

ALLIANCE TRUST PLC

Annual General Meeting
26 April 2018



LORD SMITH OF KELVIN
CHAIRMAN

Today's Agenda

- Introductory comments
- Overview of 2017
- Portfolio Performance
- Formal business of the meeting
- Break for Lunch
- Equity manager presentations

Lord Smith, Chairman

Lord Smith, Chairman

Craig Baker, Willis Towers Watson

Bill Kanko, Black Creek Investment

Andy Headley, Veritas Asset Management

2017: A TRANSFORMATIONAL YEAR FOR ALLIANCE TRUST

STRATEGIC DEVELOPMENT

- Stable shareholder register
- Sale of Alliance Trust Investments to Liontrust Asset Management
- Encouraging start for new investment strategy

PERFORMANCE

- Total Shareholder Return +19.2%
- Net Asset Value Return +18.5%
- Equity Portfolio Return +18.0%
- MSCI All Country World Index (ACWI) Return +13.8%

Past performance is not a reliable indicator of future results

FIRST ANNIVERSARY OF NEW APPROACH

For twelve months ended 31 March 2018

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

ENCOURAGING START

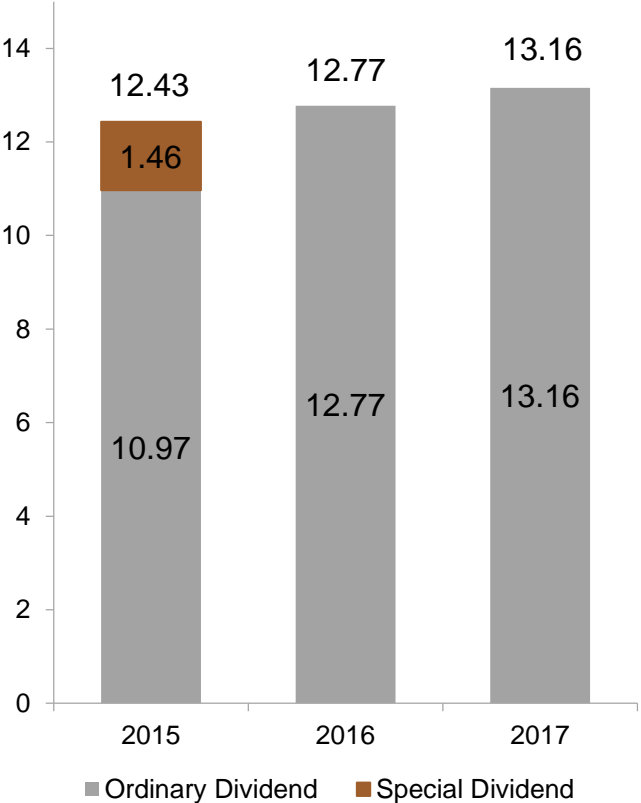
- Total Shareholder Returns (TSR) 3.9%
- NAV Total Return 5.3%
- Equity Portfolio Return 5.7% compared with MSCI All Country World Index (ACWI) total return of 2.8%*

* 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)

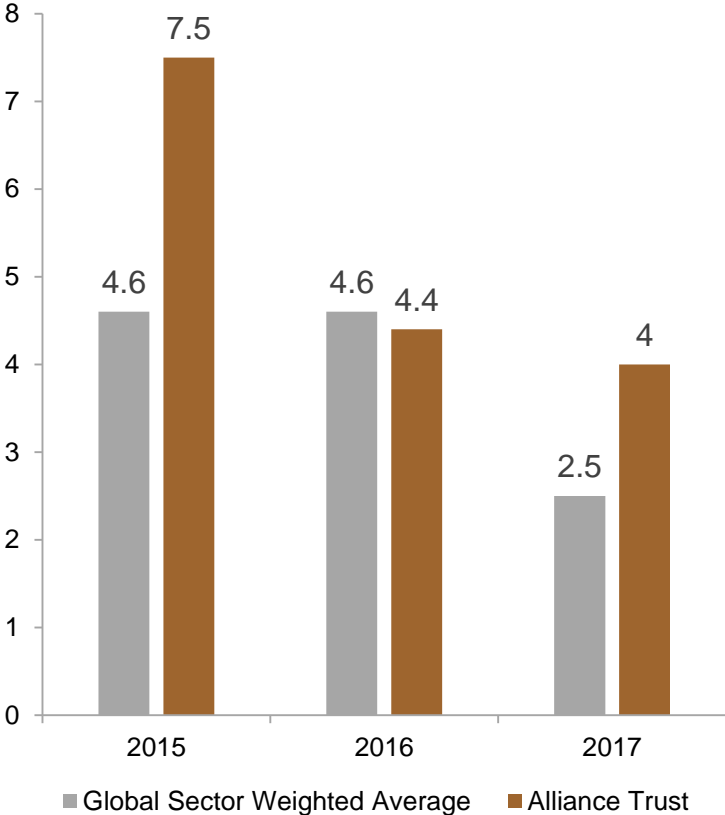
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SOME KEY PERFORMANCE INDICATORS

