
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 29, 2003

ALLIANCE CAPITAL MANAGEMENT L.P.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

000-29961

(Commission
File Number)

13-4064930

(I.R.S. Employer
Identification Number)

1345 Avenue of the Americas, New York, New York

(Address of principal executive offices)

10105

(Zip Code)

Registrant's telephone number, including area code: **212-969-1000**

Item 1. Changes in Control of Registrant.

Not applicable.

Item 2. Acquisition or Disposition of Assets.

Not applicable.

Item 3. Bankruptcy or Receivership.

Not applicable.

Item 4. Changes in Registrant's Certifying Accountant.

Not applicable.

Item 5. Other Events and Regulation FD Disclosure.

Not applicable.

Item 6. Resignations of Registrant's Directors.

Not applicable.

Item 7. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired

None.

(b) Pro Forma Financial Information

None.

(c) Exhibits

99.09

Alliance Capital Management L.P. is furnishing its First Quarter 2003 Review dated April 29, 2003, including information relating to non-GAAP financial measures.

Item 8. Change in Fiscal Year.

Not applicable.

Item 9. Regulation FD Disclosure.

Under Item 9 and Item 12, Alliance Capital Management L.P. is furnishing its First Quarter 2003 Review dated April 29, 2003, including information relating to non-GAAP financial measures. The First Quarter 2003 Review is attached hereto as Exhibit 99.09.

Under Item 9 and Item 12, Alliance Capital Management L.P. is furnishing its News Release dated April 29, 2003, including information relating to non-GAAP financial measures. The News Release is attached hereto as Exhibit 99.10.

Item 10. Amendments to the Registrant's Code of Ethics, or
Waiver of a Provision of the Code of Ethics.

Not applicable.

Item 11. Temporary Suspension of Trading Under Registrant's
Employee Benefit Plans.

Not applicable.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALLIANCE CAPITAL MANAGEMENT L.P.

Dated: May 2, 2003

By: Alliance Capital Management
Corporation, General Partner

By: /s/ Robert H. Joseph, Jr.
Robert H. Joseph, Jr.
Senior Vice President and
Chief Financial Officer



Alliance Capital and Alliance Holding

First Quarter 2003 Review

Bruce W. Calvert
Chairman and CEO

John D. Carifa
President and COO

Lewis A. Sanders
Vice Chairman and CIO

April 29, 2003



[Link to searchable text of slide shown above](#)



Introduction

The SEC adopted Regulation FD in October 2000. In light of Regulation FD, Management will be limited in responding to inquiries from investors or analysts in a non-public forum. You are encouraged to ask all questions of a material nature on this conference call.

Forward-Looking Statements

Certain statements provided by Alliance Capital Management L.P. ("Alliance Capital") and Alliance Capital Management Holding L.P. ("Alliance Holding") in this report 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 which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of such factors include, but are not limited to, the following: the performance of financial markets, the investment performance of Alliance Capital's sponsored investment products and separately managed accounts, general economic conditions, future acquisitions, competitive conditions, and government regulations, including changes in tax rates. Alliance Capital and Alliance Holding caution readers to carefully consider such factors. Further, such forward-looking statements speak only as of the date on which such statements are made; Alliance Capital and Alliance Holding undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.



[Link to searchable text of slide shown above](#)

First Quarter Financial Overview

Alliance Capital

- End of Period AUM
- Market Environment (12 Months)

- Annualized Fee Base⁽¹⁾

- Average AUM

- Revenues

- Expenses

- Staffing Levels

- Net Income

1Q03 vs. 1Q02

\$386 bn vs. \$452 bn, down 14.6%

S&P 500 down 24.8%
 Russell 1000 Growth down 26.8%
 Russell 1000 Value down 22.8%
 MSCI EAFE down 23.2%
 Lehman Aggr. Bond up 11.7%

\$1,547 mm vs. \$1,850 mm, down 16.4%

\$384 bn vs. \$448 bn, down 14.2%

\$603 mm vs. \$721 mm, down 16.4%

\$488 mm vs. \$544 mm, down 10.4%

4,100, down 6.9%

\$109 mm vs. \$168 mm, down 35.0%;
 Net Operating Earnings⁽²⁾: \$114 mm
 vs. \$173 mm, down 34.0%

(1) Annualized Fee Base is defined as period end AUM times contractual annual fee rates; assumes no change in AUM or fee rates for one year.
 (2) Net Operating Earnings (non-GAAP financial measure): Net Income excluding amortization of intangible assets; see appendix for reconciliation from net income.
 Note: Percentages in this presentation are calculated based on underlying numbers.

3

[Link to searchable text of slide shown above](#)

Alliance Capital First Quarter Financial Overview

(In \$ millions, except AUM in \$ billions)

	1Q03	1Q02	% chg
■ Average AUM (\$bn)	<u>\$384</u>	<u>\$448</u>	-14
■ Revenues			
Base Fee & Other	\$441	\$514	-14
Performance Fee	4	6	-35
Distribution	100	129	-23
Institutional Research Svcs	<u>58</u>	<u>72</u>	-19
	<u>603</u>	<u>721</u>	-16
■ Expenses			
Compensation	218	237	-8
Distribution ⁽¹⁾	142	162	-12
Other ⁽¹⁾	<u>128</u>	<u>145</u>	-12
	<u>488</u>	<u>544</u>	-10
■ Taxes	<u>6</u>	<u>9</u>	-32
■ Net Income	<u>\$109</u>	<u>\$168</u>	-35
■ Base Fee Earnings	\$106	\$164	-35
■ Performance Fee Earnings	<u>3</u>	<u>4</u>	-27
■ Net Income	<u>\$109</u>	<u>\$168</u>	-35

(1) Distribution expenses include distribution plan payments and amortization of deferred sales commissions. Revenue sharing payments, previously included in distribution plan payments, are now included in other promotion and servicing expense; 1Q02 amounts have been restated to conform to the 1Q03 presentation. Note: May not add due to rounding

4

First Quarter Revenues – by Distribution Channel

(In \$ millions)

	1Q03	1Q02	% chg	Comments
■ Retail	\$295	\$370	-20	■ Base advisory fees and distribution revenues declined in line with avg AUM
■ Institutional Inv. Mgmt	144	167	-14	■ Decline in transaction volume and average AUM
■ Private Client	97	103	-5	■ Lower transaction volume
■ Institutional Research Svcs.	58	72	-19	■ Lower transaction volume
■ Other	9	9	—	
■ Total	<u>\$603</u>	<u>\$721</u>	-16	

5

[Link to searchable text of slide shown above](#)

Expense Detail – 1Q03 vs. 1Q02

(In \$ millions)

	1Q03	1Q02	% chg
■ Employee Comp. & Benefits			
Base Compensation ⁽¹⁾	\$ 73	\$ 74	-2
Incentive Compensation			
Cash ⁽²⁾	45	58	-22
Deferred ⁽³⁾	36	26	+36
Commissions ⁽⁴⁾	43	55	-22
Fringes & Other	21	24	-10
■ Total	<u>\$218</u>	<u>\$237</u>	-8

(1) Lower headcount offset by severance payments.

(2) Lower operating earnings and performance fees.

(3) Final tranche of SCB deferred compensation awarded in 4Q02.

(4) Lower sales; new commission deferral program; shift in sales management compensation from commissions to incentive compensation (effective 4Q02).

6

Expense Detail – 1Q03 vs. 1Q02

(In \$ millions)

	1Q03	1Q02	% chg	Comments
■ Employee Comp. & Benefits	\$218	\$237	-8	
■ Promotion & Servicing				
Distribution Plan Pmts ⁽¹⁾	89	105	-15	■ Lower average retail AUM
Amort of Def Sales Comm	53	57	-7	
T & E	7	12	-40	
Printing/Mailing	5	11	-57	
Other ⁽¹⁾	25	28	-13	} ■ Ongoing reductions in controllable expenses
	<u>179</u>	<u>213</u>	-16	
■ General & Admin				
Office Expense	41	42	-3	
Other	<u>39</u>	<u>40</u>	-1	
	<u>80</u>	<u>82</u>	-2	
■ Amort of Intangible Assets	5	5	—	
■ Interest	<u>6</u>	<u>7</u>	-12	■ Lower debt
■ Total	<u>\$488</u>	<u>\$544</u>	-10	

(1) Includes reclassification of revenue sharing payments from distribution plan payments to other promotion and servicing expense.

Expense Detail – 1Q03 vs. 4Q02

(In \$ millions)

	1Q03	4Q02	% chg
■ Employee Comp. & Benefits			
Base Compensation ⁽¹⁾	\$ 73	\$ 75	-3
Incentive Compensation			
Cash ⁽²⁾	45	66	-32
Deferred ⁽³⁾	36	28	+29
Commissions ⁽⁴⁾	43	29	+49
Fringes & Other	21	18	+17
■ Total	<u>\$218</u>	<u>\$216</u>	+1

(1) Lower headcount.

(2) Lower operating earnings and performance fees.

(3) 4Q02 Partners' Plan annual grant and 4Q02 earnings credit.

(4) Shift in sales management compensation from Commissions to Incentive Compensation; full year 2002 shift made in 4Q02.

8

[Link to searchable text of slide shown above](#)

Expense Detail – 1Q03 vs. 4Q02

(In \$ millions)

	1Q03	4Q02	% chg	Comments
■ Employee Comp. & Benefits	<u>\$218</u>	<u>\$216</u>	+1	
■ Promotion & Servicing				
Distribution Plan Pmts ⁽¹⁾	89	89	—	
Amort of Def Sales Comm	53	55	-4	
T & E	7	12	-41	
Printing/Mailing	5	2	+98	
Other ⁽¹⁾	25	25	-2	■ Ongoing reductions in controllable expenses
	<u>179</u>	<u>183</u>	-3	
■ General & Admin				
Office Expense	41	39	+6	■ Office consolidation
Other	39	45	-13	
	<u>80</u>	<u>84</u>	-4	
■ Amort of Intangible Assets	5	5	—	
■ Interest	<u>6</u>	<u>6</u>	+1	■ Lower debt
■ Total	<u>\$488</u>	<u>\$494</u>	-1	

(1) Includes reclassification of revenue sharing payments from distribution plan payments to other promotion and servicing expense.

9

[Link to searchable text of slide shown above](#)

Net Distribution Expense

(In \$ millions)

	1Q03	1Q02	% chg
■ Distribution Revenues	\$100	\$129	-23
■ Distribution Expenses			
Distribution Plan Payments ⁽¹⁾	89	105	-15
Amort of Def Sales Comm	53	57	-7
	<u>142</u>	<u>162</u>	-12
■ Net Distribution Expense	<u>\$ 42</u>	<u>\$ 33</u>	+27
<ul style="list-style-type: none"> ■ Lower distribution revenues and distribution plan payments from lower average retail AUM ■ No impairment of deferred sales commission asset 			

(1) Includes reclassification of revenue sharing payments from distribution plan payments to other promotion and servicing expense.

10

[Link to searchable text of slide shown above](#)

Alliance Capital Pre-tax Margin

(In \$ millions)

	1Q03	% of Rev ⁽²⁾	1Q02	% of Rev ⁽²⁾
■ Base Fee Earnings, Net	\$145	28.9%	\$199	33.6%
■ Distribution Expense, Net ⁽³⁾	(33)	-6.6	(26)	-4.4
■ Performance Fee Earnings, Net	<u>3</u>	<u>0.6</u>	<u>4</u>	<u>0.7</u>
■ Pre-tax Margin (Non-GAAP) ⁽¹⁾	<u>\$115</u>	<u>22.9%</u>	<u>\$177</u>	<u>29.9%</u>
■ Pre-tax Margin (GAAP)		19.1%		24.5%
<ul style="list-style-type: none"> ■ Declining markets and investor uncertainty reduced advisory, transaction and distribution revenues, decreasing pre-tax margins 				

(1) This is presented as a non-GAAP financial measure. Please see table entitled "Analysis of Pre-Tax Margin" for a reconciliation to pre-tax margin (GAAP) not provided in the slide presentation as originally issued.

(2) Excludes distribution revenues.

(3) Net distribution expense and net performance fee earnings include allocations of incentive compensation.

11

[Link to searchable text of slide shown above](#)

Alliance Holding Financial Highlights

	1Q03	1Q02	% chg
<i>(In \$millions)</i>			
■ Equity in Earnings	\$33	\$50	-34%
■ Income Taxes	5	5	-13
■ Net Income	<u>\$28</u>	<u>\$45</u>	-37%
<i>(Per Unit amounts)</i>			
■ Base Fee Earnings	\$0.36	\$0.57	-37%
■ Performance Fee Earnings	0.01	0.01	—
■ Diluted Net Income	<u>\$0.37</u>	<u>\$0.58</u>	-36%
■ Distribution	<u>\$0.37</u>	<u>\$0.59</u>	-37%



12

[Link to searchable text of slide shown above](#)

Challenging Market Environment

	1Q03	1 Yr	Annualized 3 Yr	Cumulative 3 Yr
S&P 500	-3.2%	-24.8%	-16.1%	-40.9%
Russell 1000 Growth	-1.1%	-26.8%	-25.6%	-58.9%
Russell 1000 Value	-4.9%	-22.8%	-6.9%	-19.2%
NASDAQ Composite	0.4%	-27.3%	-33.6%	-70.7%
MSCI EAFE	-8.2%	-23.2%	-19.5%	-47.9%
Lehman Aggregate Bond	1.4%	11.7%	9.8%	32.4%



Returns through March 31, 2003

13

[Link to searchable text of slide shown above](#)

Relative Performance ⁽¹⁾ – Institutional Growth Equity

Institutional Equity Composites vs. Benchmarks

	Large Cap Growth ⁽²⁾	Disciplined Growth ⁽²⁾	Multi Cap Growth ⁽³⁾	Small Cap Growth ⁽⁴⁾	Intl Lg Cap Growth ⁽⁵⁾	Emerging Market Growth ⁽⁶⁾
QTR	-0.2	+0.7	+1.7	+1.5	+0.2	-1.1
1yr	-0.6	-1.4	+2.8	+0.2	+0.6	+3.1
3yr	+1.6	+0.3	+3.3	+7.6	+4.1	-1.8
5yr	+1.7	-0.5	+1.5	+4.4	+4.2	+4.5
10yr	+1.8	0.0	+0.3	+7.1	+3.8	+2.9

(1) Investment performance of composites are after investment management fees.

(2) vs. Russell 1000 Growth (3) vs. Russell 3000 Growth (4) vs. Russell 2000 Growth (5) vs. MSCI EAFE Growth (6) vs. MSCI Emerging Markets Free Composite and benchmark data through 3/31/03. Performance is preliminary.
See Performance Disclosure

14

[Link to searchable text of slide shown above](#)

Relative Performance ⁽¹⁾ – Institutional Value Equity

Institutional Equity Composites vs. Benchmarks

	Strategic Value ⁽²⁾	Diversified Value ⁽²⁾	Relative Value ⁽²⁾	Small-Mid Cap Value ⁽³⁾	International Value ⁽⁴⁾	Emerging Market Value ⁽⁵⁾
QTR	+1.5	+0.6	+2.9	-1.9	+0.3	+3.1
1yr	0.0	+2.3	-2.3	-1.2	+9.6	+10.4
3yr	+7.9	+7.4	+1.3	—	+4.8	+7.7
5yr	+1.4	—	+2.4	—	+2.7	+4.6
10yr	+0.9	—	—	—	+0.7	—

(1) Investment performance of composites are after investment management fees.

(2) vs. Russell 1000 Value (3) vs. Russell 2500 Value (4) vs. MSCI EAFE Value (5) vs. MSCI Emerging Markets Free Composite and benchmark data through 3/31/03. Performance is preliminary.
See Performance Disclosure

15

[Link to searchable text of slide shown above](#)

Relative Performance ⁽¹⁾ – Institutional Fixed Income

Institutional Fixed Income Composites vs. Benchmarks

	High Grade Aggregate ⁽²⁾	Insurance ⁽³⁾	Enhanced Sector Rotation ⁽²⁾	High Yield ⁽⁴⁾	Global ⁽⁵⁾	Emerging Market ⁽⁶⁾
QTR	+0.1	+0.3	+0.3	-2.0	+0.4	+2.6
1yr	-0.1	+0.4	-1.6	-3.8	-0.6	+3.7
3yr	0.0	+0.4	-0.9	-1.1	-0.4	+4.3
5yr	-0.2	+0.3	-0.8	-0.1	-0.5	+2.5
10yr	–	+0.3	+0.3	+1.2	-0.3	–

(1) Investment performance of composites are after investment management fees.

(2) vs. Lehman US Aggregate Unhedged (3) vs. Custom Insurance Index (4) vs. Custom High Yield Index (5) vs. JPM Global Bond Unhedged

(6) vs. JPM EMBI Plus

Composite and benchmark data through 3/31/03. Performance is preliminary.

See Performance Disclosure

16

[Link to searchable text of slide shown above](#)

Relative Performance – Retail Growth Equity

Retail Mutual Funds vs. Lipper Averages

	Premier Growth ⁽¹⁾	Growth ⁽²⁾	Mid Cap Growth ⁽³⁾	Quasar ⁽⁴⁾	Tech ⁽⁵⁾	Global Growth Trend ⁽⁶⁾
QTR	-0.7	+0.7	+5.6	+1.0	-1.6	-1.4
1yr	-2.1	+1.1	+0.9	-2.0	-2.0	-0.9
3yr	-2.9	+2.1	+3.4	+2.9	+4.7	+3.3
5yr	-2.2	-4.1	-6.7	-8.1	+0.7	+6.2
10yr	+1.0	-1.2	-2.2	-2.1	+0.3	+6.7

(1) vs. Large Cap Growth average (2) vs. Multi Cap Growth average (3) vs. Mid Cap Growth average (4) vs. Small Cap Growth average

(5) vs. Science and Technology average (6) vs. Global Growth average

Source: Alliance Capital and Lipper

Mutual fund performance and Lipper data through 3/31/03.

17

[Link to searchable text of slide shown above](#)

Relative Performance – Retail Value Equity

Retail Mutual Funds vs. Lipper Averages

	AB Value ⁽¹⁾	Growth & Income ⁽²⁾	Small Cap Value ⁽³⁾	Intl Value ⁽⁴⁾	Global Value ⁽⁵⁾	Balanced ⁽⁶⁾
QTR	+0.2	+2.4	-2.1	+1.6	+0.7	+0.6
1yr	+3.0	-3.4	+0.5	+9.3	+2.6	+1.6
3yr	–	+0.7	–	–	–	+5.9
5yr	–	+3.2	–	–	–	+3.2
10yr	–	+1.9	–	–	–	+1.5

(1) vs. Multi Cap Value average (2) vs. Large Cap Value average (3) vs. Mid Cap Value average (4) vs. International average (5) vs. Global average (6) vs. Balanced average
Source: Alliance Capital and Lipper
Mutual fund performance and Lipper data through 3/31/03.

18

[Link to searchable text of slide shown above](#)

Private Client Portfolio Performance

■ Representative client account allocation:

40% fixed income	{	40%	Diversified Muni		
60% equities	{	42%	U.S. equities		
	{	18%	Non-U.S. equities		
		<u>100%</u>			

■ Representative performance:

	<u>1003</u>
80/20* U.S. Equity Allocation	(2.0)
50/50* U.S. Equity Allocation	(1.7)
S&P 500	(3.2)

Equity Allocation with 80/20 US Value/US Growth portfolio

34%	Strategic Value
8%	Strategic Growth
3%	Emerg Mkts Value
15%	Intl Value

Equity Allocation with 50/50 US Value/US Growth portfolio

21%	Strategic Value
21%	Strategic Growth
3%	Emerg Mkts Value
15%	Intl Value

	<u>1003</u>	<u>3/1/00-3/31/03⁽¹⁾</u>
All Balanced Accounts	(1.9)	6.8
S&P 500	(3.2)	(35.2)

Results are simulated. * Allocation of U.S. equity portion of portfolio to growth and value. Performance after fees. See Performance Disclosure. Performance is preliminary.
(1) Cumulative Returns.

19

AUM by Investment Orientation

Three Months Ended March 31, 2003
(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
■ Dec 31, 2002 AUM	\$109	\$99	\$156	\$23	\$387
■ Net Long-Term Flows	(4)	2	6	(1)	4
■ Cash Management, Net	—	—	—	—	—
■ Net New Business/(Outflows)	(4)	2	6	(1)	4
■ Apprec/(Deprec)	(1)	(4)	1	(1)	(5)
■ March 31, 2003	\$104	\$97	\$163	\$22	\$386
■ % Change	-4.7%	-1.4%	5.0%	-6.6%	-0.1%
■ % Total	26.8%	25.2%	42.3%	5.7%	

Note: May not add due to rounding.

20

[Link to searchable text of slide shown above](#)

AUM by Investment Orientation

Twelve Months Ended March 31, 2003
(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
■ March 31, 2002 AUM	\$165	\$108	\$147	\$32	\$452
■ Net Long-Term Flows	(19)	7	15	(3)	—
■ Cash Management, Net	—	—	(5)	—	(5)
■ Net New Business/(Outflows)	(19)	7	10	(3)	(5)
■ Transfers	(5)	4	1	—	—
■ Apprec/(Deprec)	(37)	(22)	5	(7)	(61)
■ March 31, 2003	\$104	\$97	\$163	\$22	\$386
■ % Change	-37.4%	-10.1%	11.3%	-30.5%	-14.6%
■ % Total	26.8%	25.2%	42.3%	5.7%	

21

AUM by Channel

Three Months Ended March 31, 2003

(In \$ billions)

	Retail	Institutional Inv Mgmt	Private Client	Total
■ Dec 31, 2002 AUM	\$136	\$211	\$40	\$387
■ Net Long-Term Flows	(1)	4	1	4
■ Cash Management, Net	—	—	—	—
■ Net New Business/(Outflows)	(1)	4	1	4
■ Depreciation	(1)	(3)	(1)	(5)
■ March 31, 2003 AUM	<u>\$134</u>	<u>\$212</u>	<u>\$40</u>	<u>\$386</u>
■ % Change	-1.4%	0.7%	0.2%	-0.1%
■ % Total	34.7%	55.0%	10.3%	



AUM by Channel

Twelve Months Ended March 31, 2003

(In \$ billions)

	Retail	Institutional Inv Mgmt	Private Client	Total
■ March 31, 2002 AUM	\$189	\$242	\$41	\$452
■ Net Long-Term Flows	(9)	5	4	—
■ Cash Management, Net	(5)	—	—	(5)
■ Net New Business/(Outflows)	(14)	5	4	(5)
■ Transfers	1	(1)	—	—
■ Depreciation	(22)	(34)	(5)	(61)
■ March 31, 2003 AUM	<u>\$134</u>	<u>\$212</u>	<u>\$40</u>	<u>\$386</u>
■ % Change	-20.9%	-12.2%	-2.1%	-14.6%
■ % Total	34.7%	55.0%	10.3%	



23

[Link to searchable text of slide shown above](#)

Annualized Fee Base ⁽¹⁾

By Channel and
Investment Orientation
(In \$ millions)

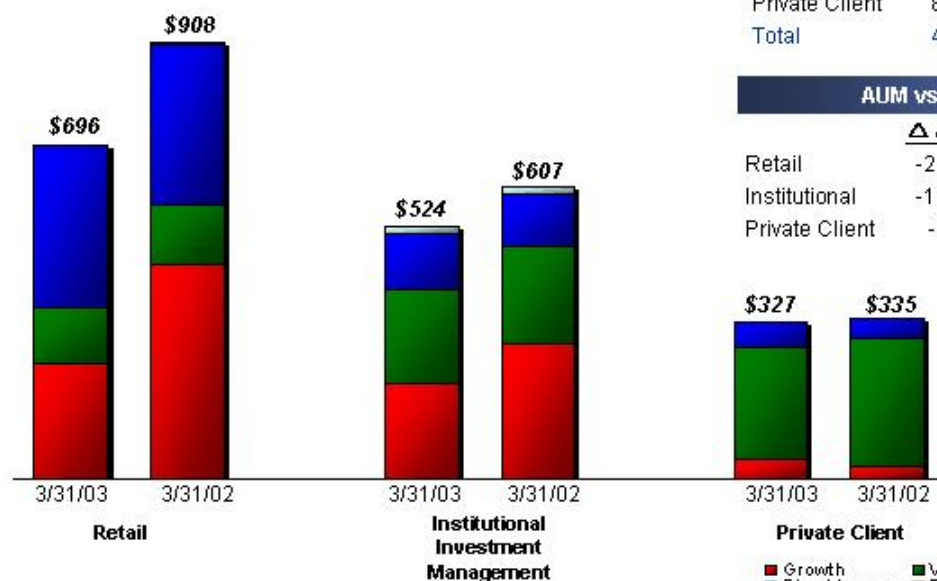
3/31/03 vs. 3/31/02
\$1,547 mm **\$1,850 mm**

Average Basis Points

	3/31/03	3/31/02
Retail	51.9	53.6
Institutional	24.7	25.1
Private Client	82.3	82.5
Total	40.0	40.9

AUM vs. AFB

	Δ AUM	Δ AFB
Retail	-20.9%	-23.4%
Institutional	-12.2%	-13.6%
Private Client	-2.1%	-2.3%



(1) Annualized Fee Base is defined as period end AUM times contractual annual fee rates; assumes no change in AUM or fee rates for one year.



