

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017

8 MARCH 2018



2017: A TRANSFORMATIONAL YEAR FOR ALLIANCE TRUST

ENCOURAGING PERFORMANCE

- Total shareholder return 19.2%, Net Asset Value (NAV) Total Return 18.5%, compared with MSCI ACWI total return of 13.8%

ALLIANCE OF BEST IDEAS

- Eight best-in-class equity managers only investing in their highest conviction ideas
- Target outperformance of MSCI ACWI by 2% per annum, net of costs, over rolling three year periods

CONTINUED DIVIDEND PROGRESSION

- Dividend of 3.29p per ordinary share, bringing the full year dividend to 13.16p, a rise of 3.0%
- Over 50 years of consecutive dividend growth

Past performance is not a reliable indicator of future returns

Notes:

All performance figures for twelve months ended 31 December 2017

NAV: NAV (Net Asset Value) Total Return adjusted to account for the reduction in value of ATS (Alliance Trust Savings) after the year end and has been calculated including income and with debt at fair value

MSCI ACWI: MSCI All Country World Index (gross of dividends)

ALLIANCE TRUST – A COMPELLING PROPOSITION



DIFFERENTIATION

No other investment trust offers **best ideas** from **best-in-class managers*** in the same way



HIGH CONVICTION

Bespoke combination of **highly concentrated** portfolios



ACCESS

Many of the managers are **only available** to UK retail investors through **Alliance Trust**



DIVIDEND GROWTH

A blend of managers designed to deliver both the **total return objective** and the **progressive dividend policy**



COMPETITIVE COST

All delivered at a **competitive total cost**

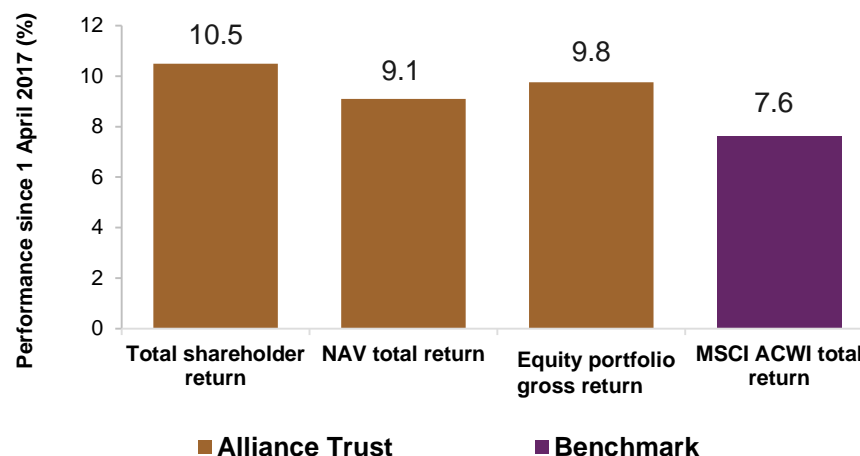
Notes:* As rated by Willis Towers Watson

POSITIVE SHAREHOLDER RETURNS

Cumulative performance of the overall portfolio over 1,3 and 5 years

Cumulative Performance (%)	1 year	3 year	5 year
Total shareholder return	19.2	67.2	123.6
NAV Total Return*	18.5	51.6	94.0
Equity portfolio return	18.0	54.4	101.0
MSCI ACWI total return	13.8	53.0	106.1

Performance since Willis Towers Watson assumed responsibility for management of the equity portfolio**



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A strong start to build on

*NAV (Net Asset Value) Total Return adjusted to account for the reduction in value of ATS (Alliance Trust Savings) after the year end and has been calculated including income and with debt at fair value.