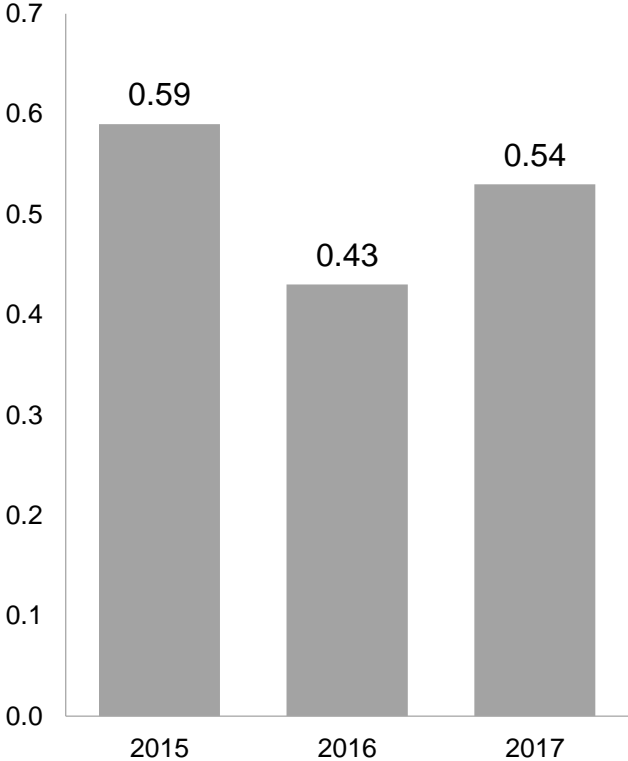
Dividend (p)



Discount (%)



Ongoing Charges (%)



FOCUSING ON CORE EQUITY PORTFOLIO

- Liontrust shares sale to yield £10m more than expected
- Disposing of private equity portfolio
- Retaining mineral rights until oil price makes sale more profitable
- Reinvesting proceeds in the equity portfolio

ATS: A CHALLENGING YEAR

ATS PERFORMANCE

- Full Year loss of £19.3M
- Operating loss of £6.1m, includes £3.0m non-recurring costs
- Exceptional charge of £13.2m relating to intangible assets
- Ongoing investments in customer service are having a beneficial impact on service levels and customer complaint levels
- Fair value of ATS reduced by £23.5m to £38.0m

PROGRESS IN THE YEAR

- Continued growth with assets under administration (AUA) now over £15.8bn, up 16%
- Customer accounts now over 110,000
- Over 2000 customer accounts active on new IT platform

SUMMARY: A TRANSFORMATIONAL PERIOD

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

Share price up 17% from 638.0p to 746.5p.

Net Asset Value* (NAV) per share is up 16.5% to 777.7p.

Discount averaged 5.4% in 2017 against 9.7% in 2016

Alliance Trust continued to build on its 50 years of consecutive dividend growth in 2017.

Full year dividend for 2017 of 13.16p, an increase of 3.0%.