24

[Link to searchable text of slide shown above](#)

1Q03 Business Channel Highlights

Retail

- Rebranded business to AllianceBernstein Investment Research and Management
 - ▶ Reflects complete product array: growth, value, fixed income and blends
 - ▶ Signals shift toward consultative selling with focus on client solutions as well as product sales
- Two year anniversary of AllianceBernstein value fund series with over \$2 billion in AUM

Institutional Investment Management

- Announced new business of \$9.0 billion
 - ▶ Wins across all major investment services with particular strength in global value and fixed income
 - ▶ 65% of wins from overseas clients



25

[Link to searchable text of slide shown above](#)

1Q03 Business Channel Highlights

Private Client

- Organic growth consistent at approximately 10%
- Trend to larger account size is intact
 - ▶ Approximately 50% of wins in \$10 million + accounts
- Portfolio exposures to growth and hedge funds continue to build
- Remain focused on productivity

Institutional Research Services

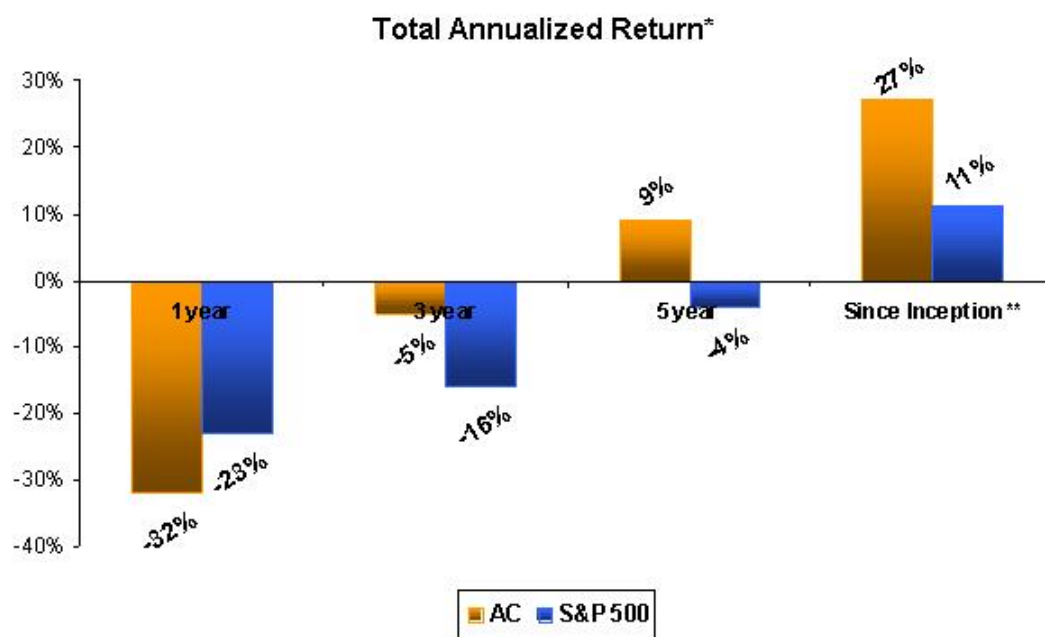
- Weak January and February as addressable market declined
- Adjusted for program trading, market share was relatively stable
- 2003 survey of U.S. institutional analysts and portfolio managers reinforces view that the brand is strong
 - ▶ #1 in "Overall Research Quality", #1 in "Product Quality", and #1 in "Analyst Service Quality"
 - ▶ Significantly improved sales and service profile



26

[Link to searchable text of slide shown above](#)

Total Return – Alliance Holding Units



*As of 3/31/03. Alliance Holding and S & P returns include reinvestment of cash distributions and dividends, respectively.
 **Since IPO 4/88.

27

[Link to searchable text of slide shown above](#)

Positioned For Growth

- Worldwide research and investment capabilities
- Unique with strengths in both growth and value equity investing
- Broad array of fixed income services
- Generally competitive long-term investment results
- Highly regarded marketing and client service teams
- Well-positioned in retail, institutional and private client channels
- Highly valued independent sell-side research and institutional trading
- Strong financials
- Cogent strategy

28

[Link to searchable text of slide shown above](#)



[Link to searchable text of slide shown above](#)

Reconciliation of Net Operating Earnings from Net Income

(In \$ millions, except per unit amounts)

Alliance Capital	1Q03	1Q02
■ Net Income	\$109	\$168
■ Amortization of Intangible Assets	<u>5</u>	<u>5</u>
■ Net Operating Earnings	<u>\$114</u>	<u>\$173</u>
Alliance Holding (per unit amounts)		
■ Diluted Net Income	\$0.37	\$0.58
■ Amortization of Intangible Assets	<u>0.02</u>	<u>0.02</u>
■ Net Operating Earnings	<u>\$0.39</u>	<u>\$0.60</u>

Net Operating Earnings (non-GAAP financial measure): Net Income excluding amortization of intangible assets.



Analysis of Pre-Tax Margin ⁽¹⁾

(\$ thousands)

	Three Months Ended	
	3/31/03	3/31/02
Total Revenues	\$602,614	\$720,523
Less: Distribution Revenues	(100,024)	(129,179)
Net Revenues	<u>502,590</u>	<u>591,344</u>
Total Expenses	487,510	543,798
Less: Distribution Revenues	(100,024)	(129,179)
Net Expenses	<u>387,486</u>	<u>414,619</u>
Pre-tax Income	<u>\$115,104</u>	<u>\$176,725</u>
Pre-tax Margin (GAAP) ⁽²⁾	19.1%	24.5%
Adjustment ⁽³⁾	<u>3.8</u>	<u>5.4</u>
Pre-tax Margin (Non-GAAP) ⁽⁴⁾	<u>22.9%</u>	<u>29.9%</u>

(1) Pre-tax margin is presented as a non-GAAP financial measure and the table provides a reconciliation to GAAP (a percentage reconciliation was not provided in the slide presentation as originally issued).

(2) Pre-tax income as a percentage of total revenues.

(3) Amount of difference between GAAP and non-GAAP pre-tax margin resulting from reducing total revenues and total expenses by the amount of distribution revenues, which revenues represent a partial reimbursement of distribution expenses. Management believes this presentation provides a measure of financial performance that is more comparable to other asset management companies.

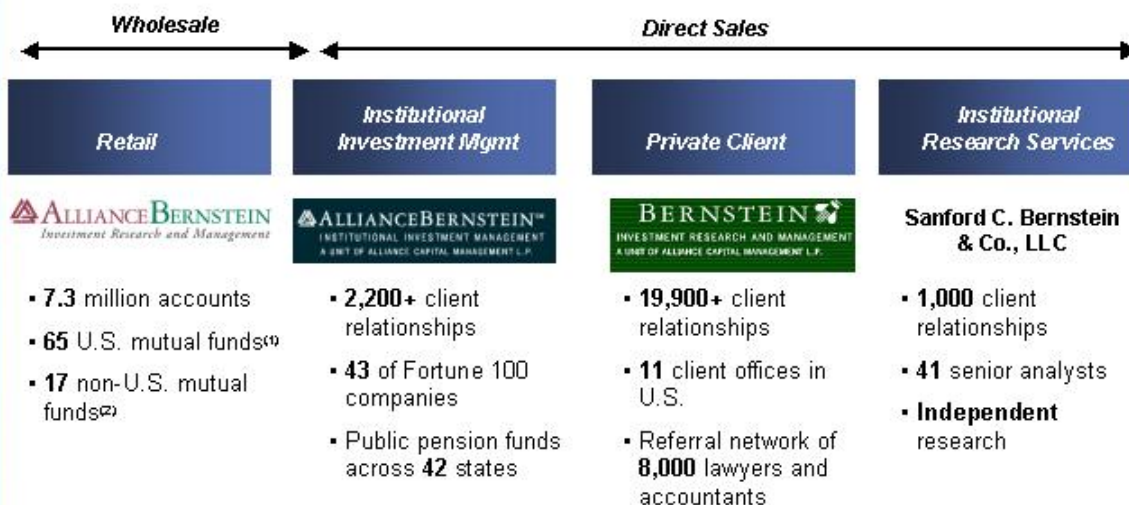
(4) Pre-tax income as a percentage of net revenues.



[Link to searchable text of slide shown above](#)

Diverse Group of Clients

As of March 31, 2003



(1) Does not reflect fund portfolios. (2) Luxembourg-registered funds managed by Alliance Capital, excludes local market funds.



Changes in AUM by Investment Orientation

Three Months Ended March 31, 2003

(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
Beginning of Period	\$108,799	\$98,636	\$155,762	\$23,382	\$386,579
Sales/New accounts	2,471	3,120	8,266	500	14,357
Redemptions/Terminations	(5,598)	(1,552)	(3,077)	(279)	(10,506)
Net cash management sales	-	-	(398)	-	(398)
Cash flow	(574)	1,017	1,382	(897)	928
Unreinvested dividends	-	(8)	(241)	-	(249)
Net new business/(Outflows)	(3,701)	2,577	5,932	(676)	4,132
Transfers	-	-	-	-	-
Market appreciation/(depreciation)	(1,435)	(3,930)	1,817	(865)	(4,413)
End Of Period	\$103,663	\$97,283	\$163,511	\$21,841	\$386,298



Changes in AUM by Investment Orientation

Twelve Months Ended March 31, 2003

(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
Beginning of Period	\$165,658	\$108,207	\$146,889	\$31,442	\$452,196
Sales/New accounts	12,614	14,599	23,177	1,820	52,210
Redemptions/Terminations	(25,710)	(8,588)	(14,060)	(1,251)	(49,609)
Net cash management sales	-	-	(5,034)	-	(5,034)
Cash flow	(6,417)	1,505	6,773	(3,644)	(1,783)
Unreinvested dividends	(8)	(37)	(1,024)	-	(1,069)
Net new business/(Outflows)	(19,521)	7,479	9,832	(3,075)	(5,285)
Transfers	(5,187)	4,149	1,038	-	-
Market appreciation/(depreciation)	(37,287)	(22,552)	5,752	(6,526)	(60,613)
End Of Period	\$103,663	\$97,283	\$163,511	\$21,841	\$386,298



33

[Link to searchable text of slide shown above](#)

Changes in Retail AUM by Investment Orientation

Twelve Months Ended March 31, 2003

(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Cash Mgmt	Total
Beginning Of Period	\$74,467	\$24,064	\$30,620	\$40,304	\$169,455
Sales	9,177	5,578	10,115	-	24,870
Redemptions	(16,907)	(5,115)	(8,516)	-	(30,538)
Net cash management sales	-	-	-	(5,034)	(5,034)
Cash flow	(4,631)	270	2,251	-	(2,110)
Unreinvested dividends	(7)	(37)	(864)	-	(908)
Net new business/(Outflows)	(12,368)	696	2,986	(5,034)	(13,720)
Transfers	(5,036)	4,545	1,005	-	514
Market appreciation/(depreciation)	(17,580)	(6,902)	2,244	-	(22,238)
End Of Period	\$39,483	\$22,403	\$36,855	\$35,270	\$134,011



34

[Link to searchable text of slide shown above](#)

Changes in Retail AUM by Product

Twelve Months Ended March 31, 2003

(In \$ billions)

	U.S. Funds	Non-U.S. Funds	Variable Annuity	Managed Accounts	Total
Beginning Of Period	\$94,193	\$21,450	\$43,468	\$10,344	\$169,455
Sales	8,111	8,762	6,852	1,145	24,870
Redemptions	(11,786)	(9,557)	(6,100)	(3,095)	(30,538)
Net cash management sales	(5,034)	0	0	0	(5,034)
Cash flow	166	(28)	(2,248)	0	(2,110)
Unreinvested dividends	(672)	(236)	0	0	(908)
Net new business/(Outflows)	(9,215)	(1,059)	(1,496)	(1,950)	(13,720)
Transfers	-	(361)	875	-	514
Market depreciation	(8,969)	(983)	(10,159)	(2,127)	(22,238)
End Of Period	\$76,009	\$19,047	\$32,688	\$6,267	\$134,011

35

[Link to searchable text of slide shown above](#)

Changes in Institutional Investment Management AUM by Investment Orientation

Twelve Months Ended March 31, 2003

(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
Beginning Of Period	\$91,996	\$55,968	\$66,252	\$27,881	\$242,097
Sales/New accounts	3,608	6,388	9,995	538	20,529
Redemptions/Terminations	(9,356)	(2,543)	(4,525)	(375)	(16,799)
Cash Management Sales, Net	-	-	-	-	-
Cash flow	(2,752)	1,844	5,312	(3,593)	811
Unreinvested dividends	-	-	-	-	-
Net new business/(Outflows)	(8,500)	5,689	10,782	(3,430)	4,541
Transfers	(183)	(396)	33	32	(514)
Market appreciation/(depreciation)	(20,418)	(10,823)	3,208	(5,596)	(33,629)
End Of Period	\$62,895	\$50,438	\$80,275	\$18,887	\$212,495

36

[Link to searchable text of slide shown above](#)

Alliance Capital (The Operating Partnership) Consolidated Balance Sheet

(In \$ thousands. Unaudited)

	3/31/03	12/31/02
Assets		
Cash and Investments	\$ 424,140	\$ 472,676
Cash and securities, segregated	1,054,529	1,174,323
Receivables:		
Brokers and Dealers	1,024,210	957,318
Brokerage Clients	218,989	218,783
Fees	255,792	274,225
Furniture, equipment and leasehold improvements, net	244,112	249,688
Goodwill, net	2,876,657	2,876,657
Intangible assets, net	362,250	367,425
Deferred sales commissions, net	469,285	500,890
Other investments	25,202	29,233
Other assets	111,233	96,752
Total Assets	\$7,066,399	\$7,217,970
Liabilities and Partners' Capital		
Liabilities:		
Payables:		
Brokers and Dealers	\$ 708,466	\$ 588,524
Brokerage Clients	1,425,707	1,578,677
Alliance Mutual Funds	116,359	119,910
Accounts payable and accrued expenses	188,816	234,133
Accrued compensation and benefits	312,472	298,485
Debt	423,011	426,907
Minority interests in consolidated subsidiaries	8,009	7,883
Total Liabilities	3,182,840	3,254,519
Partners' Capital	3,883,559	3,963,451
Total Liabilities and Partners' Capital	\$7,066,399	\$7,217,970

37

[Link to searchable text of slide shown above](#)

Alliance Capital (The Operating Partnership) Consolidated Cash Flow

(In \$ thousands. Unaudited)

	Three Months Ended	
	3/31/03	3/31/02
Cash Flows From Operating Activities:		
Net Income	\$ 109,061	\$ 167,888
Non-cash items:		
Amortization and depreciation	71,016	73,944
Other, net	32,852	23,979
Changes in assets and liabilities	(68,987)	(123,428)
Net cash provided from operating activities	143,942	142,383
Cash Flows From Investing Activities:		
Purchase of investments, net	67,605	15,212
Additions to furniture, equipment and leaseholds, net	(6,960)	(14,651)
Net cash provided from investing activities	60,645	561
Cash Flows From Financing Activities:		
Proceeds from issuance of debt	1,063,945	6,618,413
Repayment of debt	(1,068,000)	(6,528,091)
Distributions to partners	(148,504)	(187,696)
Other	(64,683)	(66,545)
Net cash (used in) financing activities	(217,242)	(163,919)
Effect of exchange rate change on cash	1,143	(1,141)
Net decrease in cash	(11,512)	(22,116)
Cash at the beginning of period	159,991	220,127
Cash at the end of period	\$ 148,479	\$ 198,011

38

[Link to searchable text of slide shown above](#)

Performance Disclosure

Performance Disclosure As of March 31, 2003

- PRESENTATION OF THE FIRM** — The performance results displayed herein represent the investment performance record for the noted Composite managed by Alliance Capital Management L.P. (the "Firm"). For purposes of firm assets under management stated in the chart below, the AUM number includes mutual fund assets, but excludes assets managed by its private client services group, which does not present its performance in strict accordance with AIMR standards. Prior to the combination of Alliance Capital Management L.P. ("Alliance") and Sanford C. Bernstein Inc. ("Bernstein") in October 2000, for the purpose of presenting performance results in compliance with the AIMR-PPS standards, Alliance and Bernstein was reporting under the name of Alliance Capital Management L.P. and Sanford C. Bernstein & Co., Inc., respectively.
- A complete list and description of all composites managed by the Firm is available upon request via email to Randi Sahrbarg at RSahrbarg@scb.com.
- RATE OF RETURN** — No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance figures for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Monthly market values include income accruals and reflect the daily weighting of cash flow. The composite results are asset weighted on a monthly basis. Quarterly and annual composite performance figures are computed by linking the monthly returns, resulting in a "time weighted" rate of return. Performance results include the reinvestment of dividends and other earnings. Returns are calculated in US dollars.
- DISPERSION** — The dispersion of annual returns was calculated based on the asset-weighted standard deviation.
- The applicable benchmarks, which have not covered by the report of independent accountants, are noted within each table.
- The Firm has prepared and presented this report in compliance with the Performance Presentation Standards of the Association for Investment Management and Research (AIMR-PPS), the US and Canadian versions of the Global Investment Performance Standards (GIPS). AIMR has not been involved in the preparation or review of this presentation. The legacy firm, Alliance Capital Management L.P. claims Level II compliance from January 1, 1992 through December 31, 2002. The legacy firm, Sanford C. Bernstein & Co. claims Level I compliance from January 1, 1993 through December 31, 2002. Alliance Capital Management L.P. is currently seeking verification from RPMCS LLP for the calendar years 1992 to 2000. This verification is available upon request. The merged firm verification for 2001 is currently being conducted. As of 2001, the merged firm claims compliance.

Alliance US Large Cap Growth Composite									
Period	Composite Assets (millions)	Composite % of Firm Assets	# of Accounts	Gross Return %	Net Return %	Composite Dispersion	Firm Assets (billions)	S&P 500	Russell 1000 Growth
1Q	2104.68	618	240	-1.14	-1.23	0.30	3413	-3.15	-1.07
YTD	2104.68	618	240	-1.14	-1.23	0.30	3413	-3.15	-1.07
2002	21002.9	603	242	-29.89	-30.13	1.94	3449	-22.10	-27.89
2001	28735.0	697	288	-17.23	-17.32	3.54	4122	-11.88	-20.42
2000	33287.7	798	289	-14.81	-17.57	2.11	4300	-9.11	-22.42
1999	44987.1	12.74	231	32.94	31.99	3.23	3483	21.04	33.14
1998	33003.4	11.51	175	52.24	51.14	2.43	2847	28.38	38.71
1997	18899.0	8.44	122	37.63	34.43	4.94	2187	33.34	30.49
1996	13833.0	8.44	112	23.41	22.71	1.29	1828	22.94	23.12
1995	11483.9	798	84	40.00	38.99	1.84	1443	37.38	37.18
1994	8413.9	694	77	-2.92	-3.44	1.22	1213	1.32	2.42
1993	8094.3	703	72	10.70	9.88	1.41	1152	10.08	2.87
1 Year				-27.11	-27.34			-24.74	-24.74
3 Year				-23.43	-24.00			-14.09	-23.44
5 Year				4.41	4.97			-3.77	-4.71
10 Year				9.13	8.43			8.33	4.48

39

[Link to searchable text of slide shown above](#)

Performance Disclosure

- COMPOSITE STRUCTURE** — The Alliance US Large Cap Growth Composite includes fee-paying discretionary fee-swap accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite includes the equity segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flow are allocated in accordance with these guidelines. The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified. The Large Cap Growth Strategy team leader will transition out of this investment group, effective May 1, 2003. The strategy has not been modified.
- TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** — Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.75% from inception of the composite to December 31, 1999 and 0.50% from January 01, 2000 to December 31, 2000. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.34%. Both fee structures include accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

Alliance US Disciplined Growth Composite									
Period	Composite Assets (millions)	Composite % of Firm Assets	# of Accounts	Gross Return %	Net Return %	Composite Dispersion	Firm Assets (billions)	S&P 500	Russell 1000 Growth
1Q	43450	128	78	-0.24	-0.33	0.20	3413	-3.15	-1.07
YTD	43450	128	78	-0.24	-0.33	0.20	3413	-3.15	-1.07
2002	47378	137	80	-31.92	-32.14	0.80	3449	-22.10	-27.89
2001	89548	217	110	-20.01	-20.27	1.75	4122	-11.88	-20.42
2000	112342	230	115	-17.14	-17.50	1.48	4300	-9.11	-22.42
1999	134359	343	95	27.78	24.83	1.34	3483	21.04	33.14
1998	112400	392	79	43.74	42.70	0.88	2847	28.38	38.71
1997	74343	340	53	37.10	34.11	1.44	2187	33.34	30.49
1996	54173	294	44	23.41	22.51	1.09	1828	22.94	23.12
1995	48383	330	39	38.34	37.34	1.03	1443	37.38	37.18
1994	33892	279	39	-1.84	-2.39	0.48	1213	1.32	2.42
1993	29720	238	31	10.41	9.80	1.10	1152	10.08	2.87
1 Year				-27.91	-28.17			-24.74	-24.74
3 Year				-24.97	-25.34			-14.09	-23.44
5 Year				-4.44	-7.22			-3.77	-4.71
10 Year				7.38	6.47			8.33	4.48

- COMPOSITE STRUCTURE** — The Alliance US Disciplined Growth Composite includes fee-paying discretionary fee-swap accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite includes the equity segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flow are allocated in accordance with these guidelines. The creation date for this Composite was prior to December 1992, the first year that this composite was AIMR verified.
- TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** — Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.75% from inception of the composite to December 31, 1999 and 0.50% from January 01, 2000 to December 31, 2000. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.37%. Both fee structures include accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

40

Performance Disclosure

Period	Alliance US Small Cap Growth Composite									
	Composite Assets	Composite % of Firm	# of Accounts	Gross Return %	Net Return %	Composite Dispersion	Firm Assets	Excess 3000	Excess	Excess
1Q	322.2	0.130	12	-2.15	-2.35	0.03	341.3	-3.88	-3.88	-4.49
YTD	322.2	0.130	12	-2.15	-2.35	0.03	341.3	-3.88	-3.88	-4.49
2002	350.0	0.130	12	-30.30	-30.30	0.23	344.9	-30.24	-30.24	-20.48
2001	437.3	0.140	12	-10.34	-10.34	0.29	412.2	-9.25	-9.25	-2.49
2000	725.3	0.140	11	15.42	18.45	0.79	450.0	-22.43	-22.43	-3.02
1999	119.3	0.170	13	30.08	28.82	0.31	348.3	45.09	45.09	21.24
1998	1291.0	0.450	24	-2.44	-3.85	0.29	284.7	1.23	1.23	-2.55
1997	988.4	0.450	18	23.11	21.91	0.14	218.7	12.95	12.95	22.34
1994	397.1	0.220	4	37.91	34.58	0.09	182.8	11.24	11.24	14.49
1993	237.9	0.140	4	55.32	54.03	0.19	144.5	31.04	31.04	28.45
1994	134.2	0.130	4	-2.54	-3.32	N/A	121.3	-2.43	-2.43	-1.83
1993	343.4	0.300	4	15.21	14.08	N/A	115.2	13.38	13.38	18.88
1 Year				-30.84	-31.44			-31.43	-31.43	-24.97
3 Year				-14.08	-14.84			-24.41	-24.41	-11.00
5 Year				-4.12	-5.01			-9.38	-9.38	-4.12
10 Year				10.58	9.53			2.40	2.40	6.22

□ **COMPOSITE STRUCTURE** — The Alliance US Small Cap Growth Composite includes fee-paying discretionary two-asset accounts with assets over \$10 million in US dollar, which are not subject to significant investment restrictions imposed by clients. The composite does not include the equity segment of balanced accounts. The primary portfolio manager responsible for managing the Small Cap Strategy, who had been in place since June of 1994, left the firm in January of 1999. A new team responsible for managing the Small Cap Strategy was put in place during January of 1999. The creation date of the composite was prior to December 1992, the first year that this composite was AIMR verified.

□ **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** — Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 1.00%. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.82%. Both fee structures exclude accounts with performance-based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

N/A represents "not meaningful". N/A coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented.

