AllianceBernstein®

Third Quarter 2023 Review

October 27, 2023

Seth P. Bernstein, President & Chief Executive Officer
Bill Siemers, Interim Chief Financial Officer

Cautions Regarding Forward-Looking Statements

Certain statements provided by management in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of these factors include, but are not limited to, the following: the performance of financial markets, the investment performance of sponsored investment products and separately-managed accounts, general economic conditions, industry trends, future acquisitions, integration of acquired companies, competitive conditions, and government regulations, including changes in tax regulations and rates and the manner in which the earnings of publicly-traded partnerships are taxed. We caution readers to carefully consider such factors. Further, these forward-looking statements speak only as of the date on which such statements are made; we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements. For further information regarding these forward-looking statements and the factors that could cause actual results to differ, see “Risk Factors” and “Cautions Regarding Forward-Looking Statements” in AB’s Form 10-K for the year ended December 31, 2022 and subsequent forms 10-Q. Any or all of the forward-looking statements made in this presentation, Form 10-K, Forms 10-Q, other documents we file with or furnish to the SEC, and any other public statements we issue, may turn out to be wrong. It is important to remember that other factors besides those listed in “Risk Factors” and “Cautions Regarding Forward-Looking Statements,” and those listed below, could also adversely affect our revenues, financial condition, results of operations and business prospects.

The Forward-Looking Statements Referred to in the Preceding Paragraph Include Statements Regarding:

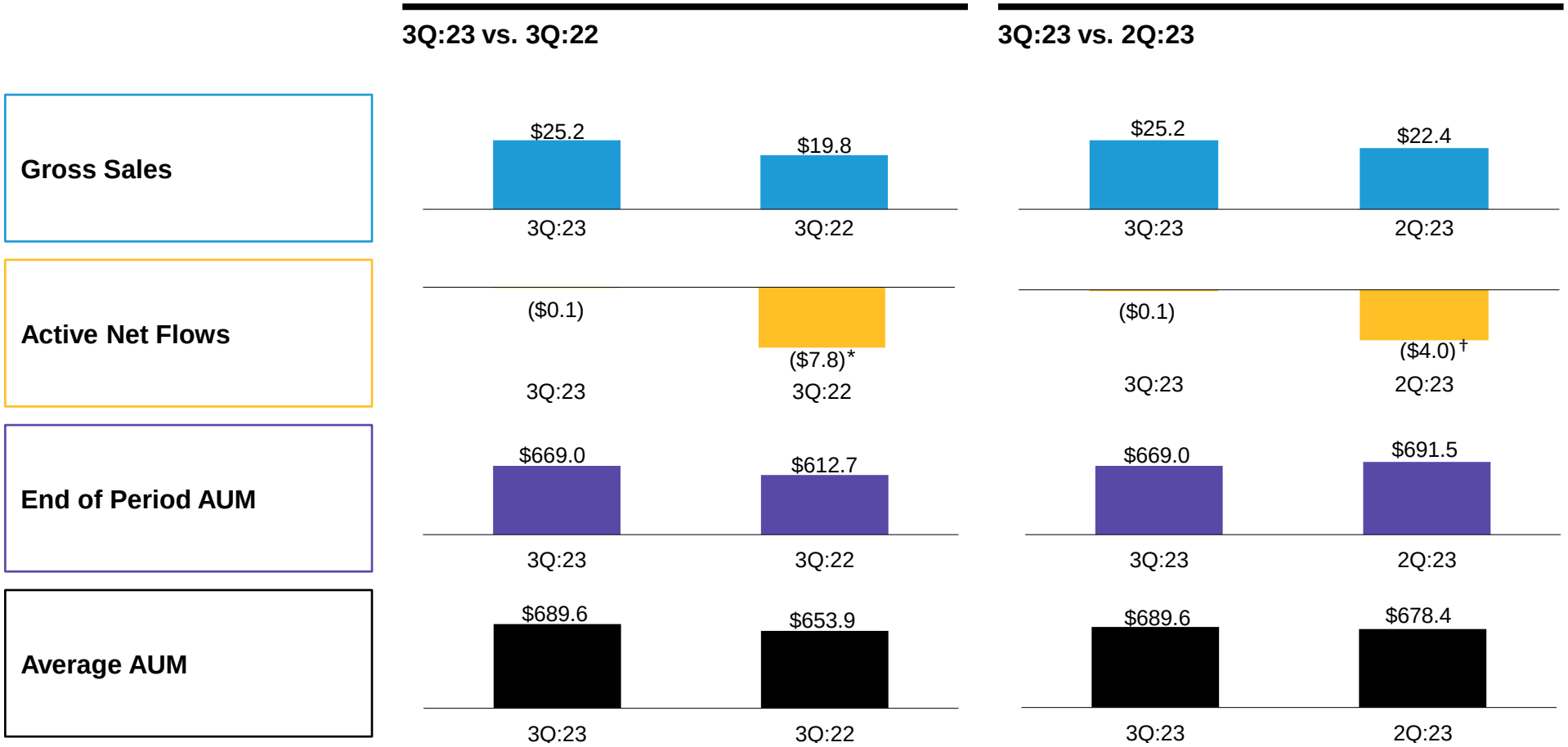
- **The pipeline of new institutional mandates not yet funded:** Before they are funded, institutional mandates do not represent legally binding commitments to fund and, accordingly, the possibility exists that not all mandates will be funded in the amounts and at the times currently anticipated, or that mandates ultimately will not be funded.

- **Our relocation strategy:** While the expenses, expense savings and EPU impact we expect will result from our Relocation Strategy are presented with numerical specificity, and we believe these figures to be reasonable as of the date of this report, the uncertainties surrounding the assumptions on which our estimates are based create a significant risk that our current estimates may not be realized. These assumptions include: the amount and timing of employee relocation costs, severance, and overlapping compensation and occupancy costs we experience; and the timing for execution of each phase of our relocation implementation plan.

Seth P. Bernstein

President & Chief Executive Officer

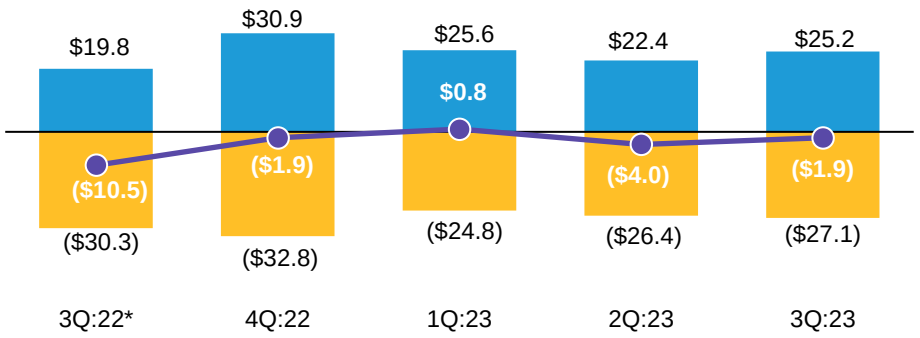
Firmwide Overview: Third Quarter 2023



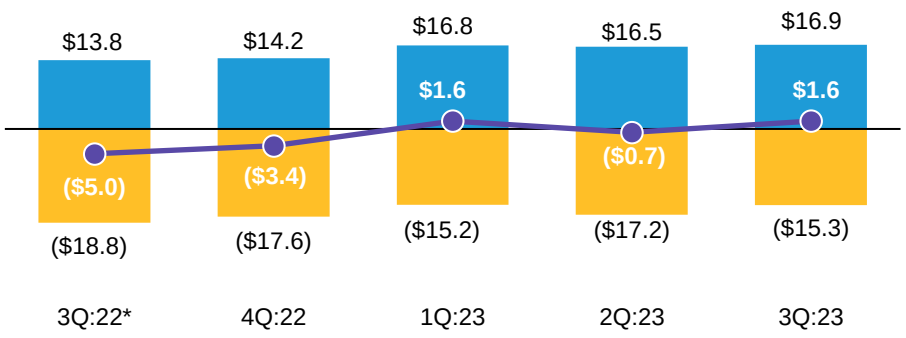
USD billions; scales differ by chart
*Includes $1.7B in pre-disclosed AXA Fixed Income terminations
†Includes $6.2B of pre-disclosed outflows related to low-fee custom target-date & Fixed Income mandates
Figures shown may vary from reported figures due to rounding

