



ALLIANCEBERNSTEIN[®]

February 11, 2021

FOURTH QUARTER 2020 REVIEW

Seth P. Bernstein President & Chief Executive Officer
Ali Dibadj Head of Finance & Strategy

Cautions Regarding Forward-Looking Statements

Certain statements provided by management in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of these factors include, but are not limited to, the following: the performance of financial markets, the investment performance of sponsored investment products and separately-managed accounts, general economic conditions, industry trends, future acquisitions, integration of acquired companies, competitive conditions, and government regulations, including changes in tax regulations and rates and the manner in which the earnings of publicly-traded partnerships are taxed. We caution readers to carefully consider such factors. Further, these forward-looking statements speak only as of the date on which such statements are made; we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements. For further information regarding these forward-looking statements and the factors that could cause actual results to differ, see “Risk Factors” and “Cautions Regarding Forward-Looking Statements” in AB’s Form 10-K for the year ended December 31, 2020. Any or all of the forward-looking statements made in this presentation, Form 10-K, other documents we file with or furnish to the SEC, and any other public statements we issue, may turn out to be wrong. It is important to remember that other factors besides those listed in “Risk Factors” and “Cautions Regarding Forward-Looking Statements,” and those listed below, could also adversely affect our revenues, financial condition, results of operations and business prospects.

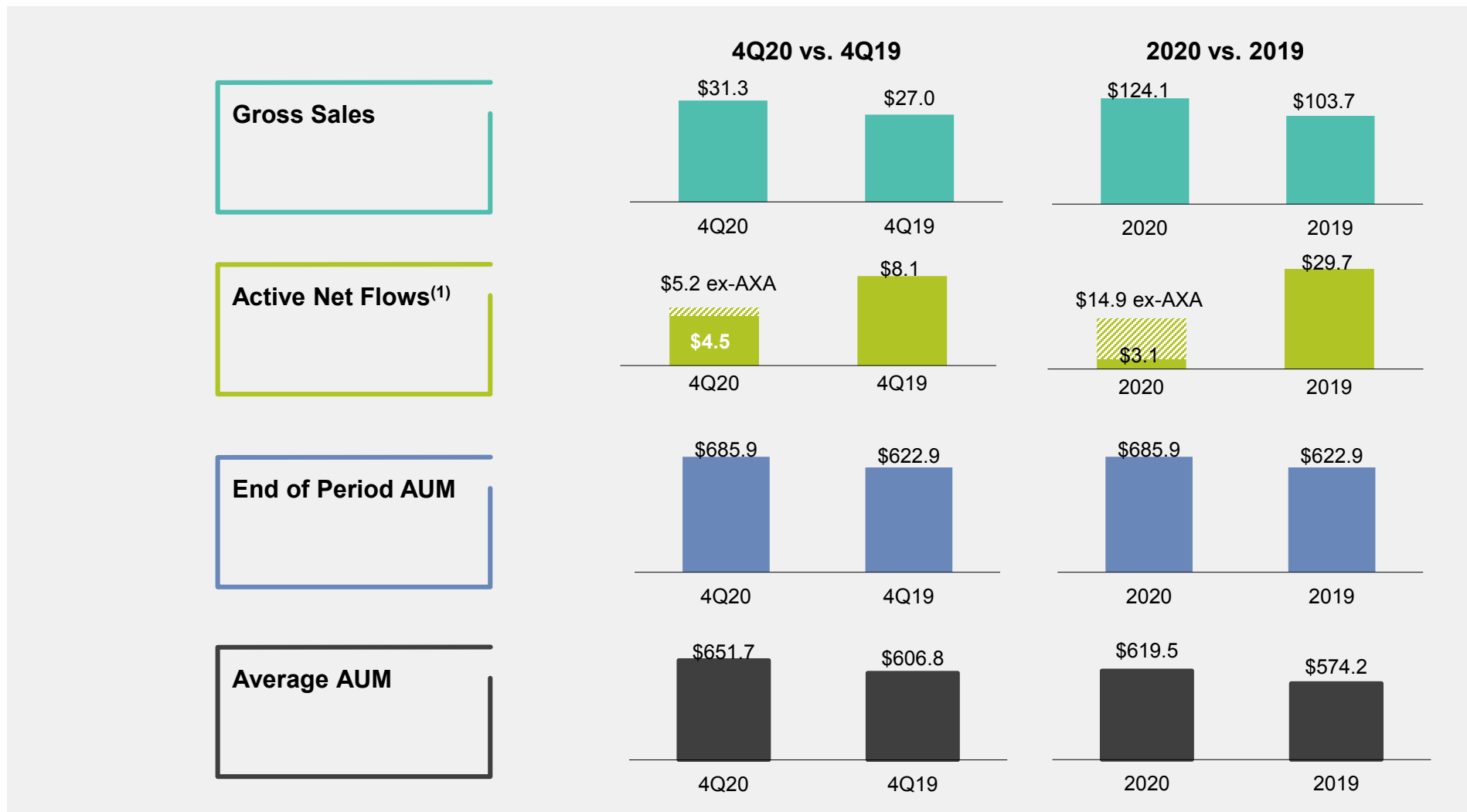
The forward-looking statements referred to in the preceding paragraph include statements regarding:

- **The pipeline of new institutional mandates not yet funded:** Before they are funded, institutional mandates do not represent legally binding commitments to fund and, accordingly, the possibility exists that not all mandates will be funded in the amounts and at the times currently anticipated, or that mandates ultimately will not be funded.
- **Our relocation strategy:** While the expenses, expense savings and EPU impact we expect will result from our Relocation Strategy are presented with numerical specificity, and we believe these figures to be reasonable as of the date of this report, the uncertainties surrounding the assumptions on which our estimates are based create a significant risk that our current estimates may not be realized. These assumptions include: the amount and timing of employee relocation costs, severance, and overlapping compensation and occupancy costs we experience; and the timing for execution of each phase of our relocation implementation plan.