Period	Alliance US Multi Capitalization Growth Composite									
	Composite Assets (millions)	Composite % of Firm	# of Accounts	Gross Return %	Net Return %	Composite Dispersion	Firm Assets (billions)	Excess 3000	Excess	Excess
1Q	440.9	0.13	7	0.41	0.44	0.15	341.30	-1.25	-1.25	-3.15
YTD	440.9	0.13	7	0.41	0.44	0.15	341.30	-1.25	-1.25	-3.15
2002	454.4	0.13	8	-24.60	-27.08	0.45	344.90	-28.04	-28.04	-22.10
2001	744.9	0.18	9	-21.43	-21.92	0.24	412.20	-19.43	-19.43	-11.88
2000	1143.0	0.25	12	-8.47	-9.59	0.28	450.00	-22.42	-22.42	-9.11
1999	844.4	0.24	8	25.34	24.34	1.14	348.30	33.82	33.82	21.04
1998	703.1	0.25	8	34.33	33.03	0.24	284.70	33.02	33.02	28.58
1997	530.1	0.24	8	32.34	31.25	0.49	218.70	28.74	28.74	33.34
1994	381.9	0.21	7	24.25	23.02	0.94	182.80	21.88	21.88	22.94
1993	292.3	0.20	4	32.44	31.17	0.34	144.50	34.57	34.57	37.58
1994	217.9	0.18	4	-4.94	-7.87	0.41	121.30	2.20	2.20	1.52
1993	214.7	0.19	4	20.32	19.15	1.44	115.20	3.49	3.49	10.08
1 Year				-23.79	-24.29			-27.08	-27.08	-24.74
3 Year				-21.49	-22.24			-25.53	-25.53	-14.09
5 Year				-4.43	-5.42			-4.94	-4.94	-3.77
10 Year				7.41	6.58			4.24	4.24	8.53

Performance Disclosure

- **COMPOSITE STRUCTURE** — The Alliance US Multi Capitalization Growth Composite includes fee-paying discretionary two-asset accounts with assets over \$10 million in US dollar, which are not subject to significant investment restrictions imposed by clients. The creation date of the Composite is December 31, 2000.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** — Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 1.00%. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.45%. Both fee structures exclude accounts with performance-based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

Period	International Large Cap Growth Equity Composite									
	Composite Assets (millions)	Composite % of Firm	# of Accounts	Gross Return %	Net Return %	Composite Dispersion	Firm Assets (billions)	MSCI EAFE	MSCI	MSCI
1Q	1124.0	0.3	7	-7.72	-7.79	0.27	341.3	-8.21	-8.21	-8.21
YTD	1124.0	0.3	7	-7.72	-7.79	0.27	341.3	-8.21	-8.21	-8.21
2002	1240.1	0.4	7	-14.12	-14.41	0.88	344.9	-13.54	-13.54	-13.54
2001	2143.7	0.5	7	-18.81	-19.05	0.49	412.2	-21.44	-21.44	-21.44
2000	2070.2	0.5	5	-14.83	-15.51	2.58	450.0	-14.17	-14.17	-14.17
1999	2580.0	0.7	8	43.37	42.55	3.77	348.3	24.94	24.94	24.94
1998	1257.7	0.4	7	17.57	14.51	3.04	284.7	20.00	20.00	20.00
1997	903.8	0.4	9	5.54	4.78	0.90	218.7	1.78	1.78	1.78
1994	738.4	0.4	8	8.58	7.77	0.24	182.8	4.05	4.05	4.05
1995	1184.7	0.8	10	12.42	11.59	1.18	144.5	11.21	11.21	11.21
1994	1314.8	1.1	11	7.40	6.41	0.49	121.3	7.78	7.78	7.78
1995	934.1	0.8	7	28.49	27.54	2.22	115.2	32.54	32.54	32.54
1 Year				-21.47	-21.74			-23.25	-23.25	-23.25
3 Year				-19.84	-20.22			-19.94	-19.94	-19.94
5 Year				-4.45	-4.59			-7.13	-7.13	-7.13
10 Year				4.24	3.54			1.94	1.94	1.94

- **COMPOSITE STRUCTURE** — The International Large Cap Growth Equity Composite includes fee-paying discretionary two-asset accounts with assets over \$10 million in US dollar, which are not subject to significant investment restrictions imposed by clients. The Composite includes the equity segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flow are allocated in accordance with these guidelines. As of March 31, 2003, less than 1% of its assets invested in countries or regions outside of the benchmark MSCI EAFE. The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** — Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.75% from inception of the composite to September 30, 2000 and 0.90% from October 01, 2000 to December 31, 2000. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.32%. Both fee structures exclude accounts with performance-based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

□

Performance Disclosure

Period	Composite Assets (millions)	Alliance Emerging Markets		Equity Composite		Firm Assets (billions)	MSCI Emerging Market
		Composite % of Firm Assets	# of Accounts	Gross Return %	Net Return %		
1Q	713.8	0.21	8	-4.83	-4.93	341.3	-3.87
YTD	713.8	0.21	8	-4.83	-4.93	341.3	-3.87
2002	694.1	0.20	6	0.49	0.21	344.9	-4.00
2001	723.0	0.18	3	-7.14	-7.54	412.2	-2.37
2000	541.3	0.12	1	-29.23	-29.94	430.0	-30.41
1999	434.3	0.12	1	118.32	114.29	348.3	44.41
1998	276.3	0.10	2	-28.04	-28.80	284.7	-23.34
1997	309.4	0.14	2	-8.42	-9.33	218.7	-11.58
1996	248.4	0.14	2	22.33	21.34	182.8	4.03
1995	137.2	0.09	2	-3.04	-4.03	144.5	-5.21
1994	294.4	0.24	3	-12.28	-13.14	121.3	-7.32
1993	81.1	0.07	1	44.90	43.33	115.2	7.84
1 Year				-17.12	-17.49		-20.58
3 Year				-17.64	-18.14		-14.35
5 Year				-1.63	-2.39		-4.83
10 Year				3.99	3.09		0.14

□ **COMPOSITE STRUCTURE** — The Alliance Emerging Markets Equity Composite includes fee-paying discretionary two-segment accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. As of March 31, 2003, had less than 1% of its assets invested in countries or regions outside of the benchmark, MSCI Emerging Market. The creation date of this Composite was prior to December 1994, the first year that this composite was AIMR verified.

□ **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** — Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 1.00%. From January 2001 forward, the Composite's net of fee returns are based upon a weighted average of the actual fee rate charged to each account in the composite. The fee applied was 0.43%. Both fee structures exclude accounts with performance-based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

*N/A represents "not meaningful". N/A coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quartile of each year presented.

Period	Composite Assets (millions)	Composite % of Firm Assets	# of Accounts	Enhanced Sector Rotation Composite		Firm Assets (billions)	Lehman Aggregate
				Gross Return %	Net Return %		
1Q	1371.5	0.44	18	1.78	1.73	341.3	1.39
YTD	1371.5	0.44	18	1.78	1.73	341.3	1.39
2002	1370.8	0.4	15	8.04	7.83	344.9	10.24
2001	3098.2	0.73	31	8.43	8.23	412.2	8.44
2000	2975.1	0.64	27	12.02	11.7	450.0	11.43
1999	4047.8	1.10	31	-0.44	-0.93	348.3	-0.82
1998	3488.7	1.29	24	7.73	7.42	284.7	8.49
1997	2302.4	1.05	18	10.29	9.97	218.7	9.45
1996	1234.8	0.49	12	4.39	4.08	182.8	3.43
1995	388.0	0.24	4	21.7	21.35	144.5	18.47
1994	119.1	0.1	2	-4.01	-4.29	121.3	-2.92
1993	115.9	0.1	2	14.47	14.14	115.2	9.75
1 Year				10.24	10.04		11.48
3 Year				9.15	8.92		9.81
5 Year				7.02	6.74		7.51
10 Year				43	7.8		7.23

Performance Disclosure

- **COMPOSITE STRUCTURE**— The Enhanced Factor Rotation Composite includes the paying discount to many exempt accounts with assets over \$20 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified. The Composite includes the fixed segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**— Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.29%. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.20%. Both the structure exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

Period	Composite Assets (millions)	Composite % of Firm Assets	# of Accounts	Alliance High Yield Composite			Firm Assets (billions)	Customized High Yield	Salomon BBE Bond
				Gross Return %	Net Return %	Dispersion			
1Q	944.6	0.28	7	5.37	5.31	0.38	341.3	74.7	7.71
YTD	944.6	0.28	7	5.37	5.31	0.38	341.3	74.7	7.71
2002	944.0	0.28	8	-3.34	-3.39	0.48	344.9	-0.14	-1.34
2001	783.4	0.19	4	4.97	4.72	0.47	412.2	53.4	5.20
2000	74.3	0.02	1	-2.23	-2.84	NM*	450.0	-5.45	-4.28
1999	712.1	0.19	1	10.85	10.14	NM*	348.3	3.28	1.97
1998	844.5	0.30	2	-0.99	-1.43	0.94	284.7	0.58	4.40
1997	895.4	0.41	2	19.03	18.28	0.07	218.7	12.43	12.91
1996	788.2	0.43	2	21.84	21.04	1.10	182.8	12.42	11.31
1995	727.1	0.30	2	14.89	14.14	1.28	144.3	17.38	19.81
1994	634.5	0.32	4	-2.33	-3.17	NM*	121.3	-0.97	-0.34
1993	719.0	0.42	4	21.03	20.30	NM*	115.2	18.91	17.09
1 Year				1.30	1.24			3.84	3.83
3 Year				1.54	1.38			2.48	3.17
5 Year				1.88	1.40			1.51	1.85
10 Year				7.98	7.34			4.15	4.33

- **COMPOSITE STRUCTURE**— The Alliance High Yield Composite includes the paying discount to many exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The creation date of this Composite was prior to December 1993, the first year that this composite was AIMR verified. Prior to October 2000, the benchmark for this Composite was the CSFB High Yield Bond Index, thereafter the Composite's benchmark is a customized, asset-weighted blend of the benchmarks of each of the accounts in the Composite. A weighting is applied to the benchmarks by using the prior month-end market values of the portfolio within the Composite. Prior to the beginning of a new quarter, if an account is added or deleted, the custom benchmark will automatically be rebalanced to reflect the change in market values and benchmarks. The Composite does not include the fixed income segment of balanced accounts.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**— Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.43%. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.23%. Both the structure exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

*NM represents "not meaningful". NM coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented.

44

[Link to searchable text of slide shown above](#)

Performance Disclosure

Period	Composite Assets (millions)	Composite % of Assets	# of Accounts	Alliance Global Fixed Income Composite			Firm Assets (billions)	JPIM Global Bond Index	Salomon World Govt Bond Index
				Gross Return %	Net Return %	Dispersion			
1Q	112	0	1	3.51	3.38	NM*	341.3	3.02	3.10
YTD	112	0	1	3.51	3.38	NM*	341.3	3.02	3.10
2002	130	0	1	12.02	12.10	NM*	346.9	19.37	19.49
2001	159	0	1	-0.23	-0.23	NM*	412.2	-0.79	-0.99
2000	123	0	1	1.60	1.10	NM*	450.0	2.34	1.56
1999	162	0	2	-5.50	-5.97	NM*	368.3	-5.02	-4.27
1998	66	0	1	16.70	16.13	NM*	286.7	15.31	15.30
1997	126	0.01	1	1.90	1.40	NM*	218.7	1.40	0.23
1996	113	0.01	1	5.96	5.44	NM*	122.2	4.40	3.62
1995	104	0.01	1	19.45	18.26	NM*	146.5	19.32	19.04
1994	155	0.01	2	-0.97	-1.46	NM*	121.3	1.28	2.35
1993	110	0.01	2	16.43	15.86	NM*	115.2	12.27	13.27
1 Year				24.92	24.31			24.88	25.22
3 Year				7.70	7.17			7.54	7.34
5 Year				6.46	5.73			6.34	6.29
10 Year				6.72	6.20			6.46	6.41

- **COMPOSITE STRUCTURE**— The Alliance Global Fixed Income Composite includes the paying discount to many exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. As of March 31, 2002, the Composite had more of its assets invested in accounts in regions outside of the benchmark, JPIM Global Bond Index. The Composite includes the fixed segment of a multipurpose fund account. In these single-sect fund accounts, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified. Accounts in the Composite may maintain their positions, use futures, interest rate swaps and other derivatives to hedge interest rate exposure, align risk with the index, and reduce direct risk and volatility. In certain situations, the use of these instruments may increase leverage.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**— Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.50%. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.50%. Both the structure exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

*NM represents "not meaningful". NM coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented.

Period	Composite Assets	Composite % of Firm Assets	# of Accounts	Alliance Emerging Markets Fixed Composite			Firm Assets (billions)	JPIM EMBI
				Gross Return %	Net Return %	Dispersion		
1Q	71.6	0.02	1	10.32	10.15	0.00	341.3	7.59
YTD	71.6	0.02	1	10.32	10.15	NM*	341.3	7.59
2002	64.9	0.02	1	19.13	18.27	NM*	346.9	14.34
2001	54.5	0.01	1	9.3	8.6	NM*	412.2	-0.79
2000	50.9	0.01	1	16.69	15.94	NM*	450	15.66
1999	76.1	0.02	1	36.82	35.96	NM*	368.3	25.97
1998	201.3	0.07	1	-21.59	-22.11	NM*	286.7	-14.35
1997	352.2	0.16	1	19.65	18.39	NM*	218.7	13.02
1996	610.2	0.33	1	47.23	46.31	NM*	182.8	39.31
1995	470.2	0.32	1	37.62	36.82	NM*	146.5	26.77
inception - 12/31/94	260.3	0.21	1	-1.52	-1.84	NM*	121.3	2.83
1 Year				19.81	19.04			15.35
3 Year				14.42	13.75			9.43
5 Year				10.91	10.2			7.66

Inception Date: 6/30/94

45

[Link to searchable text of slide shown above](#)

Performance Disclosure

- COMPOSITE STRUCTURE** — The Alliance Emerging Markets Fixed Composite represents a portion of a pooled commingled investment vehicle with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. Cash is allocated to the fixed portion of the pooled commingled investment vehicle, so it is being managed and tracked in accordance with AIME standards. The creation date of this composite was prior to December 1993, the first year that this composite was AIME verified. Accounts in the Composite may maintain short positions, use futures, interest rate swaps and interest rate futures to hedge interest rate exposure, align with the index and reduce currency and volatility. In certain situations, the use of these instruments may construct leverage. As of March 31, 2003 the Composite had less than 1% of its assets invested in accounts comprising outside of the benchmark, JPM EMBEY.
- TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** — Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.43%. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.43%. Both fee structures include accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

*N/A represents "not meaningful". N/A coding indicates that only one account or no accounts are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter or each year presented.

Period	Alliance High Grade AGG Composite				Composite Dispersion	Firm Asset (billions)	Lahman US Aggregate
	Composite Asset (millions)	Composite % of Firm Asset	# of Accounts	Gross Return %	Net Return %		
1Q	4303	0.13	5	1.30	1.43	0.02	341.3
YTD	4303	0.13	5	1.30	1.43	0.02	341.3
2002	4323	0.12	5	10.41	10.17	0.24	344.9
2001	4033	0.10	7	9.12	8.88	0.23	412.2
2000	1577	0.04	3	11.41	11.17	0.03	450.0
1999	174.7	0.03	3	-1.22	-1.4	0.11	348.3
1998	1892	0.07	3	9.22	8.79	0.10	284.7
Inception - 12/31/97	174.4	0.08	3	10.08	9.75	N/A*	218.7
1 Year				11.84	11.6		11.68
3 Year				10.11	9.81		9.81
5 Year				7.47	7.32		7.31
Inception: 3/31/97							

- COMPOSITE STRUCTURE** — The Alliance High Grade AGG Composite includes fee-paying discretionary fee exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The composite was created on October 31, 2000.

- RAVE OFF RETURN** — No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance figures for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Monthly market values include income accruals and reflect the daily weighting of cash flows. The composite results are asset weighted on a monthly basis. Quarterly and annual composite performance figures are computed by linking monthly returns, resulting in a "time-weighted" rate of return. Performance results include the reinvestment of dividends and other earnings. Returns are calculated in US dollars.

*N/A represents "not meaningful". N/A coding indicates that only one account or no accounts are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented.

[Link to searchable text of slide shown above](#)

Performance Disclosure

Period	Insurance Composite				Composite Dispersion	Firm Asset (billions)	Customized Benchmark
	Composite Asset (millions)	Composite % of Firm Asset	# of Accounts	Gross Return %	Net Return %		
2003 1Q	2241.4	0.44	8	2.43	2.41	0.40	341.3
2003 YTD	2241.4	0.44	8	2.43	2.41	0.40	341.3
2002	2413.8	0.70	9	10.79	10.59	1.04	344.9
2001	2094.5	0.51	9	9.49	9.49	0.81	412.2
2000	1805.0	0.40	8	10.92	10.75	0.50	450.0
1999	1811.1	0.49	10	0.40	0.22	1.09	348.3
1998	1781.2	0.42	10	8.44	8.27	0.50	284.7
1997	1443.4	0.47	8	9.37	9.17	0.57	218.7
1996	1254.9	0.74	9	4.01	3.83	0.53	182.8
1995	740.7	0.32	5	18.91	18.70	N/A*	144.3
1994	537.9	0.44	4	-1.73	-1.31	N/A*	121.3
1993	543.8	0.49	4	11.14	10.97	N/A*	9.81
1 Year				13.44	13.44		13.01
3 Year				10.74	10.54		10.10
5 Year				8.12	7.93		7.40
10 Year				7.84	7.63		7.31

- COMPOSITE STRUCTURE** — The Insurance Composite includes fee-paying discretionary fee exempt accounts with assets over \$40 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite does not include the fixed income segment of balanced accounts. The composite's benchmark used in the presentation is a customized, asset-weighted blend of the benchmarks of each of the accounts in the Composite (custom benchmark). A weighting is applied to the benchmarks by using the prior month-end market values of the portfolio within the Composite. Prior to the beginning of a new quarter, if an account is added or deleted, the custom benchmark will automatically be rebalanced to include the new account's market value and benchmark. The terminated account's market value and benchmark return will be excluded. The creation date of this Composite was prior to December 1993, the first year that this Composite was AIME verified.

- TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** — Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.18%. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.18%. Both fee structures include accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

*N/A represents "not meaningful". N/A coding indicates that only one account or no accounts are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented.

Period	Alliance US Relative Value Composite				Composite Dispersion	Firm Asset (billions)	S&P 500	Russell 1000 Value
	Composite Asset (millions)	Composite % of Firm Asset	# of Accounts	Gross Return %	Net Return %			
1Q	2058.1	0.42	18	-1.92	-1.98	0.38	341.3	-313
YTD	2058.1	0.42	18	-1.92	-1.98	0.38	341.3	-313
2002	2082.7	0.4	18	-22.09	-22.32	1.24	344.9	-221
2001	2099.2	0.51	13	-1.73	-1.92	0.30	412.2	-11.88
2000	1594.1	0.35	8	15.9	15.04	0.24	450	-911
1999	1248.5	0.34	2	10.45	9.6	0.74	348.3	21.04
1998	1443.5	0.5	10	22.84	21.94	0.54	284.7	28.58
1997	1428.4	0.48	13	29.77	28.88	0.23	218.7	33.34
1996	741.3	0.42	3	2.4	2.48	0.39	182.8	22.94
1995	1028.4	0.7	5	38.17	37.17	2.72	144.3	37.58
1 Year				-24.87	-25.03		-24.74	-22.79
3 Year				-5.24	-5.4		-14.09	-4.84
5 Year				0.89	0.37		-3.77	-2.03

[Link to searchable text of slide shown above](#)

Performance Disclosure

- **COMPOSITE STRUCTURE**—The Alliance US Relative Value Composite includes fee-paying discretionary accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite includes the equity segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. The composite has been created to reflect material changes in the investment process during the fourth quarter of 1994. The nature of the investment has resulted in a change in the inception of the composite from January 1, 1992 to January 1, 1993. No other changes occurred as a result of this investment. The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR certified.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this presentation have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.75%. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rate charged to each account in the composite. The fee applied was 0.25%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fee.

Bernstein US STRATEGIC VALUE Composite

- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this report have been presented gross and net of investment management fees. Prior to 1993, management fees were not charged; instead, the accounts incurred transaction costs. From 1993 through 1992, the composite's net-of-fee return is the equal-weighted average of the actual after-fee returns of each account in the composite. From 1993 forward, the composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of each account in the composite. Net-of-fee performance figures reflect the compounding effect of such fees.
- **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance returns for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total return basis, which includes all income from dividends and interest and realized and unrealized gains or losses. Prior to July 1993, all cash flows were assumed to have occurred on the last day of the month. From July 1993 through 2000, if an account's net monthly cash flow was equal to or exceeded 10% of its beginning market value, the Modified Dietz Method was used to daily weight the cash flows. When an account's net monthly cash flow was less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily-weighted using the Modified Dietz Method. Beginning 1993, the composite returns are asset weighted on a monthly basis. Prior to 1993, the composite results are equal weighted on a quarterly basis. These monthly and quarterly performance figures are geometrically linked to calculate cumulative and/or annualized rates of return for various time periods. Returns for the portfolio in the composite are calculated in US dollars.
- **COMPOSITE STRUCTURE**—Initially, as of March 31, 2003, the US Strategic Value composite ("Composite") consisted of 208 accounts with a market value of \$10,907.00 million in US dollars, which represent 3.14% of the firm's total assets. Beginning 1993, the Composite includes fee-paying institutional discretionary accounts with assets over \$5 million in US dollars which are not subject to significant investment restrictions imposed by clients. From 1993 through 1992, the Composite includes all discretionary accounts with assets over \$5 million in US dollars. Prior to 1993, the Composite includes all accounts regardless of size. The Composite was created in March 2002 with an inception date of December 31, 1973.
- **DISPERSION**—The dispersion of annual returns was calculated based on the equal-weighted standard deviation in 1992 and on the asset-weighted standard deviation from 1993 forward. Dispersion of performance for the Composite is as follows: 1992: 1.42%; 1993: 1.19%; 1994: 0.69%; 1995: 1.34%; 1996: 1.10%; 1997: 1.93%; 1998: 1.74%; 1999: 1.92%; 2000: 2.38%; 2001: 1.51%; 2002: 2.00%.
- **ANNUAL RETURNS**—Gross: 1992: 24.89%; 1993: 27.30%; 1994: 1.30%; 1995: 38.01%; 1996: 24.71%; 1997: 27.79%; 1998: 10.34%; 1999: 0.25%; 2000: 10.44%; 2001: 10.13%; 2002: 14.97%; 2003Q1: 3.24%. Net: 1992: 24.03%; 1993: 24.69%; 1994: 0.81%; 1995: 37.34%; 1996: 24.13%; 1997: 27.23%; 1998: 9.88%; 1999: 0.14%; 2000: 9.98%; 2001: 9.47%; 2002: 17.34%; 2003Q1: 3.38%.

Bernstein US DIVERSIFIED VALUE Composite (optimized to the Russell 1000 Value Index)

- 1) **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this report have been presented gross and net of investment management fees. The composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of each account in the composite. Net-of-fee performance figures reflect the compounding effect of such fee.

48

[Link to searchable text of slide shown above](#)

Performance Disclosure

- 2) **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance returns for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total return basis, which includes all income from dividends and interest and realized and unrealized gains or losses. Prior to 2001, if an account's net monthly cash flow was equal to or exceeded 10% of its beginning market value, the Modified Dietz Method was used to daily weight the cash flows. When an account's net monthly cash flow was less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily-weighted using the Modified Dietz Method. The composite returns are asset weighted on a monthly basis. These monthly performance figures are geometrically linked to calculate cumulative and/or annualized rates of return for various time periods. Returns for the portfolio in the composite are calculated in US dollars.
- 3) **COMPOSITE STRUCTURE**—Initially, as of March 31, 2003, the US Diversified Value composite (opt. R1000V) ("Composite") consisted of 102 accounts with a market value of \$9,403.22 million in US dollars, which represent 2.77% of the firm's total assets. The Composite commenced on March 31, 1999 and included only 2 private-client fee-paying discretionary portfolios in the 1st quarter of 1999. These portfolios are managed as if they are institutional and remain in the composite until they no longer meet the criteria for inclusion. No other private-client portfolios are included. Beginning June 30, 1999, the composite includes fee-paying institutional discretionary accounts that are not subject to significant investment restrictions imposed by clients. The Composite was created in March 2002 with an inception date of March 31, 1999.
- 4) **DISPERSION**—The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 3/31-12/31/99: N/M*; 2000: 1.92%; 2001: 0.80%; 2002: 0.82%.
- 5) **ANNUAL RETURNS**—Gross: 3/31-12/31/99: 22.1%; 2000: 13.84%; 2001: 4.20%; 2002: 12.22%; 2003Q1: 4.17%. Net: 3/31-12/31/99: 1.94%; 2000: 13.40%; 2001: 3.84%; 2002: 12.34%; 2003Q1: 4.24%.

*N/M represents "not meaningful." N/M coding indicates that five or fewer accounts are in the Composite for the full year.

Bernstein US SMALL & MIDCAP VALUE Composite

- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this report have been presented gross and net of investment management fees. The composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of each account in the composite. Net-of-fee performance figures reflect the compounding effect of such fees.
- **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance figures for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total return basis, which includes all income from dividends and interest and realized and unrealized gains or losses. All cash flows are daily-weighted using the Modified Dietz Method. The composite results are asset weighted on a monthly basis. These monthly performance figures are geometrically linked to calculate cumulative and/or annualized rates of return for various time periods. Returns for the portfolio in the composite are calculated in US dollars.
- **COMPOSITE STRUCTURE**—Initially, as of March 31, 2003, the Alliance Bernstein Small and MidCap Value composite ("Composite") consisted of five accounts with a market value of \$10.88 million in US dollars, which represent less than 0.1% of the firm's total assets. The Composite includes fee-paying institutional discretionary accounts which are not subject to significant investment restrictions imposed by clients. The Composite was created in March 2002 with an inception date of December 31, 2000.
- **DISPERSION**—The dispersion of performance for the Composite is as follows: 2001: N/M*; 2002: N/M*.
- **ANNUAL RETURNS**—Gross: 2001: 23.40%; 2002: 4.78%; 2003Q1: 4.34%. Net: 2001: 22.57%; 2002: 7.40%; 2003Q1: 4.70%.

*N/M represents "not meaningful." N/M coding indicates that five or fewer accounts are in the Composite for the full year.

Bernstein EMERGING MARKETS VALUE Composite

- 1) **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this report have been presented gross and net of investment management fees. Net performance figures have been calculated by deducting the highest fee payable by an account of this type: 1.25% annually. Net-of-fee performance figures reflect the compounding effect of such fees.