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

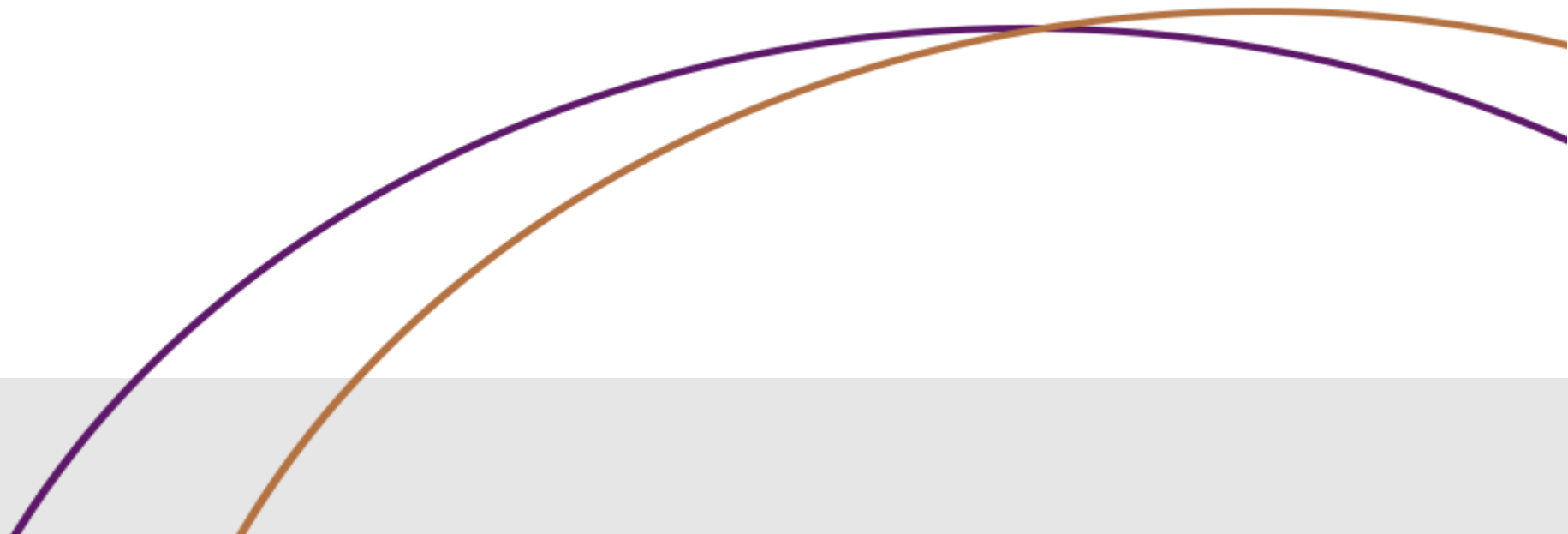
A DIFFERENTIATED AND COMPELLING STRATEGY NOW FIRMLY IN PLACE FOR THE TRUST

Past performance is not a reliable indicator of future results

Notes:* Including income with Debt at Fair Value; all numbers as at 31 December 2017 compared to 31 December 2016

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Alliance Trust

An Alliance of Best Ideas

April 2018

A reminder of the new approach

Multi-Manager

A multi-manager approach focused on combining some of the best ideas from some of the world's best-in-class stock pickers*

High-Conviction

A series of completely tailored, high conviction separate accounts where the equity managers ignore the benchmark and think long-term

One Portfolio

Overall portfolio managed by Willis Towers Watson as if it is a single account through:

- Choice of managers
- Manager weightings
- Use of cash-flows

* As rated by Willis Towers Watson

Eight of the best* stock-pickers from across the world

UK
US
Canada



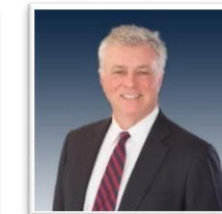
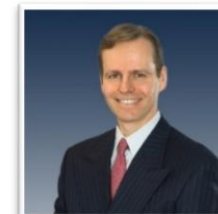
Bill Kanko

Value-orientated buyers of leading businesses. Long-term contrarian approach



Rajiv Jain

Looks for high quality and sustainable businesses whose strengths should outweigh the macro environment



George Fraise, Rob Rohn, Gordon Marchand

Seeks companies that have strong pricing power, recurring revenue generation and long runways of growth



Greg Herr, Pierre Py

Seeks companies with high-quality business models, exhibit financial strength and strong management



Ben Whitmore

Seeks out of favour and under-valued businesses with prominent franchises and sound balance sheets



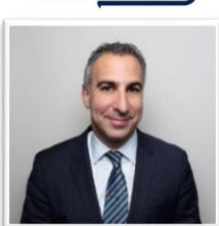
Andy Headley

Thematic investing to identify companies and industries that are well positioned to benefit medium-term growth



Hugh Sergeant

Strength in smaller companies and recovery situations identifying value at different stages of a company's lifecycle



