

**PRICE:** 497.5p  
**NAV (inc Income):** 549.0p  
**DISCOUNT:** 9.4%

# Alliance Trust PLC Monthly Factsheet

## 29 February 2016

## 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.

## Commentary for February 2016

### Portfolio and Performance Update

Despite recent market volatility, performance remains strong. Total Shareholder Return remains ahead of MSCI All Country World Index over 1, 3 and 5 years. NAV performance has been impacted by the recent market volatility but remains ahead of the index and the Global investment trust sector over the past year. The discount narrowed over the month and closed February at 9.4% compared to 10.7% at the end of January. We continue to focus on a delivering strong investment performance combined with share buy-backs to keep the discount trending lower.

Portfolio turnover remains low but we have added a new holding – Thermo Fisher Scientific. A US listed company and a world leader in life sciences specialising in patient diagnostics and DNA sequencing. We have funded this by selling out of Express Scripts Holding which has been impacted by consolidation in the US health care industry and Seagate Technology which we think is no longer able to deliver on its business strategy.

### Market Commentary

The MSCI All Country World Index was up 1.1% in February but daily market moves remain volatile. Economic and political uncertainties in China and Europe continue to undermine market confidence and bond yields have been trending lower. However, global equities got a boost from an upturn in the oil price triggered by the prospect of the OPEC meeting in March being able to stabilise prices.

The divergence in performance at the global sector level was very stark with the worst being Financials (-1.3%), Health Care (+0.5%) and Information technology (0.6%). Best performers were Materials (+8.3%), Industrials (+3.9%) and Telecommunications (+2.7%). In the current low growth environment we would expect this sort of variance to continue.

### Outlook

The current divergence of sector returns has once again emphasised how important it is to remain focused on the factors that drive stock specific returns. We do this by valuing companies on their own merits not on assumptions at a macro economic or political level. We then build a portfolio of quality stocks based on this bottom up analysis. At the stock level we continue to see opportunities in well managed companies with strong fundamentals and sustainable business models. Our process identifies these stocks resulting in a portfolio well positioned to deliver above market returns through a combination of capital growth and a rising dividend for the patient investor. We will continue to actively manage the portfolio by focusing on the companies we want to invest in for the long term.

### Buy Backs

During the month we bought back 3.7m shares (0.7%) of the issued share capital at the cost of £17.7m.

## Asset Allocation

| Assets                       | % of Net Assets |
|------------------------------|-----------------|
| Net Equity Exposure          | 102.5           |
| Fixed Income                 | 2.1             |
| Private Equity               | 4.3             |
| Operating Subsidiaries       | 2.6             |
| Cash and other Net Assets    | 2.0             |
| <b>Gross Assets</b>          | <b>113.5</b>    |
| Gearing                      | (13.5)          |
| <b>Net Assets Inc Income</b> | <b>100.0</b>    |

Source: Alliance Trust

## Key Information

|   |                                  |
|---|----------------------------------|
| <b>Market Capital:</b>                                | £2,590.6m                        |
| <b>Total Assets:</b>                                  | £3,243.9m                        |
| <b>Net Assets:</b>                                    | £2,853.9m                        |
| <b>Total Borrowings:</b>                              | £390.0m                          |
| <b>Ongoing Charges Ratio (year to December 2015):</b> | 0.59%                            |
| <b>Net Yield:</b>                                     | 2.0%                             |
| <b>Year End:</b>                                      | 31 December                      |
| <b>Date of Incorporation:</b>                         | 21 April 1888                    |
| <b>Dividend Paid:</b>                                 | March, June, September, December |
| <b>Issued Share Capital:</b>                          | 520,731,758                      |

Source: Alliance Trust

## Performance

### Cumulative Performance (%)

| To 29 February 2016            | One Month | Six Months | One Year | Three Years | Five Years |
|--------------------------------|-----------|------------|----------|-------------|------------|
| Total Shareholder Return       | 1.6       | 7.5        | 3.5      | 26.3        | 57.3       |
| NAV Total Return               | -0.1      | 3.0        | -1.5     | 18.8        | 38.9       |
| Equity portfolio gross return* | 0.1       | 5.2        | -0.7     | 20.4        | N/A        |
| MSCI ACWI Total Return (£)     | 1.1       | 4.5        | -2.2     | 23.3        | 43.8       |