Asset Flows by Distribution Channel: Quarterly Trend

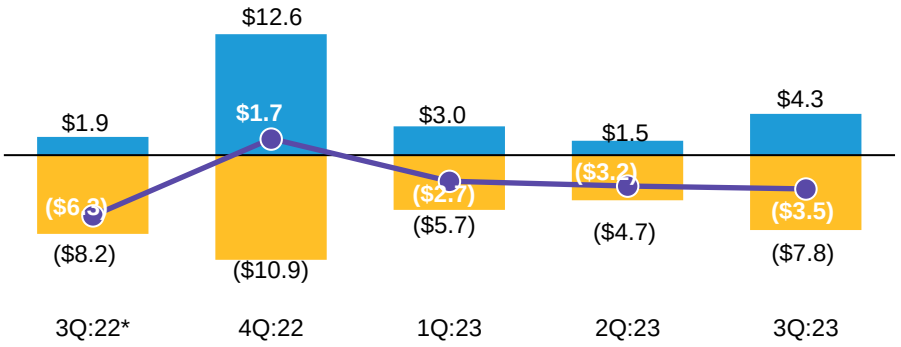
Firmwide



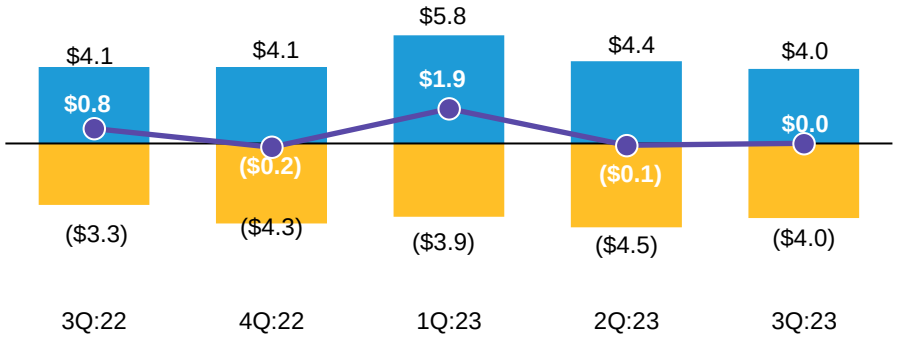
Retail



Institutional



Private Wealth



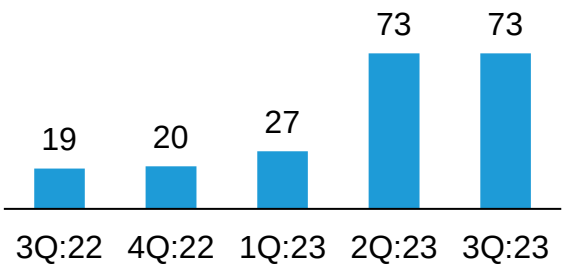
■ **Gross Sales** ■ **Gross Redemptions** ● **Net Flows**

USD billions; scales differ by chart
*Includes AXA outflows of $3.9B in 3Q:22 ($2.2B Passive Retail & $1.7B Active Institutional). Figures shown may vary from reported figures due to rounding.

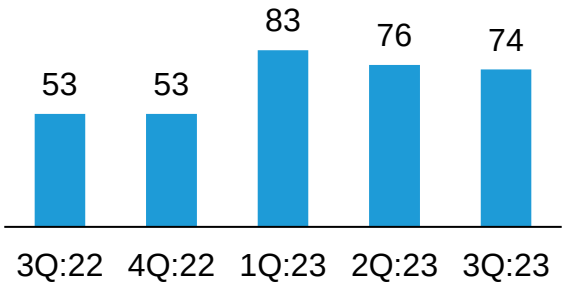
Percentage of Assets Outperforming at Quarter-End

Fixed Income

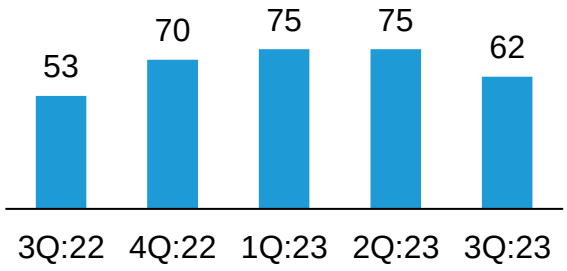
One-Year



Three-Year

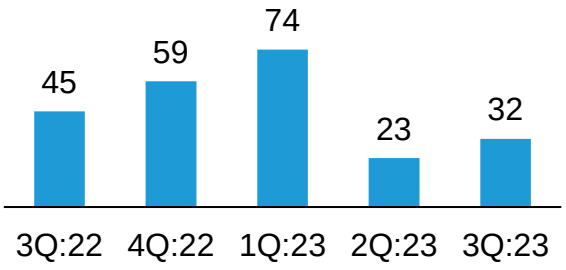


Five-Year

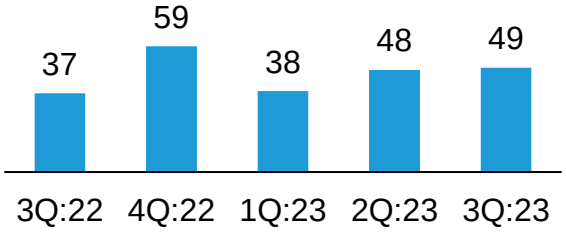


Equities

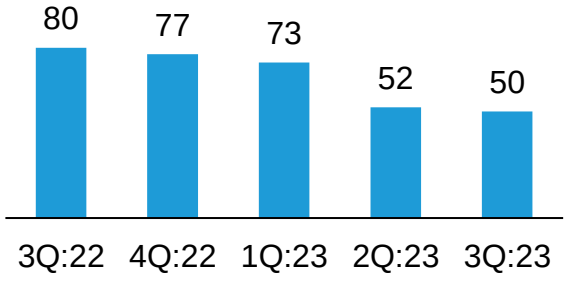
One-Year



Three-Year



Five-Year



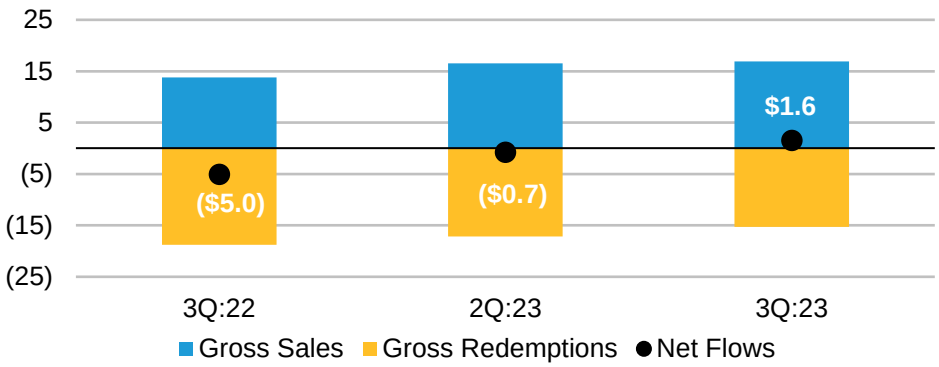
Percentage of active fixed income and equity assets in institutional services that outperformed their benchmark gross of fees and percentage of active fixed income and equity assets in retail Advisor and I share class funds ranked in the top half of their Morningstar category. Where no Advisor class exists, A share class used. Performance for private client services included as available.
As of September 30, 2023

Retail Highlights

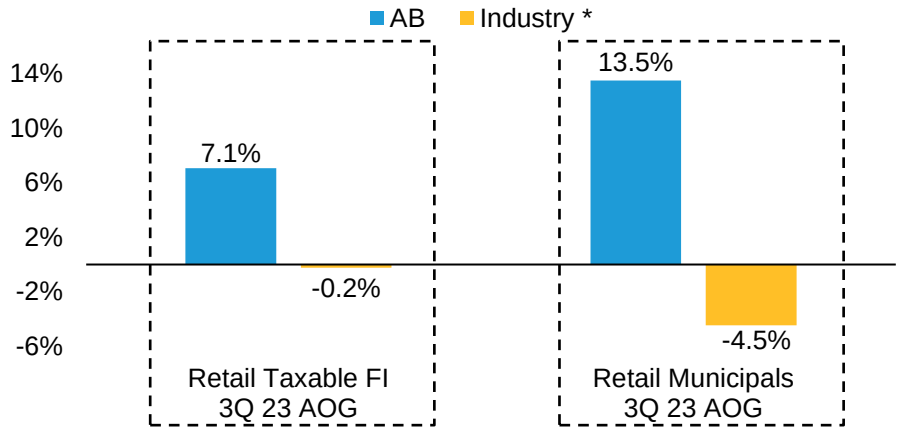
Organic Growth Supported by Fixed Income and US Retail