Andrew Wellington

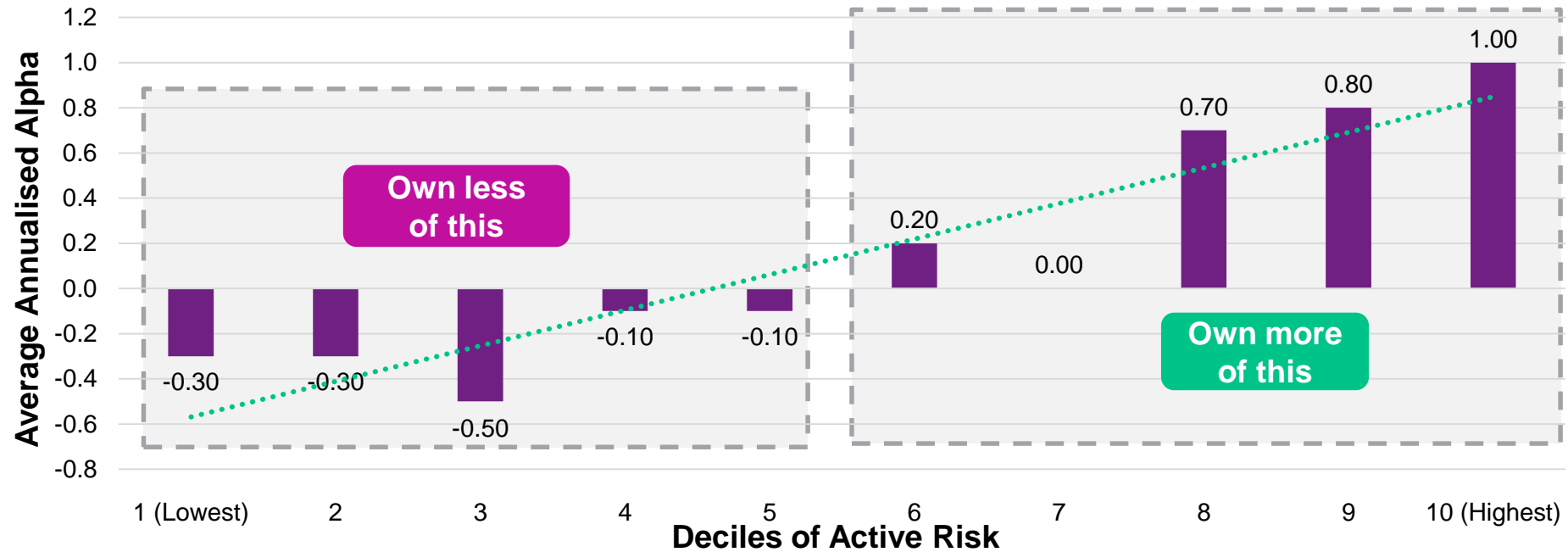
Focus on businesses with attractive capital returns and the flexibility to react to all phases of the business cycle

5 managers available to UK retail clients only through Alliance Trust, and none in the 20 stock format