- 2) **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance returns for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total return basis, which includes all income from dividends and interest and realized and unrealized gains or losses. Prior to 2001, if an account's net monthly cash flow was equal to or exceeded 10% of its

49

[Link to searchable text of slide shown above](#)

Performance Disclosure

beginning market value, the Modified Dietz Method was used to daily-weight the cash flows. When an account's net monthly cash flows were less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily-weighted using the Modified Dietz Method. The composite returns are asset-weighted on a monthly basis. These monthly performance figures are geometrically linked to calculate cumulative and/or annualised rates of return for various time periods. The composite contains portfolio of funds denominated in foreign currencies. To calculate composite performance, each portfolio's monthly returns are converted to US dollars using WM Reuters monthly exchange rates.

3) **COMPOSITE STRUCTURE**—Initially, as of March 31, 2003, the Emerging Market Value composite ("Composite") consisted of seven accounts with a market value of \$1,414.99 million in US dollars, which represents less than 1.0% of the firm's total assets. The Composite includes the paying institutional and pooled discretionary accounts which are not subject to significant investment restrictions imposed by clients. In 1994, the Composite consisted of a single-pooled discretionary account. The withholding tax basis of the composite is consistent with the benchmark, which is Luxembourg. The Composite was created in March 2002 with an inception date of December 31, 1993. As of March 31, 2003, the Composite had 0.3% of its assets invested in countries or regions outside of the benchmark, the MSCI Emerging Markets Free Index.

4) **DISPERSION**—The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1994: N/A; 1997: N/A; 1998: N/A; 1999: N/A; 2000: N/A; 2001: N/A; 2002: N/A.

5) **ANNUAL RETURNS**—Returns: 1994: 9.04%; 1997: (21.54)%; 1998: (18.40)%; 1999: 73.28%; 2000: (24.88)%; 2001: (1.12)%; 2002: 4.14%; 2003Q1: (2.32)%; Net: 1994: 7.71%; 1997: (22.34)%; 1998: (19.42)%; 1999: 71.13%; 2000: (27.74)%; 2001: (2.33)%; 2002: 4.82%; 2003Q1: (2.82)%.

* N/A represents "not meaningful." N/A coding indicates that 5 or fewer accounts are in the Composite for the full year.

Bornstein INTERNATIONAL VALUE Composite (Half-Hedged, GDP-weighted)

1) **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this report have been presented gross and net of investment management fees. The composite's net of fee return is the asset-weighted average of the actual after fee returns of each account in the composite. Net of fee performance figures reflect the compounding effect of fees.

2) **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance returns for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total return basis, which includes all income from dividends and interest and realised and unrealised gains or losses. From July 1993 through 2000, if an account's net monthly cash flows were equal to or exceeded 10% of its beginning market value, the Modified Dietz Method was used to daily-weight the cash flows. When an account's net monthly cash flows were less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily-weighted using the Modified Dietz Method. The composite returns are asset-weighted on a monthly basis. These monthly performance figures are geometrically linked to calculate cumulative and/or annualised rates of return for various time periods. Returns for the portfolio in the composite are calculated in US dollars.

3) **COMPOSITE STRUCTURE**—Initially, as of March 31, 2003, the International Value composite (HH, GDP) ("Composite") consisted of 22 accounts with a market value of \$1,335.53 million in US dollars, which represents less than 1.0% of the firm's total assets. From July 1992 through September 1993, the Composite consisted of a single-pooled discretionary account. Beginning July 1993, the pooled discretionary account is established and the Composite includes only the paying institutional discretionary account, which are not subject to significant investment restrictions imposed by clients. The withholding tax basis of the composite is consistent with the benchmark, which is Luxembourg. The Composite was created in March 2002 with an inception date of June 30, 1992. As of March 31, 2003, the Composite had 5.7% of its assets invested in countries or regions outside of the benchmark, the MSCI EAFE Index (Half-Hedged, GDP-weighted).

4) **DISPERSION**—The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1980-12/31/92: N/A; 1998: N/A; 1999: 1.00%; 1995: 1.04%; 1994: 0.42%; 1997: 1.24%; 1996: 1.41%; 1999: 1.81%; 2000: 1.18%; 2001: 1.00%; 2002: 0.83%.

5) **ANNUAL RETURNS**—Returns: 6/30-12/31/92: (4.08)%; 1993: 37.45%; 1994: 5.65%; 1995: 9.48%; 1996: 18.69%; 1997: 10.54%; 1998: 14.49%; 1999: 22.01%; 2000: (1.79)%; 2001: (0.73)%; 2002: (0.61)%; 2003Q1: 6.78%; Net: 6/30-12/31/92: (4.39)%; 1993: 36.00%; 1994: 5.11%; 1995: 8.84%; 1996: 18.14%; 1997: 9.84%; 1998: 13.81%; 1999: 21.32%; 2000: (0.42)%; 2001: (1.22)%; 2002: (0.19)%; 2003Q1: (5.90)%.

* N/A represents "not meaningful." N/A coding indicates that 5 or fewer accounts are in the Composite for the full year.

50

[Link to searchable text of slide shown above](#)

Performance Disclosure

Past performance is not indicative of future results. Returns are as of 3/31/03. Because of ongoing market volatility, performance may be subject to substantial fluctuations since that date and may be more or less than that shown. Average annual returns are for Class A shares of NAV. Returns for Class B, Class C and Advisor Class shares will vary due to different expenses associated with these classes.

The Lipper Average reports the performance of funds that have generally similar investment objectives to the Alliance Bernstein funds, although investment policies for the various funds may differ.

Balanced Account Composite Performance Disclosure, Net of Fee

1) **Performance Statistics: Am Net Financial Statements** - There are various methods of compiling or reporting performance statistics. The standards of performance measurement used in compiling these data are in accordance with the methods set forth below. Past performance statistics are not indicative of future results.

2) **Total Return** - Performance results of accounts and comparisons are made on a total return basis, which includes all dividends, interest and accrued interest and realised and unrealised gains or losses. Performance results are after deductions of all transaction charges and fees.

3) **Rate of Return** - Investment results are computed on a "time-weighted" rate-of-return basis. Assuming dividends and interest are reinvested, the growth in dollar of an investment in a period can be computed using these rates of return. In computing the time-weighted rate of return, if an account's net monthly cash flows exceed 10% of its beginning market value, the cash flows are weighted on a daily basis. When an account's net monthly cash flows are less than 10% of its beginning market value, the cash flows are weighted by the "end-of-the-month" assumption. Beginning 2001, all cash flows are daily-weighted using the Modified Dietz method.

4) **Preparation of Data** - Investment results on a quarterly basis for All Balanced Accounts for the entire quarter were added together and the sum divided by the total number of accounts in each quarter to produce a series of average quarterly performance figures. These quarterly performance figures were then linked to produce a continuous performance index. The continuous performance index from inception was used to create point-to-point comparisons. Closed accounts are included for each full quarter prior to their closing. All Balanced Accounts include various types of accounts with any combination of equity and fixed income, in any percentage mix.

5) **Dispersion** - Dispersion or standard deviation measures the variability of account returns within a composite. In a normal distribution, approximately two-thirds of the account returns will fall within the range of one standard deviation above and below the asset-weighted mean return. Dispersion of performance for All Balanced Accounts under management was as follows: 1974-2004: 1973: 183; 1974: 10.7; 1977: 7.4; 1978: 7.7; 1979: 4.9; 1980: 7.2; 1981: 4.9; 1982: 5.8; 1983: 4.4; 1984: 5.1; 1985: 3.3; 1986: 2.4; 1987: 4.3; 1988: 2.4; 1989: 2.3; 1990: 4.4; 1991: 4.1; 1992: 3.5; 1993: 2.3; 1994: 2.1; 1995: 2.9; 1996: 2.1; 1997: 2.8; 1998: 4.1; 1999: 4.4; 2000: 5.3; 2001: 4.3; 2002: 4.9; 2003: N/A.

6) **Financial Securities Environment** - Various indices are used to indicate the type of investment environment existing during the time periods shown. Year 2002 data are preliminary, pending completion of internal audit.

Strategic Value (All) Composite Performance Disclosure, Net of Fee

1. General notes:

a. **Performance Statistics: Am Net Financial Statements** - There are various methods of compiling or reporting performance statistics. The standards of performance measurement used in compiling these data are in accordance with the methods set forth below. Past performance statistics are not indicative of future results. A portfolio could suffer losses as well as gains.

b. **Capital Market Environment** - Various indices are used to indicate the type of investment environment existing during the time periods shown.

c. **Total Return** - Performance figures for each account are calculated monthly using an internal rate-of-return calculation. Performance results of accounts and comparisons are made on a total return basis, which includes all income from dividends and interest and realised and unrealised gains or losses. Assuming dividends and interest are reinvested, the growth in dollar of an investment in a period can be computed using these rates of return. Investment results are computed on a "time-weighted" rate-of-return basis. Securities are included in accounts on a trade-date basis. Closed accounts are included for each full quarter prior to their closing. Performance results are after transaction charges, and are after the deduction of all fees as described below.

Performance Disclosure

- d. Preparation of Data - Investment results for the Strategic Value (All) composite discretionary accounts are added to gether and the sum divided by the total number of accounts to produce a series of average quarterly performance figures. Strategic Value (All) composite returns include all accounts from 1974-1999 that are not subject to significant investment restrictions imposed by clients. Beginning January 1, 2000, we only include accounts with a client-directed margin balance of 20% or more of market value at any month end. Prior to 2001, in computing the time-weighted rate of return, if an account's net monthly cash flow was equal to or exceeded 10% of its beginning market value, the modified Dietz method was used to daily weight the cash flow. When an account's net monthly cash flow was less than 10% of its beginning market value, the cash flow was assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily weighted using the modified Dietz method.
2. Net-of-Fee Performance Figures - The Strategic Value (All) composite has been calculated as follows:
- From 1983, management fees were not charged; instead, the accounts incurred transaction costs.
 - From 1983 forward, the composite's net-of-fee return is the equal-weighted average of the actual after-fee returns of Strategic Value accounts in the composite.
3. Dispersion - Dispersion is calculated on the gross-of-fee returns. Dispersion, or standard deviation, measures the variability of account returns within a composite. In a normal distribution, approximately two-thirds of the account returns will fall within the range of one standard deviation above and below the equal-weighted mean return. Dispersion of returns for Strategic Value (All) is as follows: 1974-1982: 14.3; 1983-1987: 8.3; 1988-1992: 10.9; 1993-1997: 8.5; 1998-1999: 7.8; 2000: 5.3; 2001: 2.2; 2002: 2.7; 2003: N/A.
- Your 2002 data are preliminary, pending completion of internal audit.

Strategic Growth Composite Performance Disclosure, Net of Fee

1. General Note:
- Performance Statistics Are Not Financial Statements - These are various methods of compiling or reporting performance statistics. The standards of performance measurement used in compiling these data are in accordance with the methods set forth below. Past performance statistics are not indicative of future results. A portfolio could suffer losses as well as gains.
 - Capital Markets Environment - Various indices are used to indicate the type of investment environment existing during the time periods shown.
 - Total Return - Performance figures for each account are calculated monthly using an internal rate of return calculation. Performance results of accounts and comparisons are made on a total return basis, which includes all income from dividends and interest and realized and unrealized gains or losses. Assuming dividends and interest are reinvested, the growth in dollars of an investment in a period can be computed using these rate of return. Investment results are computed on a "time-weighted" rate of return basis. Securities are included in accounts on a trade-date basis. Closed accounts are included for each full quarter prior to their closing. Performance results are after transaction charges, and are after the deduction of all fees as described below.
 - Preparation of Data - The performance results of the Strategic Growth composite are calculated by linking the asset-weighted quarterly returns of the Alliance Large Cap Growth composite for the period 1979 through 2000 with those of Strategic Growth thereafter. The quarterly asset-weighted returns are geometrically linked to calculate cumulative and/or annualized rates of return for various periods. Alliance Large Cap Growth differs from Strategic Growth, which is offered exclusively to clients of the Bernstein Investment Research and Management unit of Alliance Capital Management L.P., in that, among other things, Strategic Growth offers tax management and may contain fewer stocks.
2. Alliance Large Cap Growth Composite Methodology (1979-2000) - Monthly market values include income accruals and reflect the daily weighting of cash flows. The Alliance Large Cap Growth composite results are asset-weighted on a monthly basis. The quarterly composite performance figures are computed by linking the monthly returns, resulting in a time-weighted rate of return. The composite includes fee-paying discretionary tax- exempt accounts with assets over \$10 million not subject to significant investment restrictions imposed by clients. The composite includes the equity segment of balanced accounts. In these equity portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. The structure includes accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of cash flows.
3. Strategic Growth Composite Methodology (2001-present) - The Strategic Growth composite returns are calculated on a quarterly basis with each account's return weighted by its prior quarter-end market value. All cash flows are daily weighted using the modified Dietz method. Results include accounts with a client-directed margin balance of 20% or more of market value at any month end.
4. Net-of-Fee Performance Figures - Net-of-fee performance figures have been calculated as follows:
- From 1979-1982, 0.75% the highest annual fee charged to an Alliance Large Cap Growth account for that period (excluding accounts with performance-based fee arrangements) was deducted from the composite's gross-of-fee returns.
 - From 1983 through 2000, the actual average quarterly fee charged by Bernstein for the Strategic Value (All) service was deducted from the Alliance Large Cap Growth composite gross-of-fee returns.
 - From January 2001 forward, the composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of Strategic Growth accounts in the composite.
5. Dispersion - Dispersion is calculated on the gross-of-fee returns. Dispersion, or standard deviation, measures the variability of account returns within a composite. In a normal distribution, approximately two-thirds of the account returns will fall within the range of one standard deviation above and below the asset-weighted mean return. Dispersion of returns for accounts within the Alliance Large Cap Growth from 1979-2000 is as follows: 1979-1982: 14.3; 1983-1987: 8.3; 1988-1992: 10.9; 1993-1997: 8.5; 1998-1999: 7.8; 2000: 5.3; 2001: 2.2; 2002: 2.7; 2003: N/A.
- Your 2002 data are preliminary, pending completion of internal audit.

52

Performance Disclosure

50/50 Simulation - Strategic Value (All) and Strategic Growth Composite Performance Disclosure, Net of Fee ("50/50 (All)")

1. General Note:
- Performance Statistics Are Not Financial Statements - These are various methods of compiling or reporting performance statistics. The standards of performance measurement used in compiling these data are in accordance with the methods set forth below. Past performance and simulation statistics are not indicative of future results. A portfolio could suffer losses as well as gains.
 - Capital Markets Environment - Various indices are used to indicate the type of investment environment existing during the time periods shown.
 - Total Return - Performance figures for each account are calculated monthly using an internal rate of return calculation. Performance results of accounts and comparisons are made on a total return basis, which includes all income from dividends and interest and realized and unrealized gains or losses. Assuming dividends and interest are reinvested, the growth in dollars of an investment in a period can be computed using these rate of return. Investment results are computed on a "time-weighted" rate of return basis. Securities are included in accounts on a trade-date basis. Closed accounts are included for each full quarter prior to their closing. Performance results are after transaction charges, other than the transaction charges incurred in periodic rebalancing and are after the deduction of all fees as described below.
2. Preparation of Data:
- 50/50 (All) Simulation Overview - The 50/50 (All) composite results are calculated on a quarterly basis by summing in a 50/50 percentage ratio: (i) the after-fee returns of the Alliance Large Cap Growth composite from 1979 through 12/31/00, and thereafter the actual Strategic Growth composite after-fee returns with (ii) the actual Strategic Value (All) composite after-fee returns. These quarterly performance figures are then geometrically linked to calculate cumulative and/or annualized returns for various time periods.
 - Strategic Value (All) Composite Methodology - Investment results for Strategic Value (All) composite discretionary accounts are added to get her and the sum divided by the total number of accounts in each quarter to produce a series of average quarterly performance figures. Strategic Value (All) composite returns include all accounts from 1974-1999, which are not subject to significant investment restrictions imposed by clients. Beginning January 1, 2000, we only include accounts with a client-directed margin balance of 20% or more of market value at any month end. Prior to 2001, in computing the time-weighted rate of return, if an account's net monthly cash flow was equal to or exceeded 10% of its beginning market value, the modified Dietz method was used to daily weight the cash flows. When an account's net monthly cash flow was less than 10% of its beginning market value, the cash flow was assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily weighted using the modified Dietz method.
 - Strategic Growth Composite Methodology - The performance results of the Strategic Growth composite are calculated by geometrically linking the asset-weighted quarterly returns of the Alliance Large Cap Growth composite for the period 1979 through 2000 with those of Strategic Growth thereafter. Alliance Large Cap Growth differs from Strategic Growth, which is offered exclusively to clients of the Bernstein Investment Research and Management unit of Alliance Capital Management L.P., in that, among other things, Strategic Growth offers tax management and may contain fewer stocks.
 - Alliance Large Cap Growth Methodology (1979-2000) - Monthly market values include income accruals and reflect the daily weighting of cash flows. The Alliance Large Cap Growth composite results are asset-weighted on a monthly basis. The quarterly composite performance figures are computed by linking the monthly returns, resulting in a time-weighted rate of return. The composite includes fee-paying discretionary tax- exempt accounts with assets over \$10 million, which are not subject to significant investment restrictions imposed by clients. The composite includes the equity segment of balanced accounts. In these equity portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. The structure includes accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of cash flows.
 - Strategic Growth Composite Methodology (2001-Present) - The Strategic Growth composite returns are calculated on a quarterly basis with each account's return weighted by its prior quarter-end market value. All cash flows are daily weighted using the modified Dietz method. Results include accounts with a client-directed margin balance of 20% or more of market value at any month end.
3. Net-of-Fee Performance Figures - Net-of-fee performance figures for the 50/50 (All) composite have been calculated as follows:
- Growth:
 - From 1979-1982, 0.75% the highest annual fee charged to an Alliance Large Cap Growth account for that period (excluding accounts with performance-based fee arrangements) was deducted from the composite's gross-of-fee returns.
 - From 1983 through 2000, the actual average quarterly fee charged by Bernstein for the Strategic Value (All) service was deducted from the Alliance Large Cap Growth Composite gross-of-fee returns.
 - From January 2001 forward, the composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of Strategic Growth accounts in the composite.

Performance Disclosure

- b. Value:
- (i) Prior to 1983, management fees were net charged; instead, the account incurred transaction costs.
 - (ii) From 1983 forward, the composite's net-of-fee return is an equal-weighted average of the actual after-fee returns of Strategic Value account in the composite.
4. Note - Simulated portfolio conditions are static; actual balanced portfolios may employ tactical asset allocation and additional rebalancing techniques. Simulated results do not represent actual trading using client assets, even though the underlying portfolio composite do, but:
- a. were achieved by means of the retroactive application of a model designed with the benefit of hindsight and
 - b. do not reflect the impact that material economic factors may have had on our decision-making.
5. Dispersion - Dispersion is calculated on the gross-of-fee returns. Dispersion, or standard deviation, measures the variability of account returns within a composite. In a normal distribution, approximately two-thirds of the account returns will fall within the range of one standard deviation above and below the equal-weighted mean return for Value and the asset-weighted mean return for Growth.
- Dispersion of returns for Alliance Large Cap Growth from 1979-2000 is as follows: 1979: 4.7; 1980: 1.4; 1981: 2.4; 1982: 3.1; 1983: 2.4; 1984: 2.1; 1985: 2.6; 1986: 5.3; 1987: 3.9; 1988: 2.9; 1989: 5.4; 1990: 1.5; 1991: 3.3; 1992: 3.1; 1993: 1.4; 1994: 1.2; 1995: 1.9; 1996: 1.3; 1997: 5.0; 1998: 2.4; 1999: 3.2; 2000: 2.1.
- Dispersion of returns for Strategic Growth is as follows: 2001: 2.2; 2002: 1.4; 2003: N/A. Dispersion of returns for Strategic Value (All) composite account under management from 1974 - 2001 is as follows: 1974: 24.0; 1975: 20.3; 1976: 14.3; 1977: 8.3; 1978: 10.9; 1979: 8.5; 1980: 7.8; 1981: 5.5; 1982: 5.4; 1983: 3.7; 1984: 2.8; 1985: 2.4; 1986: 2.1; 1987: 3.3; 1988: 2.1; 1989: 1.7; 1990: 2.1; 1991: 2.4; 1992: 2.1; 1993: 1.4; 1994: 1.4; 1995: 1.4; 1996: 1.4; 1997: 1.9; 1998: 2.9; 1999: 3.1; 2000: 3.0; 2001: 2.2; 2002: 2.7; 2003: N/A. ¹As of 2002 data are preliminary - pending completion of final audit.



Alliance Capital Investment Management Services

Alliance Capital provides diversified investment management and related services globally to a broad range of clients:

1. Retail Services consists of investment management products and services distributed to individual investors through financial intermediaries, such as brokers and financial planners by means of:
 - mutual funds sponsored by Alliance Capital and consolidated joint venture companies,
 - cash management products such as money market funds and deposit accounts,
 - mutual fund sub-advisory relationships resulting from the efforts of the mutual fund marketing department, and
 - managed account products;
2. Institutional Investment Management Services consists of investment management services to unaffiliated parties such as corporate and public employee pension funds, endowment funds, domestic and foreign institutions and governments, and affiliates such as AXA and its insurance company subsidiaries by means of:
 - separate accounts,
 - mutual fund shares sold exclusively to institutional investors and high net worth individuals,
 - sub-advisory relationships resulting from the efforts of the institutional marketing department,
 - structured products, and
 - group trusts;
3. Private Client Services consists of investment management services provided to high net worth individuals, trusts and estates, charitable foundations, partnerships, private and family corporations and other entities by means of:
 - separate accounts,
 - hedge funds and
 - certain other vehicles; and
4. Institutional Research Services provided to institutional clients by means of:
 - in-depth research,
 - portfolio strategy,
 - trading and
 - brokerage-related services.



55

[Link to searchable text of slide shown above](#)

Searchable text section of graphics shown above

Exhibit 99.09

Alliance Capital and Alliance Holding

First Quarter 2003 Review

Bruce W. Calvert
Chairman and CEO

John D. Carifa
President and COO

Lewis A. Sanders
Vice Chairman and CIO

April 29, 2003

[LOGO]

Introduction

The SEC adopted Regulation FD in October 2000. In light of Regulation FD, Management will be limited in responding to inquiries from investors or analysts in a non-public forum. You are encouraged to ask all questions of a material nature on this conference call.

Forward-Looking Statements

Certain statements provided by Alliance Capital Management L.P. ("Alliance Capital") and Alliance Capital Management Holding L.P. ("Alliance Holding") in this report 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 which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of such factors include, but are not limited to, the following: the performance of financial markets, the investment performance of Alliance Capital's sponsored investment products and separately managed accounts, general economic conditions, future acquisitions, competitive conditions, and government regulations, including changes in tax rates. Alliance Capital and Alliance Holding

caution readers to carefully consider such factors. Further, such forward-looking statements speak only as of the date on which such statements are made; Alliance Capital and Alliance Holding undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

First Quarter Financial Overview

Alliance Capital	1Q03 vs. 1Q02
• End of Period AUM	\$386 bn vs. \$452 bn, down 14.6%
• Market Environment (12 Months)	S&P 500 down 24.8% Russell 1000 Growth down 26.8% Russell 1000 Value down 22.8% MSCI EAFE down 23.2% Lehman Aggr. Bond up 11.7%
• Annualized Fee Base(1)	\$1,547 mm vs. \$1,850 mm, down 16.4%
• Average AUM	\$384 bn vs. \$448 bn, down 14.2%
• Revenues	\$603 mm vs. \$721 mm, down 16.4%
• Expenses	\$488 mm vs. \$544 mm, down 10.4%
• Staffing Levels	4,100, down 6.9%
• Net Income	\$109 mm vs. \$168 mm, down 35.0%; Net Operating Earnings(2): \$114 mm vs. \$173 mm, down 34.0%

(1) Annualized Fee Base is defined as period end AUM times contractual annual fee rates; assumes no change in AUM or fee rates for one year.

(2) Net Operating Earnings (non-GAAP financial measure): Net Income excluding amortization of intangible assets; see appendix for reconciliation from net income.

Note: Percentages in this presentation are calculated based on underlying numbers.

Alliance Capital First Quarter Financial Overview

(In \$ millions, except AUM in \$ billions)

	1Q03	1Q02	% chg
• Average AUM (\$bn)	\$ 384	\$ 448	-14
• Revenues			
Base Fee & Other	\$ 441	\$ 514	-14
Performance Fee	4	6	-35
Distribution	100	129	-23
Institutional Research Svcs	58	72	-19
	603	721	-16
• Expenses			
Compensation	218	237	-8
Distribution(1)	142	162	-12
Other(1)	128	145	-12
	488	544	-10
• Taxes	6	9	-32
• Net Income	\$ 109	\$ 168	-35
• Base Fee Earnings	\$ 106	\$ 164	-35
• Performance Fee Earnings	3	4	-27
• Net Income	\$ 109	\$ 168	-35

(1) Distribution expenses include distribution plan payments and amortization of deferred sales commissions. Revenue sharing payments, previously included in distribution plan payments, are now included in other promotion and servicing expense; 1Q02 amounts have been restated to conform to the 1Q03 presentation. Note: May not add due to rounding

First Quarter Revenues – by Distribution Channel

(In \$ millions)

	1Q03	1Q02	% chg	Comments
• Retail	\$ 295	\$ 370	-20	• Base advisory fees and distribution revenues declined in line with avg AUM
• Institutional Inv. Mgmt	144	167	-14	• Decline in transaction volume and average AUM
• Private Client	97	103	-5	• Lower transaction volume
• Institutional Research Svcs.	58	72	-19	• Lower transaction volume
• Other	9	9	—	
• Total	\$ 603	\$ 721	-16	

5

Expense Detail – 1Q03 vs. 1Q02

(In \$ millions)

	1Q03	1Q02	% chg
• Employee Comp. & Benefits			
Base Compensation(1)	\$ 73	\$ 74	-2
Incentive Compensation			
Cash(2)	45	58	-22
Deferred(3)	36	26	+36
Commissions(4)	43	55	-22
Fringes & Other	21	24	-10
• Total	\$ 218	\$ 237	-8

(1) Lower headcount offset by severance payments.