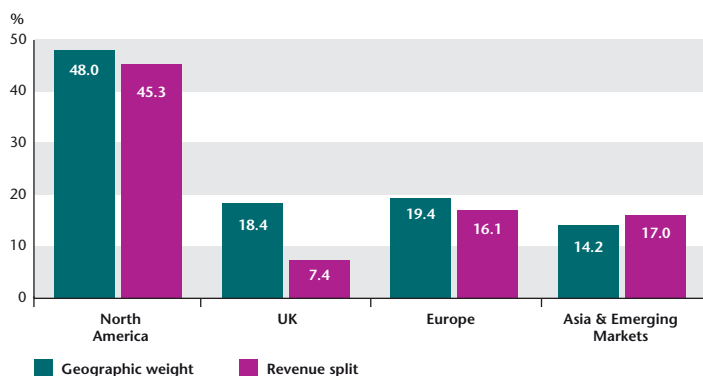
### Discrete Performance – Total Return (%)

| 12 months to February          | 2016 | 2015 | 2014 | 2013 | 2012 |
|--------------------------------|------|------|------|------|------|
| Total Shareholder Return       | 3.5  | 10.4 | 10.4 | 17.6 | 5.9  |
| NAV Total Return               | -1.5 | 13.8 | 6.1  | 15.0 | 1.7  |
| Equity portfolio gross return* | -0.7 | 13.3 | 7.0  | N/A  | N/A  |
| MSCI ACWI Total Return (£)     | -2.2 | 17.2 | 7.6  | 15.7 | 0.8  |

Source: FactSet and Morningstar

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

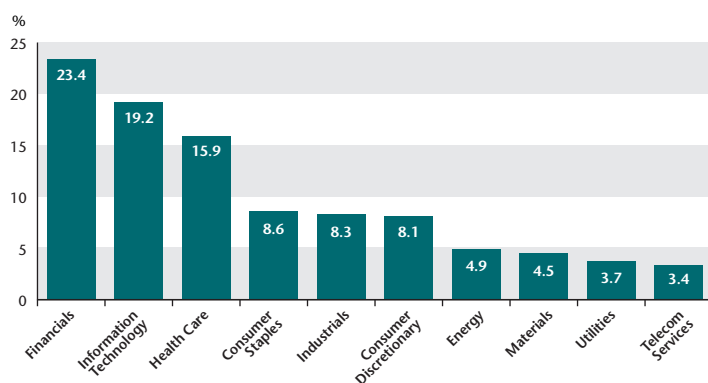
## Regional Allocation & Revenue†



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" (14.2%) as the definition varies from company to company.

## Sector Allocation†



Source: Alliance Trust

## Full Portfolio Breakdown

A full breakdown of the Trust's portfolio can be viewed at: [investor.alliancetrust.co.uk/ati/investorrelations/list-of-stock-holdings.htm](http://investor.alliancetrust.co.uk/ati/investorrelations/list-of-stock-holdings.htm)

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## Top 20 Equity Investments†

| Rank | Name              | £m    | % Quoted equities |
|------|-------------------|-------|-------------------|
| 1    | Visa              | 115.0 | 3.9               |
| 2    | Pfizer            | 96.6  | 3.3               |
| 3    | Accenture         | 89.8  | 3.1               |
| 4    | CVS Caremark      | 77.5  | 2.7               |
| 5    | Amgen             | 71.4  | 2.4               |
| 6    | Reckitt Benckiser | 70.4  | 2.4               |
| 7    | CSL               | 70.0  | 2.4               |
| 8    | NASDAQ            | 67.9  | 2.3               |
| 9    | National Grid     | 66.8  | 2.3               |
| 10   | Legal & General   | 66.4  | 2.3               |
| 11   | Roche             | 60.5  | 2.1               |
| 12   | American Tower    | 58.9  | 2.0               |
| 13   | Prudential        | 58.8  | 2.0               |
| 14   | Blackstone        | 58.6  | 2.0               |
| 15   | Equinix           | 56.0  | 1.9               |
| 16   | Wells Fargo       | 55.3  | 1.9               |
| 17   | Danaher           | 53.6  | 1.8               |
| 18   | TJX Companies     | 53.5  | 1.8               |
| 19   | Daikin Industries | 52.9  | 1.8               |
| 20   | Vodafone          | 51.7  | 1.8               |

Source: Alliance Trust

The top 10 holdings currently make up 27.1% of quoted equities.  
The top 20 holdings currently make up 46.2% of quoted equities.

## Key Trades

### Largest New Holdings

Thermo Fisher Scientific

### No longer Held

Express Scripts Holding, Seagate Technology

Source: Alliance Trust

## 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. Neither Alliance Trust Investments nor Alliance Trust PLC are 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.

† 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.