* As rated by Willis Towers Watson

Benefits of high conviction

High conviction and high active share drive outperformance



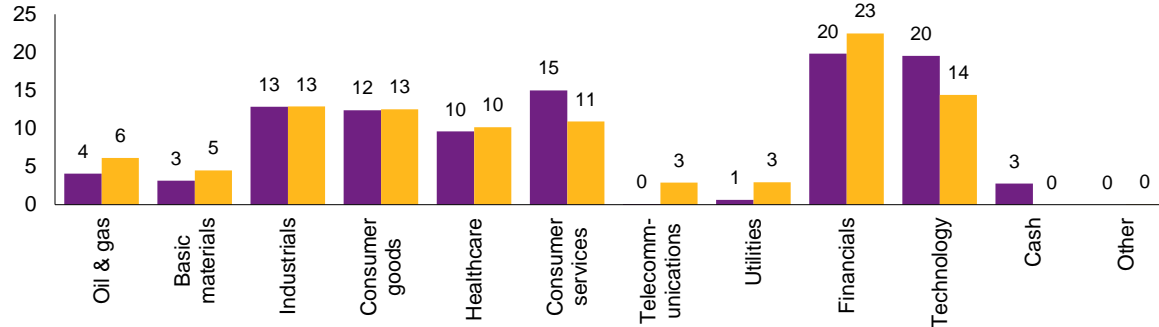
Increasing outperformance

Higher conviction portfolios

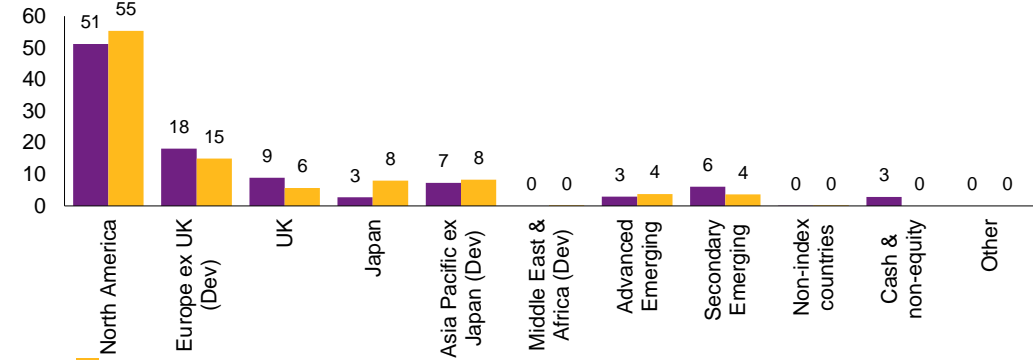
Source: Sebastian & Attaluri, Conviction in Equity Investing, The Journal of Portfolio Management, Summer 2014

Combined Alliance Trust Portfolio

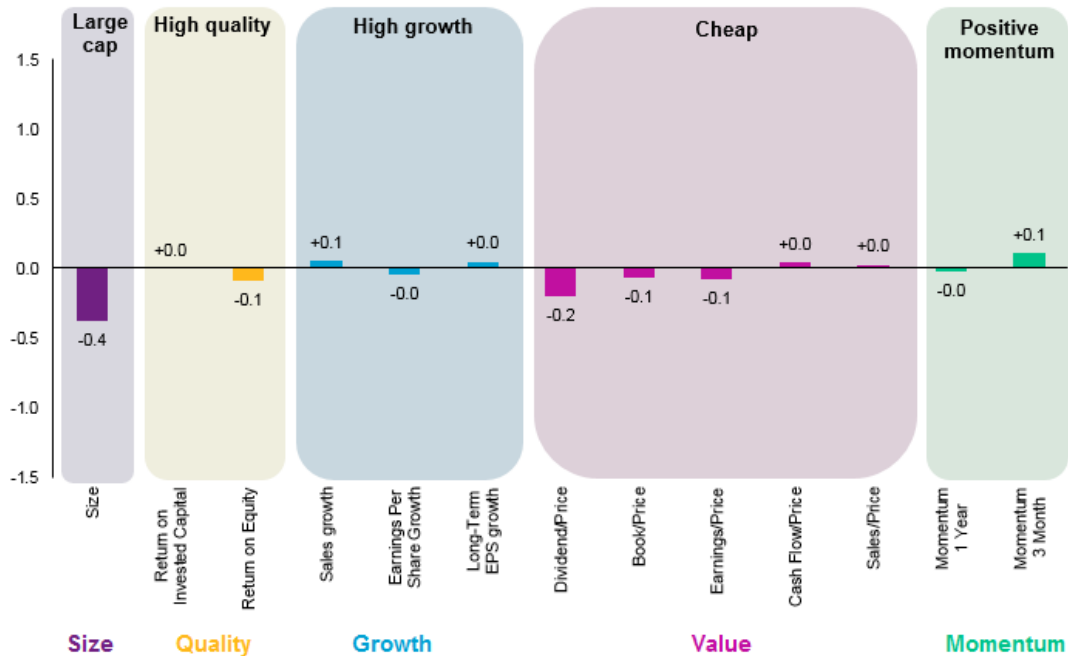
Breakdown by industry (ICB) (%)



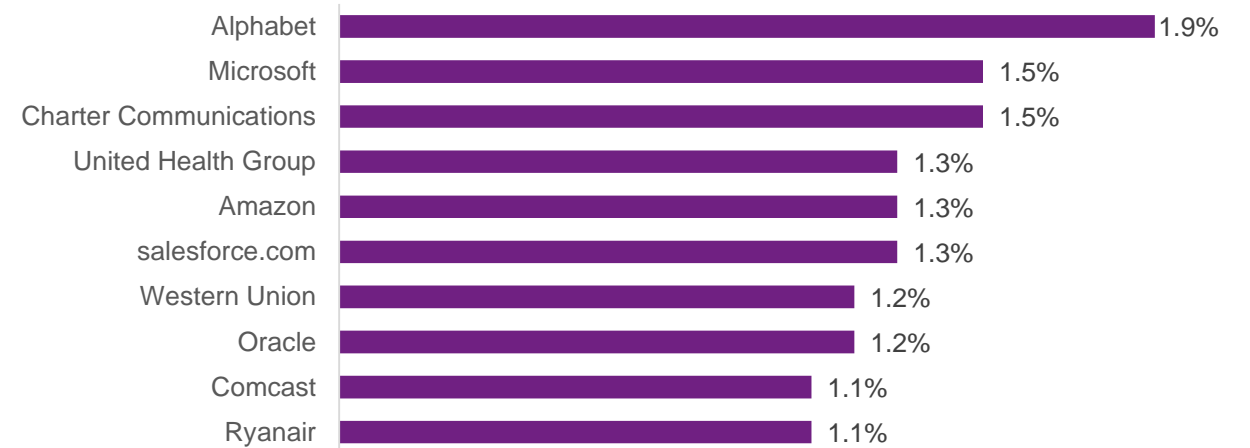
Breakdown by region (%)