10% annualized Fixed Income organic growth in 3Q

(USD Billions)



AB vs. Industry 3Q Annualized Organic Growth: Retail Taxable FI & Retail Munis (Percent)



*Source: Simfund; excludes passive funds, ETFs, SMAs and 529 FoFs
†Source: Publicly available Morningstar data on retail funds

Third Quarter 2023 Highlights

Continued Broad-Based US Retail Market Share Gains

- 3Q23 gross sales of $16.9B; +$3.1B or +22% Y/Y, and +$0.4B or +3% Q/Q
- Improved redemption rate of 23% vs. 27% in 2Q and 30% in 3Q 22
- Net channel inflows +$1.6B, +2.4% AOG; positive YTD ’23 flows +$2.5B
  - US Retail market share expansion 12 of last 14 quarters, +12% AOG YTD

Capitalizing on FI Demand; Active Equity Flows Improvement

- Taxable FI sales of $5.8B, +37% Y/Y and flat Q/Q; YTD sales ~2x Y/Y
  - Taxable FI net flows of +$1.0B (+7% AOG), driven by liquidity and American Income
- Muni net inflows +$1.0B, +14% AOG; positive 12 of last 13 quarters
  - SMA assets reach $20B, more than doubling over last 5 years
- Notable improvement in Active Equity, driven by lower redemptions and higher cross-border USLCG sales

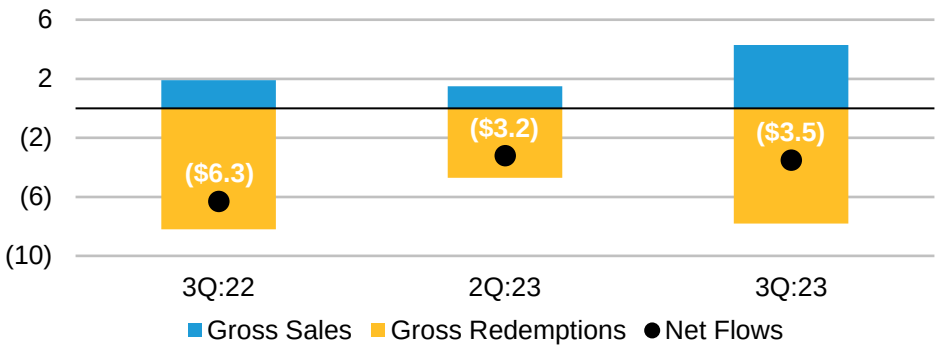
Milestones

- Ranked top 5% of US Retail flows in Equities & Munis; top 3% of Cross-Border Fixed Income flows
- Notable Net Inflow Peer Rankings†: US Funds: Large Cap Growth 4/339, Muni Income National 6/108, Disruptors ETF 10/94, Short Duration High Yield 20/122; Offshore Funds: American Income 1/46, American Growth 20/104

Institutional Highlights

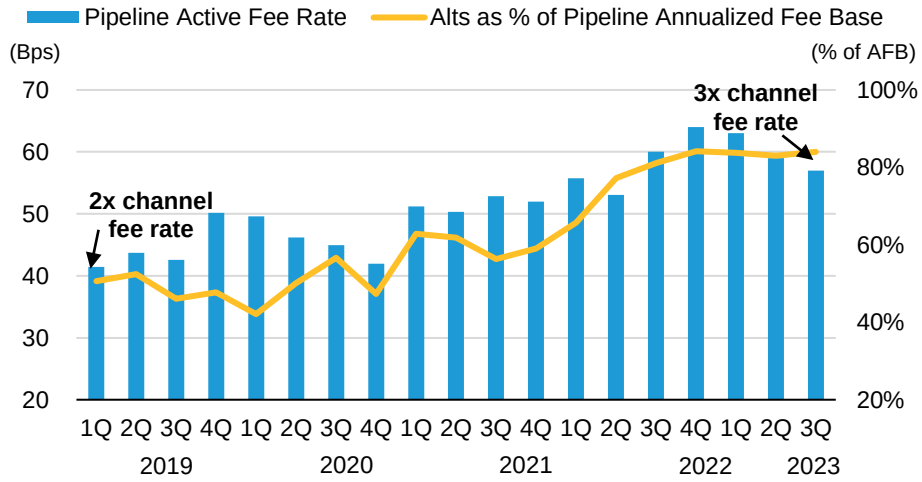
3Q: FI, Passive Outflows offset Active Equity AOG of +7%

(USD Billions)



Pipeline Active Fee Rate ~3x Channel Average

Driven by Mix Shift to Private Alts



*Total assets awarded and pending funding as of quarter-end

Third Quarter 2023 Highlights

Sales and Flows

- 3Q23 gross sales of $4.3B, 50% from active equities
- Net outflows -$3.5B, driven by active FI and passive equity
- Positive net flows in active equity, +$1B or +7% annualized organic

Pipeline Maintains Accretive Annualized Fee Base (AFB)

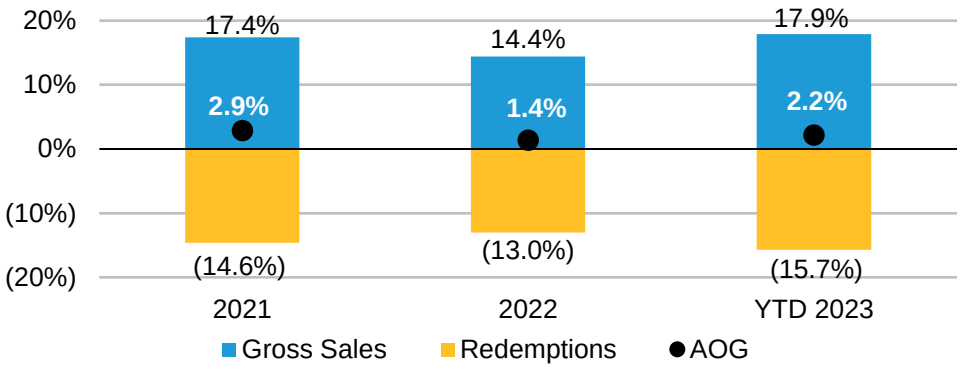
- $12.5B qtr-end pipeline*, down $1.9B Q/Q
  - $2.5B funded in 3Q, led by US LC Growth, CarVal Clean Energy
- Pipeline active fee rate 3x institutional channel fee rate
  - Private Alts >80% of pipeline's Annualized Fee Base
- Notable 3Q pipeline additions:
  - Tax-Aware Fixed Income $300M
  - Low-Volatility High Yield $300M
  - Active Equity (Sust. Global, China A Sh, Value) $170M
  - Global Factor Portfolio (MAS) $150M

Private Wealth Highlights

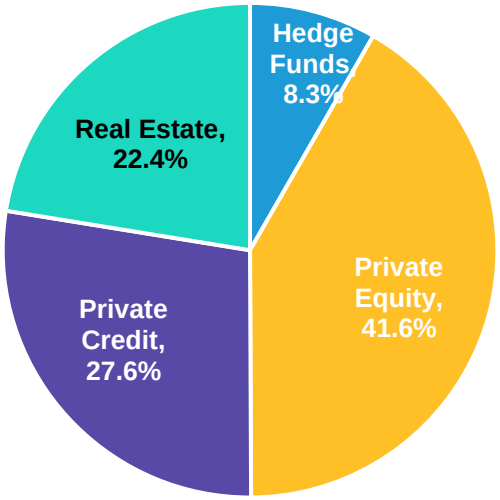
Tracking to Third Straight Year of Organic Growth

YTD net inflows of $1.7 billion

(% of AUM)



YTD Alternative Raises of $1.6B, Diversified By Strategy



Third Quarter 2023 Highlights

Sales Continue to be Driven by Cash Products

- 3Q23 gross sales of $4.0B, -2% Y/Y, -9% Q/Q
- Continued strong sales in money markets +$1.2B
- 3Q net flows flat
- YTD net inflows of $1.7B or +2.2% AOG, up from 2022 levels