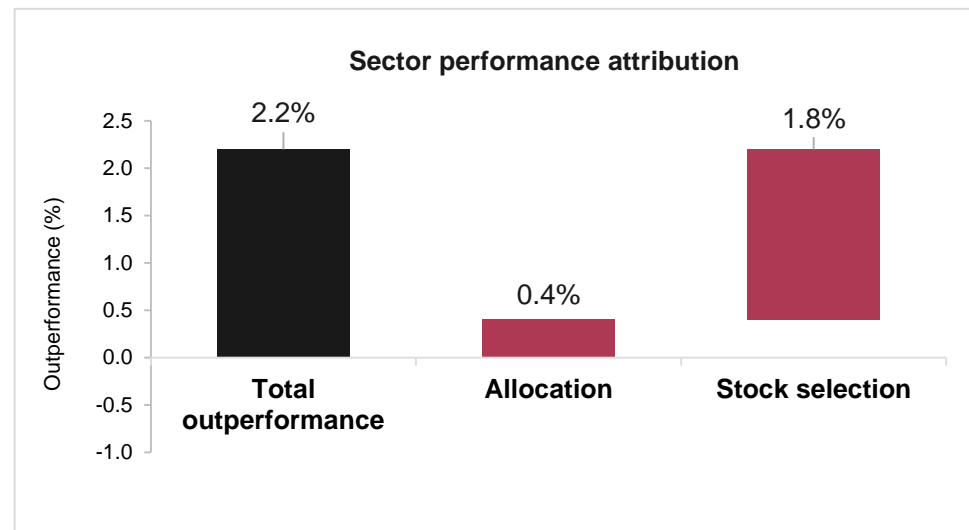
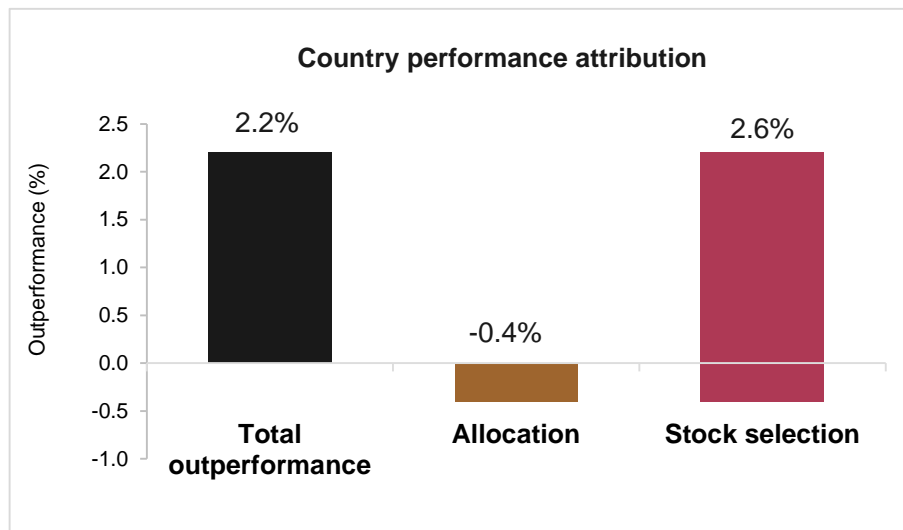
** Equity portfolio accounts for 90.7% of the new asset value at year end; other assets are 9.3% (p.14 Annual Report). NAV Total Return includes income with debt at fair value.

Notes: All data is provided as at 31 December 2017. All figures may be subject to rounding differences. The benchmark shown is the MSCI All Country World Index (gross of dividends).

Sources: Investment Performance data is provided by BNY Mellon Performance & Risk Analytics Europe Limited, Morningstar and MSCI Inc; Total NAV returns are after all manager fees (including Willis Towers Watson's fees) and allow for any tax reclaims when they are achieved. Equity portfolio return is the return achieved by the eight equity managers and so includes the effect of any of their cash holdings (gross of their fees). Returns are quoted net of withholding taxes (some of which are potentially recovered at a later date) and therefore potentially underestimate the managers' relative performance. In order to report the long-term record of the equity portfolio, the returns of the portfolio prior to its restructure early in April 2017 have been combined with the returns to date of the current portfolio.

STOCK SELECTION IS THE BIGGEST DRIVER OF EQUITY RETURNS

Performance of equity portfolio since Willis Towers Watson inception (1 April 2017 – 31 December 2017)



Past performance is not a reliable indicator of future returns

Around 80% of the active risk taken in the portfolio is due to stock selection

Notes: The data shown is from 1 April 2017 to 31 December 2017. All figures may be subject to rounding differences. Total portfolio outperformance is shown relative to MSCI All Country World Index (gross of dividends) benchmark. Willis Towers Watson assumed responsibility for management of the portfolio on 1 April 2017. The preceding 5 year performance is shown on the previous page.

Sources: Investment performance data and attribution is provided by BNY Mellon Performance & Risk Analytics Europe Limited, Morningstar and MSCI Inc.; Equity portfolio return is the return achieved by the eight equity managers and so includes the effect of any of their cash holdings (gross of their fees). Returns are quoted net of withholding taxes (some of which are potentially recovered at a later date) and therefore potentially underestimate the managers' relative performance.

GICS sectors: Global Industry Classification Standard

ATS: FOCUS ON CUSTOMER SERVICE

ALLIANCE TRUST INVESTMENT IN ATS

- ATS accounts for 1.3% of Alliance Trust's investment portfolio
- Fair value of ATS reduced by £23.5m to £38.0m

ATS PERFORMANCE

- Full Year loss of £19.3M
- Operating loss before exceptional items of £6.1m, includes £3.0m non-recurring costs
- Exceptional impairment on intangible assets of £13.2m
- New management team under leadership of Ron Baxter as Acting CEO
- Ongoing investments in customer service are having a beneficial impact on service levels and customer complaint levels

PROGRESS IN THE YEAR

- Continued growth with AUA now over £15.8bn, up 16%
- Customer accounts increased 2% to over 110,000
- Over 2000 customer accounts active on new IT platform

Past performance is not a reliable indicator of future returns

Source: Alliance Trust
ATS: Alliance Trust Savings

ATS Results	FY 17 (£m)	FY16 (£m)
Income	27.0	21.6
Administrative Expenses	(33.1)	(20.4)
Operating (Loss)/Profit before exceptional items	(6.1)	1.2
Exceptional administrative expenses*	(13.2)	-
Operating (Loss)/Profit before tax	(19.3)	(1.2)