Seth P. Bernstein

President & Chief Executive Officer

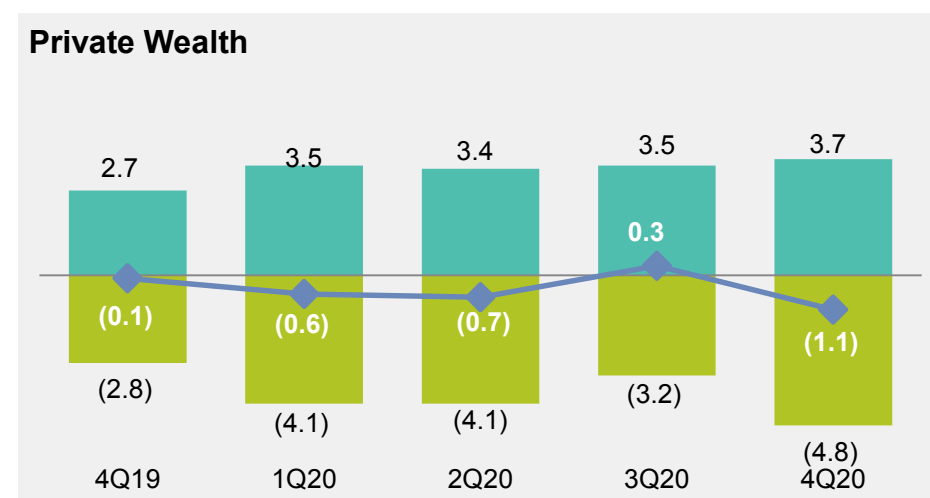
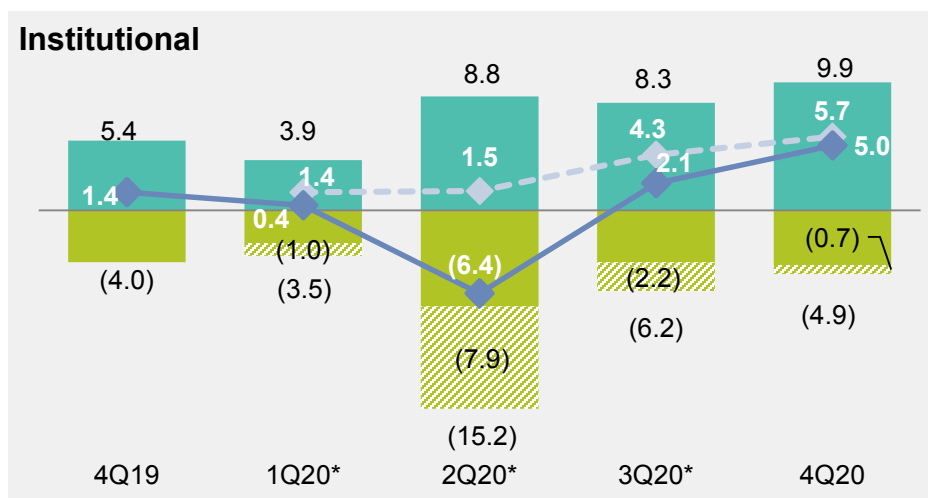
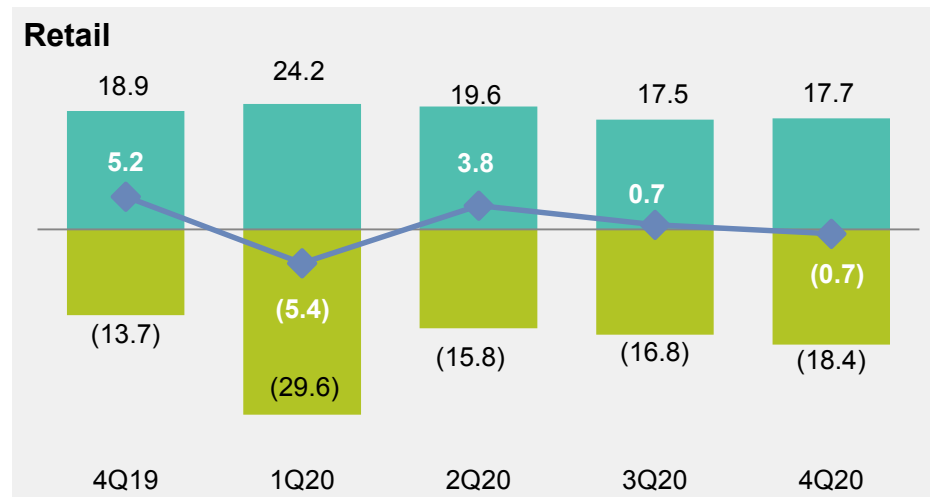
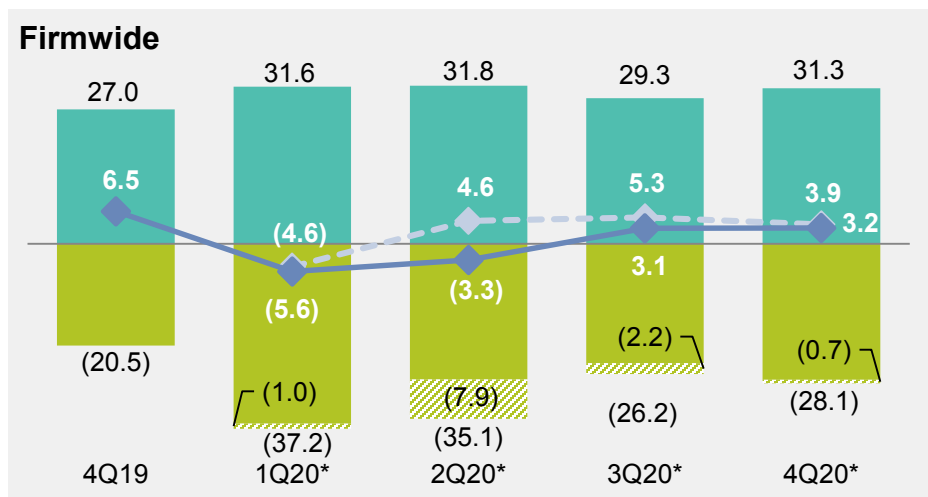
Firmwide Overview: Fourth Quarter and Full Year 2020



US \$ Billions; scales differ by chart

(1) 4Q20: Total net inflows of \$3.2B: \$4.5B active net inflows and (\$1.3B) passive net outflows. 4Q19: Total net inflows of \$6.5B: \$8.1B active net inflows and (\$1.6B) passive net outflows. 2020: Total outflows of (\$2.6B): \$3.1B active net inflows and (\$5.7B) passive net outflows. 2019: Total net inflows of \$25.2B: \$29.7B active net inflows and (\$4.5B) passive net outflows. Shaded region excludes AXA outflows of (\$0.7B) in 4Q20 and (\$11.8B) in 2020.

Asset Flows by Distribution Channel: Quarterly Trend



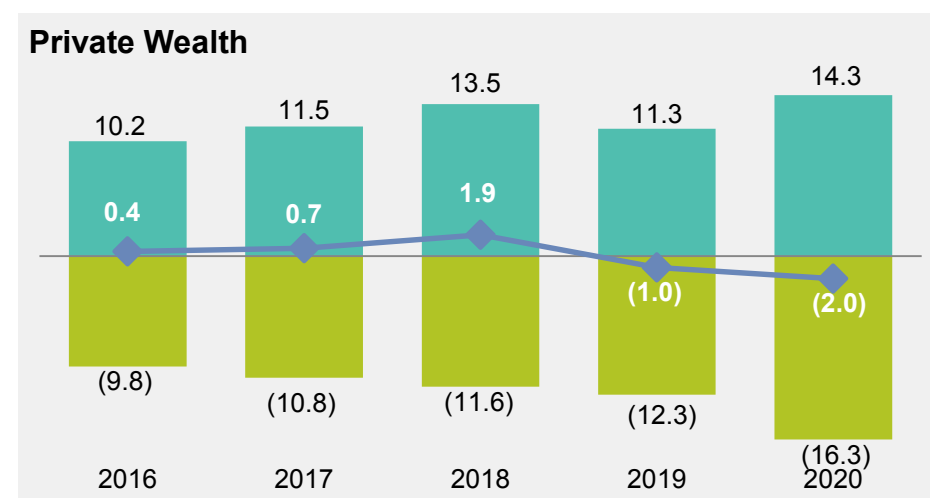
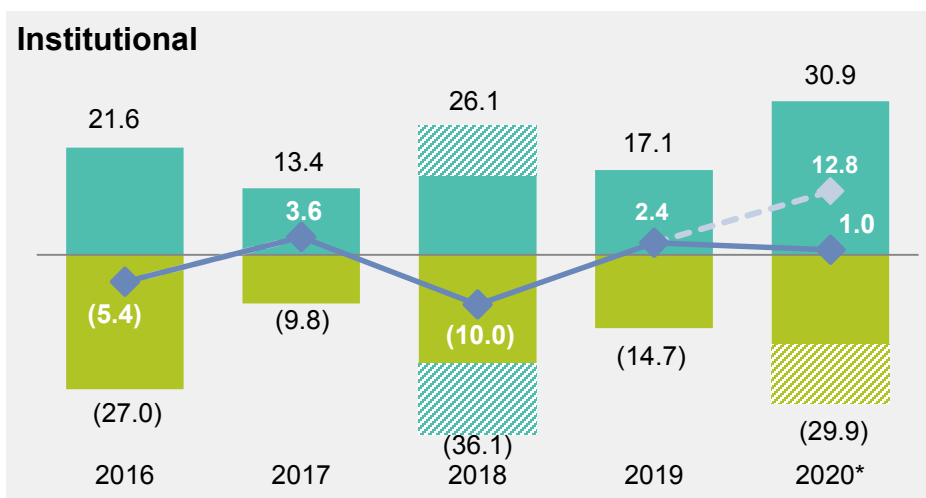
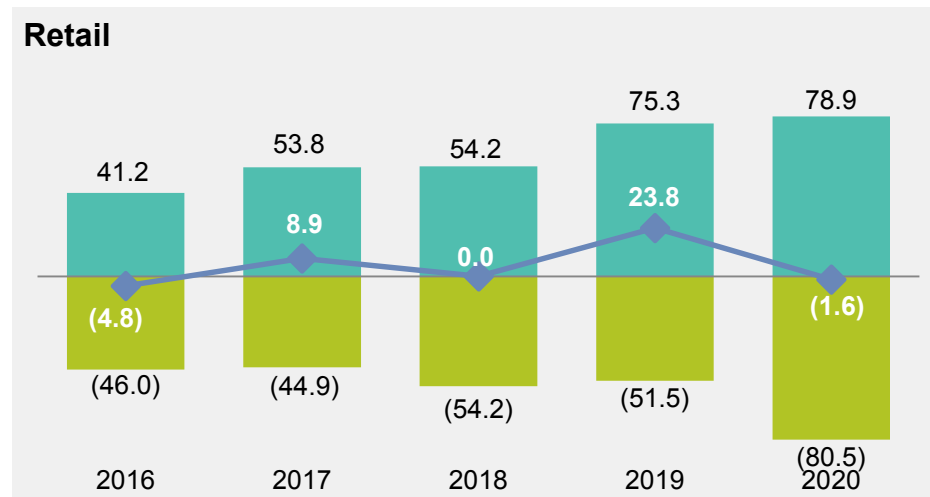
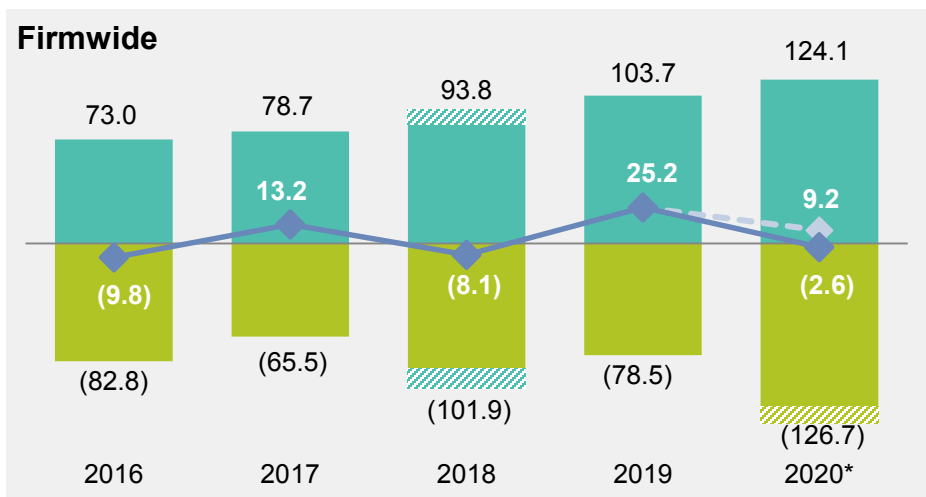
■ Gross Sales
 ■ Gross Redemptions
 ▨ AXA Redemptions
 ◆ Net Flows
 ◆ Net Flows ex AXA Redemptions



US \$ Billions; scales differ by chart

*Institutional net outflows include previously disclosed AXA S.A. terminated mandates of \$0.7B in 4Q20, \$2.2B in 3Q20, \$7.9B in 2Q20 and \$1.0B in 1Q20.