Continued Strong Client Engagement, FA Hiring

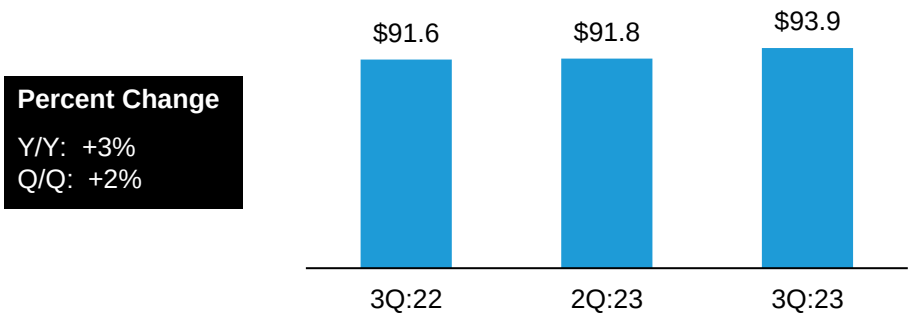
- Advisor headcount on target for 5% growth by YE
- Pre-transaction planning pipeline remains solid; TTM growth in AUM from business sales outpacing decline in US M&A deal volumes

Innovation Supports Differentiated Client Needs

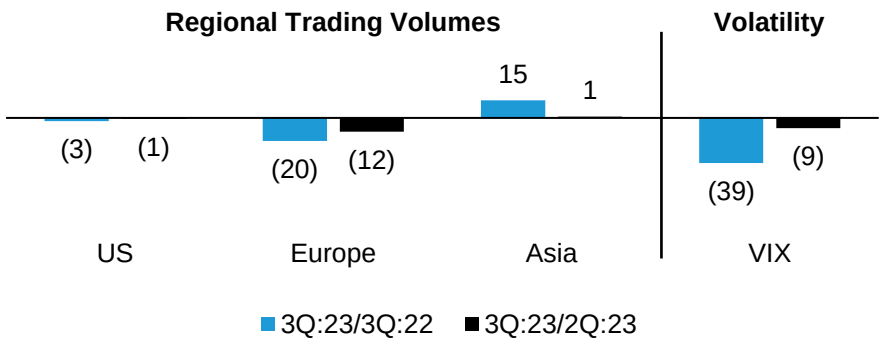
- YTD Alternative Commitments: +$1.6B
- Proprietary Direct Indexing Strategy $3.1B in AUM, +31% annualized organically, +48% TTM organic

Bernstein Research Highlights

Bernstein Research Quarterly Revenues
(USD millions)



Regional Volumes and Volatility*
(% change)



Third Quarter 2023 Highlights

Institutional Trading Volumes Remain Constrained Amidst Investor Caution

- 3Q revenues of $94M, +3% Y/Y, +2% Q/Q
  - Growth in research payments versus both prior periods
  - Global institutional equities trading volumes remain soft
  - Growth in Asia trading volumes fueled largely by Japan

Differentiated Research Brand Continues to Drive Client Engagement

- 3Q initiations: US Life Sciences & Diagnostics, India Payments
- Hosted >400 clients at 20th Annual Pan-European SDC Conference
- 70 US Investor Access & Analyst marketing events in August

Joint Venture with SocGen

- Expected closing remains on track 1H 2024

*VIX Source: Bloomberg; US Market Volumes Tape A and C – Bats; Europe: FESE – Federation of European Stock Exchanges member aggregated volumes including regulated markets and multilateral trading facilities. Value traded and in USD. Represents consideration in local currency at the time translated at that month's FX rates; Asia: Combined value traded for Hong Kong and Japan exchanges.
Source: Bloomberg

Progress on Our Initiatives in 3Q23

Firmwide Initiative	Progress
Deliver differentiated investment solutions to clients	• Fixed Income: 74% of assets in outperforming services for 3-yr period; 73% for 1-yr and 62% for 5-yr • Active Equity: 49% of assets in outperforming services for 3-yr period; 32% for 1-yr and 50% for 5-yr • 56% of US and 37% of Lux assets rated 4/5-stars by Morningstar at quarter-end

Develop, commercialize and scale our suite of services	• 3Q active net flows nearly flat (-$0.1B), supported by underlying growth drivers
	  • Retail: 10% AOG in Fixed Income results in 2% Retail channel growth
	  • Institutional: 7% AOG in Active Equity more than offset by FI redemptions
	  • Private Wealth: YTD AOG of +2.2%, on track for third straight year of organic growth
	• 2 of 3 channels (Retail, PW) growing organically YTD
	• Private Markets platform $61B in AUM, +11% Y/Y
	• Muni SMA platform reaches $20B in AUM; 20% CAGR last 5 years
	  • 3Q 9% AOG, outpacing industry; 82% of Municipal AUM in 4/5-star rated funds
	• Active ETF platform ~$1B AUM

Maintain strong incremental margins	• Rolling 3-Year incremental margin of 16% • Adjusted 3Q operating income of $237 million, +13% Y/Y, +7% Q/Q • Adjusted 3Q operating margin of 28.0%, +220 bps Y/Y, +100 bps Q/Q • Adjusted EPU of $0.65, +2% Y/Y, +7% Q/Q

* Private Markets AUM includes fee earning and fee eligible AUM in the following strategies: Direct Lending, RE Debt, RE Equity, Private Placements, PE, CLOs, Opportunistic Credit, Renewable Infrastructure, Specialty Finance, Secondaries, Transportation. Inclusive of CarVal AUM in prior comparison periods.

Bill Siemers

Interim Chief Financial Officer

Third Quarter 2023 GAAP Income Statement

Income Statement (in US $ Millions)	3Q23	3Q22	% Δ	2Q23	% Δ
Base Fees	$721	$701	3 %	$703	3 %
Performance Fees	28	14	103 %	18	53 %
Bernstein Research Services	94	92	3 %	92	2 %
Distribution Revenues	149	148	1 %	145	3 %
Dividends & Interest	50	30	64 %	50	(1)%
Investment (Losses) Gains	(7)	(4)	73 %	1	n/m
Other Revenues	24	27	(10)%	25	(1)%
Total Revenues	**1,059**	**1,008**	**5 %**	**1,034**	**3 %**
Less: Broker-Dealer Related Interest Expense	27	21	32 %	26	8 %
Net Revenues	**$1,032**	**$987**	**5 %**	**$1,008**	**2 %**
Compensation & Benefits					
Compensation & Fringes	$445	$419	6 %	$420	6 %
Other Employment Costs	9	11	(18)%	8	13 %
Total Compensation & Benefits	**454**	**430**	**6 %**	**428**	**6 %**
Promotion & Servicing	217	212	3 %	213	2 %
General & Administrative	145	155	(6)%	150	(3)%
Other	41	20	n/m	28	40 %
Total Operating Expenses	**$857**	**$817**	**5 %**	**$819**	**5 %**
Operating Income	**$175**	**$170**	**3 %**	**$189**	**(7)%**
Operating Margin	**17.2%**	**18.3%**	**(110 bps)**	**18.4%**	**(120 bps)**
AB Holding GAAP Diluted Net Income Per Unit	**$0.50**	**$0.56**	**(11)%**	**$0.53**	**(6)%**

Dollars rounded in millions, however percentages calculated using amounts rounded in thousands. As such, amounts may not foot.

Adjusted Financial Highlights: Third Quarter 2023

	3Q:23 vs. 3Q:22		3Q:23 vs. 2Q:23	
Adjusted Revenues	$846	$814	$846	$823
	3Q:23	3Q:22	3Q:23	2Q:23
Adjusted Operating Income	$237	$210	$237	$222
	3Q:23	3Q:22	3Q:23	2Q:23
Adjusted Operating Margin	28.0%	25.8%	28.0%	27.0%
	3Q:23	3Q:22	3Q:23	2Q:23
Adjusted EPU	$0.65	$0.64	$0.65	$0.61
	3Q:23	3Q:22	3Q:23	2Q:23

USD millions, except EPU; scales may differ by chart
Please refer to pages 31-34 for additional information on the reconciliation of GAAP financial results to adjusted financial results.