*Exceptional administrative expenses relate to write down of intangible assets related to Stocktrade

THE NUMBERS THAT DIFFERENTIATE OUR ALLIANCE OF BEST IDEAS

An alliance of **8 best in class** global equity managers

08 x

each investing in a maximum of **20 stocks**; their highest conviction ideas

20 (UP TO)

Add 50 emerging markets stocks

50 +

Subtract any overlaps

OVERLAPS -

Gives you approximately **200 stocks** in highly active portfolio

RESULTS IN

c200

Each stock is a best idea of a best-in-class manager

SUMMARY: A TRANSFORMATIONAL PERIOD

Successful implementation of the new approach, delivering outperformance at competitive cost.

Share price at 31 December 2017 746.5p, up 17% from 638.0p at 31 December 2016. Net Asset Value (NAV) per share is up 16.5% to 777.7p.

Alliance Trust continued to build on its 50 years of consecutive dividend growth in 2017 with full year dividend for 2017 of 13.16p, an increase of 3.0% compared with 2016.

Foundations in place to deliver strong and sustainable performance for Alliance Trust shareholders for generations to come.

A differentiated and compelling strategy now firmly in place for the Trust

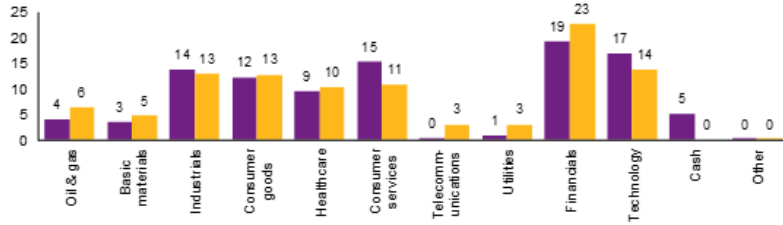
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Notes:* Including income with Debt at Fair Value

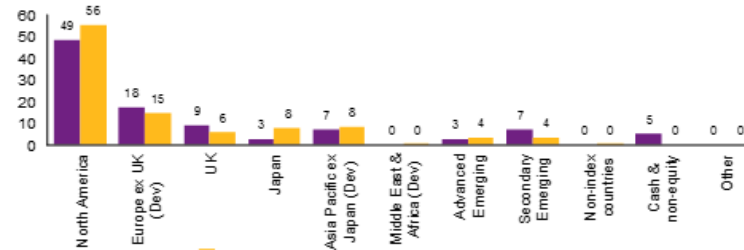
APPENDICES

THE ALLIANCE TRUST EQUITY PORTFOLIO

Breakdown by industry (ICB) (%)



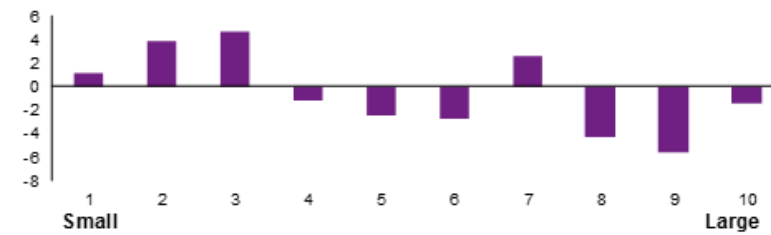
Breakdown by region (%)



Style tilt analysis (z-score)



Net active weight by market cap size bucket (%)



Portfolio still takes active risk

Risk Summary

Active risk	2.2%	Portfolio volatility	12.6%
Active money	80%	Benchmark volatility	12.8%
Beta	0.97		

Number of stocks

Portfolio	189
Benchmark	2492

The combination of these eight highly active managers reduces risk at the total portfolio level

Source: Willis Towers Watson, FTSE ICB, Factset, MSCI Inc. Portfolio data as at 31 December 2017

CONTRIBUTION ANALYSIS

PORTFOLIO PERFORMANCE AS AT 31 DECEMBER 2017

Contribution Analysis (%)	Total return	Average weight	Contribution to Total Return
Equity portfolio (excluding effect of gearing)			15.4
Effect of gearing*			1.1
Equity portfolio including impact of gearing	18.0	0.92	16.5
FX and index futures			N/A
Non-core investments			0.9
Investment Portfolio Total			17.4
Subsidiaries			-0.8
Cash and Accruals			1.1
Share Buybacks			1.4
Total Administration Costs			-0.6
NAV including income total return			18.5
Effect of Discount			0.7
Total Shareholder Return			19.2
MSCI All Country World Index (ACWI) Total Return			13.8

Past performance is not a reliable indicator of future returns

Source: Willis Towers Watson, BNY Mellon Fund Services (Ireland) Limited, Morningstar and MSCI Inc.

*Gearing effect is attributed assuming that all borrowing is invested in the equity portfolio and is net of the cost of borrowing to achieve the gearing

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