(2) Lower operating earnings and performance fees.

(3) Final tranche of SCB deferred compensation awarded in 4Q02.

(4) Lower sales; new commission deferral program; shift in sales management compensation from commissions to incentive compensation (effective 4Q02).

6

Expense Detail – 1Q03 vs. 1Q02

(In \$ millions)

	1Q03	1Q02	% chg	Comments
• Employee Comp. & Benefits	\$ 218	\$ 237	-8	
• Promotion & Servicing				
Distribution Plan Pmts(1)	89	105	-15	• Lower average retail AUM
Amort of Def Sales Comm	53	57	-7	
T & E	7	12	-40	• Ongoing reductions in controllable expenses
Printing/Mailing	5	11	-57	
Other(1)	25	28	-13	
	179	213	-16	
• General & Admin				
Office Expense	41	42	-3	
Other	39	40	-1	
	80	82	-2	
• Amort of Intangible Assets	5	5	—	
• Interest	6	7	-12	• Lower debt
• Total	\$ 488	\$ 544	-10	

(1) Includes reclassification of revenue sharing payments from distribution plan payments to other promotion and servicing expense.

7

Expense Detail – 1Q03 vs. 4Q02

(In \$ millions)

	1Q03	4Q02	% chg
• Employee Comp. & Benefits			
Base Compensation(1)	\$ 73	\$ 75	-3
Incentive Compensation			
Cash(2)	45	66	-32
Deferred(3)	36	28	+29
Commissions(4)	43	29	+49
Fringes & Other	21	18	+17
• Total	\$ 218	\$ 216	+1

(1) Lower headcount.

(2) Lower operating earnings and performance fees.

(3) 4Q02 Partners' Plan annual grant and 4Q02 earnings credit.

(4) Shift in sales management compensation from Commissions to Incentive Compensation; full year 2002 shift made in 4Q02.

8

Expense Detail – 1Q03 vs. 4Q02

(In \$ millions)

	1Q03	4Q02	% chg	Comments
• Employee Comp. & Benefits	\$ 218	\$ 216	+1	
• Promotion & Servicing				
Distribution Plan Pmts(1)	89	89	—	
Amort of Def Sales Comm	53	55	-4	
T & E	7	12	-41	
Printing/Mailing	5	2	+98	• Ongoing reductions in controllable expenses
Other(1)	25	25	-2	
	179	183	-3	
• General & Admin				
Office Expense	41	39	+6	• Office consolidation
Other	39	45	-13	
	80	84	-4	
• Amort of Intangible Assets	5	5	—	
• Interest	6	6	+1	• Lower debt
• Total	\$ 488	\$ 494	-1	

(1) Includes reclassification of revenue sharing payments from distribution plan payments to other promotion and servicing expense.

9

Net Distribution Expense

(In \$ millions)

	1Q03	1Q02	% chg
• Distribution Revenues	\$ 100	\$ 129	-23
• Distribution Expenses			
Distribution Plan Payments(1)	89	105	-15
Amort of Def Sales Comm	53	57	-7
	142	162	-12

• Net Distribution Expense	\$	42	\$	33	+27
-----------------------------------	-----------	-----------	-----------	-----------	------------

- Lower distribution revenues and distribution plan payments from lower average retail AUM
- No impairment of deferred sales commission asset

(1) Includes reclassification of revenue sharing payments from distribution plan payments to other promotion and servicing expense.

10

Alliance Capital Pre-tax Margin

(In \$ millions)

	<u>1Q03</u>	<u>% of Rev(1)</u>	<u>1Q02</u>	<u>% of Rev(1)</u>
• Base Fee Earnings, Net	\$ 145	28.9%	\$ 199	33.6%
• Distribution Expense, Net(3)	(33)	-6.6	(26)	-4.4
• Performance Fee Earnings, Net	3	0.6	4	0.7
• Pre-tax Margin (Non-GAAP) (1)	\$ 115	22.9%	\$ 177	29.9%
• Pre-tax Margin (GAAP)		19.1%		24.5%

- Declining markets and investor uncertainty reduced advisory, transaction and distribution revenues, decreasing pre-tax margins

(1) This is presented as a non- GAAP financial measure. Please see table entitled “Analysis of Pre-Tax Margin” for a reconciliation to pre- tax margin (GAAP) not provided in the slide presentation as originally issued.

(2) Excludes distribution revenues.

(3) Net distribution expense and net performance fee earnings include allocations of incentive compensation.

11

Alliance Holding Financial Highlights

	<u>1Q03</u>	<u>1Q02</u>	<u>% chg</u>
(In \$ millions)			
• Equity in Earnings	\$ 33	\$ 50	-34%
• Income Taxes	5	5	-13
• Net Income	\$ 28	\$ 45	-37%
(Per Unit amounts)			
• Base Fee Earnings	\$ 0.36	\$ 0.57	-37%
• Performance Fee Earnings	0.01	0.01	—
• Diluted Net Income	\$ 0.37	\$ 0.58	-36%
• Distribution	\$ 0.37	\$ 0.59	-37%

12

Challenging Market Environment

	<u>1Q03</u>	<u>1 Yr</u>	<u>Annualized 3 Yr</u>	<u>Cumulative 3 Yr</u>
S&P 500	-3.2%	-24.8%	-16.1%	-40.9%
Russell 1000 Growth	-1.1%	-26.8%	-25.6%	-58.9%
Russell 1000 Value	-4.9%	-22.8%	-6.9%	-19.2%

NASDAQ Composite	0.4%	-27.3%	-33.6%	-70.7%
MSCI EAFE	-8.2%	-23.2%	-19.5%	-47.9%
Lehman Aggregate Bond	1.4%	11.7%	9.8%	32.4%

Returns through March 31, 2003

13

Relative Performance(1) – Institutional Growth Equity

Institutional Equity Composites vs. Benchmarks

	<u>Large Cap Growth(2)</u>	<u>Disciplined Growth(2)</u>	<u>Multi Cap Growth(3)</u>	<u>Small Cap Growth(4)</u>	<u>Intl Lg Cap Growth(5)</u>	<u>Emerging Market Growth(6)</u>
QTR	-0.2	+0.7	+1.7	+1.5	+0.2	-1.1
1yr	-0.6	-1.4	+2.8	+0.2	+0.6	+3.1
3yr	+1.6	+0.3	+3.3	+7.6	+4.1	-1.8
5yr	+1.7	-0.5	+1.5	+4.4	+4.2	+4.5
10yr	+1.8	0.0	+0.3	+7.1	+3.8	+2.9

(1) Investment performance of composites are after investment management fees.

(2) vs. Russell 1000 Growth (3) vs. Russell 3000 Growth (4) vs. Russell 2000 Growth (5) vs. MSCI EAFE Growth (6) vs. MSCI Emerging Markets Free Composite and benchmark data through 3/31/03. Performance is preliminary.

See Performance Disclosure

14

Relative Performance(1)– Institutional Value Equity

Institutional Equity Composites vs. Benchmarks

	<u>Strategic Value(2)</u>	<u>Diversified Value(2)</u>	<u>Relative Value(2)</u>	<u>Small- Mid Cap Value(3)</u>	<u>International Value(4)</u>	<u>Emerging Market Value(5)</u>
QTR	+1.5	+0.6	+2.9	-1.9	+0.3	+3.1
1yr	0.0	+2.3	-2.3	-1.2	+9.6	+10.4
3yr	+7.9	+7.4	+1.3	—	+4.8	+7.7
5yr	+1.4	—	+2.4	—	+2.7	+4.6
10yr	+0.9	—	—	—	+0.7	—

(1) Investment performance of composites are after investment management fees.

(2) vs. Russell 1000 Value (3) vs. Russell 2500 Value (4) vs. MSCI EAFE Value (5) vs. MSCI Emerging Markets Free Composite and benchmark data through 3/31/03. Performance is preliminary.

See Performance Disclosure

15

Relative Performance(1) – Institutional Fixed Income

Institutional Fixed Income Composites vs. Benchmarks

	<u>High Grade Aggregate(2)</u>	<u>Insurance(3)</u>	<u>Enhanced Sector Rotation(2)</u>	<u>High Yield(4)</u>	<u>Global(5)</u>	<u>Emerging Market(6)</u>
QTR	+0.1	+0.3	+0.3	-2.0	+0.4	+2.6

1yr	-0.1	+0.4	-1.6	-3.8	-0.6	+3.7
3yr	0.0	+0.4	-0.9	-1.1	-0.4	+4.3
5yr	-0.2	+0.3	-0.8	-0.1	-0.5	+2.5
10yr	—	+0.3	+0.3	+1.2	-0.3	—

(1) Investment performance of composites are after investment management fees.

(2) vs. Lehman US Aggregate Unhedged (3) vs. Custom Insurance Index (4) vs. Custom High Yield Index (5) vs. JPM Global Bond Unhedged (6) vs. JPM EMBI Plus

Composite and benchmark data through 3/31/03. Performance is preliminary.

See Performance Disclosure

16

Relative Performance – Retail Growth Equity

Retail Mutual Funds vs. Lipper Averages

	<u>Premier Growth(1)</u>	<u>Growth(2)</u>	<u>Mid Cap Growth(3)</u>	<u>Quasar(4)</u>	<u>Tech(5)</u>	<u>Global Growth Trend(6)</u>
QTR	-0.7	+0.7	+5.6	+1.0	-1.6	-1.4
1yr	-2.1	+1.1	+0.9	-2.0	-2.0	-0.9
3yr	-2.9	+2.1	+3.4	+2.9	+4.7	+3.3
5yr	-2.2	-4.1	-6.7	-8.1	+0.7	+6.2
10yr	+1.0	-1.2	-2.2	-2.1	+0.3	+6.7

(1) vs. Large Cap Growth average (2) vs. Multi Cap Growth average (3) vs. Mid Cap Growth average (4) vs. Small Cap Growth average (5) vs. Science and Technology average (6) vs. Global Growth average

Source: Alliance Capital and Lipper

Mutual fund performance and Lipper data through 3/31/03.

17

Relative Performance – Retail Value Equity

Retail Mutual Funds vs. Lipper Averages

	<u>AB Value(1)</u>	<u>Growth & Income(2)</u>	<u>Small Cap Value(3)</u>	<u>Intl Value(4)</u>	<u>Global Value(5)</u>	<u>Balanced(6)</u>
QTR	+0.2	+2.4	-2.1	+1.6	+0.7	+0.6
1yr	+3.0	-3.4	+0.5	+9.3	+2.6	+1.6
3yr	—	+0.7	—	—	—	+5.9
5yr	—	+3.2	—	—	—	+3.2
10yr	—	+1.9	—	—	—	+1.5

(1) vs. Multi Cap Value average (2) vs. Large Cap Value average (3) vs. Mid Cap Value average (4) vs. International average (5) vs. Global average (6) vs. Balanced average

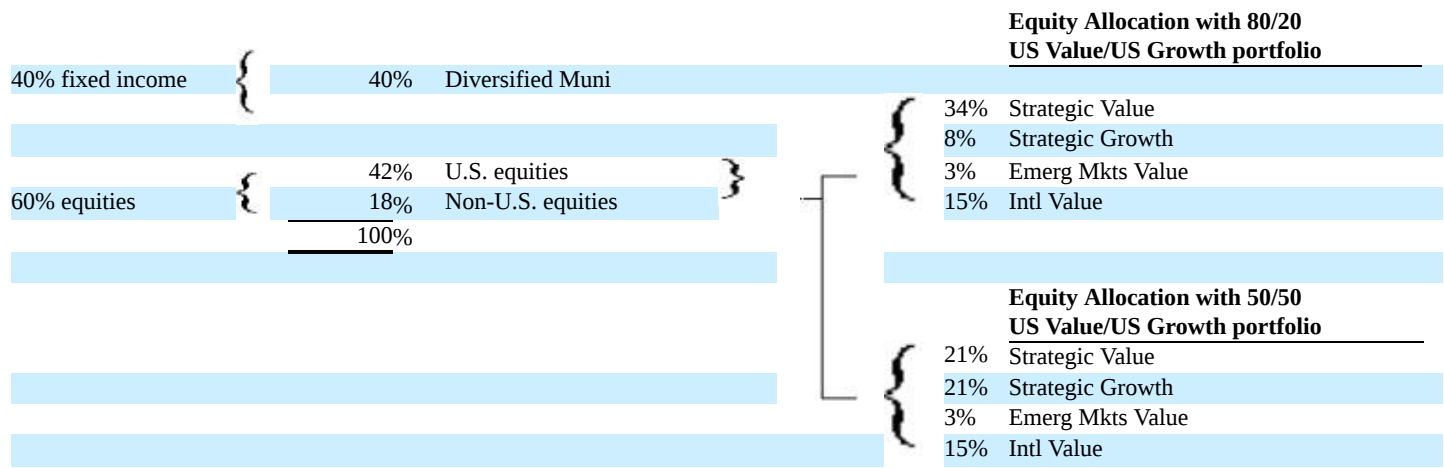
Source: Alliance Capital and Lipper

Mutual fund performance and Lipper data through 3/31/03.

18

Private Client Portfolio Performance

- **Representative client account allocation:**



• **Representative performance:**

	1Q03
80/20* U.S. Equity Allocation	(2.0)
50/50* U.S. Equity Allocation	(1.7)
S&P 500	(3.2)

	1Q03	3/1/00-3/31/03(1)
All Balanced Accounts	(1.9)	6.8
S&P 500	(3.2)	(35.2)

Results are simulated. * Allocation of U.S. equity portion of portfolio to growth and value. Performance after fees. See Performance Disclosure. Performance is preliminary.
(1) Cumulative Returns.

AUM by Investment Orientation
Three Months Ended March 31, 2003
(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
• Dec 31, 2002 AUM	\$ 109	\$ 99	\$ 156	\$ 23	\$ 387
• Net Long-Term Flows	(4)	2	6	(1)	4
• Cash Management, Net	—	—	—	—	—
• Net New Business/(Outflows)	(4)	2	6	(1)	4
• Apprec/(Deprec)	(1)	(4)	1	(1)	(5)
• March 31, 2003	\$ 104	\$ 97	\$ 163	\$ 22	\$ 386
• % Change	-4.7%	-1.4%	5.0%	-6.6%	-0.1%
• % Total	26.8%	25.2%	42.3%	5.7%	

Note: May not add due to rounding.

AUM by Investment Orientation
Twelve Months Ended March 31, 2003
(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
• March 31, 2002 AUM	\$ 165	\$ 108	\$ 147	\$ 32	\$ 452

• Net Long-Term Flows	(19)	7	15	(3)	—
• Cash Management, Net	—	—	(5)	—	(5)
• Net New Business/(Outflows)	(19)	7	10	(3)	(5)
• Transfers	(5)	4	1	—	—
• Apprec/(Deprec)	(37)	(22)	5	(7)	(61)
• March 31, 2003	\$ 104	\$ 97	\$ 163	\$ 22	\$ 386
• <i>% Change</i>	-37.4%	-10.1%	11.3%	-30.5%	-14.6%
• <i>% Total</i>	26.8%	25.2%	42.3%	5.7%	

21

AUM by Channel
Three Months Ended March 31, 2003
(In \$ billions)

	Retail	Institutional Inv Mgmt	Private Client	Total
• Dec 31, 2002 AUM	\$ 136	\$ 211	\$ 40	\$ 387
• Net Long-Term Flows	(1)	4	1	4
• Cash Management, Net	—	—	—	—
• Net New Business/(Outflows)	(1)	4	1	4
• Depreciation	(1)	(3)	(1)	(5)
• March 31, 2003 AUM	\$ 134	\$ 212	\$ 40	\$ 386
• <i>% Change</i>	-1.4%	0.7%	0.2%	-0.1%
• <i>% Total</i>	34.7%	55.0%	10.3%	

22

AUM by Channel
Twelve Months Ended March 31, 2003
(In \$ billions)

	Retail	Institutional Inv Mgmt	Private Client	Total
• March 31, 2002 AUM	\$ 169	\$ 242	\$ 41	\$ 452
• Net Long-Term Flows	(9)	5	4	—
• Cash Management, Net	(5)	—	—	(5)
• Net New Business/(Outflows)	(14)	5	4	(5)
• Transfers	1	(1)	—	—
• Depreciation	(22)	(34)	(5)	(61)
• March 31, 2003 AUM	\$ 134	\$ 212	\$ 40	\$ 386
• <i>% Change</i>	-20.9%	-12.2%	-2.1%	-14.6%
• <i>% Total</i>	34.7%	55.0%	10.3%	

23

By Channel and
Investment Orientation
(In \$millions)

3/31/03 vs. 3/31/02
\$1,547 mm \$1,850 mm

Average Basis Points

	3/31/03	3/31/02
Retail	51.9	53.6
Institutional	24.7	25.1
Private Client	82.3	82.5
Total	40.0	40.9

AUM vs. AFB

	D AUM	D AFB
Retail	-20.9 %	-23.4 %
Institutional	-12.2 %	-13.6 %
Private Client	-2.1 %	-2.3 %

[CHART]

(1) Annualized Fee Base is defined as period end AUM times contractual annual fee rates; assumes no change in AUM or fee rates for one year.

24

1Q03 Business Channel Highlights

Retail

- Rebranded business to AllianceBernstein Investment Research and Management
 - Reflects complete product array: growth, value, fixed income and blends
 - Signals shift toward consultative selling with focus on client solutions as well as product sales
- Two year anniversary of AllianceBernstein value fund series with over \$2 billion in AUM

Institutional Investment Management

- Announced new business of \$9.0 billion
 - Wins across all major investment services with particular strength in global value and fixed income
 - 65% of wins from overseas clients

25

1Q03 Business Channel Highlights

Private Client

- Organic growth consistent at approximately 10%
- Trend to larger account size is intact
 - Approximately 50% of wins in \$10 million + accounts
- Portfolio exposures to growth and hedge funds continue to build
- Remain focused on productivity

Institutional Research Services

- Weak January and February as addressable market declined
- Adjusted for program trading, market share was relatively stable
- 2003 survey of U.S. institutional analysts and portfolio managers reinforces view that the brand is strong
 - #1 in “Overall Research Quality”, #1 in “Product Quality”, and #1 in “Analyst Service Quality”
 - Significantly improved sales and service profile

26

Total Return – Alliance Holding Units

Total Annualized Return*

[CHART]

* As of 3/31/03. Alliance Holding and S&P returns include reinvestment of cash distributions and dividends, respectively.

** Since IPO 4/88.

27

Positioned For Growth

- Worldwide research and investment capabilities
- Unique with strengths in both growth and value equity investing
- Broad array of fixed income services
- Generally competitive long-term investment results
- Highly regarded marketing and client service teams
- Well-positioned in retail, institutional and private client channels
- Highly valued independent sell-side research and institutional trading
- Strong financials
- Cogent strategy

28

[LOGO]

29

Reconciliation of Net Operating Earnings from Net Income
(In \$ millions, except per unit amounts)

	1Q03	1Q02
Alliance Capital		
• Net Income	\$ 109	\$ 168
• Amortization of Intangible Assets	5	5
• Net Operating Earnings	<u>\$ 114</u>	<u>\$ 173</u>
Alliance Holding (per unit amounts)		
• Diluted Net Income	\$ 0.37	\$ 0.58
• Amortization of Intangible Assets	0.02	0.02
• Net Operating Earnings	<u>\$ 0.39</u>	<u>\$ 0.60</u>

Net Operating Earnings (non-GAAP financial measure): Net Income excluding amortization of intangible assets.

30

Analysis of Pre-Tax Margin (1)
(\$ thousands)

	Three Months Ended	
	3/31/03	3/31/02
Total Revenues	\$ 602,614	\$ 720,523
Less: Distribution Revenues	(100,024)	(129,179)
Net Revenues	<u>502,590</u>	<u>591,344</u>
Total Expenses	487,510	543,798
Less: Distribution Revenues	(100,024)	(129,179)
Net Expenses	<u>387,486</u>	<u>414,619</u>
Pre- tax Income	<u>\$ 115,104</u>	<u>\$ 176,725</u>
Pre-tax Margin (GAAP) (2)	19.1 %	24.5 %

Adjustment (3)	3.8	5.4
Pre-tax Margin (Non-GAAP) (4)	22.9 %	29.9 %

- (1) Pre-tax margin is presented as a non-GAAP financial measure and the table provides a reconciliation to GAAP (a percentage reconciliation was not provided in the slide presentation as originally issued).
- (2) Pre-tax income as a percentage of total revenues.
- (3) Amount of difference between GAAP and non-GAAP pre-tax margin resulting from reducing total revenues and total expenses by the amount of distribution revenues, which revenues represent a partial reimbursement of distribution expenses. Management believes this presentation provides a measure of financial performance that is more comparable to other asset management companies.
- (4) Pre-tax income as a percentage of net revenues.

Diverse Group of Clients

As of March 31, 2003

Wholesale	Direct Sales		
Retail	Institutional Investment Mgmt	Private Client	Institutional Research Services
[LOGO]	[LOGO]	[LOGO]	Sanford C. Bernstein & Co., LLC
• 7.3 million accounts	• 2,200+ client relationships	• 19,900+ client relationships	• 1,000 client relationships
• 65 U.S. mutual funds(1)	• 43 of Fortune 100 companies	• 11 client offices in U.S.	• 41 senior analysts
• 17 non-U.S. mutual funds(2)	• Public pension funds across 42 states	• Referral network of 8,000 lawyers and accountants	• Independent research

(1) Does not reflect fund portfolios. (2) Luxembourg-registered funds managed by Alliance Capital, excludes local market funds.