Style tilt analysis (z-score)



Top 10 Holdings



Past performance is not a reliable indicator of future returns

Benefits of the new approach

Versus traditional single manager approach

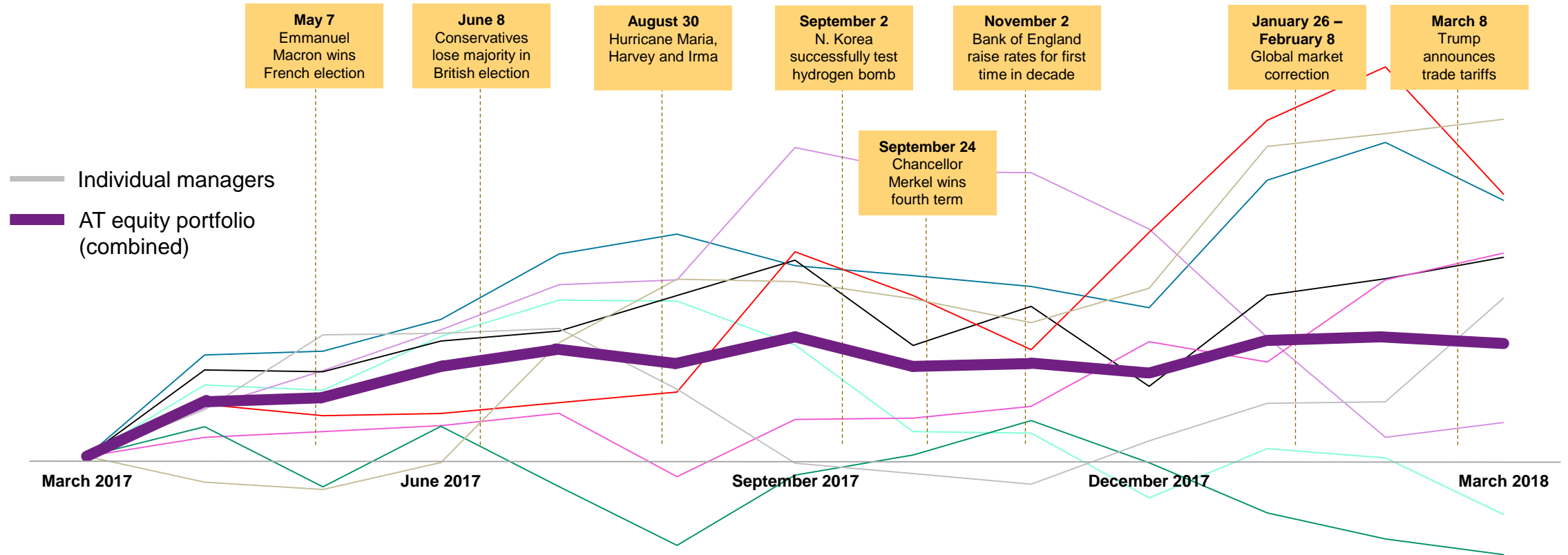
- Not reliant on the skills of any one individual or firm
- Ability to focus on stock selection as the key return driver
- Not wedded to a single style, hence less volatile relative performance

Versus traditional multi-manager approach

- Truly global
- Greater return potential through high conviction approach
- More long-term, benchmark agnostic approach from the underlying equity managers
- Much lower cost

Benefits of the new approach

Cumulative outperformance from Willis Towers Watson inception to 31st March 2018



Multi-manager approach delivers relatively smooth outperformance

Past performance is not a reliable indicator of future returns.

Source: Investment Performance data is provided by BNY Mellon Performance & Risk Analytics Europe Limited, Morningstar and MSCI Inc. All returns (including Alliance Trust) are benchmarked against MSCI All Country World Index NDR (Net Dividends Reinvested). Actual Alliance Trust benchmark: MSCI All Country World Index GDR (Gross Dividends Reinvested).