Third Quarter 2023 Adjusted Income Statement

Adjusted Income Statement (in US $ Millions)	3Q23	3Q22	% Δ	2Q23	% Δ
Base Fees[1]	$690	$680	1 %	$678	2 %
Performance Fees	28	10	174 %	15	86 %
Bernstein Research Services	94	92	3 %	92	2 %
Investment Gains (Losses)	—	10	n/m	1	n/m
Dividend & Interest Revenue	46	27	71 %	46	2 %
Other Revenues	16	16	(4)%	17	(5)%
Total Revenues	**874**	**835**	**5 %**	**849**	**3 %**
Less: Broker-Dealer Related Interest Expense	28	21	32 %	26	8 %
Adjusted Net Revenues	**$846**	**$814**	**4 %**	**$823**	**3 %**
Compensation & Benefits					
Compensation & Fringes	$419	$415	1 %	$408	3 %
Other Employment Costs	8	11	(18)%	8	2 %
Total Compensation & Benefits	**427**	**426**	**—%**	**416**	**3 %**
Promotion & Servicing	44	41	6 %	46	(5)%
General & Administrative	138	137	—%	139	(1)%
Total Adjusted Operating Expenses	**$609**	**$604**	**1 %**	**$601**	**1 %**
Adjusted Operating Income [2]	**$237**	**$210**	**13 %**	**$222**	**7 %**
Adjusted Operating Margin	**28.0%**	**25.8%**	**220 bps**	**27.0%**	**100 bps**
AB Holding Adjusted Diluted Net Income Per Unit	**$0.65**	**$0.64**	**2 %**	**$0.61**	**7 %**
Compensation Ratio	**49.5%**	**51.0%**		**49.5%**	

(1) Net of both sub-advisory and fees paid to distributors from investment management fees.
(2) During 2Q 2023, we adjusted operating income to exclude the impact of interest on borrowings in order to align with industry peers. We have recast prior periods presentation to align with the current period presentation. Interest expense on borrowings was $13.2 million, $5.3 million and $14.7 million as of Q3 2023, Q3 2022 and Q2 2023, respectively.
Dollars rounded in millions, however percentages calculated using amounts rounded in thousands. As such, amounts may not foot.

Third Quarter 2023 Adjusted Income Statement Highlights

Revenues

- Base Fees increased 1% versus 3Q22 driven by a 5% increase in average AUM, higher across all channels, partially offset by a 4% decrease in the fee rate, lower across all channels. Base Fees increased 2% versus 2Q23 driven by a 2% increase in average AUM, higher across all three channels.
- Performance Fees increased 174% versus 3Q22 and 86% versus 2Q23 mainly due to higher fees on Private Credit Services.
- Bernstein Research revenues increased by 3% versus 3Q22 and 2% versus 2Q23 driven by a modest increase in research check payments.

Expenses

- The Adjusted Compensation Ratio was 49.5% in 3Q23 versus 51.0% in 3Q22 and 49.5% in 2Q23.
- Total Compensation & Benefits was flat versus 3Q22. Total Compensation & Benefits increased 3% versus 2Q23 primarily due to higher incentive compensation.
- Promotion & Servicing increased 6% versus 3Q22 driven by higher T&E. Promotion & Servicing decreased 5% versus 2Q23 due to lower firm meetings and T&E.
- G&A expenses were flat versus 3Q22. G&A expenses decreased 1% versus 2Q23 due to lower portfolio servicing expenses.

Operating Results

- Adjusted Operating Income increased 13% versus 3Q22 due primarily to higher base and performance fees and a lower Adjusted Compensation Ratio. Adjusted Operating Income increased 7% versus 2Q23 due primarily to higher base and performance fees.
- Adjusted Margin was 28.0% in 3Q23, versus 25.8% in 3Q22 and 27.0% in 2Q23.

Dollars rounded in millions, as such, amounts may not foot; percentages calculated in thousands.

Appendix

Retail Mutual Funds Relative Performance vs. Morningstar Averages

Retail Service	1 Year Relative (%)	1 Year Percentile	3 Year Relative (%)	3 Year Percentile	5 Year Relative (%)	5 Year Percentile	10 Year Relative (%)	10 Year Percentile
Equity								
Large Cap Growth	0.9	52	2.2	38	2.5	17	2.7	8
Concentrated Growth	(7.4)	88	1.5	45	0.3	50	(0.0)	56
Concentrated International Growth	(9.7)	98	(7.0)	95	(3.8)	98	N/A	--
Sustainable US Thematic	(3.8)	77	2.5	34	1.8	26	N/A	--
Select US Equity	(2.5)	75	1.1	27	0.7	40	0.8	34
International Tech	4.4	41	0.1	53	2.4	31	2.7	22
Low Vol	0.1	54	2.7	24	1.7	29	2.9	6
Eurozone Equity	3.2	33	1.1	41	(1.3)	76	1.6	12
Relative Value	2.1	32	2.4	20	0.7	36	1.0	21
Multi-Asset/Alternative								
Emerging Markets Multi-Asset	2.8	31	(1.8)	60	(1.1)	68	(0.1)	48
All Market Real Return	(11.7)	95	4.3	4	(1.7)	83	(5.7)	100
Select US Long/Short	(3.1)	62	0.1	42	1.8	25	2.3	13

■ Top Quartile ■ 2nd Quartile

Past performance does not guarantee future results.

Relative Performance is calculated against the Fund's Morningstar Category and Percentile Ranking is determined by Morningstar Ranking Methodology. Advisor and I share class; A share class used when Advisor and I class not available. Morningstar Categories: Large Cap Growth - Large Growth; Concentrated Growth (US) - Large Growth; Concentrated International Growth - Foreign Large Growth; Sustainable US Thematic - US Large-Cap Growth; Sustainable Global Thematic - Global Large-Cap Growth; Select US - Large-Cap Blend; International Tech - Sector Equity Technology; Low Vol - Global Large-Cap Blend; Eurozone Equity - Eurozone Large-Cap Equity; Relative Value - Large Value; Emerging Markets Multi-Asset - Global Emerging Markets; All Market Real Return - Global Large-Stock Blend; Select US Long/Short - Long-Short Equity.

As of September 30, 2023

Source: AB and Morningstar

Retail Mutual Funds Relative Performance vs. Morningstar Averages

Service	1 Year		3 Year		5 Year		10 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
Fixed Income								
American Income	1.2	27	(0.9)	68	(0.0)	51	0.7	27
European Income	2.9	22	(1.1)	68	0.3	39	1.1	17
Asia Income	0.3	45	(0.7)	60	(0.2)	55	N/A	--
Global High Yield	0.9	32	0.6	38	(0.2)	64	0.1	52
Short Duration High Yield	(0.9)	64	1.3	23	1.5	16	0.5	35
Emerging Markets Debt	1.2	34	(0.3)	57	0.3	47	0.9	31
High Income Advisor	2.3	8	0.6	32	(0.4)	71	0.1	45
Global Bond Advisor	(1.2)	75	0.1	48	(0.2)	61	0.3	43
Income Advisor	1.2	15	(0.2)	48	(0.3)	68	0.7	13
Intermediate Diversified Muni	0.5	25	(0.5)	64	0.5	7	N/A	--
High Income Muni	(1.4)	84	(0.7)	74	(0.0)	50	0.9	24

■ Top Quartile ■ 2nd Quartile

Past performance does not guarantee future results.

Relative Performance is calculated against the Fund's Morningstar Category and Percentile Ranking is determined by Morningstar Ranking Methodology. Advisor and I share class; A share class used when Advisor and I class not available. Morningstar Categories: American Income – USD Flexible Bond; European Income - EUR Flexible Bond; Asia Income - Asia Bond; Global High Yield - Global High Yield Bond; Short Duration High Yield - Global High Yield Bond; Emerging Markets Debt - Global Emerging Markets Bond; High Income - High Yield Bond; Global Bond - World Bond; Income Advisor - Intermediate Core-Plus Bond; Intermediate Diversified Muni - Muni National Short; High Income Municipal - High Yield Muni. As of June 30, 2023

Source: AB and Morningstar

Institutional Composite Relative Performance vs. Benchmarks

Service	1 Year	3 Year	5 Year	10 Year
Equity				
US Small Cap Growth	1.6	(3.5)	2.5	2.8
Concentrated Global Growth	(8.9)	(7.0)	(1.2)	1.1
Global Core	1.9	(0.7)	(0.2)	0.4
International Strategic Core	(7.1)	(2.6)	(0.9)	1.7
Sustainable Global Thematic	(4.7)	(4.0)	2.7	2.6
US Small Cap Value	(1.7)	1.2	0.2	1.5
Global Strategic Value	4.1	2.6	(3.7)	(2.0)
International Strategic Value	6.8	3.4	(1.5)	(0.3)
Fixed Income				
Global Income	2.5	1.1	0.5	1.5
Global Plus	0.3	0.5	0.2	0.4
Emerging Market Debt	1.7	(0.2)	0.0	0.0
US High Yield	1.0	0.8	0.9	0.5
US Strategic Core Plus	0.5	0.5	0.3	0.7
US Investment Grade Corporate	0.7	0.4	0.7	0.7
Intermediate Muni	0.8	0.7	0.8	0.7

Past performance does not guarantee future results.