Asset Flows by Distribution Channel: Annual Trend



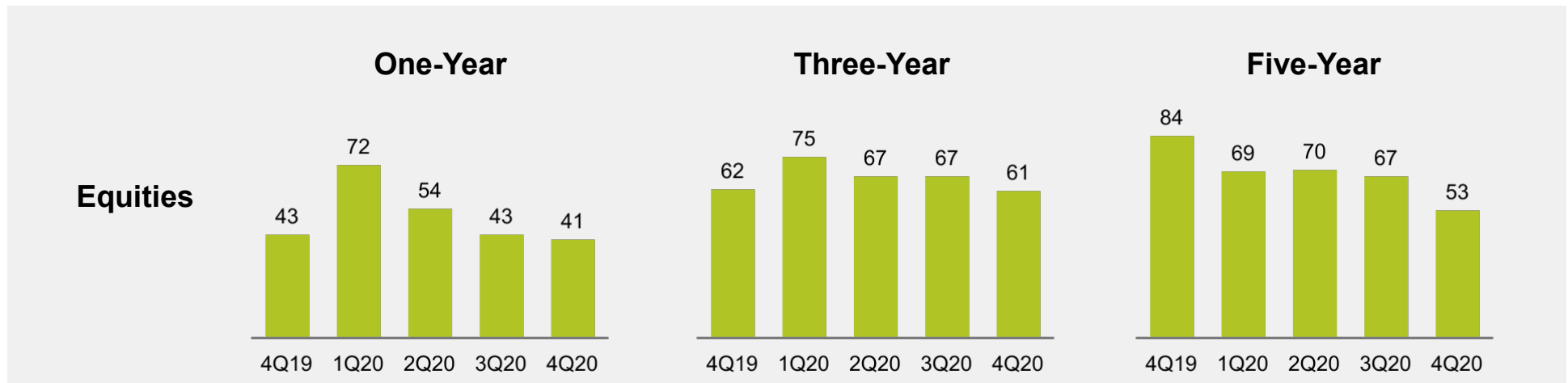
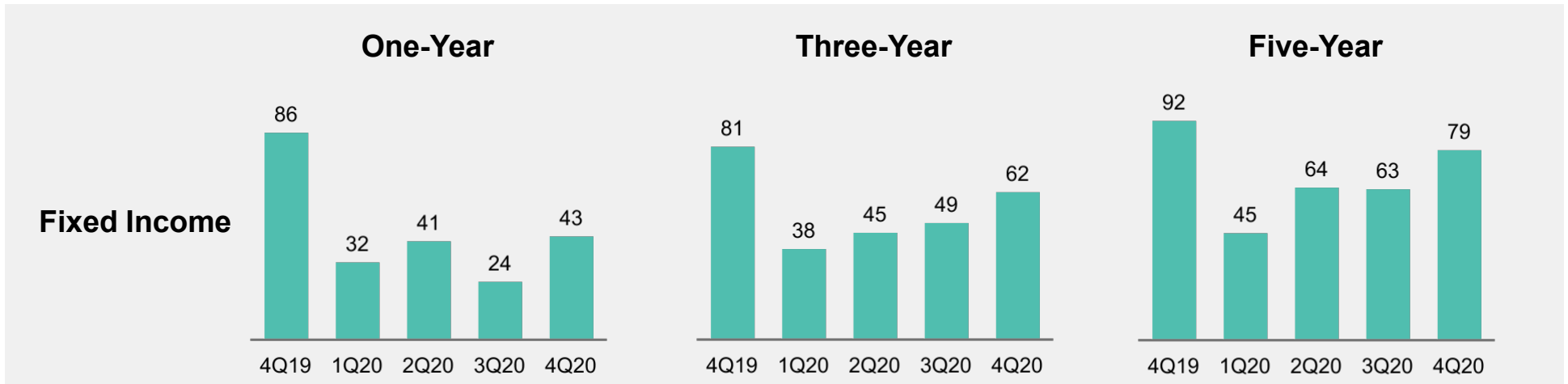
■ Gross Sales ■ Gross Redemptions ▨ CRS Sales/Redemptions ▩ AXA Redemptions ◆ Net Flows ◆ Net Flows ex AXA Redemptions

US \$ Billions; scales differ by chart

2016: Includes \$7.6B alts redemption from Institutional channel, \$6.3B RII 529 redemption from Retail channel and \$0.4B RII 529 redemption from Private Wealth channel. 2020: Institutional net outflows include previously disclosed AXA S.A. terminated mandates of \$11.8B in 2020.



Percentage of Assets Outperforming at Quarter-End



Percentage of active fixed income and equity assets in institutional services that outperformed their benchmark gross of fees and percentage of active fixed income and equity assets in retail Advisor and I share class funds ranked in the top half of their Morningstar category. Where no Advisor class exists, A share class used. Performance for private client services included as available. As of December 31, 2020.

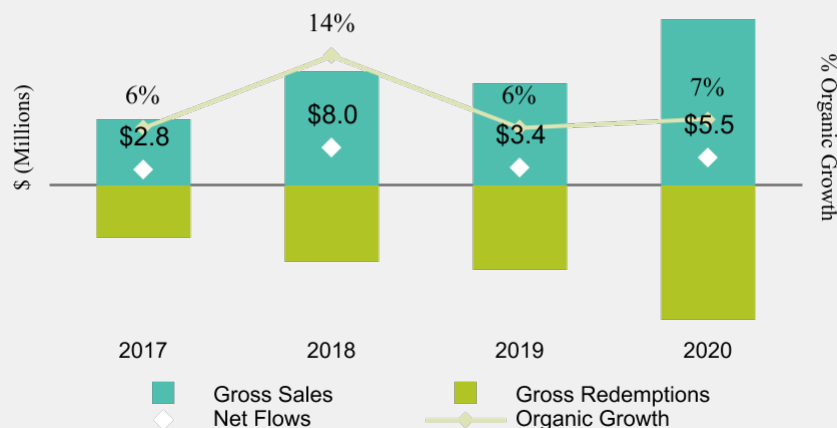


Retail Highlights

4th Consecutive Year of Active Equity Organic Growth

7% Organic Growth in 2020, 8% Avg. since 2017

\$B



2020 Active Net Inflows >\$300M

Equity	Large Cap Growth ⁽¹⁾ , Strategic Research, Small Cap Growth, Global Core, Int'l Healthcare, Sustainable Global Thematic, Managed Volatility
Fixed Income	Muni Tax Aware SMA, International Income SMA
Multi-Asset / Alts	Global Multi-Asset, All Market Income

2020 Active Net Outflows >(\$300M)

Equity	Select US Equity, US SMID-Cap Growth, Discovery Value, Eurozone Equity, Low Volatility
Fixed Income	European Income, Global High Yield, Global Ex-US Plus, AB High Income, Global Bond, Mortgage Inc.
Multi-Asset / Alts	Dynamic Asset Allocation, Risk Overlay, Emerging Mkts Multi-Asset

Fourth Quarter and Full Year 2020 Highlights

Sales and Flows

- 4Q gross sales \$17.7B, -6% Y/Y, +1% Q/Q
- Record full year gross sales of \$79B, up 5% Y/Y
 - Strong growth in US +21% and Japan +100%; Asia Pac ex J -15% from robust prior year
- 2020 Redemption rate of 34% up from 29%, due to record 1Q crisis-related redemptions (\$18B March); 31% excluding March
- Active net inflows of \$0.3B 4Q and \$3.1B for full year

2020 Driven by Continued Strength in Active Equities; FI Sales Normalize

- Full year active equity sales of \$36B, +64% Y/Y
- Active equity net inflows of \$5.5B or 7% organic growth; fourth straight year of active equity organic growth
- Full year fixed income sales of \$42B, \$11B or 21% below prior year record, net outflows \$5.6B
- 2020 Fixed Income redemption rate of 42% versus 37% in 2019