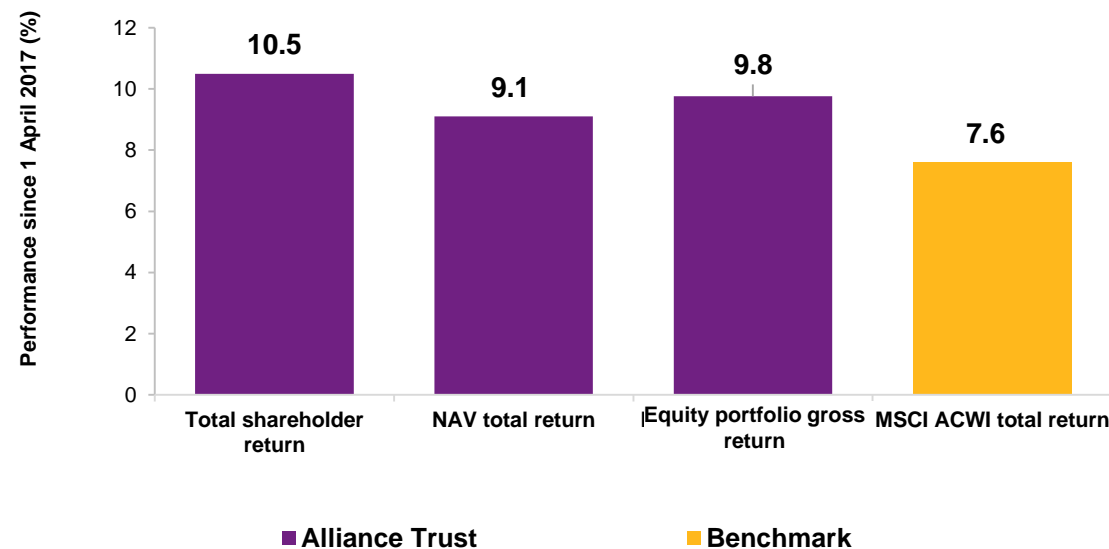
Positive shareholder returns for 2017

Performance to 31st December 2017

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 All Country World Index total return	13.8	53.0	106.1

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



Past performance is not a reliable indicator of future returns

*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.

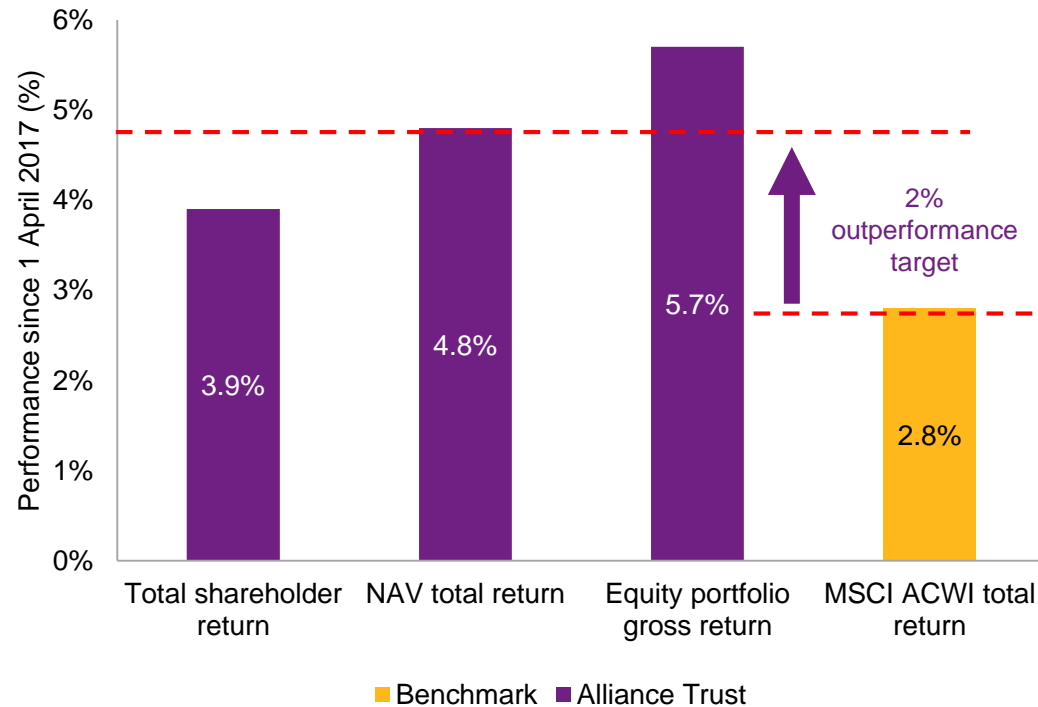
Notes: All data is provided as at 31 December 2017. All figures may be subject to rounding differences. The benchmark shown is the MSCI All Country World Index (gross of dividends).