Investment Performance of composites is presented before investment management fees. Periods of more than one year are annualized. US Small Cap Growth - Russell 2000 Growth Index GDR; Concentrated Global Growth - MSCI World Index NDR; Global Core - MSCI ACWI NDR; International Strategic Core - MSCI EAFE Index NDR; Sustainable Global Thematic - MSCI ACWI NDR; US Small Cap Value - Russell 2000 Value Index GDR; Global Strategic Value - MSCI ACWI NDR; International Strategic Value - MSCI EAFE Index NDR; Global Income - Bloomberg Barclays US Aggregate Index; Global Plus - Bloomberg Barclay Global Aggregate Index Hedged; EM Debt - JPM EMBI Global; Global High Income - Bloomberg Barclays Global HY Index Hedged; US HY - Bloomberg Barclays US Corporate HY Index; US Strategic Core Plus - Bloomberg Barclays US Aggregate Index; US Investment Grade Corporate - Bloomberg Barclays US Credit Index; Intermediate Muni - Lipper Short/Int Blended Muni Fund Avg. Global Plus are hedged to USD. Performance is preliminary and as of September 30, 2023.

Assets Under Management: 3Q23

(US $ Billions)	September 30, 2023				June 30, 2023
	Institutions	Private Wealth	Retail	Total	Total
Equity					
Actively Managed	$56	$47	$124	$227	$236
Passive [1]	21	3	32	56	60
Total Equity	77	50	156	283	296
Fixed Income					
Taxable	119	17	59	195	202
Tax-Exempt	1	26	29	56	56
Passive [1]	—	—	9	9	10
Total Fixed Income	120	43	97	260	268
Alternatives/MAS [2]	100	20	6	126	128
Total	$297	$113	$259	$669	$ 692

	June 30, 2023			
Total	$309	$116	$267	$692

(1) Includes index and enhanced index services.
(2) Includes certain multi-asset solutions and services not included in equity or fixed income services.

Three Months Ended 9/30/23: AUM Roll-Forward by Distribution Channel

In US $ Billions **Investment Service:**	**Beginning of Period**	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Investment Performance	Net Change	**End of Period**
Institutions								
US	**$147.4**	$2.4	$(0.2)	$(3.8)	$(1.6)	$(4.3)	$(5.9)	**$141.5**
Global and Non-US	**161.8**	1.9	(2.5)	(1.3)	(1.9)	(4.5)	(6.4)	**155.4**
Total Institutions	**309.2**	4.3	(2.7)	(5.1)	(3.5)	(8.8)	(12.3)	**296.9**
Retail								
US	**180.7**	11.4	(8.2)	(0.7)	2.5	(6.7)	(4.2)	**176.5**
Global and Non-US	**85.9**	5.5	(5.4)	(1.0)	(0.9)	(2.3)	(3.2)	**82.7**
Total Retail	**266.6**	16.9	(13.6)	(1.7)	1.6	(9.0)	(7.4)	**259.2**
Private Wealth								
US	**76.5**	2.8	(3.0)	0.3	0.1	(1.5)	(1.4)	**75.1**
Global and Non-US	**39.2**	1.2	(1.0)	(0.3)	(0.1)	(1.3)	(1.4)	**37.8**
Total Private Wealth	**115.7**	4.0	(4.0)	—	—	(2.8)	(2.8)	**112.9**
Firmwide								
US	**404.6**	16.6	(11.4)	(4.2)	1.0	(12.5)	(11.5)	**393.1**
Global and Non-US	**286.9**	8.6	(8.9)	(2.6)	(2.9)	(8.1)	(11.0)	**275.9**
Total Firmwide	**$691.5**	$25.2	$(20.3)	$(6.8)	$(1.9)	$(20.6)	$(22.5)	**$669.0**

Three Months Ended 9/30/23: AUM Roll-Forward by Investment Service

In US $ Billions **Investment Service:**	**Beginning of Period**	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Investment Performance	Net Change	**End of Period**
Equity Active								
US	**$150.5**	$7.8	$(6.1)	$(0.3)	$1.4	$(5.6)	$(4.2)	**$146.3**
Global and Non-US	**85.4**	2.5	(3.2)	(0.9)	(1.6)	(3.3)	(4.9)	**80.5**
Total Equity Active	**235.9**	10.3	(9.3)	(1.2)	(0.2)	(8.9)	(9.1)	**226.8**
Equity Passive(1)								
US	**53.8**	0.2	—	(2.8)	(2.6)	(1.7)	(4.3)	**49.5**
Global and Non-US	**6.7**	0.2	—	—	0.2	(0.4)	(0.2)	**6.5**
Total Equity Passive(1)	**60.5**	0.4	—	(2.8)	(2.4)	(2.1)	(4.5)	**56.0**
Total Equity	**296.4**	**10.7**	**(9.3)**	**(4.0)**	**(2.6)**	**(11.0)**	**(13.6)**	**282.8**
Fixed Income – Taxable								
US	**114.5**	3.8	(2.4)	(1.2)	0.2	(3.0)	(2.8)	**111.7**
Global and Non-US	**87.8**	3.8	(5.0)	(1.4)	(2.6)	(1.9)	(4.5)	**83.3**
Total Fixed Income – Taxable	**202.3**	7.6	(7.4)	(2.6)	(2.4)	(4.9)	(7.3)	**195.0**
Fixed Income - Tax-Exempt								
US	**56.1**	3.8	(2.6)	0.1	1.3	(1.8)	(0.5)	**55.6**
Global and Non-US	**—**	—	—	—	—	—	—	**—**
Total Fixed Income - Tax-Exempt	**56.1**	3.8	(2.6)	0.1	1.3	(1.8)	(0.5)	**55.6**
Fixed Income Passive(1)								
US	**7.0**	0.4	—	0.1	0.5	(0.4)	0.1	**7.1**
Global and Non-US	**2.4**	—	(0.1)	—	(0.1)	—	(0.1)	**2.3**
Total Fixed Income Passive(1)	**9.4**	0.4	(0.1)	0.1	0.4	(0.4)	—	**9.4**
Total Fixed Income	**267.8**	**11.8**	**(10.1)**	**(2.4)**	**(0.7)**	**(7.1)**	**(7.8)**	**260.0**
Alternatives/MAS(2)								
US	**22.7**	0.6	(0.3)	(0.1)	0.2	—	0.2	**22.9**
Global and Non-US	**104.6**	2.1	(0.6)	(0.3)	1.2	(2.5)	(1.3)	**103.3**
Total Alternatives/MAS(2)	**127.3**	2.7	(0.9)	(0.4)	1.4	(2.5)	(1.1)	**126.2**
Firmwide								
US	**404.6**	16.6	(11.4)	(4.2)	1.0	(12.5)	(11.5)	**393.1**
Global and Non-US	**286.9**	8.6	(8.9)	(2.6)	(2.9)	(8.1)	(11.0)	**275.9**
Total Firmwide	**$691.5**	$25.2	$(20.3)	$(6.8)	$(1.9)	$(20.6)	$(22.5)	**$669.0**

(1) Includes index and enhanced index services.
(2) Includes certain multi-asset solutions and services not included in equity or fixed income services.

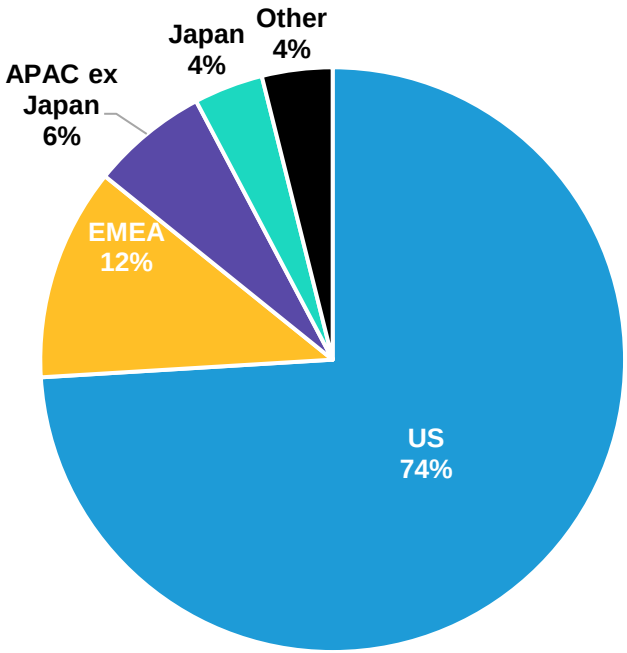
Three Months Ended 9/30/23: Active vs. Passive Net Flows

	Actively Managed	Passively Managed [1]	Total
Equity	$(0.2)	$(2.4)	$(2.6)
Fixed Income	(1.1)	0.4	(0.7)
Alternatives/MAS [2]	1.2	0.2	1.4
Total	**$(0.1)**	**$(1.8)**	**$(1.9)**

(1) Includes index and enhanced index services.
(2) Includes certain multi-asset solutions and services not included in equity or fixed income services.