31

Changes in AUM by Investment Orientation

Three Months Ended March 31, 2003

(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
Beginning of Period	\$ 108,799	\$ 98,636	\$ 155,762	\$ 23,382	\$ 386,579
Sales/New accounts	2,471	3,120	8,266	500	14,357
Redemptions/Terminations	(5,598)	(1,552)	(3,077)	(279)	(10,506)
Net cash management sales	—	—	(398)	—	(398)
Cash flow	(574)	1,017	1,382	(897)	928
Unreinvested dividends	—	(8)	(241)	—	(249)
Net new business/(Outflows)	(3,701)	2,577	5,932	(676)	4,132
Transfers	—	—	—	—	—
Market appreciation/(depreciation)	(1,435)	(3,930)	1,817	(865)	(4,413)
End Of Period	\$ 103,663	\$ 97,283	\$ 163,511	\$ 21,841	\$ 386,298

32

Changes in AUM by Investment Orientation

Twelve Months Ended March 31, 2003

(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
Beginning of Period	\$ 165,658	\$ 108,207	\$ 146,889	\$ 31,442	\$ 452,196
Sales/New accounts	12,614	14,599	23,177	1,820	52,210
Redemptions/Terminations	(25,710)	(8,588)	(14,060)	(1,251)	(49,609)

Net cash management sales	—	—	(5,034)	—	(5,034)
Cash flow	(6,417)	1,505	6,773	(3,644)	(1,783)
Unreinvested dividends	(8)	(37)	(1,024)	—	(1,069)
Net new business/(Outflows)	(19,521)	7,479	9,832	(3,075)	(5,285)
Transfers	(5,187)	4,149	1,038	—	—
Market appreciation/(depreciation)	(37,287)	(22,552)	5,752	(6,526)	(60,613)
End Of Period	\$ 103,663	\$ 97,283	\$ 163,511	\$ 21,841	\$ 386,298
	33				

Changes in Retail AUM by Investment Orientation
Twelve Months Ended March 31, 2003
(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Cash Mgmt	Total
Beginning Of Period	\$ 74,467	\$ 24,064	\$ 30,620	\$ 40,304	\$ 169,455
Sales	9,177	5,578	10,115	—	24,870
Redemptions	(16,907)	(5,115)	(8,516)	—	(30,538)
Net cash management sales	—	—	—	(5,034)	(5,034)
Cash flow	(4,631)	270	2,251	—	(2,110)
Unreinvested dividends	(7)	(37)	(864)	—	(908)
Net new business/(Outflows)	(12,368)	696	2,986	(5,034)	(13,720)
Transfers	(5,036)	4,545	1,005	—	514
Market appreciation/(depreciation)	(17,580)	(6,902)	2,244	—	(22,238)
End Of Period	\$ 39,483	\$ 22,403	\$ 36,855	\$ 35,270	\$ 134,011
	34				

Changes in Retail AUM by Product
Twelve Months Ended March 31, 2003
(In \$ billions)

	U.S. Funds	Non-U.S. Funds	Variable Annuity	Managed Accounts	Total
Beginning Of Period	\$ 94,193	\$ 21,450	\$ 43,468	\$ 10,344	\$ 169,455
Sales	8,111	8,762	6,852	1,145	24,870
Redemptions	(11,786)	(9,557)	(6,100)	(3,095)	(30,538)
Net cash management sales	(5,034)	0	0	0	(5,034)
Cash flow	166	(28)	(2,248)	0	(2,110)
Unreinvested dividends	(672)	(236)	0	0	(908)
Net new business/(Outflows)	(9,215)	(1,059)	(1,496)	(1,950)	(13,720)
Transfers	—	(361)	875	—	514
Market depreciation	(8,969)	(983)	(10,159)	(2,127)	(22,238)
End Of Period	\$ 76,009	\$ 19,047	\$ 32,688	\$ 6,267	\$ 134,011
	35				

Changes in Institutional Investment Management AUM by Investment Orientation
Twelve Months Ended March 31, 2003
(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
Beginning Of Period	\$ 91,996	\$ 55,968	\$ 66,252	\$ 27,881	\$ 242,097
Sales/New accounts	3,608	6,388	9,995	538	20,529

Redemptions/Terminations	(9,356)	(2,543)	(4,525)	(375)	(16,799)
Cash Management Sales, Net	—	—	—	—	—
Cash flow	(2,752)	1,844	5,312	(3,593)	811
Unreinvested dividends	—	—	—	—	—
Net new business/(Outflows)	(8,500)	5,689	10,782	(3,430)	4,541
Transfers	(183)	(396)	33	32	(514)
Market appreciation/(depreciation)	(20,418)	(10,823)	3,208	(5,596)	(33,629)
End Of Period	\$ 62,895	\$ 50,438	\$ 80,275	\$ 18,887	\$ 212,495

36

Alliance Capital (The Operating Partnership)
Consolidated Balance Sheet
(In \$ thousands. Unaudited)

	3/31/03	12/31/02
Assets		
Cash and Investments	\$ 424,140	\$ 472,676
Cash and securities, segregated	1,054,529	1,174,323
Receivables:		
Brokers and Dealers	1,024,210	957,318
Brokerage Clients	218,989	218,783
Fees	255,792	274,225
Furniture, equipment and leasehold improvements, net	244,112	249,688
Goodwill, net	2,876,657	2,876,657
Intangible assets, net	362,250	367,425
Deferred sales commissions, net	469,285	500,890
Other investments	25,202	29,233
Other assets	111,233	96,752
Total Assets	\$ 7,066,399	\$ 7,217,970
Liabilities and Partners' Capital		
Liabilities:		
Payables:		
Brokers and Dealers	\$ 708,466	\$ 588,524
Brokerage Clients	1,425,707	1,578,677
Alliance Mutual Funds	116,359	119,910
Accounts payable and accrued expenses	188,816	234,133
Accrued compensation and benefits	312,472	298,485
Debt	423,011	426,907
Minority interests in consolidated subsidiaries	8,009	7,883
Total Liabilities	3,182,840	3,254,519
Partners' Capital	3,883,559	3,963,451
Total Liabilities and Partners' Capital	\$ 7,066,399	\$ 7,217,970

37

Alliance Capital (The Operating Partnership)
Consolidated Cash Flow
(In \$ thousands. Unaudited)

	Three Months Ended	
	3/31/03	3/31/02
Cash Flows From Operating Activities:		
Net Income	\$ 109,061	\$ 167,888
Non-cash items:		
Amortization and depreciation	71,016	73,944
Other, net	32,852	23,979
Changes in assets and liabilities	(68,987)	(123,428)
Net cash provided from operating activities	143,942	142,383
Cash Flows From Investing Activities:		
Purchase of investments, net	67,605	15,212
Additions to furniture, equipment and leaseholds, net	(6,960)	(14,651)
Net cash provided from investing activities	60,645	561
Cash Flows From Financing Activities:		
Proceeds from issuance of debt	1,063,945	6,618,413

Repayment of debt	(1,068,000)	(6,528,091)
Distributions to partners	(148,504)	(187,696)
Other	(64,683)	(66,545)
Net cash (used in) financing activities	(217,242)	(163,919)
Effect of exchange rate change on cash	1,143	(1,141)
Net decrease in cash	(11,512)	(22,116)
Cash at the beginning of period	159,991	220,127
Cash at the end of period	\$ 148,479	\$ 198,011

Performance Disclosure

Performance Disclosure As of March 31, 2003

- 1) **PRESENTATION OF THE FIRM** – The performance results displayed herein represent the investment performance record for the noted Composites managed by Alliance Capital Management L.P. (the “Firm”). For purposes of firm assets under management stated in the charts below, the AUM number includes mutual fund assets, but excludes assets managed by its private-client services group, which does not present its performance in strict accordance with AIMR standards. Prior to the combination of Alliance Capital Management L.P. (“Alliance”) and Sanford C. Bernstein Inc. (“Bernstein”) in October 2000, for the purpose of presenting performance results in compliance with the AIMR-PPS[®] standards, Alliance and Bernstein were reporting under the name of Alliance Capital Management L.P. and Sanford C. Bernstein & Co., Inc., respectively.
- 2) A complete list and description of all composites managed by the Firm is available upon request via email to Randi Salzberg at SalzbergRL@bernstein.com.
- 3) **RATE OF RETURN** –No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance figures for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Monthly market values include income accruals and reflect the daily weighting of cash flows. The composite results are asset weighted on a monthly basis. Quarterly and annual composite performance figures are computed by linking monthly returns, resulting in a “time weighted” rate of return. Performance results include the reinvestment of dividends and other earnings. Returns are calculated in US dollars.
- 4) **DISPERSION** – The dispersion of annual returns was calculated based on the asset-weighted standard deviation.
- 5) The applicable benchmarks, which are not covered by the report of independent accountants, are noted within each table.
- 6) The Firm has prepared and presented this report in compliance with the Performance Presentation Standards of the Association for Investment Management and Research (AIMR-PPS), the US and Canadian versions of the Global Investment Performance Standards (GIPS). AIMR has not been involved in the preparation or review of this presentation. The legacy firm, Alliance Capital Management L.P. claims Level 1 compliance from January 1, 1992 through December 31, 2002. The legacy firm, Sanford C. Bernstein & Co claims Level 1 compliance from January 1, 1993 through December 31, 2002. Alliance Capital Management L.P. formerly received verification from KPMG LLP for the calendar years 1992 to 2000. This verification is available upon request. The merged firm verification for 2001 is currently being conducted. As of 2001, the merged firm claims compliance.

Alliance US Large Cap Growth Composite

Period	Composite Assets (millions)	Composite % of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	S&P 500	Russell 1000 Growth
1Q	21046.8	6.18	240	-1.16	-1.25	0.50	341.3	-3.15	-1.07
YTD	21046.8	6.18	240	-1.16	-1.25	0.50	341.3	-3.15	-1.07
2002	21002.9	6.05	242	-29.89	-30.13	1.94	346.9	-22.10	-27.89
2001	28735.0	6.97	288	-17.25	-17.52	3.56	412.2	-11.88	-20.42
2000	35927.7	7.98	289	-16.81	-17.57	2.11	450.0	-9.11	-22.42
1999	46987.1	12.76	251	32.96	31.99	3.23	368.3	21.04	33.16
1998	33003.6	11.51	175	52.24	51.14	2.43	286.7	28.58	38.71
1997	18899.0	8.64	122	37.63	36.63	4.96	218.7	33.36	30.49
1996	15835.0	8.66	112	23.61	22.71	1.29	182.8	22.96	23.12
1995	11683.9	7.98	86	40.00	38.99	1.86	146.5	37.58	37.18
1994	8413.9	6.94	77	-2.92	-3.64	1.22	121.3	1.32	2.62
1993	8096.5	7.03	72	10.70	9.88	1.61	115.2	10.08	2.87
1 Year				-27.11	-27.36			-24.76	-26.76
3 Year				-23.63	-24.00			-16.09	-25.64
5 Year				-4.41	-4.97			-3.77	-6.71
10 Year				9.15	8.43			8.53	6.68

- **COMPOSITE STRUCTURE** – The Alliance US Large Cap Growth Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite includes the equity segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified. The Large Cap Growth Strategy team leader will transition out of this investment group, effective May 1, 2003. The strategy has not been modified.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.75% from inception of the composite to December 31, 1999 and 0.90% from January 01, 2000 to December 31, 2000. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.34%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

Alliance US Disciplined Growth Composite

Period	Composite Assets (millions)	Composite % of Firm Assets	# of Accounts	Gross Return %	Net Return %	Composite Dispersion	Firm Assets (billions)	S&P 500	Russell 1000 Growth
1Q	4365.0	1.28	78	-0.26	-0.35	0.20	341.3	-3.15	-1.07
YTD	4365.0	1.28	78	-0.26	-0.35	0.20	341.3	-3.15	-1.07
2002	4757.8	1.37	80	-31.92	-32.16	0.80	346.9	-22.10	-27.89
2001	8956.8	2.17	110	-20.01	-20.27	1.75	412.2	-11.88	-20.42
2000	11236.2	2.50	115	-17.14	-17.90	1.68	450.0	-9.11	-22.42
1999	13435.9	3.65	95	27.76	26.83	1.36	368.3	21.04	33.16
1998	11240.0	3.92	79	43.74	42.70	0.88	286.7	28.58	38.71
1997	7436.3	3.40	53	37.10	36.11	1.64	218.7	33.36	30.49
1996	5417.5	2.96	44	23.41	22.51	1.09	182.8	22.96	23.12
1995	4838.5	3.30	39	38.36	37.36	1.05	146.5	37.58	37.18
1994	3389.2	2.79	39	-1.86	-2.59	0.68	121.3	1.32	2.62
1993	2972.0	2.58	31	10.61	9.80	1.10	115.2	10.08	2.87
1 Year				-27.91	-28.17			-24.76	-26.76
3 Year				-24.97	-25.34			-16.09	-25.64
5 Year				-6.66	-7.22			-3.77	-6.71
10 Year				7.38	6.67			8.53	6.68

- **COMPOSITE STRUCTURE** – The Alliance US Disciplined Growth Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite includes the equity segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. The creation date for this Composite was prior to December 1992, the first year that this composite was AIMR verified.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.75% from inception of the composite to December 31, 1999 and 0.90% from January 01, 2000 to December 31, 2000. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.37%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

Performance Disclosure

Alliance US Small Cap Growth Composite

Period	Composite	Composite %	# of	Gross	Net Return	Composite	Firm Assets	Russell	Russell
1Q	522.2	0.150	12	-2.15	-2.35	0.03	341.3	-3.88	-4.49
YTD	522.2	0.150	12	-2.15	-2.35	0.03	341.3	-3.88	-4.49
2002	530.0	0.150	12	-30.10	-30.71	0.23	346.9	-30.26	-20.48
2001	657.3	0.160	12	-10.14	-10.92	0.29	412.2	-9.23	2.49
2000	725.3	0.160	11	19.62	18.45	0.79	450.0	-22.43	-3.02
1999	619.3	0.170	13	30.08	28.82	0.55	368.3	43.09	21.26
1998	1291.0	0.450	24	-2.66	-3.63	0.29	286.7	1.23	-2.55
1997	988.4	0.450	18	23.11	21.91	0.14	218.7	12.95	22.36
1996	397.1	0.220	6	37.91	36.58	0.09	182.8	11.26	16.49
1995	237.9	0.160	4	55.52	54.03	0.19	146.5	31.04	28.45
1994	154.2	0.130	4	-2.56	-3.52	N/M*	121.3	-2.43	-1.83
1993	345.4	0.300	6	15.21	14.08	N/M*	115.2	13.38	18.88
1 Year				-30.84	-31.44			-31.63	-26.97
3 Year				-16.08	-16.84			-24.41	-11.00
5 Year				-4.12	-5.01			-9.38	-4.12
10 Year				10.58	9.53			2.40	6.22

- **COMPOSITE STRUCTURE** – The Alliance US Small Cap Growth Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The composite does not include the equity segment of balanced accounts. The primary portfolio manager responsible for managing the Small Cap Strategy, who had been in place since June of 1994, left the firm in January of 1999. A new team responsible for managing the Small Cap Strategy was put in place during January of 1999. The creation date of the composite was prior to December 1992, the first year that this composite was AIMR verified.

- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 1.00%. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.82%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

*N/M represents "not meaningful". N/M coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented

Alliance US Multi Capitalization Growth Composite

Period	Composite Assets (millions)	Composite% of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	Russell 3000 Growth	S&P 500
1Q	440.9	0.13	7	0.61	0.44	0.15	341.30	-1.25	-3.15
YTD	440.9	0.13	7	0.61	0.44	0.15	341.30	-1.25	-3.15
2002	456.6	0.13	8	-26.60	-27.08	0.45	346.90	-28.04	-22.10
2001	746.9	0.18	9	-21.43	-21.92	0.24	412.20	-19.63	-11.88
2000	1143.0	0.25	12	-8.67	-9.59	0.28	450.00	-22.42	-9.11
1999	866.4	0.24	8	25.56	24.34	1.14	368.30	33.82	21.04
1998	705.1	0.25	8	34.33	33.03	0.26	286.70	35.02	28.58
1997	530.1	0.24	8	32.54	31.25	0.69	218.70	28.74	33.36
1996	381.9	0.21	7	26.25	25.02	0.94	182.80	21.88	22.96
1995	292.5	0.20	6	32.46	31.17	0.36	146.50	36.57	37.58
1994	217.9	0.18	6	-6.94	-7.87	0.41	121.30	2.20	1.32
1993	216.7	0.19	6	20.32	19.15	1.64	115.20	3.69	10.08
1 Year				-23.79	-24.29			-27.08	-24.76
3 Year				-21.69	-22.26			-25.53	-16.09
5 Year				-4.63	-5.42			-6.96	-3.77
10 Year				7.54	6.58			6.26	8.53

41

Performance Disclosure

- **COMPOSITE STRUCTURE** – The Alliance US Multi Capitalization Growth Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The creation date of the Composite is December 31, 2000.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 1.00%. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.65%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

International Large Cap Growth Equity Composite

Period	Composite Assets (millions)	Composite% of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	MSCI EAFE
1Q	1124.0	0.3	7	-7.72	-7.79	0.27	341.3	-8.21
YTD	1124.0	0.3	7	-7.72	-7.79	0.27	341.3	-8.21
2002	1240.1	0.4	7	-14.12	-14.41	0.88	346.9	-15.94
2001	2165.7	0.5	7	-18.81	-19.05	0.69	412.2	-21.44
2000	2070.2	0.5	5	-14.83	-15.51	2.58	450.0	-14.17
1999	2580.0	0.7	8	43.57	42.53	5.77	368.3	26.96
1998	1257.7	0.4	7	17.37	16.51	3.06	286.7	20.00
1997	905.8	0.4	9	5.56	4.78	0.90	218.7	1.78
1996	758.6	0.4	8	8.58	7.77	0.24	182.8	6.05
1995	1186.7	0.8	10	12.42	11.59	1.18	146.5	11.21
1994	1314.8	1.1	11	7.40	6.61	0.49	121.3	7.78
1993	936.1	0.8	7	28.49	27.56	2.22	115.2	32.56
1 Year				-21.47	-21.74			-23.23
3 Year				-19.86	-20.22			-19.54
5 Year				-4.45	-4.99			-7.13
10 Year				4.24	3.56			1.96

- **COMPOSITE STRUCTURE** – The International Large Cap Growth Equity Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite includes the equity segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. As of March 31, 2003, had less than 1% of its assets invested in countries or regions outside of the benchmark, MSCI EAFE. The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified.

- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.75% from inception of the composite to September 30, 2000 and 0.90% from October 01, 2000 to December 31, 2000. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.32%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

Performance Disclosure

Alliance Emerging Markets Equity Composite

Period	Composite Assets (millions)	Composite% of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	MSCI Emerging Market
1Q	713.8	0.21	8	-6.83	-6.93	0.11	341.3	-5.87
YTD	713.8	0.21	8	-6.83	-6.93	0.11	341.3	-5.87
2002	694.1	0.20	6	0.69	0.21	0.24	346.9	-6.00
2001	725.0	0.18	3	-7.14	-7.56	N/M*	412.2	-2.37
2000	541.3	0.12	1	-29.23	-29.96	N/M*	450.0	-30.61
1999	456.3	0.12	1	118.32	116.29	N/M*	368.3	66.41
1998	273.3	0.10	2	-28.06	-28.80	0.04	286.7	-25.34
1997	309.6	0.14	2	-8.42	-9.33	0.31	218.7	-11.58
1996	248.6	0.14	2	22.53	21.34	0.57	182.8	6.03
1995	137.2	0.09	2	-3.06	-4.03	1.00	146.5	-5.21
1994	294.6	0.24	3	-12.28	-13.16	2.56	121.3	-7.32
1993	81.1	0.07	1	64.90	63.33	N/M*	115.2	74.84
1 Year				-17.12	-17.49			-20.58
3 Year				-17.66	-18.16			-16.35
5 Year				-1.65	-2.39			-6.85
10 Year				3.99	3.09			0.16

- **COMPOSITE STRUCTURE** – The Alliance Emerging Markets Equity Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. As of March 31, 2003, had less than 1% of its assets invested in countries or regions outside of the benchmark, MSCI Emerging Markets. The creation date of this Composite was prior to December 1994, the first year that this composite was AIMR verified.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 1.00%. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.43%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

*N/M represents "not meaningful". N/M coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented

Enhanced Sector Rotation Composite

Period	Composite Assets (millions)	Composite% of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	Lehman Aggregate
1Q	1571.5	0.46	18	1.78	1.73	0.07	341.3	1.39
YTD	1571.5	0.46	18	1.78	1.73	0.07	341.3	1.39
2002	1370.8	0.4	15	8.06	7.85	0.21	346.9	10.26
2001	3098.2	0.75	31	8.43	8.23	0.49	412.2	8.44
2000	2975.1	0.66	27	12.02	11.7	1.09	450.0	11.63
1999	4047.8	1.10	31	-0.64	-0.93	1.15	368.3	-0.82
1998	3688.7	1.29	26	7.73	7.42	2.16	286.7	8.69
1997	2302.4	1.05	18	10.29	9.97	1.06	218.7	9.65
1996	1256.8	0.69	12	6.39	6.08	0.89	182.8	3.63
1995	388.0	0.26	6	21.7	21.35	0.63	146.5	18.47
1994	119.1	0.1	2	-4.01	-4.29	0.45	121.3	-2.92
1993	115.9	0.1	2	14.47	14.14	1.43	115.2	9.75
1 Year				10.24	10.04			11.68
3 Year				9.15	8.92			9.81
5 Year				7.02	6.76			7.51
10 Year				7.8	7.52			7.23

Performance Disclosure

- **COMPOSITE STRUCTURE** – The Enhanced Sector Rotation Composite includes fee-paying discretionary tax-exempt accounts with assets over \$20 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The creation date of this Composite was prior to

December 1992, the first year that this composite was AIMR verified. The Composite includes the fixed segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines.

- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.29%. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.20%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

Alliance High Yield Composite

Period	Composite Assets (millions)	Composite% of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	Customized High Yield	Salomon BB/B Rated
1Q	944.6	0.28	7	5.57	5.51	0.38	341.3	7.47	7.71
YTD	944.6	0.28	7	5.57	5.51	0.38	341.3	7.47	7.71
2002	964.0	0.28	8	-3.34	-3.59	0.68	346.9	-0.16	-1.54
2001	783.4	0.19	6	4.97	4.72	0.47	412.2	5.34	5.20
2000	76.3	0.02	1	-2.23	-2.86	N/M*	450.0	-5.45	-4.28
1999	712.1	0.19	1	10.85	10.14	N/M*	368.3	3.28	1.97
1998	864.5	0.30	2	-0.99	-1.63	0.96	286.7	0.58	4.60
1997	895.4	0.41	2	19.03	18.28	0.07	218.7	12.63	12.91
1996	788.2	0.43	2	21.84	21.06	1.10	182.8	12.42	11.31
1995	727.1	0.50	2	16.89	16.14	1.28	146.5	17.38	19.81
1994	634.5	0.52	4	-2.53	-3.17	N/M*	121.3	-0.97	-0.54
1993	719.0	0.62	4	21.05	20.30	N/M*	115.2	18.91	17.09
1 Year				1.50	1.24			5.06	3.85
3 Year				1.94	1.58			2.68	3.17
5 Year				1.88	1.40			1.51	1.83
10 Year				7.93	7.34			6.15	6.53

- **COMPOSITE STRUCTURE** – The Alliance High Yield Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The creation date of this Composite was prior to December 1993, the first year that this composite was AIMR verified. Prior to October 2000, the benchmark for this Composite was the CSFB High Yield Bond Index, thereafter the Composite's benchmark is a customized, asset-weighted blend of the benchmarks of each of the accounts in the Composite. A weighting is applied to the benchmarks by using the prior month-end market values of the portfolios within the Composite. Prior to the beginning of a new quarter, if an account is added or deleted, the custom benchmark will automatically be rebalanced to reflect the changes in market value and benchmarks. The Composite does not include the fixed income segment of balanced accounts.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.65%. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.25%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

* N/M represents "not meaningful". N/M coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented

Performance Disclosure

Alliance Global Fixed Income Composite

Period	Composite Assets (millions)	Composite% of Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	JPM Global Govt Bond Index	Salomon World Govt Bond Index
1Q	11.2	0	1	3.51	3.38	N/M*	341.3	3.02	3.10
YTD	11.2	0	1	3.51	3.38	N/M*	341.3	3.02	3.10
2002	13.0	0	1	18.68	18.10	N/M*	346.9	19.37	19.49
2001	15.9	0	1	-0.23	-0.73	N/M*	412.2	-0.79	-0.99
2000	18.3	0	1	1.60	1.10	N/M*	450.0	2.34	1.56
1999	16.2	0	2	-5.50	-5.97	N/M*	368.3	-5.08	-4.27
1998	6.6	0	1	16.70	16.13	N/M*	286.7	15.31	15.30
1997	12.6	0.01	1	1.90	1.40	N/M*	218.7	1.40	0.23
1996	11.3	0.01	1	5.96	5.44	N/M*	182.8	4.40	3.62
1995	10.4	0.01	1	19.45	18.86	N/M*	146.5	19.32	19.04
1994	15.5	0.01	2	-0.97	-1.46	N/M*	121.3	1.28	2.35
1993	11.0	0.01	2	16.43	15.86	N/M*	115.2	12.27	13.27
1 Year				24.92	24.31			24.88	25.22
3 Year				7.70	7.17			7.54	7.34
5 Year				6.26	5.73			6.24	6.29
10 Year				6.72	6.20			6.46	6.41

- **COMPOSITE STRUCTURE** – The Alliance Global Fixed Income Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. As of March 31, 2003 the Composite had none

of its assets invested in countries or regions outside of the benchmark, JPM Global Bond Index. The Composite includes the fixed segment of a multiple-asset fund account. In these single-asset fund accounts, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified. Accounts in the Composite may maintain short positions, use futures, interest rate swaps and interest rate futures to hedge interest rate exposure, align risk with the index and reduce client risk and volatility. In certain situations, the use of these instruments may constitute leverage.

- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.50%. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.50%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

* N/M represents "not meaningful". N/M coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented.

Alliance Emerging Markets Fixed Composite

Period	Composite Assets	Composite% of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	JPM EMBI+
1Q	71.6	0.02	1	10.32	10.15	0.00	341.3	7.59
YTD	71.6	0.02	1	10.32	10.15	N/M*	341.3	7.59
2002	64.9	0.02	1	19.13	18.37	N/M*	346.9	14.24
2001	54.5	0.01	1	9.3	8.6	N/M*	412.2	-0.79
2000	50.9	0.01	1	16.69	15.94	N/M*	450	15.66
1999	76.1	0.02	1	36.82	35.96	N/M*	368.3	25.97
1998	201.3	0.07	1	-21.59	-22.11	N/M*	286.7	-14.35
1997	358.2	0.16	1	19.65	18.89	N/M*	218.7	13.02
1996	610.2	0.33	1	47.23	46.31	N/M*	182.8	39.31
1995	470.2	0.32	1	37.68	36.82	N/M*	146.5	26.77
inception – 12/31/94	260.3	0.21	1	-1.52	-1.84	N/M*	121.3	2.83
1 Year				19.81	19.04			15.35
3 Year				14.48	13.75			9.43
5 Year				10.91	10.2			7.66
Inception Date: 6/30/94								

45

Performance Disclosure

- **COMPOSITE STRUCTURE** – The Alliance Emerging Markets Fixed Composite represents a portion of a pooled commingled investment vehicle with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. Cash is allocated to the fixed portion of the pooled commingled investment vehicle, so it is being managed and tracked in accordance with AIMR standards. The creation date of this composite was prior to December 1994, the first year that this composite was AIMR verified. Accounts in the Composite may maintain short positions, use futures, interest rate swaps and interest rate futures to hedge interest rate exposure, align risk with the index and reduce client risk and volatility. In certain situations, the use of these instruments may constitute leverage. As of March 31, 2003 the Composite had less than 1% of its assets invested in countries or regions outside of the benchmark, JPM EMBI+.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.65%. From January 2001 forward, the Composite's net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.65%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

* N/M represents "not meaningful". N/M coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented.