Balanced Sales Diversification Across Product and Geography

- Equity 46%, Taxable FI 45%, Muni 9% of sales
- Asia ex Japan 38% of Sales, US 37%, Japan 11%, EMEA 9%, LatAm 5%

Milestones

- 59 products with AUM exceeding \$1B (25 Equity, 19 FI, 15 Alts/Multi-asset)
- 2020 AB US Retail actively managed fund net inflow rankings: Small Cap Growth 7th out of 158 funds in its Morningstar category, Global Core Equity 6/242, Large Cap Growth 16/328 ⁽²⁾
- 2020 AB Offshore Retail fund net flow rankings: Global High Yield 1/125, American Income 2/39, American Growth 4/85⁽³⁾



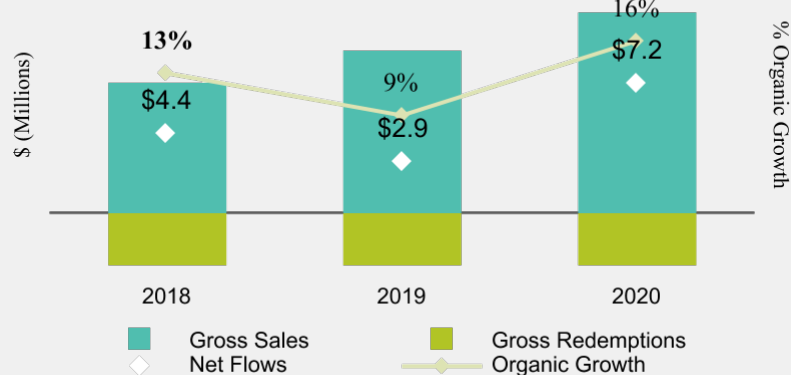
1. Includes Japan on-shore fund, US 40 Act Fund and Lux fund. Source: Morningstar Direct, Includes Open-ended Funds and ETFs. Both active and passively managed funds are included.
 2. Source: ISS MI Simfund. Actively managed long-term funds only. Excludes 529 FoFs and closed-end.
 3. Source: Morningstar. Open end funds only. Excludes FoFs and Feeder Funds.

Institutional Highlights

3rd Consecutive Year of Active Equity Organic Growth

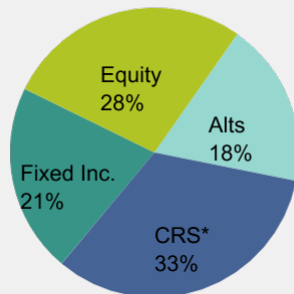
16% Organic Growth in 2020; 13% Avg. since 2018

\$B

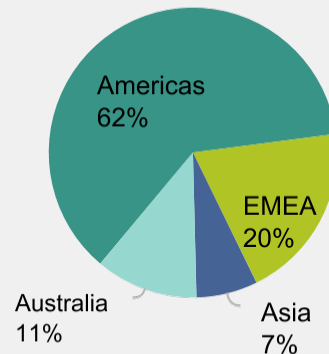


\$12.2B Pipeline⁽¹⁾ Diverse by Asset Class

Asset Class



Geography



Fourth Quarter and Full Year 2020 Highlights

Sales and Flows

- 4Q gross sales of \$9.9B up 83% Y/Y and 19% Q/Q
- 2020 gross sales of \$30.9 up 81% Y/Y to highest level in 12 years
- Net inflows of \$5B in 4Q and \$1B in 2020
 - Excluding \$11.8B of AXA redemptions in 2020 and \$0.7B in 4Q, net flows would have been +\$12.8B and +\$5.7B respectively

Broad-Based Sales Growth Across Active Equities and Fixed Income

- Active Equities: For the 3rd consecutive year, active equity had the highest gross sales since 2008 with \$11.3B in 2020
 - Gross sales accelerated to > \$2B for 7 out of last 8 quarters; > \$1B for 13 out of last 14 quarters.
- Fixed Income: Full Year FI sales +260% Y/Y, driven by core mortgage, securitized debt
- Launched European Commercial Real Estate Debt business
- Closed and funded \$400M CLO (high yield bank loans)
- Net Flows: \$7.2B of active equity net positive flows in 2020, 16% annualized organic growth
 - 3rd consecutive year of active equity organic growth with an average rate of 13%

Pipeline Mix Remains Well-Diversified by Asset Class

- \$12.2B quarter-end pipeline, down 28% Q/Q and 19% Y/Y due to strong 4Q funding.
- Notable 4Q pipeline adds:
 - Global Credit: \$1.3B
 - European Value: \$750M
 - CRED Fund IV: \$450M
 - Global Healthcare: \$400M

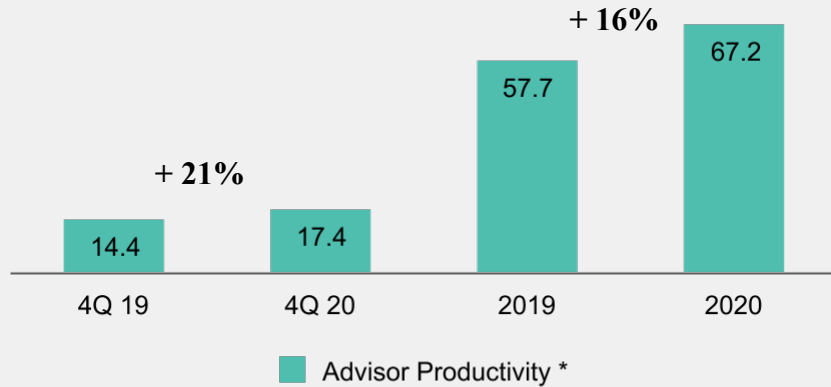
(1) Total assets awarded and pending funding as of quarter-end.

* CRS are low fee mandates.

Private Wealth Management Highlights

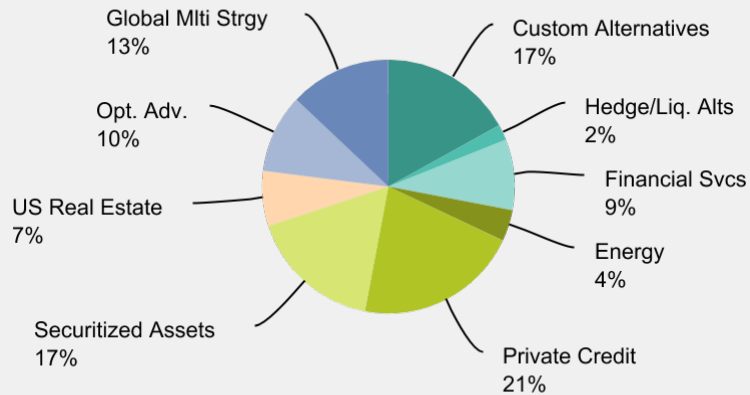
Significant Gains in Advisor Productivity

\$M



*Advisor Productivity defined as Gross Sales per Advisor with tenure >18 months

Diversified Alternative Services (as % of Alternatives AUM)



Fourth Quarter and Full Year 2020 Highlights

Sales Up, Flows Reflect Continued Client Risk Aversion

- 4Q gross sales of \$3.7B up 37% Y/Y and 6% Q/Q
- Full year gross sales exceeded \$14B, up 27% Y/Y; highest since 2007
- Full year redemptions of \$16B, partially reflecting a flight to safety
- Full year net outflows of (\$2.0B)

Continued Focused Engagement as Valued Advisors

- >650 mostly virtual targeted events in 2020 leading to greater engagement
- Full year 2020 unique blog visitors +41%

\$850M Alternatives Invested in 2020

- Securitized Assets \$220M, Private Credit \$185M, Abbott PE \$105M, Global Multi-Strategy \$90M, Fin Svcs \$80M, Real Estate Fund 3 \$70M, Asturias \$60M

Innovation Supports Mix-Shift Towards More Complex Client Base

- Muni Impact portfolio now exceeds \$1B of AUM, +55% Y/Y
- Private Wealth grew ESG AUM to \$4.5B in AUM, up 22% Q/Q and 65% Y/Y
- Proprietary SMA Tax-Loss Harvesting Portfolio recently surpassed \$500M, up 52% Q/Q

Bernstein Research Highlights

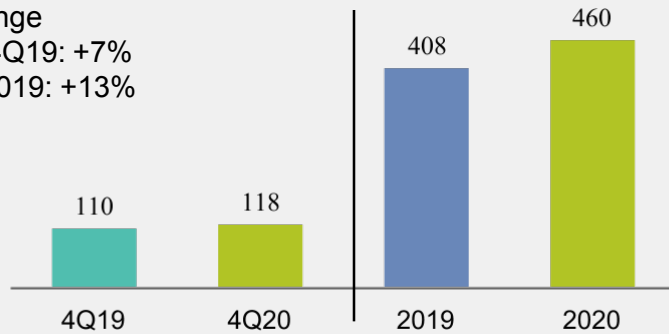
Bernstein Research Quarterly and Annual Revenues