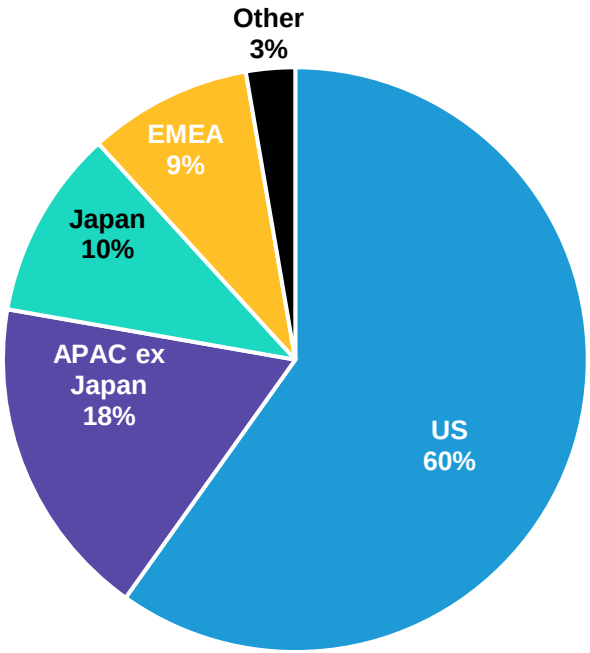
Assets Under Management By Region

Institutional Geographic Breakdown



$296.9B

Retail Geographic Breakdown



$259.2B

As of September 30, 2023
By Client Domicile
Percentages may not add up to 100% due to rounding

Third Quarter 2023 Adjusted Advisory Fees

	3Q23	3Q22	% Δ	2Q23	% Δ
Ending AUM ($ Billions)	**$669**	**$613**	**9 %**	**$692**	**(3)%**
Average AUM ($ Billions)	**$690**	**$654**	**6 %**	**$678**	**2 %**
By Fee Type ($ Millions):					
Adjusted Base Fees[1]	$690	$680	1 %	$678	2 %
Adjusted Performance Fees	28	10	174 %	15	86 %
Total	**$718**	**$690**	**4 %**	**$693**	**4 %**
Adjusted Base Fees By Channel ($ Millions):					
Institutions	$147	$148	(1)%	$145	1 %
Retail	307	304	1 %	301	2 %
Private Wealth	236	228	4 %	232	2 %
Total	**$690**	**$680**	**1 %**	**$678**	**2 %**

(1) Net of both sub-advisory and fees paid to distributors from investment management fees.

Third Quarter 2023 GAAP Income Statement

In US $ Millions (except EPU)	3Q23	3Q22	% Δ	2Q23	% Δ
Net Revenues	$1,032	$987	5 %	$1,008	2 %
Operating Expenses	857	817	5 %	819	5 %
Operating Income	175	170	3 %	189	(7)%
Net Income Attributable to AB Unitholders	167	175	(5)%	176	(5)%
AB Holding GAAP Diluted Net Income per Unit	**$0.50**	**$0.56**	**(11)%**	**$0.53**	**(6)%**
AB Holding Distribution Per Unit	**$0.65**	**$0.64**	**2 %**	**$0.61**	**7 %**

Dollars rounded in millions, however percentages calculated using amounts rounded in thousands. As such, amounts may not foot.

Consolidated Balance Sheet

In US $ Millions **Assets**	**9/30/2023**	**12/31/2022**
Cash and cash equivalents	$923	$1,130
Cash and securities, segregated	928	1,522
Receivables, net	2,017	2,435
Investments:		
Long-term incentive compensation-related	37	48
Other	201	170
Assets of consolidated variable interest entities	347	581
Goodwill	3,599	3,599
Intangible assets, net	276	310
Deferred sales commissions, net	73	52
Right-of-use Assets	343	372
Other (incl. furniture & equipment, net)	359	369
Assets held for sale	681	551
Total Assets	**$9,784**	**$11,139**
Liabilities, Redeemable Non-Controlling Interest and Capital		
Liabilities:		
Payables	$2,586	$3,875
Contingent consideration liability	252	247
Accounts payable and accrued expenses	164	173
Lease Liabilities	391	427
Liabilities of consolidated variable interest entities	14	56
Accrued compensation and benefits	753	416
Debt	900	990
Liabilities held for sale	216	108
Total Liabilities	**5,276**	**6,292**
Redeemable non-controlling interest	183	369
Partners' capital attributable to AllianceBernstein Unitholders	4,314	4,465
Non-controlling interests in consolidated entities	11	13
Total Capital	**4,325**	**4,478**
Total Liabilities and Capital	**$9,784**	**$11,139**

Consolidated Statement of Cash Flows

In US $ Millions		Nine Months Ended 9/30/2023	Nine Months Ended 9/30/2022
Net Income		$548	$583
Non-cash items:	Amortization of deferred sales commissions	27	27
	Non-cash long-term incentive compensation expense	19	36
	Depreciation and other amortization	69	45
	Unrealized losses on investments	4	48
	Unrealized (gains) losses on investments of consolidated company-sponsored investment funds	(22)	90
	Noncash lease expense	77	76
	Change in Contingent Arrangements	13	—
	Other, net	17	20
Changes in assets and liabilities		38	88
Net cash provided by operating activities		**790**	**1,013**
Purchases of furniture, equipment, and leasehold improvements, net		(21)	(36)
Purchases of businesses, net of cash acquired		—	40
Net cash (used in) provided by investing activities		**(21)**	**4**
(Repayments of) debt, net		(90)	(65)
(Decrease) in overdrafts payable		—	(20)
Distributions to General Partner and Unitholders		(631)	(863)
(Redemptions) of non-controlling interests of consolidated company-sponsored investment funds, net		(196)	(47)
Purchases of AB Holding Units to fund long-term incentive compensation plan awards, net		(71)	(107)
Repayment of acqusition-related debt obligation		—	(43)
Other, net		(6)	(1)
Net cash used in financing activities		**(994)**	**(1,146)**
Effect of exchange rate changes on cash and cash equivalents		(2)	(90)
Net (decrease) in cash and cash equivalents		(227)	(219)
Cash and cash equivalents at the beginning of period		1,309	1,376
Cash and cash equivalents at the end of period		**$1,082**	**$1,157**

Third Quarter 2023 AB Holding Financial Results

In US $ Millions (excluding per Unit amounts)	3Q23	3Q22	% Δ	2Q23	% Δ
AB					
Net Income Attributable to AllianceBernstein	$167	$175	(5)%	$176	(5)%
Weighted Average Equity Ownership Interest	39.3 %	36.5 %		39.3 %	
AB Holding					
Equity in Net Income Attributable to AB	66	64	3 %	69	(5)%
Income Taxes	9	8	16 %	8	2 %
Net Income	**$57**	**$56**	**1 %**	**$61**	**(6)%**
Diluted Net Income Per Unit, GAAP basis	**$0.50**	**$0.56**	**(11)%**	**$0.53**	**(6)%**
Distributions Per Unit	**$0.65**	**$0.64**	**2 %**	**$0.61**	**7 %**
Adjusted Diluted Net Income Per Unit	**$0.65**	**$0.64**	**2 %**	**$0.61**	**7 %**

Please refer to pages 31-34 for additional information on the reconciliation of GAAP financial results to adjusted financial results.
Dollars rounded in millions, however percentages calculated using amounts rounded in thousands. As such, amounts may not foot.