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.

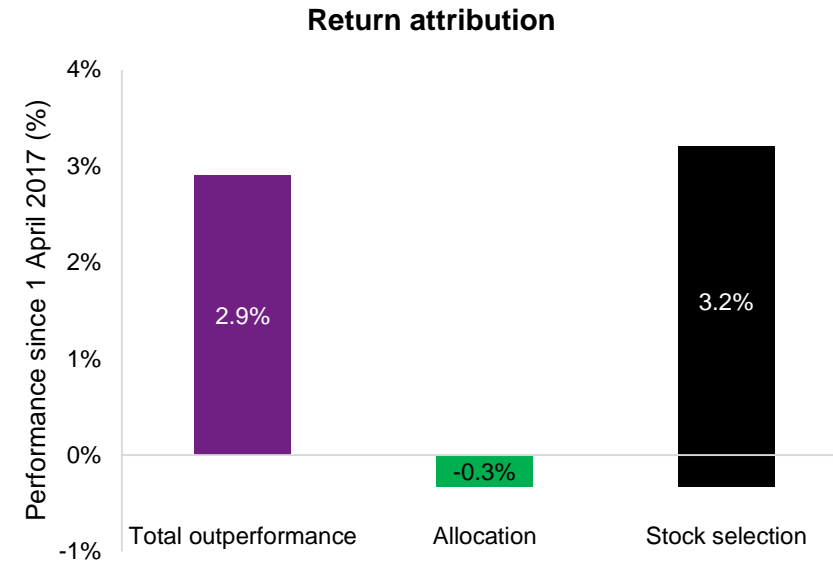
An encouraging start for our new investment strategy

Performance to 31st March 2018

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



Stock selection has been the biggest driver of returns



Past performance is not a reliable indicator of future results

Notes: All data is provided as at 31 March 2018. All figures may be subject to rounding differences. The benchmark shown is the MSCI ACWI – Gross 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. NAV Total Return figures are based on NAV including income with debt at fair value. 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. NAV (Net Asset Value). ACWI (All Country World Index). Return attribution shown is country attribution.

Willis Towers Watson - leveraging a strong track record

Example 1

**Towers Watson Global
Equity Focus Fund**

+2.7% p.a.

net of underlying manager fees and
fund costs since inception

**Performance vs MSCI World Index since
Fund's inception on 17 August 2015 to
31 March 2018**

Example 2

**Advisory charitable
foundation client**

+3.8% p.a.*

net of manager fees over
most recent 5 years available

**Performance vs MSCI All Country World
Index from 1 January 2013 to 31 December 2017**

* Performance is simulated
using the actual returns for the
relevant subset of the
Foundation's investments

Positive long-term track record with similar equity portfolio construction methodologies

Simulated performance and past performance are not reliable indicators of future returns

Notes: The Towers Watson Global Equity Focus Fund (a Sub-Fund of the Towers Watson Common Contractual Fund) was created by way of a Scheme of Amalgamation with the Towers Watson Global Equity Focus Fund (a Sub-Fund of Towers Watson Investment Management Ireland 1 plc) on 21 March 2017. Performance is shown from the inception of the Towers Watson Global Equity Focus Fund (a Sub-Fund of Towers Watson Investment Management Ireland 1 plc) on 17 August 2015 to 20 March 2017 for Z Share Series (USD), sourced from BNY Mellon Fund Services (Ireland) Limited. From 21 March 2017, performance shown is for Non-Treaty USD Z Units of the Towers Watson Global Equity Focus Fund (a Sub-Fund of the Towers Watson Common Contractual Fund), sourced from Northern Trust International Fund Administration Services (Ireland) Limited. The Z Share Series and Z Units do not bear TWIM (Towers Watson Investment Management) management fees. Fee paying "A" Units bear management fees of 25bps.

The performance shown for the Advisory charitable foundation client is the equally weighted combination of all managers that Willis Towers Watson has proposed to the client that the client has hired, at various inception dates, to manage a concentrated portfolio. The performance data is net of manager fees and expenses and supplied by the foundation's custodian, IFS State Street, and calculated by Willis Towers Watson. Data is for the 5 years to 31 December 2017, the latest date with available data. MSCI All Country World Index data is supplied by MSCI Inc.

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