Alliance High Grade AGG Composite

Period	Composite Assets (millions)	Composite% of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	Lehman US Aggregate
1Q	430.3	0.13	5	1.50	1.45	0.02	341.3	1.39
YTD	430.3	0.13	5	1.50	1.45	0.02	341.3	1.39
2002	432.3	0.12	5	10.41	10.17	0.24	346.9	10.26
2001	403.3	0.10	7	9.12	8.83	0.55	412.2	8.44
2000	157.7	0.04	3	11.61	11.17	0.03	450.0	11.63
1999	174.7	0.05	3	-1.22	-1.61	0.11	368.3	-0.82
1998	189.2	0.07	3	9.22	8.79	0.10	286.7	8.69
inception – 12/31/97	174.4	0.08	3	10.08	9.75	N/M*	218.7	10.27
1 Year				11.86	11.63			11.68
3 Year				10.11	9.81			9.81
5 Year				7.67	7.32			7.51

Inception: 3/31/97

- **COMPOSITE STRUCTURE** – The Alliance High Grade AGG Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The composite was created on October 31, 2000.
- **RATE OF RETURN** – No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance figures for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Monthly market values include income accruals and reflect the daily weighting of cash flows. The composite results are asset weighted on a monthly basis. Quarterly and annual composite performance figures are computed by linking monthly returns, resulting in a “time-weighted” rate of return. Performance results include the reinvestment of dividends and other earnings. Returns are calculated in US dollars.

* N/M represents “not meaningful”. N/M coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented.

Performance Disclosure

Insurance Composite

Period	Composite Assets (millions)	Composite% of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	Customized Benchmark
2003:1Q	2261.4	0.66	8	2.45	2.41	0.40	341.3	2.08
2003:YTD	2261.4	0.66	8	2.45	2.41	0.40	341.3	2.08
2002	2415.8	0.70	9	10.79	10.59	1.04	346.9	10.46
2001	2094.5	0.51	9	9.69	9.49	0.81	412.2	9.41
2000	1808.0	0.40	8	10.92	10.73	0.50	450.0	9.77
1999	1811.1	0.49	10	0.40	0.22	1.09	368.3	-0.09
1998	1781.2	0.62	10	8.46	8.27	0.50	286.7	8.35
1997	1465.4	0.67	8	9.37	9.17	0.57	218.7	8.89
1996	1356.9	0.74	9	4.02	3.83	0.53	182.8	3.94
1995	760.7	0.52	5	18.91	18.70	N/M*	146.5	18.62
1994	557.9	0.46	4	-1.73	-1.91	N/M*	121.3	-2.41
1993	563.8	0.49	4	11.16	10.97	N/M*	115.2	9.91
1 Year				13.66	13.46			13.01
3 Year				10.74	10.54			10.10
5 Year				8.12	7.93			7.60
10 Year				7.84	7.65			7.31

- **COMPOSITE STRUCTURE** – The Insurance Composite includes fee-paying discretionary taxable accounts with assets over \$40 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite does not include the fixed income segment of balanced accounts. The composite’s benchmark used in the presentation is a customized, asset-weighted blend of the benchmarks of each of the accounts in the Composite(“custom benchmark”). A weighting is applied to the benchmarks by using the prior month-end market values of the portfolios within the Composite. Prior to the beginning of a new quarter, if an account is added or deleted, the custom benchmark will automatically be rebalanced to include the new account’s market value and benchmark. The terminated account’s market value and benchmark return will be excluded. The creation date of this Composite was prior to December 1993, the first year that this Composite was AIMR verified.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.18%. From January 2001 forward, the Composite’s net-of-fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.18%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

* N/M represents “not meaningful”. N/M coding indicates that only one account, or no accounts, are in the Composite for the full year. Dispersion is only shown for accounts included in each quarter of each year presented.

Alliance US Relative Value Composite

Period	Composite Assets (millions)	Composite% of Firm Assets	# of Accounts	Gross Return%	Net Return %	Composite Dispersion	Firm Assets (billions)	S&P 500	Russell 1000 Value
1Q	2098.1	0.62	18	-1.92	-1.98	0.58	341.3	-3.15	-4.86
YTD	2098.1	0.62	18	-1.92	-1.98	0.58	341.3	-3.15	-4.86
2002	2082.7	0.6	18	-22.09	-22.32	1.24	346.9	-22.1	-15.52
2001	2099.2	0.51	13	-1.73	-1.92	0.50	412.2	-11.88	-5.59
2000	1596.1	0.35	8	15.9	15.04	0.24	450	-9.11	7.01
1999	1248.5	0.34	2	10.45	9.63	0.76	368.3	21.04	7.35
1998	1443.5	0.5	10	22.86	21.96	0.54	286.7	28.58	15.63
1997	1493.4	0.68	13	29.77	28.83	0.23	218.7	33.36	35.18
1996	761.3	0.42	3	26.4	25.48	0.39	182.8	22.96	21.64
1995	1024.4	0.7	5	38.17	37.17	2.72	146.5	37.58	38.35
1 Year				-24.87	-25.05			-24.76	-22.79
3 Year				-5.26	-5.6			-16.09	-6.86
5 Year				0.89	0.37			-3.77	-2.03

Performance Disclosure

- **COMPOSITE STRUCTURE** – The Alliance US Relative Value Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite includes the equity segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. The composite has been restated to reflect a material change in the investment process during the fourth quarter of 1994. The nature of the restatement has resulted in a change in the inception of the composite from January 1, 1992 to January 1, 1995. No other changes occurred as a result of this restatement. The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified.
- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** — Performance figures in this presentation have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the Composite, which was an annual fee of 0.75%. From January 2001 forward, the Composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.25%. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

Bernstein US STRATEGIC VALUE Composite

- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE** – Performance figures in this report have been presented gross and net of investment-management fees. Prior to 1983, management fees were not charged; instead, the accounts incurred transaction costs. From 1983 through 1992, the composite's net-of-fee return is the equal-weighted average of the actual after-fee returns of each account in the composite. From 1993 forward, the composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of each account in the composite. Net-of-fee performance figures reflect the compounding effect of such fees.
- **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance returns for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. Prior to July 1993, all cash flows were assumed to have occurred on the last day of the month. From July 1993 through 2000, if an account's net monthly cash flows were equal to or exceeded 10% of its beginning market value, the Modified Dietz Method was used to daily weight the cash flows. When an account's net monthly cash flows were less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily weighted using the Modified Dietz Method.

Beginning 1993, the composite returns are asset weighted on a monthly basis. Prior to 1993, the composite results are equal weighted on a quarterly basis. These monthly and quarterly performance figures are geometrically linked to calculate cumulative and/or annualized rates of return for various time periods. Returns for the portfolios in the composite are calculated in US dollars.

- **COMPOSITE STRUCTURE**—Preliminarily, as of March 31, 2003, the US Strategic Value composite ("Composite") consisted of 208 accounts with a market value of \$10,907.00 million in US dollars, which represents 3.14% of the firm's total assets. Beginning 1993, the Composite includes fee-paying institutional discretionary accounts with assets over \$5 million in US dollars which are not subject to significant investment restrictions imposed by clients. From 1983 through 1992, the Composite includes all discretionary accounts with assets over \$5 million in US dollars. Prior to 1983, the Composite includes all accounts regardless of size. The Composite was created in March 2002 with an inception date of December 31, 1973.
- **DISPERSION**—The dispersion of annual returns was calculated based on the equal-weighted standard deviation in 1992 and on the asset-weighted standard deviation from 1993 forward. Dispersion of performance for the Composite is as follows: 1992: 1.42%; 1993: 1.19%; 1994: 0.69%; 1995: 1.24%; 1996: 1.10%; 1997: 1.95%; 1998: 1.74%; 1999: 1.92%; 2000: 2.38%; 2001: 1.51%; 2002: 2.00%.
- **ANNUAL RETURNS** —Gross: 1992: 26.89%; 1993: 27.30%; 1994: 1.30%; 1995: 38.01%; 1996: 24.71%; 1997: 27.79%; 1998: 10.34%; 1999: 0.25%; 2000: 10.46%; 2001: 10.13%; 2002: (16.97)%; 2003Q1: (3.26)%. Net: 1992: 26.05%; 1993: 26.69%; 1994: 0.81%; 1995: 37.36%; 1996: 24.15%; 1997: 27.25%; 1998: 9.88%; 1999: (0.16)%; 2000: 9.98%; 2001: 9.67%; 2002: (17.36)%; 2003Q1: (3.38)%.

Bernstein US DIVERSIFIED VALUE Composite (optimized to the Russell 1000 Value Index)

- 1) **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this report have been presented gross and net of investment-management fees. The composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of each account in the composite. Net-of-fee performance figures reflect the compounding effect of such fees.

Performance Disclosure

- 2) **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance returns for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. Prior to 2001, if an account's net monthly cash flows were equal to or exceeded 10% of its beginning market value, the Modified Dietz Method was used to daily weight the cash flows. When an account's net monthly cash flows were less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily weighted using the Modified Dietz Method. The composite returns are asset weighted on a monthly basis. These monthly performance figures are geometrically linked to calculate cumulative and/or annualized rates of return for various time periods. Returns for the portfolios in the composite are calculated in US dollars.

- 3) **COMPOSITE STRUCTURE**—Preliminarily, as of March 31, 2003, the US Diversified Value composite (opt. R1000V) ("Composite") consisted of 102 accounts with a market value of \$9,605.22 million in US dollars, which represents 2.77% of the firm's total assets. The Composite commenced on March 31, 1999 and included only 2 private-client, fee-paying, discretionary portfolios in the 2nd quarter of 1999. These portfolios are managed as if they are

institutional and remain in the composite until they no longer meet the criteria for inclusion. No other private-client portfolios are included. Beginning June 30, 1999, the composite includes fee-paying institutional discretionary accounts that are not subject to significant investment restrictions imposed by clients. The Composite was created in March 2002 with an inception date of March 31, 1999.

4) DISPERSION—The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 3/31–12/31/99: N/M*; 2000: 1.92%; 2001: 0.80%; 2002: 0.82%.

5) ANNUAL RETURNS—Gross: 3/31–12/31/99: 2.21%; 2000: 13.86%; 2001: 4.20%; 2002: (12.22)%; 2003Q1: (4.17)%. Net: 3/31–12/31/99: 1.94%; 2000: 13.40%; 2001: 3.84%; 2002: (12.54)%; 2003Q1: (4.26)%.

* N/M represents “not meaningful.” N/M coding indicates that 5 or fewer accounts are in the Composite for the full year.

Bernstein US SMALL & MIDCAP VALUE Composite

- **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this report have been presented gross and net of investment-management fees. The composite’s net-of-fee return is the asset-weighted average of the actual after-fee returns of each account in the composite. Net-of-fee performance figures reflect the compounding effect of such fees.
- **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance figures for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. All cash flows are daily weighted using the Modified Dietz Method. The composite results are asset weighted on a monthly basis. These monthly performance figures are geometrically linked to calculate cumulative and/or annualized rates of return for various time periods. Returns for the portfolios in the composite are calculated in US dollars.
- **COMPOSITE STRUCTURE**—Preliminarily, as of March 31, 2003, the AllianceBernstein Small and MidCap Value composite (“Composite”) consisted of four accounts with a market value of \$130.88 million in US dollars, which represents less than 1.0% of the firm’s total assets. The Composite includes fee-paying institutional discretionary accounts which are not subject to significant investment restrictions imposed by clients. The Composite was created in March 2002 with an inception date of December 31, 2000.
- **DISPERSION** – Dispersion of performance for the Composite is as follows: 2001: N/M*; 2002: N/M*.
- **ANNUAL RETURNS**—Gross: 2001: 23.40%; 2002: (6.78)%; 2003Q1: (6.54)%. Net: 2001: 22.57%; 2002: (7.40)%; 2003Q1: (6.70)%.

* N/M represents “not meaningful.” N/M coding indicates that 5 or fewer accounts are in the Composite for the full year.

Bernstein EMERGING MARKETS VALUE Composite

1) **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this report have been presented gross and net of investment-management fees. Net performance figures have been calculated by deducting the highest fee payable by an account of this type; 1.25% annually. Net-of-fee performance figures reflect the compounding effect of such fees.

2) **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance returns for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. Prior to 2001, if an account’s net monthly cash flows were equal to or exceeded 10% of its

Performance Disclosure

beginning market value, the Modified Dietz Method was used to daily weight the cash flows. When an account’s net monthly cash flows were less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily weighted using the Modified Dietz Method. The composite returns are asset weighted on a monthly basis. These monthly performance figures are geometrically linked to calculate cumulative and/or annualized rates of return for various time periods. The composite contains portfolios of clients denominated in foreign currencies. To calculate composite performance, each portfolio’s monthly returns are converted to US dollars using WM Reuters month-end exchange rates.

3) **COMPOSITE STRUCTURE**—Preliminarily, as of March 31, 2003, the Emerging Markets Value composite (“Composite”) consisted of seven accounts with a market value of \$1,414.99 million in US dollars, which represents less than 1.0% of the firm’s total assets. The Composite includes fee-paying institutional and pooled discretionary accounts which are not subject to significant investment restrictions imposed by clients. In 1996, the Composite consisted of a single-pooled discretionary account. The withholding tax basis of the composite is consistent with the benchmark, which is Luxembourg. The Composite was created in March 2002 with an inception date of December 31, 1995. As of March 31, 2003, the Composite had 0.3% of its assets invested in countries or regions outside of the benchmark, the MSCI Emerging Markets Free Index.

4) **DISPERSION**—The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1996: N/M*; 1997: N/M*; 1998: N/M*; 1999: N/M*; 2000: N/M*; 2001: N/M*; 2002: N/M*.

5) **ANNUAL RETURNS**—Gross: 1996: 9.06%; 1997: (21.56)%; 1998: (18.40)%; 1999: 73.28%; 2000: (26.83)%; 2001: (1.12)%; 2002: 6.14%; 2003Q1: (2.52)%. Net: 1996: 7.71%; 1997: (22.54)%; 1998: (19.42)%; 1999: 71.13%; 2000: (27.74)%; 2001: (2.35)%; 2002: 4.82%; 2003Q1: (2.82)%.

* N/M represents “not meaningful.” N/M coding indicates that 5 or fewer accounts are in the Composite for the full year.

1) **TOTAL RETURN METHODOLOGY AND FEE STRUCTURE**—Performance figures in this report have been presented gross and net of investment-management fees. The composite’s net-of-fee return is the asset-weighted average of the actual after-fee returns of each account in the composite. Net-of-fee performance figures reflect the compounding effect of such fees.

2) **RATE OF RETURN**—No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance returns for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. From July 1993 through 2000, if an account’s net monthly cash flows were equal to or exceeded 10% of its beginning market value, the Modified Dietz Method was used to daily weight the cash flows. When an account’s net monthly cash flows were less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily weighted using the Modified Dietz Method. The composite returns are asset weighted on a monthly basis. These monthly performance figures are geometrically linked to calculate cumulative and/or annualized rates of return for various time periods. Returns for the portfolios in the composite are calculated in US dollars.

3) **COMPOSITE STRUCTURE**—Preliminarily, as of March 31, 2003, the International Value composite (HH, GDP) (“Composite”) consisted of 22 accounts with a market value of \$1,335.53 million in US dollars, which represents less than 1.0% of the firm’s total assets. From July 1992 through September 1993, the Composite consisted of a single-pooled discretionary account. Beginning July 1993, the pooled discretionary account is excluded and the Composite includes only fee-paying institutional discretionary accounts, which are not subject to significant investment restrictions imposed by clients. The withholding tax basis of the composite is consistent with the benchmark, which is Luxembourg. The Composite was created in March 2002 with an inception date of June 30, 1992. As of March 31, 2003, the Composite had 5.7% of its assets invested in countries or regions outside of the benchmark, the MSCI EAFE Index (half hedged, GDP weighted).

4) **DISPERSION**—The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 6/30–12/31/92: N/M*; 1993: N/M*; 1994: 1.00%; 1995: 1.04%; 1996: 0.62%; 1997: 1.26%; 1998: 1.41%; 1999: 1.81%; 2000: 1.18%; 2001: 1.00%; 2002: 0.85%.

5) **ANNUAL RETURNS**—Gross: 6/30–12/31/92: (4.08)%; 1993: 37.45%; 1994: 5.65%; 1995: 9.48%; 1996: 18.69%; 1997: 10.54%; 1998: 14.49%; 1999: 22.01%; 2000: (1.79)%; 2001: (10.73)%; 2002: (7.61)%; 2003Q1: (5.78)%. Net: 6/30–12/31/92: (4.99)%; 1993: 36.00%; 1994: 5.11%; 1995: 8.84%; 1996: 18.14%; 1997: 9.84%; 1998: 13.81%; 1999: 21.32%; 2000: (2.42)%; 2001: (11.22)%; 2002: (8.19)%; 2003Q1: (5.90)%.

* N/M represents “not meaningful.” N/M coding indicates that 5 or fewer accounts are in the Composite for the full year.

Performance Disclosure

Past performance is not indicative of future results. Returns are as of 3/31/03. Because of ongoing market volatility, performance may be subject to substantial fluctuations since that date and may be more or less than that shown. Average annual returns are for Class A shares at NAV. Returns for Class B, Class C and Advisor Class shares will vary due to different expenses associated with these classes.

The Lipper Averages represent the performance of funds that have generally similar investment objectives to the AllianceBernstein funds, although investment policies for the various funds may differ.

Balanced Accounts Composite Performance Disclosure, Net of Fees

1) Performance Statistics Are Not Financial Statements - There are various methods of compiling or reporting performance statistics. The standards of performance measurement used in compiling these data are in accordance with the methods set forth below. Past performance statistics are not indicative of future results.

2) Total Return - Performance results of accounts and comparisons are made on a total-return basis, which includes all dividends, interest and accrued interest, and realized and unrealized gains or losses. Performance results are after deductions of all transaction charges and fees.

3) Rate of Return - Investment results are computed on a “time-weighted” rate-of-return basis. Assuming dividends and interest are reinvested, the growth in dollars of an investment in a period can be computed using these rates of return. In computing the time-weighted rate of return, if an account’s net monthly cash flow exceeds 10% of its beginning market value, the cash flows are weighted on a daily basis. When an account’s net monthly cash flows are less than 10% of its beginning market value, the cash flows are weighted by the “end-of-the-month” assumption. Beginning 2001, all cash flows are daily weighted using the modified Dietz method.

4) Preparation of Data - Investment results on a quarterly basis for All Balanced Accounts for the entire quarter were added together and the sum divided by the total number of accounts in each quarter to produce a series of average quarterly performance figures. These quarterly performance figures were then linked to produce a continuous-performance index. The continuous-performance index from inception was used to create point-to-point comparisons. Closed accounts are included for each full quarter prior to their closing. All Balanced Accounts include various types of accounts with any combination of equity and fixed income, in any percentage mix.

5) Dispersion - Dispersion, or standard deviation, measures the variability of account returns within a composite. In a normal distribution, approximately two-thirds of the account returns will fall within the range of one standard deviation above and below the equal-weighted mean return. Dispersion of performance for All Balanced Accounts under management were as follows: 1974: 20.4; 1975: 18.3; 1976: 10.7; 1977: 7.4; 1978: 7.7; 1979: 6.9; 1980: 7.2; 1981: 4.9; 1982: 5.8; 1983: 4.6; 1984: 3.1; 1985: 3.5; 1986: 2.6; 1987: 6.3; 1988: 2.4; 1989: 2.5; 1990: 4.4; 1991: 4.1; 1992: 3.5; 1993: 2.3; 1994: 2.1; 1995: 2.9; 1996: 2.1; 1997: 2.8; 1998: 4.1; 1999: 4.6; 2000: 5.7; 2001: 4.3; 2002: 4.9; 2003: N/A.

6) Financial Securities Environment - Various indices are used to indicate the type of investment environment existing during the time periods shown. Year 2002 data are preliminary, pending completion of internal audit.

1. General notes:

a. Performance Statistics Are Not Financial Statements - - There are various methods of compiling or reporting performance statistics. The standards of performance measurement used in compiling these data are in accordance with the methods set forth below. Past performance statistics are not indicative of future results. A portfolio could suffer losses as well as gains.

b. Capital Markets Environment - Various indices are used to indicate the type of investment environment existing during the time periods shown.

c. Total Return – Performance figures for each account are calculated monthly using an internal rate-of-return calculation. Performance results of accounts and comparisons are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. Assuming dividends and interest are reinvested, the growth in dollars of an investment in a period can be computed using these rates of return. Investment results are computed on a “time-weighted” rate-of-return basis. Securities are included in accounts on a trade-date basis. Closed accounts are included for each full quarter prior to their closing. Performance results are after transaction charges, and are after the deduction of all fees as described below.

Performance Disclosure

d. Preparation of Data - Investment results for the Strategic Value (All) composite discretionary accounts are added together and the sum divided by the total number of accounts to produce a series of average quarterly performance figures. Strategic Value (All) composite returns include all accounts from 1974-1999 that are not subject to significant investment restrictions imposed by clients. Beginning January 1, 2000, results exclude accounts with a client-directed margin balance of 20% or more of market value at any month end. Prior to 2001, in computing the time-weighted rate of return, if an account’s net monthly cash flow was equal to or exceeded 10% of its beginning market value, the modified Dietz method was used to daily weight the cash flows. When an account’s net monthly cash flows were less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily weighted using the modified Dietz method.

2. Net-of-fee performance figures for the Strategic Value (All) composite have been calculated as follows:

a. Prior to 1983, management fees were not charged; instead, the accounts incurred transaction costs.

b. From 1983 forward, the composite’s net-of-fee return is the equal-weighted average of the actual after-fee returns of Strategic Value accounts in the composite.

3. Dispersion: Dispersion is calculated on the gross-of-fee returns. Dispersion, or standard deviation, measures the variability of account returns within a composite. In a normal distribution, approximately two-thirds of the account returns will fall within the range of one standard deviation above and below the equal-weighted mean return.

Dispersion of returns for Strategic Value (All) is as follows: 1974: 26.0; 1975: 20.3; 1976: 14.3; 1977: 8.3; 1978: 10.9; 1979: 8.5; 1980: 7.8; 1981: 5.5; 1982: 5.6; 1983: 3.7; 1984: 2.8; 1985: 2.4; 1986: 2.1; 1987: 3.3; 1988: 2.1; 1989: 1.7; 1990: 2.1; 1991: 2.4; 1992: 2.1; 1993: 1.6; 1994: 1.4; 1995: 1.6; 1996: 1.4; 1997: 1.9; 1998: 2.9; 1999: 3.1; 2000: 3.0; 2001: 2.2; 2002: 2.7; 2003: N/A.

Year 2002 data are preliminary, pending completion of internal audit.

1. General Notes:

a. Performance Statistics Are Not Financial Statements - - There are various methods of compiling or reporting performance statistics. The standards of performance measurement used in compiling these data are in accordance with the methods set forth below. Past performance statistics are not indicative of future results. A portfolio could suffer losses as well as gains.

b. Capital Markets Environment - Various indices are used to indicate the type of investment environment existing during the time periods shown.

c. Total Return – Performance figures for each account are calculated monthly using an internal rate-of-return calculation. Performance results of accounts and comparisons are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. Assuming dividends and interest are reinvested, the growth in dollars of an investment in a period can be computed using these rates of return. Investment results are computed on a “time-weighted” rate-of-return basis. Securities are included in accounts on a trade-date basis. Closed accounts are included for each full quarter prior to their closing. Performance results are after transaction charges, and are after the deduction of all fees as described below.

d. Preparation of Data - The performance results of the Strategic Growth composite are calculated by linking the asset-weighted quarterly returns of the Alliance Large Cap Growth composite for the period 1979 through 2000 with those of Strategic Growth thereafter. The quarterly asset-weighted returns are geometrically linked to calculate cumulative and/or annualized rates of return for various periods. Alliance Large Cap Growth differs from Strategic Growth, which is offered exclusively to clients of the Bernstein Investment Research and Management unit of Alliance Capital Management L.P., in that, among other things, Strategic Growth offers tax management and may contain fewer stocks.

2. Alliance Large Cap Growth Composite Methodology (1979-2000) - Monthly market values include income accruals and reflect the daily weighting of cash flows. The Alliance Large Cap Growth composite results are asset-weighted on a monthly basis. The quarterly composite performance figures are computed by linking the monthly returns, resulting in a time-weighted rate of return. The composite includes fee-paying discretionary tax-exempt accounts with assets

over \$10 million not subject to significant investment restrictions imposed by clients. The composite includes the equity segment of balanced accounts. In these equity portfolios, the asset-allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. Fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

3. Strategic Growth Composite Methodology (2001- present) - The Strategic Growth composite returns are calculated on a quarterly basis with each account's return weighted by its prior quarter-end market value. All cash flows are daily weighted using the modified Deitz method. Results exclude accounts with a client-directed margin balance of 20% or more of market value at any month end.

4. Net-of-Fee Performance Figures - Net-of-fee performance figures have been calculated as follows:

- a. From 1979-1982, 0.75%, the highest annual fee charged to an Alliance Large Cap Growth account for that period (excluding accounts with performance-based fee arrangements) was deducted from the composite's gross-of-fee returns.
- b. From 1983 through 2000, the actual average quarterly fee charged by Bernstein for the Strategic Value (All) service was deducted from the Alliance Large Cap Growth composite gross-of-fee returns.
- c. From January 2001 forward, the composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of Strategic Growth accounts in the composite.

5. Dispersion - Dispersion is calculated on the gross-of-fee returns. Dispersion, or standard deviation, measures the variability of account returns within a composite. In a normal distribution, approximately two-thirds of the account returns will fall within the range of one standard deviation above and below the asset-weighted mean return. Dispersion of returns for accounts within the Alliance Large Cap Growth from 1979-2000 is as follows 1979: 4.7; 1980: 1.4; 1981: 2.4; 1982: 3.1; 1983: 2.4; 1984: 2.1; 1985: 2.6; 1986: 5.3; 1987: 3.9; 1988: 2.9; 1989: 5.4; 1990: 1.5; 1991: 3.3; 1992: 3.1; 1993: 1.6; 1994: 1.2; 1995: 1.9; 1996: 1.3; 1997: 5.0; 1998: 2.4; 1999: 3.2; 2000: 2.1. Dispersion of returns for Strategic Growth is as follows: 2001: 2.2; 2002: 1.4; 2003: N/A.