Third Quarter 2023 GAAP to Non-GAAP Reconciliation

In US$ Thousands	GAAP	Adjustments: Distribution Related Payments (A)	Pass Through Adj. (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	Real Est. Credits (Charges) (E)	Acq Related Expenses (F)	Interest Expense (G)	Non-GAAP
Investment advisory and services fees	$ 748,951	(16,156)	(14,567)	(421)	(158)				$ 717,649
Bernstein research services	93,875								93,875
Distribution revenues	149,049	(149,049)							—
Dividend and interest income	49,889			(49)	(3,429)				46,411
Investment gains (losses)	(6,694)			708	5,582				(404)
Other revenues	24,484		(8,661)		(64)				15,759
Total revenues	1,059,554	(165,205)	(23,228)	238	1,931	—	—	—	873,290
Less: broker-dealer related interest expense	27,498								27,498
Net revenues	**1,032,056**	**(165,205)**	**(23,228)**	**238**	**1,931**	**—**	**—**	**—**	**845,792**
Employee compensation and benefits	453,619		(10,460)	(1,112)			(14,925)		427,122
Promotion and servicing	217,494	(165,205)	(8,523)						43,766
General and administrative	145,388		(4,245)		(341)	206	(3,013)		137,995
Contingent payment arrangements	15,364						(15,364)		—
Interest on borrowings	13,209							(13,209)	—
Amortization of intangible assets	11,732						(11,639)		93
Net (loss) income of consolidated entities attributable to non-controlling interests					(38)				(38)
Total expenses	**856,806**	**(165,205)**	**(23,228)**	**(1,112)**	**(379)**	**206**	**(44,941)**	**(13,209)**	**608,938**
Operating income	**175,250**	**—**	**—**	**1,350**	**2,310**	**(206)**	**44,941**	**13,209**	**236,854**
Interest on borrowings								13,209	13,209
Income taxes	10,010			77	131	(12)	2,564		12,770
Net income	**165,240**	**—**	**—**	**1,273**	**2,179**	**(194)**	**42,377**	**—**	**210,875**
Net income (loss) of consolidated entities attributable to non-controlling interests	(2,164)			(146)	2,310				—
Net income attributable to AB Unitholders	**$ 167,404**	**$ —**	**$ —**	**$ 1,419**	**$ (131)**	**$ (194)**	**$ 42,377**	**$ —**	**$ 210,875**

Please refer to page 34 for notes describing the adjustments.

Third Quarter 2022 GAAP to Non-GAAP Reconciliation

In US $ Thousands	GAAP	Adjustments: Distribution Related Payments (A)	Pass Through Adjustments (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	RE Credits (Charges) (E)	Acq Related Expenses (F)	Interest Expense (G)	Non-GAAP
Investment advisory and services fees	$ 714,564	(12,385)	(11,367)	(656)	(130)				$ 690,026
Bernstein research services	91,557								91,557
Distribution revenues	147,960	(147,960)							—
Dividend and interest income	30,437			(50)	(3,191)				27,196
Investment gains (losses)	(3,861)			1,133	12,343				9,615
Other revenues	27,096		(10,505)		(185)				16,406
Total revenues	1,007,753	(160,345)	(21,872)	427	8,837	—	—	—	834,800
Less: broker-dealer related interest expense	20,769								20,769
Net revenues	**986,984**	**(160,345)**	**(21,872)**	**427**	**8,837**	**—**	**—**	**—**	**814,031**
Employee compensation and benefits	429,842		(3,321)	(328)			(679)		425,514
Promotion and servicing	211,940	(160,345)	(10,364)						41,231
General and administrative	154,961		(8,187)		(1,278)	206	(8,189)		137,513
Contingent payment arrangements	2,371						(2,371)		—
Interest on borrowings	5,309							(5,309)	—
Amortization of intangible assets	12,256						(12,173)		83
Net income (loss) of consolidated entities attributable to non-controlling interests	—				1				1
Total expenses	**816,679**	**(160,345)**	**(21,872)**	**(328)**	**(1,277)**	**206**	**(23,412)**	**(5,309)**	**604,342**
Operating income	**170,305**	**—**	**—**	**755**	**10,114**	**(206)**	**23,412**	**5,309**	**209,689**
Interest on borrowings	—							5,309	5,309
Income taxes	5,239			24	313	(5)	725		6,296
Net income	**165,066**	**—**	**—**	**731**	**9,801**	**(201)**	**22,687**	**—**	**198,084**
Net income (loss) of consolidated entities attributable to non-controlling interests	(10,114)				10,114				—
Net income attributable to AB Unitholders	**$ 175,180**	**$ —**	**$ —**	**$ 731**	**$ (313)**	**$ (201)**	**$ 22,687**	**$ —**	**$ 198,084**

Please refer to page 34 for notes describing the adjustments.

Second Quarter 2023 GAAP to Non-GAAP Reconciliation

In US $ Thousands	GAAP	Adjustments: Distribution Related Payments (A)	Pass Through Adj. (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	Real Est. Credits (Charges) (E)	Acq Related Expenses (F)	Interest Expense (G)	Non-GAAP
Investment advisory and services fees	$ 721,678	(14,005)	(11,046)	(3,475)	(267)				$ 692,885
Bernstein research services	91,847								91,847
Distribution revenues	144,798	(144,798)							—
Dividend and interest income	50,193			(45)	(4,633)				45,515
Investment gains (losses)	670			(1,385)	2,025				1,310
Other revenues	24,719		(8,096)		(100)				16,523
Total revenues	1,033,905	(158,803)	(19,142)	(4,905)	(2,975)	—	—	—	848,080
Less: broker-dealer related interest expense	25,449								25,449
Net revenues	**1,008,456**	**(158,803)**	**(19,142)**	**(4,905)**	**(2,975)**	**—**	**—**	**—**	**822,631**
Employee compensation and benefits	428,079		(6,011)	(5,553)			(987)		415,528
Promotion and servicing	212,943	(158,803)	(7,960)						46,180
General and administrative	149,935		(5,171)		(447)	206	(5,456)		139,067
Contingent payment arrangements	2,443						(2,443)		—
Interest on borrowings	14,672							(14,672)	—
Amortization of intangible assets	11,723						(11,639)		84
Net (loss) income of consolidated entities attributable to non-controlling interests	—				(175)				(175)
Total expenses	**819,795**	**(158,803)**	**(19,142)**	**(5,553)**	**(622)**	**206**	**(20,525)**	**(14,672)**	**600,684**
Operating income	**188,661**	**—**	**—**	**648**	**(2,353)**	**(206)**	**20,525**	**14,672**	**221,947**
Interest on borrowings								14,672	14,672
Income taxes	9,901			35	(123)	(10)	1,079		10,882
Net income	**178,760**	**—**	**—**	**613**	**(2,230)**	**(196)**	**19,446**	**—**	**196,393**
Net income (loss) of consolidated entities attributable to non-controlling interests	3,023			(670)	(2,353)				—
Net income attributable to AB Unitholders	**$ 175,737**	**$ —**	**$ —**	**$ 1,283**	**$ 123**	**$ (196)**	**$ 19,446**	**$ —**	**$ 196,393**

Please refer to page 34 for notes describing the adjustments.

AB Adjusted Financial Results Reconciliation

Notes to Consolidated Statements of Income and Supplemental Information (Unaudited)

A. We exclude all of the company's distribution revenues, which are recorded as a separate line item on the consolidated statement of income, as well as a portion of investment advisory services fees received that is used to pay distribution and servicing costs. Such presentation appropriately reflects the nature of these costs as pass-through payments to third parties that perform functions on behalf of our sponsored mutual funds and/or shareholders of these funds. Also, we adjust distribution revenues for the amortization of deferred sales commissions as these costs, over time, will offset such revenues.

B. We exclude additional pass-through expenses we incur (primarily through our transfer agency) that are reimbursed and recorded as fees in revenues. Also, we adjust for certain investment advisory and service fees passed through to our investment advisors. These fees have no impact on operating income, but they do have an impact on our operating margin. As such, we exclude these fees from adjusted net revenues.

C. We exclude the impact on net revenues and compensation expense of the mark-to-market gains and losses (as well as the dividends and interest) associated with employee long-term incentive compensation-related investments. In addition, we exclude any EQH-related equity compensation expense as the awards are non-cash and are based on EQH's and not AB's financial performance. Also, we adjust for certain acquisition related pass through performance-based fees and performance related compensation.

D. We adjust for the impact of consolidating certain company-sponsored investment funds by eliminating the consolidated company-sponsored investment funds revenues and expenses and including AB's revenues and expenses that were eliminated in consolidation. In addition, the net income of joint ventures attributable to non-controlling interests is excluded because it does not reflect the economic interest attributable to AB.

E. Real estate credits are excluded because they are not considered part of our core ongoing operations. However, beginning in the fourth quarter of 2019, real estate charges (credits) while excluded in the period in which the charges (credits) are recorded, are included ratably over the remaining applicable lease term.

F. Acquisition-related expenses have been excluded because they are not considered part of our core operating results when comparing financial results from period to period and to industry peers. Acquisition-related expenses include professional fees and the recording of changes in estimates to contingent payment arrangements associated with our acquisitions. Beginning in the first quarter of 2022, acquisition-related expenses also include certain compensation-related expenses, amortization of intangible assets for contracts acquired and accretion expense with respect to contingent payment arrangements.

G. Interest on borrowings has been excluded from operating income in order to align with our industry peers.

Adjusted Operating Margin

Adjusted operating margin allows us to monitor our financial performance and efficiency from period to period without the volatility and to compare our performance to industry peers on a basis that better reflects our performance in our core business. Adjusted operating margin is derived by dividing adjusted operating income by adjusted net revenues.

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