\$M

% Change

4Q20/4Q19: +7%

2020/2019: +13%

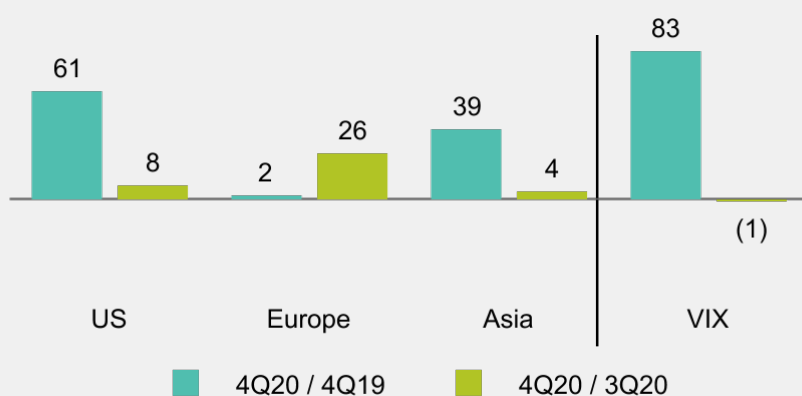


Regional Volumes and Volatility⁽¹⁾

(% Change)

Regional Trading Volumes

Volatility



Fourth Quarter and Full Year 2020 Highlights

Increased Market Volatility Drives Higher Trading Volumes

- Full Year Revenues of \$460M, +13% Y/Y
 - Strong full year growth in Asia, US trading volumes
- 4Q Revenues of \$118M, + 7% Y/Y, +20% Q/Q
 - Strength in Asia driven by strategic Hong Kong, India investments
 - Higher volatility drives improved US trading volumes

Further Differentiated ESG Platform

- Implemented proprietary, bottom-up fundamental approach to embedding ESG across global research team
- Hosted global ESG webinar series on climate change, electric vehicles, hydrogen, data privacy, apparel supply chain, and other topics
- Authored nearly 200 notes exploring ESG-related issues and themes; Published Materiality Matrices for nearly every global sector
- Published Global, collaborative online Greenbook outlining implications of climate change at the sector level.

Continued Investment in Product Quality and Premium Positioning

- 4Q new sector initiations: European Food and HPC, US Large Cap Pharma
- Select hiring: Asia and ESG thematic research

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

Progress on Our Strategy in 2020

Firmwide Initiative

Deliver superior investment solutions to clients

Develop, commercialize and scale differentiated services

Maintain strong incremental margins

Progress

- Active Equity: 61% of assets in outperforming services for 3-yr period; 41% for 1-yr and 53% for 5-yr
- Fixed Income: 62% of assets in outperforming services for 3-yr period; 43% for 1-yr and 79% for 5-yr
- 68% of US-rated and 56% of Lux-rated assets rated 4/5-stars by Morningstar at quarter-end

- Active Equities continue strong organic growth
 - Retail: 4th straight year of active equity net inflows; 7% organic growth rate
 - Institutional: \$7.2B of active equity net inflows during 2020; 16% organic growth rate
 - ESG Portfolios with Purpose \$16.5B AUM, +60% Y/Y
- Commercial progress across both established and growth platforms
 - Retail: Active net inflows of +\$0.3B, \$3.1B for full year
 - Institutional: \$12.2B pipeline, AFB > \$30M for 13 straight quarters and > 80% Active Equity & Alts
 - Bernstein Research: 2020 revenues +13% Y/Y on higher global market volatility
 - Alternatives/Multi-Asset: Closed first CLO \$405M; Launched EuroCred business; Seeded 6 multi-asset funds over course of 2020

- G&A up less than 2% Y/Y
- 4Q adjusted operating margin of 34.2%, up 190 bps Y/Y
- 2020 adjusted operating margin of 30.1% up 260 bps vs. 27.5% in 2019
- Adjusted EPU of \$2.91, up 15% Y/Y
- Nashville relocation \$0.01/ EPU accretion in 2020; \$0.02/EPU accretion estimated in 2021

Ali Dibadj

Head of Finance & Strategy

Fourth Quarter and Full Year 2020 GAAP Income Statement

Income Statement (in US \$ Millions)	4Q20	4Q19	% Δ	FY 2020	FY 2019	% Δ
Base Fees	\$ 656	\$ 626	5%	\$ 2,463	\$ 2,372	4%
Performance Fees	109	76	43%	132	100	32%
Bernstein Research Services	118	110	7%	460	408	13%
Distribution Revenues	143	128	12%	530	455	16%
Dividends & Interest	9	24	(63)%	51	104	(51)%
Investment Gains (Losses)	3	8	(63)%	(16)	39	n/m
Other Revenues	26	26	—%	104	97	7%
Total Revenues	1,064	998	7%	3,724	3,575	4%
Less: Interest Expense	1	11	(91)%	16	57	(72)%
Net Revenues	\$ 1,063	\$ 987	8%	\$ 3,708	\$ 3,518	5%
Compensation & Benefits						
Compensation & Fringes	\$ 415	\$ 369	12%	\$ 1,467	\$ 1,409	4%
Other Employment Costs	9	9	—%	27	34	(21)%
Total Compensation & Benefits	424	378	12%	1,494	1,443	4%
Promotion & Servicing	212	202	5%	787	723	9%
General & Administrative	123	132	(7)%	491	488	1%
Other	2	7	(71)%	29	41	(29)%
Total Operating Expenses	\$ 761	\$ 719	6%	\$ 2,801	\$ 2,695	4%
Operating Income	\$ 302	\$ 268	13%	\$ 907	\$ 823	10%
Operating Margin	28.4%	26.4%	200 bps	24.6%	22.6%	200 bps
AB Holding GAAP Diluted Net Income Per Unit \$	0.97	\$ 0.84	15%	\$ 2.88	\$ 2.49	16%

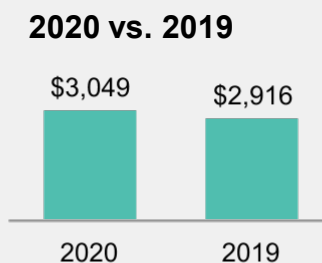
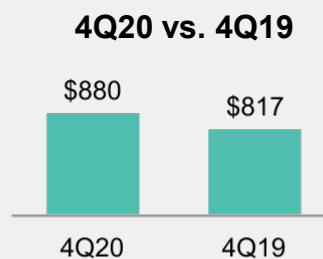


Percentages are calculated using amounts rounded in millions.

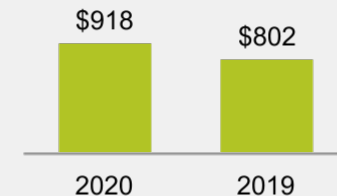
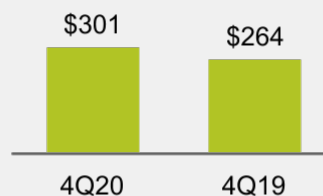
Adjusted Financial Highlights: Fourth Quarter and Full Year 2020

In US \$ Millions; scales may differ

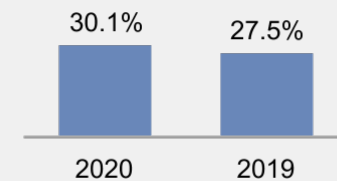
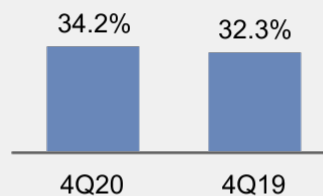
Adjusted Revenues



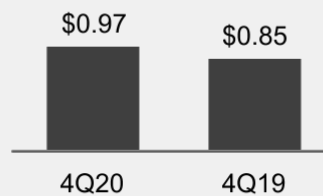
Adjusted Operating Income



Adjusted Operating Margin



Adjusted EPU



Fourth Quarter and Full Year 2020 Adjusted Income Statement

Adjusted Income Statement (in US \$ Millions)	4Q20	4Q19	% Δ	FY 2020	FY 2019	% Δ
Base Fees(1)	\$ 632	\$ 607	4%	\$ 2,380	\$ 2,306	3%
Performance Fees	109	74	47%	130	97	34%
Bernstein Research Services	118	110	7%	460	408	13%
Investment (Losses) Gains	(1)	3	n/m	(7)	16	n/m
Other Revenues	23	34	(32)%	102	146	(30)%
Total Revenues	881	828	6%	3,065	2,973	3%
Less: Interest Expense	1	11	(91)%	16	57	(72)%
Adjusted Net Revenues	\$ 880	\$ 817	8%	\$ 3,049	\$ 2,916	5%
Compensation & Benefits						
Compensation & Fringes	\$ 410	\$ 366	12%	\$ 1,459	\$ 1,396	5%
Other Employment Costs	9	9	0%	27	34	(21)%
Total Compensation & Benefits	419	375	12%	1,486	1,430	4%
Promotion & Servicing	39	50	(22)%	151	185	(18)%
General & Administrative	117	119	(2)%	463	455	2%
Other	4	9	(56)%	31	44	(30)%
Total Adjusted Operating Expenses	\$ 579	\$ 553	5%	\$ 2,131	\$ 2,114	1%
Adjusted Operating Income	\$ 301	\$ 264	14%	\$ 918	\$ 802	14%
Adjusted Operating Margin	34.2%	32.3%	190 bps	30.1%	27.5%	260 bps
AB Holding Adjusted Diluted Net Income Per Unit	\$ 0.97	\$ 0.85	14%	\$ 2.91	\$ 2.52	15%
Compensation Ratio	46.7%	44.8%		47.9%	47.9%	



