutional investors who seek a combination of capital and income return. Private investors should consider consulting an independent financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares.

Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

12 month equity portfolio performance attribution

Sector	Equity portfolio (%)		MSCI ACWI (£) (%)		Sector Allocation Effect	Stock Selection Effect	Total Effect
	Average Weight	Total Return	Average Weight	Index Total Return			
Consumer Discretionary	8.24	20.81	12.55	10.63	-0.30	0.68	0.38
Consumer Staples	8.27	5.47	9.92	11.82	-0.12	-0.44	-0.56
Energy	5.20	-14.83	7.21	-17.09	0.47	0.10	0.57
Financials	25.40	3.12	21.55	0.33	-0.13	0.71	0.59
Health Care	16.94	15.06	12.22	12.99	0.44	0.27	0.71
Industrials	7.94	7.12	10.52	3.17	0.03	0.34	0.37
Information Technology	18.25	9.72	13.95	9.68	0.24	0.09	0.34
Materials	4.41	-12.13	4.95	-11.50	0.03	-0.06	-0.03
Telecom Services	1.82	3.44	3.72	4.55	0.01	-0.02	-0.01
Utilities	3.52	-2.59	3.17	-2.10	-0.08	-0.06	-0.14
Total	100.00	6.13	100.00	3.84	0.60	1.60	2.20

Source: Factset and Morningstar
Performance attribution is calculated over 12 months to 31 December 2015.

Top 20 Equity Investments†

Rank	Name	Sector	£m	(%) of Quoted Equities
1	Visa	Information Technology	117.3	3.9
2	Pfizer	Health Care	100.1	3.3
3	Accenture	Information Technology	89.1	3.0
4	Prudential	Financials	87.6	2.9
5	Walt Disney	Consumer Discretionary	82.9	2.7
6	Amgen	Health Care	77.6	2.6
7	Wells Fargo	Financials	75.8	2.5
8	CVS Caremark	Consumer Staples	74.2	2.5
9	CSL	Health Care	69.6	2.3
10	National Grid	Utilities	65.5	2.2
11	Legal & General	Financials	64.6	2.1
12	NASDAQ	Financials	59.5	2.0
13	American Tower	Financials	59.0	2.0
14	Intesa Sanpaolo	Financials	57.9	1.9
15	Blackstone	Financials	56.1	1.9
16	Daikin Industries	Industrials	55.5	1.8
17	Reckitt Benckiser	Consumer Staples	54.7	1.8
18	Continental	Consumer Discretionary	53.7	1.8
19	Equinix	Financials	53.2	1.8
20	Danaher	Industrials	53.1	1.8

Top 10 holdings currently make up 27.9% of quoted equities. **Top 20** holdings currently make up 46.8% of quoted equities.

Source: Alliance Trust

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