Year 2002 data are preliminary, pending completion of internal audit.

Performance Disclosure

50/50 Simulation - Strategic Value (All) and Strategic Growth Composite Performance Disclosure, Net of Fees ("50/50 (All)")

1. General Notes:

- a. **Performance Statistics Are Not Financial Statements** - There are various methods of compiling or reporting performance statistics. The standards of performance measurement used in compiling these data are in accordance with the methods set forth below. Past performance and simulation statistics are not indicative of future results. A portfolio could suffer losses as well as gains.
- b. **Capital Markets Environment** - Various indices are used to indicate the type of investment environment existing during the time periods shown.
- c. **Total Return** - Performance figures for each account are calculated monthly using an internal rate of return calculation. Performance results of accounts and comparisons are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. Assuming dividends and interest are reinvested, the growth in dollars of an investment in a period can be computed using these rates of return. Investment results are computed on a "time-weighted" rate-of-return basis. Securities are included in accounts on a trade-date basis. Closed accounts are included for each full quarter prior to their closing. Performance results are after transaction charges, other than the transaction charges involved in periodic rebalancing, and are after the deduction of all fees as described below.

2. Preparation of Data:

- a. **50/50 (All) Simulation Overview** - The 50/50 (All) composite results are calculated on a quarterly basis by summing in a 50/50 percentage ratio (i) the after-fee returns of the Alliance Large Cap Growth composite from 1/1/79 through 12/31/00, and thereafter the actual Strategic Growth composite after-fee returns with (ii) the actual Strategic Value (All) composite after-fee returns. These quarterly performance figures are then geometrically linked to calculate cumulative and/or annualized returns for various time periods.
- b. **Strategic Value (All) Composite Methodology** - Investment results for Strategic Value (All) composite discretionary accounts are added together and the sum divided by the total number of accounts in each quarter to produce a series of average quarterly performance figures. Strategic Value (All) composite returns include all accounts from 1974-1999, which are not subject to significant investment restrictions imposed by clients. Beginning January 1, 2000, results exclude accounts with a client-directed margin balance of 20% or more of market value at any month end. Prior to 2001, in computing the time-weighted rate of return, if an account's net monthly cash flow was equal to or exceeded 10% of its beginning market value, the modified Dietz method was used to daily weight the cash flows. When an account's net monthly cash flows were less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning 2001, all cash flows are daily weighted using the modified Dietz method.
- c. **Strategic Growth Methodology** - The performance results of the Strategic Growth composite are calculated by geometrically linking the asset-weighted quarterly returns of the Alliance Large Cap Growth composite for the period 1979 through 2000 with those of Strategic Growth thereafter. Alliance Large Cap Growth differs from Strategic Growth, which is offered exclusively to clients of the Bernstein Investment Research and Management unit of Alliance Capital Management L.P., in that, among other things, Strategic Growth offers tax management and may contain fewer stocks.
 - (i) **Alliance Large Cap Growth Methodology (1979-2000)** - Monthly market values include income accruals and reflect the daily weighting of cash flows. The Alliance Large Cap Growth composite results are asset-weighted on a monthly basis. The quarterly composite performance figures are computed by linking the monthly returns, resulting in a time-weighted rate of return. The composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million, which are not subject to significant investment

restrictions imposed by clients. The composite includes the equity segment of balanced accounts. In these equity portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. Fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

- (ii) Strategic Growth Composite Methodology (2001-Present) - The Strategic Growth composite returns are calculated on a quarterly basis with each account's return weighted by its prior quarter-end market value. All cash flows are daily weighted using the modified Dietz method. Results exclude accounts with a client-directed margin balance of 20% or more of market value at any month end.

3. Net-of-Fee Performance figures - Net-of-fee performance figures for the 50/50 (All) composite have been calculated as follows:

a. Growth:

- (i) From 1979-1982, 0.75%, the highest annual fee charged to an Alliance Large Cap Growth account for that period (excluding accounts with performance-based fee arrangements), was deducted from the composite's gross-of-fee returns.
- (ii) From 1983 through 2000, the actual average quarterly fee charged by Bernstein for the Strategic Value (All) service was deducted from the Alliance Large Cap Growth Composite gross-of-fee returns.
- (iii) From January 2001 forward, the composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of Strategic Growth accounts in the composite.

53

Performance Disclosure

b. Value:

- (i) Prior to 1983, management fees were not charged; instead, the accounts incurred transaction costs.
- (ii) From 1983 forward, the composite's net-of-fee return is an equal-weighted average of the actual after-fee returns of Strategic Value accounts in the composite.

4. Notes - Simulated portfolio conditions are static; actual balanced portfolios may employ tactical asset allocation and additional rebalancing techniques. Simulated results do not represent actual trading using client assets, even though the underlying portfolio composites do, but:

- a. were achieved by means of the retroactive application of a model designed with the benefit of hindsight; and
- b. do not reflect the impact that material economic factors may have had on our decision-making.

5. Dispersion - Dispersion is calculated on the gross-of-fee returns. Dispersion, or standard deviation, measures the variability of account returns within a composite. In a normal distribution, approximately two-thirds of the account returns will fall within the range of one standard deviation above and below the equal-weighted mean return for Value and the asset-weighted mean return for Growth.

Dispersion of returns for Alliance Large Cap Growth from 1979-2000 is as follows: 1979: 4.7; 1980: 1.4; 1981: 2.4; 1982: 3.1; 1983: 2.4; 1984: 2.1; 1985: 2.6; 1986: 5.3; 1987: 3.9; 1988: 2.9; 1989: 5.4; 1990: 1.5; 1991: 3.3; 1992: 3.1; 1993: 1.6; 1994: 1.2; 1995: 1.9; 1996: 1.3; 1997: 5.0; 1998: 2.4; 1999: 3.2; 2000: 2.1. Dispersion of returns for Strategic Growth is as follows: 2001: 2.2; 2002: 1.4; 2003: N/A. Dispersion of returns for Strategic Value (All) composite accounts under management from 1974 - 2001 is as follows: 1974: 26.0; 1975: 20.3; 1976: 14.3; 1977: 8.3; 1978: 10.9; 1979: 8.5; 1980: 7.8; 1981: 5.5; 1982: 5.6; 1983: 3.7; 1984: 2.8; 1985: 2.4; 1986: 2.1; 1987: 3.3; 1988: 2.1; 1989: 1.7; 1990: 2.1; 1991: 2.4; 1992: 2.1; 1993: 1.6; 1994: 1.4; 1995: 1.6; 1996: 1.4; 1997: 1.9; 1998: 2.9; 1999: 3.1; 2000: 3.0; 2001: 2.2; 2002: 2.7; 2003: N/A. Year 2002 data are preliminary - pending completion of internal audit.

54

Alliance Capital Investment Management Services

Alliance Capital provides diversified investment management and related services globally to a broad range of clients:

1. Retail Services consists of investment management products and services distributed to individual investors through financial intermediaries, such as brokers and financial planners by means of:
- mutual funds sponsored by Alliance Capital and consolidated joint venture companies,
 - cash management products such as money market funds and deposit accounts,
 - mutual fund sub-advisory relationships resulting from the efforts of the mutual fund marketing department, and
 - managed account products;
2. Institutional Investment Management Services consists of investment management services to unaffiliated parties such as corporate and public employee pension funds, endowment funds, domestic and foreign institutions and governments, and affiliates such as AXA and its insurance company subsidiaries by means of:
- separate accounts,
 - mutual fund shares sold exclusively to institutional investors and high net worth individuals,
 - sub-advisory relationships resulting from the efforts of the institutional marketing department,
 - structured products, and
 - group trusts;

3. Private Client Services consists of investment management services provided to high net worth individuals, trusts and estates, charitable foundations, partnerships, private and family corporations and other entities by means of:
 - separate accounts,
 - hedge funds and
 - certain other vehicles; and
4. Institutional Research Services provided to institutional clients by means of:
 - in-depth research,
 - portfolio strategy,
 - trading and
 - brokerage-related services.



NEWS RELEASE

(REVISED)

FOR IMMEDIATE RELEASE

Contacts:	Valerie Haertel (Investor Relations) (212) 969-6414 investor_relations@acml.com	John Meyers (Media) (212) 969-2301 john_meyers@acml.com
-----------	---	---

ALLIANCE CAPITAL ANNOUNCES FIRST QUARTER 2003 RESULTS

**Alliance Capital Management Holding L.P. Announces GAAP Net Income of \$0.37 per Unit
and Declares a \$0.37 per Unit Cash Distribution**

Providing Guidance for Net Income per Unit

New York, NY, April 29, 2003 – Alliance Capital Management Holding L.P. (“Alliance Holding”) (NYSE: AC), the publicly traded partnership, and Alliance Capital Management L.P. (“Alliance Capital”), the Operating Partnership, today reported results for the quarter ended March 31, 2003.

Historically, in addition to GAAP net income, Alliance Capital and Alliance Holding have reported Net Operating Earnings (net income excluding amortization of goodwill and intangible assets). Since the difference between these measurements has narrowed (to approximately \$0.08 per Unit annually), management has elected to report GAAP net income exclusively.

Alliance Holding (The Publicly Traded Partnership):

- **Distribution per Alliance Holding Unit** will be \$0.37 compared to \$0.59 per Unit in the year ago quarter. The distribution is payable on May 22, 2003 to record holders of Alliance Holding Units at the close of business on May 9, 2003.
- **Diluted net income** per Unit was \$0.37, a decline of 36.2% from \$0.58 per Unit. (Net Operating Earnings, which is the basis for current analyst consensus estimates, would have been \$0.39 per Unit for the quarter.)

Alliance Capital (The Operating Partnership):

- **Assets Under Management (AUM)** at March 31, 2003 were \$386 billion, down 14.6% from March 31, 2002, primarily as a result of market depreciation.
- **Average AUM** were \$384 billion, a decrease of 14.2% as compared to \$448 billion in the year ago quarter.

-
- **Net asset inflows** were \$4.1 billion for the quarter. However, net asset outflows totaled \$5.3 billion on a trailing twelve-month basis.
 - **Revenues** declined 16.4% to \$602.6 million, the result of lower average AUM and a 19.4% drop in Institutional Research Services revenues.
 - **Operating expenses** for the quarter were \$482 million, a decrease of 10.5%.
 - **Net income** was \$109 million compared to \$168 million in the year ago quarter.
 - **Pre-tax margin** was 22.9% compared to 29.9% in the first quarter of 2002. (GAAP pre-tax margin was 19.1% compared to 24.5% in the first quarter of 2002. Pre-tax margin is presented as a non-GAAP financial measure. Please see table entitled “Analysis of Pre-tax Margin,” which includes a reconciliation to GAAP pre-tax margin not provided in the press release originally issued.)

**SUMMARY FINANCIAL RESULTS OF ALLIANCE CAPITAL MANAGEMENT L.P.
(THE OPERATING PARTNERSHIP)
(millions)**

	Three Months Ended		%
	3/31/03	3/31/02	Change
Revenues	\$ 603	\$ 721	(16.4)
Expenses:			
Operating Expenses	483	539	(10.5)
Amortization of Intangible Assets	5	5	—
	488	544	(10.4)
Income Taxes	6	9	(31.6)
NET INCOME	\$ 109	\$ 168	(35.0)
Base Fee Earnings	\$ 106	\$ 164	(35.2)

Performance Fee Earnings	3	4	(27.1)
NET INCOME	\$ 109	\$ 168	(35.0)

GUIDANCE

“Year-over-year comparisons were difficult in the first quarter, but consistent with our recent guidance for calendar year 2003 (net operating earnings of \$1.80-\$1.90 per Unit; GAAP net income of \$1.72-\$1.82 per Unit). Based on recent trends, it appears that earnings will be above the high end of the range,” said Bruce W. Calvert, Chairman and Chief Executive Officer.

CONFERENCE CALL INFORMATION RELATING TO FIRST QUARTER 2003 RESULTS

Alliance Capital’s management will review first quarter 2003 financial and operating results on Tuesday, April 29, 2003, during a conference call at 3:00 p.m. (New York Time) that will be hosted by Chairman and Chief Executive Officer Bruce W. Calvert; President and Chief Operating Officer John D. Carifa; and Vice Chairman and Chief Investment Officer Lewis A. Sanders.

Parties interested in listening to the conference call may access it by either telephone or webcast.

2

1. To listen by telephone, please dial 888-428-4479 in the U.S. or 612-332-7517 outside the U.S., ten minutes before the 3:00 p.m. (New York Time) scheduled start time. Please indicate access code “Alliance” when dialing in
2. To listen by webcast, please visit Alliance Capital’s Investor Relations website at <http://ir.alliancecapital.com> at least fifteen minutes prior to the call to download and install any necessary audio software.

The presentation slides that will be reviewed during the conference call are expected to be available on the morning of April 29, 2003 on Alliance Capital’s website at the above web address.

A replay of the conference call will be made available for one week beginning at 6:30 p.m. (New York Time) April 29, 2003. In the U.S. please call 800-475-6701 or for callers outside the U.S. 320-365-3844, and provide the access code 680945. The replay will also be available via webcast on Alliance Capital’s website for one week.

ABOUT ALLIANCE CAPITAL

Alliance Capital is a leading global investment management firm providing investment management services for many of the largest U.S. public and private employee benefit plans, foundations, public employee retirement funds, pension funds, endowments, banks, insurance companies and high-net-worth individuals worldwide. Alliance Capital is also one of the largest mutual fund sponsors, with a diverse family of globally distributed mutual fund portfolios. As one of the world’s leading global investment management organizations, Alliance Capital is able to compete for virtually any portfolio assignment in any developed capital market in the world.

Alliance Holding owns approximately 30.7% of the units of limited partnership interest in Alliance Capital. AXA Financial, Inc. owns approximately 1.9% of the outstanding Alliance Holding Units and approximately 54.7% of the outstanding Alliance Capital Units, which, including the general partnership interests in Alliance Capital and Alliance Holding, represent an approximate 55.7% economic interest in Alliance Capital. AXA Financial, Inc. is a wholly owned subsidiary of AXA, one of the largest global financial services organizations. Additional information may be found at www.alliancecapital.com.

FORWARD-LOOKING STATEMENTS

Certain statements provided by Alliance Capital and Alliance Holding in this press release 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, which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of such factors include, but are not limited to, the following: the performance of financial markets, the investment

3

performance of Alliance Capital’s sponsored investment products and separately managed accounts, general economic conditions, future acquisitions, competitive conditions, and government regulations, including changes in tax rates. Alliance Capital and Alliance Holding caution readers to carefully consider such factors. Further, such forward-looking statements speak only as of the date on which such statements are made; Alliance Capital and Alliance Holding undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

- 6 Pages of Tables to Follow -

4

ALLIANCE CAPITAL MANAGEMENT HOLDING L.P.
(THE PUBLICLY TRADED PARTNERSHIP)
SUMMARY STATEMENTS OF INCOME
(unaudited, in thousands except per Unit amounts)

Three Months Ended	
3/31/03	3/31/02

Equity in Earnings of Operating Partnership	\$ 33,146	\$ 50,216
Income Taxes	4,802	5,493
NET INCOME	\$ 28,344	\$ 44,723
Additional Equity in Earnings of Operating Partnership (1)	548	1,893
NET INCOME – Diluted (2)	\$ 28,892	\$ 46,616
DILUTED NET INCOME PER UNIT	\$ 0.37	\$ 0.58
Base Fee Earnings per Unit	0.36	\$ 0.57
Performance Fee Earnings per Unit	0.01	0.01
DILUTED NET INCOME PER UNIT	\$ 0.37	\$ 0.58
DISTRIBUTIONS PER UNIT	\$ 0.37	\$ 0.59

- (1) To reflect higher ownership in the Operating Partnership resulting from application of the treasury stock method to outstanding options.
(2) For calculation of Diluted Net Income per Unit.

RECONCILIATION
NET OPERATING EARNINGS FROM NET INCOME
(unaudited, in thousands except per Unit amounts)

	Three Months Ended	
	3/31/03	3/31/02
ALLIANCE CAPITAL		
Net Income	\$ 109,061	\$ 167,888
Amortization of Intangible Assets	5,175	5,175
NET OPERATING EARNINGS	\$ 114,236	\$ 173,063
ALLIANCE HOLDING		
Diluted Net Income Per Unit	\$ 0.37	\$ 0.58
Amortization of Intangible Assets Per Unit	0.02	0.02
NET OPERATING EARNINGS PER UNIT	\$ 0.39	\$ 0.60

ALLIANCE CAPITAL MANAGEMENT L.P.
(THE OPERATING PARTNERSHIP)
SUMMARY CONSOLIDATED STATEMENTS OF INCOME
(unaudited, in thousands)

	Three Months Ended	
	3/31/03	3/31/02
Revenues:		
Investment Advisory & Services Fees	\$ 412,281	\$ 486,283
Distribution Revenues	100,024	129,179
Institutional Research Services	57,885	71,810
Shareholder Servicing Fees	23,857	24,624
Other Revenues, Net	8,567	8,627
	602,614	720,523
Expenses:		
Employee Compensation & Benefits	218,169	237,282
Promotion & Servicing:		
Distribution Plan Payments	89,077	105,320
Amortization of Deferred Sales Commissions	53,019	57,002
Other	36,540	51,204
General & Administrative	79,181	80,603
Interest	6,349	7,212
Amortization of Intangible Assets	5,175	5,175
	487,510	543,798
Income Before Income Taxes	115,104	176,725

Income Taxes	6,043	8,837
NET INCOME	\$ 109,061	\$ 167,888
Base Fee Earnings	106,207	163,975
Performance Fee Earnings	2,854	3,913
NET INCOME	\$ 109,061	\$ 167,888

6

ALLIANCE CAPITAL MANAGEMENT L.P.
(THE OPERATING PARTNERSHIP)
ANALYSIS OF PRE-TAX MARGIN (1)
(\$ thousands)

	Three Months Ended	
	3/31/03	3/31/02
Total Revenues	\$ 602,614	\$ 720,523
Less: Distribution Revenues	(100,024)	(129,179)
Net Revenues	502,590	591,344
Total Expenses	487,510	543,798
Less: Distribution Revenues	(100,024)	(129,179)
Net Expenses	387,486	414,619
Pre-tax Income	\$ 115,104	\$ 176,725
Pre-tax Margin (GAAP) (2)	19.1%	24.5%
Adjustment (3)	3.8	5.4
Pre-tax Margin (Non-GAAP) (4)	22.9%	29.9%

- (1) Pre-tax margin is presented as a non-GAAP financial measure and the table provides a reconciliation to GAAP (a percentage reconciliation was not provided in the press release as originally issued.)
- (2) Pre-tax income as a percentage of total revenues.
- (3) Amount of difference between GAAP and non-GAAP pre-tax margin resulting from reducing total revenues and total expenses by the amount of distribution revenues, which revenues represent a partial reimbursement of distribution expenses. Management believes this presentation provides a measure of financial performance that is more comparable to other asset management companies.
- (4) Pre-tax income as a percentage of net revenues.

ALLIANCE CAPITAL AND ALLIANCE HOLDING
UNITS OUTSTANDING AND WEIGHTED AVERAGE UNITS
MARCH 31, 2003
(in thousands)

	Period End	Weighted Average Three Months	
		Basic	Diluted
Alliance Capital	250,320	250,196	252,365
Alliance Holding	76,926	76,802	78,971

7

ALLIANCE CAPITAL MANAGEMENT L.P.
(THE OPERATING PARTNERSHIP)
ASSETS UNDER MANAGEMENT
THREE MONTHS ENDED MARCH 31, 2003
(\$ millions)

	Retail	Institutional Investment Management	Private Client	Total
Beginning of Period	\$ 135,896	\$ 210,990	\$ 39,693	\$ 386,579
Sales/new accounts	6,289	6,401	1,667	14,357
Redemptions/terminations	(6,509)	(3,343)	(654)	(10,506)
Net cash management sales	(398)	—	—	(398)
Cash flow	(237)	1,266	(101)	928

Unreinvested dividends	(211)	—	(38)	(249)
Net asset inflows/(outflows)	(1,066)	4,324	874	4,132
Depreciation	(819)	(2,819)	(775)	(4,413)
Net change	(1,885)	1,505	99	(281)
End of Period	\$ 134,011	\$ 212,495	\$ 39,792	\$ 386,298

ALLIANCE CAPITAL MANAGEMENT L.P.
(THE OPERATING PARTNERSHIP)
ASSETS UNDER MANAGEMENT
TWELVE MONTHS ENDED MARCH 31, 2003
(\$ millions)

	<u>Retail</u>	<u>Institutional Investment Management</u>	<u>Private Client</u>	<u>Total</u>
Beginning of Period	\$ 169,455	\$ 242,097	\$ 40,644	\$ 452,196
Sales/new accounts	24,870	20,529	6,811	52,210
Redemptions/terminations	(30,538)	(16,799)	(2,272)	(49,609)
Net cash management sales	(5,034)	—	—	(5,034)
Cash flow	(2,110)	811	(484)	(1,783)
Unreinvested dividends	(908)	—	(161)	(1,069)
Net asset inflows/(outflows)	(13,720)	4,541	3,894	(5,285)
Transfers	514	(514)	—	—
Depreciation	(22,238)	(33,629)	(4,746)	(60,613)
Net change	(35,444)	(29,602)	(852)	(65,898)
End of Period	\$ 134,011	\$ 212,495	\$ 39,792	\$ 386,298

8

ALLIANCE CAPITAL MANAGEMENT L.P.
(THE OPERATING PARTNERSHIP)
ASSETS UNDER MANAGEMENT
(\$ millions)

	<u>Three Months Ended</u>	
	<u>3/31/03</u>	<u>3/31/02</u>
Average Assets Under Management	<u>\$ 384,217</u>	<u>\$ 447,969</u>
Ending Assets Under Management	<u>\$ 386,298</u>	<u>\$ 452,196</u>

ALLIANCE CAPITAL MANAGEMENT L.P.
(THE OPERATING PARTNERSHIP)
ASSETS UNDER MANAGEMENT
BY INVESTMENT ORIENTATION
AT MARCH 31, 2003
(\$ millions)

	<u>Retail</u>	<u>Institutional Investment Management</u>	<u>Private Client</u>	<u>Total</u>
Equity				
<i>Growth</i>				
U.S. Growth	\$ 29,290	\$ 51,900	\$ 3,949	\$ 85,139
Global & International Growth	7,306	10,995	223	18,524
	<u>36,596</u>	<u>62,895</u>	<u>4,172</u>	<u>103,663</u>
<i>Value</i>				
U.S. Value	19,203	34,444	19,108	72,755
Global & International Value	3,200	15,994	5,334	24,528
	<u>22,403</u>	<u>50,438</u>	<u>24,442</u>	<u>97,283</u>
Total Equity	<u>58,999</u>	<u>113,333</u>	<u>28,614</u>	<u>200,946</u>
Fixed Income				
U.S.	56,336	60,228	11,042	127,606
Global & International	15,789	20,047	69	35,905
	<u>72,125</u>	<u>80,275</u>	<u>11,111</u>	<u>163,511</u>

Passive				
U.S.	2,799	14,726	67	17,592
Global & International	88	4,161	—	4,249
	2,887	18,887	67	21,841
Total				
U.S.	107,628	161,298	34,166	303,092
Global & International	26,383	51,197	5,626	83,206
	<u>\$ 134,011</u>	<u>\$ 212,495</u>	<u>\$ 39,792</u>	<u>\$ 386,298</u>

9

ALLIANCE CAPITAL MANAGEMENT L.P.
(THE OPERATING PARTNERSHIP)
ASSETS UNDER MANAGEMENT
BY INVESTMENT VEHICLE
AT MARCH 31, 2003
(\$ millions)

	Retail	Institutional Investment Management	Private Client	Total
Separately Managed Accounts				
Parent	\$ —	\$ 41,483	\$ —	\$ 41,483
Other (1)	6,267	167,717	27,622	201,606
	6,267	209,200	27,622	243,089
Mutual Funds				
Parent (2)	21,325	9	—	21,334
Other	106,419	3,286	12,170	121,875
	127,744	3,295	12,170	143,209
Total	<u>\$ 134,011</u>	<u>\$ 212,495</u>	<u>\$ 39,792</u>	<u>\$ 386,298</u>

- (1) Retail separately managed accounts represent assets managed in managed account products.
(2) Parent includes certain mutual funds sponsored by Alliance Capital's parent and sub-advised by Alliance Capital.

ALLIANCE CAPITAL MANAGEMENT L.P.
(THE OPERATING PARTNERSHIP)
ASSETS UNDER MANAGEMENT
BY LOCATION (1)
AT MARCH 31, 2003
(\$ millions)

	Retail	Institutional Investment Management	Private Client	Total
U.S. Clients	\$ 118,682	\$ 162,870	\$ 38,829	\$ 320,381
International Clients (non-U.S.)	15,329	49,625	963	65,917
	<u>\$ 134,011</u>	<u>\$ 212,495</u>	<u>\$ 39,792</u>	<u>\$ 386,298</u>

- (1) Categorized by country domicile of client.

10