(1) Net of both sub-advisory and fees paid to distributors from investment management fees.
Percentages are calculated using amounts rounded in millions

Fourth Quarter and Full Year 2020 Adjusted Income Statement Highlights

Revenues

- Base Fees increased 4% versus 4Q19 and 3% versus FY19 driven by higher average AUM across all channels partially offset by lower fee rates across all channels.
- Performance Fees were up versus 4Q19 and FY19 due mainly to higher Arya Partners fees partially offset by lower Private Credit Services, Securitized Assets, US Concentrated Growth and Financial Services Opportunities fees.
- Bernstein Research revenues increased 7% versus 4Q19 and 13% versus FY19 driven primarily by increased client trading activity in the US and Asia.
- 4Q20 and FY20 recorded investment losses which were driven by seed investment losses versus investment gains in prior periods.
- Other Revenues decreased versus 4Q19 and FY19 due to lower dividends and interest earned on broker dealer investments while Interest Expense decreased due to lower interest paid on customer balances.

Expenses

- The Adjusted Compensation Ratio was 46.7% in 4Q20 versus 44.8% in 4Q19 and flat versus FY19 at 47.9%.
- Total Compensation & Benefits increased 12% versus 4Q19 and 4% versus FY19 due primarily to higher incentive and base compensation driven by higher revenues.
- Promotion & Servicing decreased 22% versus 4Q19 and 18% versus FY19 driven by lower T&E and client meetings resulting from COVID-19 related travel restrictions partially offset by higher trade execution and clearance costs driven by increased Bernstein Research trading activities.
- G&A expenses were down 2% versus 4Q19 driven by lower occupancy and professional fees partially offset by higher market data services and charitable contributions. Expenses were up 2% versus FY19 driven by higher market data services, technology expenses, charitable contributions and other taxes partially offset by lower professional fees.
- Other Expenses decreased versus 4Q19 and FY19 due to lower amortization of intangibles combined with lower interest expense.

Operating Results

- Adjusted Operating Income increased 14% versus 4Q19 and FY19 as an increase in revenues driven mainly by higher base fees, performance fees and Bernstein Research revenues as well as lower Promotion & Servicing expenses were partially offset by higher Compensation & Benefits.
- Adjusted Margin was 34.2% in 4Q20, up from 32.3% in 4Q19. For 2020, the Adjusted Margin was 30.1% vs 27.5% in 2019.



Please refer to pages 35-39 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Percentages are calculated using amounts rounded in millions.

The AB Investment Opportunity

Sustained Growth

Differentiated investment performance and distribution capabilities driving sustained best-in-class organic growth and accelerating inorganic growth opportunities

Expanding Alternatives

Demonstrated expansion in higher-fee, persistent-AUM alternatives platforms

Committed Capital (EQH)

Strategic partner, Equitable (EQH), seeding new strategies and supporting M&A

Strong Incremental Margins

45-50% incremental margin targets from scalable platform, headquarters relocation, and consistent cost-savings

Tax Advantaged Structure

Low <10% effective tax rate, given partnership structure, an attractive attribute should tax rates rise in the future

High Distribution Yield

~7% distribution yield in a low-rate environment *

Brand Strength

AB, Bernstein brands renowned among institutional investors

Private Wealth differentiated among peers; excellent margin, sticky assets adding significant long-term value





APPENDIX

Retail Mutual Funds Relative Performance vs. Morningstar Average

Top quartile
2nd quartile

Service	1 Year		3 Year		5 Year		10 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
Equity								
Large Cap Growth	0.2	47	2.1	37	1.8	37	2.5	13
Concentrated Growth	(14.6)	86	(0.7)	56	(0.9)	59	(0.1)	52
Concentrated International Growth	(2.9)	43	0.2	38	0.5	39	N/A	N/A
Sustainable US Thematic	3.1	32	0.9	44	1.9	30	0.6	42
Sustainable Global Thematic	22.0	9	8.2	12	6.8	6	1.3	29
Select US Equity	(2.7)	71	0.1	53	0.2	54	N/A	N/A
International Tech	22.1	11	12.8	4	7.9	5	5.5	3
Low Vol	(8.3)	88	1.1	40	0.1	50	N/A	N/A
Eurozone Equity	(1.7)	65	(0.2)	58	1.9	17	1.7	14
Relative Value	0.1	45	0.7	42	0.3	42	1.8	10
Strategic Research SMA ¹	16.4	N/A	3.3	N/A	0.9	N/A	(2.1)	N/A
Multi-Asset/Alternative								
Emerging Markets Multi-Asset	2.8	30	1.9	20	2.6	13	N/A	N/A
All Market Income	(9.3)	94	(2.1)	85	(0.6)	63	N/A	N/A
Select US Long/Short	2.3	36	4.3	23	3.3	17	N/A	N/A

Past performance does not guarantee future results.

Relative Performance is calculated against the Fund's Morningstar Category and Percentile Ranking is determined by Morningstar Ranking Methodology. Advisor and I share class; A share class used when Advisor and I class not available. Morningstar Categories: Large Cap Growth – Large Growth; Concentrated Growth (US) – Large Growth; Concentrated International Growth – Foreign Large Growth; Sustainable US Thematic – US Large-Cap Growth; Sustainable Global Thematic – Global Large-Cap Growth; Select US – Large-Cap Blend; International Tech - Sector Equity Technology; Low Vol – Global Large-Cap Blend; Eurozone Equity – Eurozone Large-Cap Equity; Relative Value – Large Value; Emerging Markets Multi-Asset - Global Emerging Markets; All Market Income - USD Moderate Allocation; Select US Long/Short – Long-Short Equity. As of 12/31/2020. Source: AB and Morningstar.

(1): Strategic Research SMA is shown net of fees and relative to S&P 500 Index Unhedged to USD as Morningstar peer comparisons are not available for SMA accounts.

Retail Mutual Funds Relative Performance vs. Morningstar Average

Top quartile
2nd quartile

Service	1 Year		3 Year		5 Year		10 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
Fixed Income								
American Income	(0.9)	55	1.7	23	1.3	25	1.3	12
European Income	3.5	9	2.3	8	2.3	10	2.6	9
Asia Income	1.9	19	1.0	27	N/A	N/A	N/A	N/A
Global High Yield	(2.7)	80	(0.6)	70	0.3	47	0.1	56
Short Duration High Yield	1.4	25	1.2	22	(0.6)	67	N/A	N/A
Emerging Markets Debt	1.7	24	1.0	31	1.3	22	1.4	24
High Income Advisor	(1.7)	78	(1.2)	85	—	59	0.5	28
Global Bond Advisor	(1.1)	68	(0.6)	70	0.1	61	0.4	50
Income Advisor	(1.2)	76	0.2	46	0.8	17	1.4	3
Intermediate Diversified Muni	1.9	5	1.4	2	1.0	7	N/A	N/A
High Income Muni	1.6	20	0.8	20	0.8	20	1.1	14

Past performance does not guarantee future results.

Relative Performance is calculated against the Fund's Morningstar Category and Percentile Ranking is determined by Morningstar Ranking Methodology. Advisor and I share class; A share class used when Advisor and I class not available. Morningstar Categories: American Income - USD Flexible Bond; European Income - EUR Flexible Bond; Asia Income - Asia Bond; Global High Yield - Global High Yield Bond; Short Duration High Yield - Global High Yield Bond; Emerging Markets Debt - Global Emerging Markets Bond; High Income - High Yield Bond; Global Bond - World Bond; Income Advisor - Intermediate Core-Plus Bond; Intermediate Diversified Muni - Muni National Short; High Income Municipal - High Yield Muni. As of 12/31/2020. Source: AB and Morningstar.

Institutional Composite Relative Performance vs. Benchmarks

Service	1 Year	3 Year	5 Year	10 Year
Equity				
US Small Cap Growth	20.9	12.6	9.3	5.3
Concentrated Global Growth	8.4	7.0	4.9	3.7
Global Core	(5.0)	1.0	1.2	N/A
International Strategic Core	(0.9)	1.2	0.9	N/A
Sustainable Global Thematic	24.6	8.9	6.1	1.8
US Small Cap Value	(0.2)	(0.7)	(0.1)	2.3
Global Strategic Value	(11.4)	(9.0)	(5.6)	(2.7)
International Strategic Value	(4.3)	(5.7)	(3.4)	(2.1)
Fixed Income				
Global Income	(0.1)	0.7	1.9	2.4
Global Plus	0.3	0.1	0.6	0.6
Emerging Market Debt	2.4	0.3	1.2	0.3
US High Yield	2.7	1.1	0.3	0.5
US Strategic Core Plus	0.5	0.4	0.8	0.7
US Investment Grade Corporate	2.0	0.9	1.0	0.9
Intermediate Muni	0.9	0.8	0.7	0.7

Investment Performance of composites is presented before investment management fees. Periods of more than one year are annualized. US Small Cap Growth - Russell 2000 Growth Index GDR; Concentrated Global Growth - MSCI World Index NDR; Global Core - MSCI ACWI NDR; International Strategic Core - MSCI EAFE Index NDR; Sustainable Global Thematic - MSCI ACWI NDR; US Small Cap Value - Russell 2000 Value Index GDR; Global Strategic Value - MSCI ACWI NDR; International Strategic Value - MSCI EAFE Index NDR; Global Income - Bloomberg Barclays US Aggregate Index; Global Plus - Bloomberg Barclay Global Aggregate Index Hedged; EM Debt - JPM EMBI Global; Global High Income - Bloomberg Barclays Global HY Index Hedged; US HY - Bloomberg Barclays US Corporate HY Index; US Strategic Core Plus - Bloomberg Barclays US Aggregate Index; US Investment Grade Corporate - Bloomberg Barclays US Credit Index; Intermediate Muni - Lipper Short/Int Blended Muni Fund Avg. Global Plus are hedged to USD. Performance is preliminary and as of 12/31/2020.

Assets Under Management: 4Q20

(US \$ Billions)

	At December 31, 2020				At September 30, 2020
	Institutions	Private Wealth	Retail	Total	Total
Equity					
Actively Managed	\$60	\$51	\$107	218	189
Passive (1)	28	—	36	64	57
Total Equity	88	51	143	282	246
Fixed Income					
Taxable	164	14	85	263	254
Tax-Exempt	1	26	23	50	48
Passive (1)	—	1	8	9	9
Total Fixed Income	165	41	116	322	311
Alternatives/MAS (2)	63	13	6	82	74
Total	\$316	\$105	\$265	\$686	\$631
	At September 30, 2020				
Total	\$290	\$98	\$243	\$631	



(1) Includes index and enhanced index services.

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

Three Months Ended 12/31/20: AUM Roll-Forward by Distribution Channel

In US \$ Billions Investment Service:	Beginning of Period	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Transfers	Investment Performance	Net Change	End of Period
Institutions									
US	154.6	6.9	(1.3)	(2.2)	3.4	0.3	5.9	9.6	164.2
Global and Non-US	134.9	3.0	(0.7)	(0.7)	1.6	0.4	14.5	16.5	151.4
Total Institutions	289.5	9.9	(2.0)	(2.9)	5.0	0.7	20.4	26.1	315.6
Retail									
US	132.2	10.0	(6.8)	(2.2)	1.0	(0.3)	14.8	15.5	147.7
Global and Non-US	110.7	7.7	(8.4)	(1.0)	(1.7)	(0.4)	9.0	6.9	117.6
Total Retail	242.9	17.7	(15.2)	(3.2)	(0.7)	(0.7)	23.8	22.4	265.3
Private Wealth Management									
US	66.6	2.7	(3.7)	(0.2)	(1.2)	—	4.3	3.1	69.7
Global and Non-US	31.8	1.0	(1.1)	0.2	0.1	—	3.4	3.5	35.3
Total Private Wealth	98.4	3.7	(4.8)	—	(1.1)	—	7.7	6.6	105.0
Firmwide									
US	353.4	19.6	(11.8)	(4.6)	3.2	—	25.0	28.2	381.6
Global and Non-US	277.4	11.7	(10.2)	(1.5)	—	—	26.9	26.9	304.3
Total Firmwide	630.8	31.3	(22.0)	(6.1)	3.2	—	51.9	55.1	685.9

Twelve Months Ended 12/31/20: AUM Roll-Forward by Distribution Channel

In US \$ Billions Investment Service:	Beginning of Period	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	AUM Adjustment	Transfers	Investment Performance	Net Change	End of Period
Institutions										
US	149.5	16.6	(14.7)	(3.0)	(1.1)	—	0.5	15.3	14.7	164.2
Global and Non-US	133.2	14.3	(8.6)	(3.6)	2.1	—	0.9	15.2	18.2	151.4
Total Institutions	282.7	30.9	(23.3)	(6.6)	1.0	—	1.4	30.5	32.9	315.6
Retail										
US	121.5	37.2	(27.6)	(6.6)	3.0	0.2	(0.1)	23.1	26.2	147.7
Global and Non-US	117.7	41.7	(41.9)	(4.4)	(4.6)	—	(0.5)	5.0	(0.1)	117.6
Total Retail	239.2	78.9	(69.5)	(11.0)	(1.6)	0.2	(0.6)	28.1	26.1	265.3
Private Wealth Management										
US	66.5	10.8	(12.3)	0.2	(1.3)	—	(0.4)	4.9	3.2	69.7
Global and Non-US	34.5	3.5	(4.2)	—	(0.7)	—	(0.4)	1.9	0.8	35.3
Total Private Wealth	101.0	14.3	(16.5)	0.2	(2.0)	—	(0.8)	6.8	4.0	105.0
Firmwide										
US	337.5	64.6	(54.6)	(9.4)	0.6	0.2	—	43.3	44.1	381.6
Global and Non-US	285.4	59.5	(54.7)	(8.0)	(3.2)	—	—	22.1	18.9	304.3
Total Firmwide	622.9	124.1	(109.3)	(17.4)	(2.6)	0.2	—	65.4	63.0	685.9

Three Months Ended 12/31/20: AUM Roll-Forward by Investment Service

In US \$ Billions Investment Service:	Beginning of Period	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Investment Performance	Net Change	End of Period
Equity Active								
US	108.8	8.8	(6.4)	(1.9)	0.5	15.8	16.3	125.1
Global and Non-US	80.0	4.7	(3.1)	(1.1)	0.5	12.2	12.7	92.7
Total Equity Active	188.8	13.5	(9.5)	(3.0)	1.0	28.0	29.0	217.8
Equity Passive(1)								
US	47.5	0.1	—	(0.9)	(0.8)	6.7	5.9	53.4
Global and Non-US	10.0	—	(0.1)	—	(0.1)	1.2	1.1	11.1
Total Equity Passive(1)	57.5	0.1	(0.1)	(0.9)	(0.9)	7.9	7.0	64.5
Total Equity	246.3	13.6	(9.6)	(3.9)	0.1	35.9	36.0	282.3
Fixed Income - Taxable								
US	129.2	7.4	(2.6)	(1.4)	3.4	0.7	4.1	133.3
Global and Non-US	124.1	6.2	(6.7)	(0.9)	(1.4)	7.2	5.8	129.9
Total Fixed Income - Taxable	253.3	13.6	(9.3)	(2.3)	2.0	7.9	9.9	263.2
Fixed Income - Tax-Exempt								
US	48.6	2.8	(2.4)	0.1	0.5	1.1	1.6	50.2
Global and Non-US	0.1	—	—	—	—	—	—	0.1
Total Fixed Income - Tax-Exempt	48.7	2.8	(2.4)	0.1	0.5	1.1	1.6	50.3
Fixed Income Passive(1)								
US	5.0	—	—	(0.4)	(0.4)	(0.1)	(0.5)	4.5
Global and Non-US	4.0	—	(0.1)	(0.1)	(0.2)	0.2	—	4.0
Total Fixed Income Passive(1)	9.0	—	(0.1)	(0.5)	(0.6)	0.1	(0.5)	8.5
Total Fixed Income	311.0	16.4	(11.8)	(2.7)	1.9	9.1	11.0	322.0
Alternatives/MAS(2)								
US	14.3	0.5	(0.4)	(0.1)	—	0.8	0.8	15.1
Global and Non-US	59.2	0.8	(0.2)	0.6	1.2	6.1	7.3	66.5
Total Alternatives/MAS(2)	73.5	1.3	(0.6)	0.5	1.2	6.9	8.1	81.6
Firmwide								
US	353.4	19.6	(11.8)	(4.6)	3.2	25.0	28.2	381.6
Global and Non-US	277.4	11.7	(10.2)	(1.5)	—	26.9	26.9	304.3
Total Firmwide	630.8	31.3	(22.0)	(6.1)	3.2	51.9	55.1	685.9



(1) Includes index and enhanced index services.

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

Twelve Months Ended 12/31/20: AUM Roll-Forward by Investment Service

In US \$ Billions Investment Service:	Beginning of Period	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Acquisition	Investment Performance	Net Change	End of Period
Equity Active									
US	97.8	31.1	(22.7)	(4.8)	3.6	—	23.7	27.3	125.1
Global and Non-US	79.4	20.3	(14.0)	(2.5)	3.8	—	9.5	13.3	92.7
Total Equity Active	177.2	51.4	(36.7)	(7.3)	7.4	—	33.2	40.6	217.8
Equity Passive(1)									
US	48.6	1.7	(1.7)	(4.0)	(4.0)	—	8.8	4.8	53.4
Global and Non-US	11.5	—	(0.2)	(0.4)	(0.6)	—	0.2	(0.4)	11.1
Total Equity Passive(1)	60.1	1.7	(1.9)	(4.4)	(4.6)	—	9.0	4.4	64.5
Total Equity	237.3	53.1	(38.6)	(11.7)	2.8	—	42.2	45.0	282.3
Fixed Income - Taxable									
US	124.1	19.4	(18.6)	(0.1)	0.7	—	8.5	9.2	133.3
Global and Non-US	134.2	34.9	(39.7)	(5.7)	(10.5)	—	6.2	(4.3)	129.9
Total Fixed Income - Taxable	258.3	54.3	(58.3)	(5.8)	(9.8)	—	14.7	4.9	263.2
Fixed Income - Tax-Exempt									
US	47.1	10.3	(9.5)	0.2	1.0	—	2.1	3.1	50.2
Global and Non-US	—	—	—	—	—	—	0.1	0.1	0.1
Total Fixed Income - Tax-Exempt	47.1	10.3	(9.5)	0.2	1.0	—	2.2	3.2	50.3
Fixed Income Passive(1)									
US	5.1	—	—	(1.0)	(1.0)	—	0.4	(0.6)	4.5
Global and Non-US	4.2	—	(0.3)	(0.3)	(0.6)	—	0.4	(0.2)	4.0
Total Fixed Income Passive(1)	9.3	—	(0.3)	(1.3)	(1.6)	—	0.8	(0.8)	8.5
Total Fixed Income	314.7	64.6	(68.1)	(6.9)	(10.4)	—	17.7	7.3	322.0
Alternatives/MAS(2)									
US	14.8	2.1	(2.1)	0.3	0.3	0.2	(0.2)	0.3	15.1
Global and Non-US	56.1	4.3	(0.5)	0.9	4.7	—	5.7	10.4	66.5
Total Alternatives/MAS(2)	70.9	6.4	(2.6)	1.2	5.0	0.2	5.5	10.7	81.6
Firmwide									
US	337.5	64.6	(54.6)	(9.4)	0.6	0.2	43.3	44.1	381.6
Global and Non-US	285.4	59.5	(54.7)	(8.0)	(3.2)	—	22.1	18.9	304.3
Total Firmwide	622.9	124.1	(109.3)	(17.4)	(2.6)	0.2	65.4	63.0	685.9



(1) Includes index and enhanced index services.

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

Active vs. Passive Net Flows

Three Months Ended 12/31/20

	Actively Managed	Passively Managed ⁽¹⁾	Total
Equity	\$ 1.0	\$ (0.9)	\$ 0.1
Fixed Income ⁽²⁾	2.5	(0.6)	1.9
Alternatives/MAS ⁽³⁾	1.0	0.2	1.2
Total	\$ 4.5	\$ (1.3)	\$ 3.2

Twelve Months Ended 12/31/20

	Actively Managed	Passively Managed ⁽¹⁾	Total
Equity	\$ 7.4	\$ (4.6)	\$ 2.8
Fixed Income ⁽²⁾	(8.8)	(1.6)	(10.4)
Alternatives/MAS ⁽³⁾	4.5	0.5	5.0
Total	\$ 3.1	\$ (5.7)	\$ (2.6)

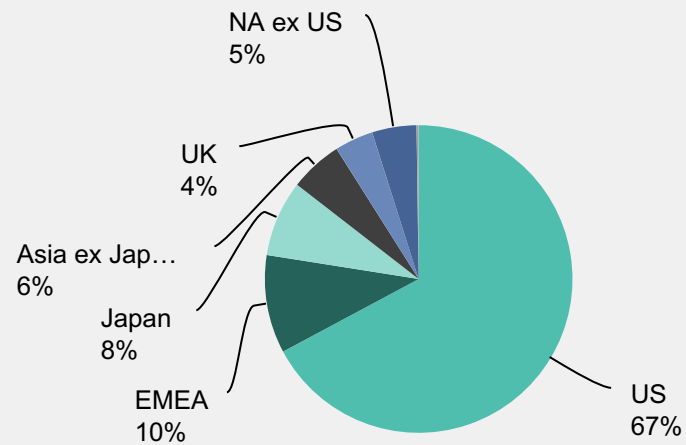
(1) Includes index and enhanced index services.

(2) Actively managed Fixed Income amounts include previously disclosed AXA S.A. terminated mandates of \$0.7B in 4Q20 and \$11.8B in 2020. Excluding these outflows, Actively Managed Fixed Income Net Inflows were \$3.2B in 4Q20 and \$3.0B in 2020 and Total Net Inflows were \$3.9B in 4Q20 and \$9.2B in 2020.

(3) Includes certain multi-asset solutions and services not included in equity or fixed income services.

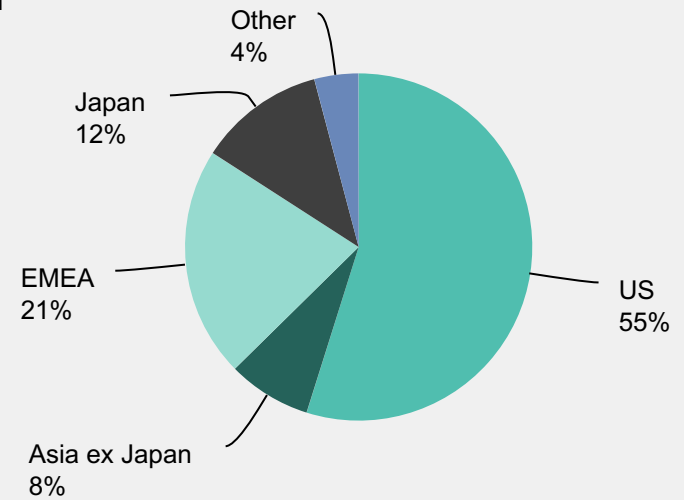
AUM by Region

Institutional



\$315.6B

Retail



\$265.3B



Fourth Quarter and Full Year 2020 Adjusted Advisory Fees

	4Q20	4Q19	% Δ	FY 2020	FY 2019	% Δ
Ending AUM (\$ Billions)	\$686	\$623	10%	\$686	\$623	10%
Average AUM (\$ Billions)	\$652	\$607	7%	\$620	\$574	8%
By Fee Type (\$ Millions):						
Adjusted Base Fees(1)	\$632	\$607	4%	\$2,380	\$2,306	3%
Adjusted Performance Fees	109	74	47%	130	97	34%
Total	\$741	\$681	9%	\$2,510	\$2,403	4%
Adjusted Base Fees By Channel (\$ Millions):						
Institutions	\$121	\$114	6%	\$450	\$440	2%
Retail	297	277	7%	1,112	1,022	9%
Private Wealth	214	216	(1)%	818	844	(3)%
Total	\$632	\$607	4%	\$2,380	\$2,306	3%



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

Fourth Quarter and Full Year 2020 GAAP Income Statement

In US \$ Millions (except EPU)	4Q20	4Q19	% Δ	FY 2020	FY 2019	% Δ
Net Revenues	\$ 1,063	\$ 987	8%	\$ 3,708	\$ 3,518	5%
Operating Expenses	761	719	6%	2,801	2,695	4%
Operating Income	302	268	13%	907	823	10%
Net Income Attributable to AB Unitholders	286	249	15%	866	752	15%
AB Holding GAAP Diluted Net Income per Unit	\$ 0.97	\$ 0.84	15%	\$ 2.88	\$ 2.49	16%
AB Holding Distribution Per Unit	\$ 0.97	\$ 0.85	14%	\$ 2.91	\$ 2.53	15%



Percentages are calculated using amounts rounded to the nearest million.

Consolidated Balance Sheet

In US \$ Millions

Assets	December 31, 2020	December 31, 2019
Cash and cash equivalents	\$1,037	\$680
Cash and securities, segregated	1,754	1,095
Receivables, net	2,280	2,045
Investments:		
Long-term incentive compensation-related	60	51
Other	193	216
Assets of consolidated variable interest entities	351	612
Goodwill	3,083	3,077
Intangible assets, net	45	55
Deferred sales commissions, net	64	36
Right-of-use Assets	419	363
Other (incl. furniture & equipment, net)	412	476
Total Assets	\$9,698	\$8,706
Liabilities, Redeemable Non-Controlling Interest and Capital		
Liabilities:		
Payables	\$3,740	\$2,835
Accounts payable and accrued expenses	198	192
Lease Liabilities	505	468
Liabilities of consolidated variable interest entities	31	31
Accrued compensation and benefits	335	277
Debt	675	560
Total Liabilities	5,484	4,363
Redeemable non-controlling interest	102	326
Partners' capital attributable to AllianceBernstein Unitholders	4,112	4,017
Total Capital	4,112	4,017
Total Liabilities and Capital	\$9,698	\$8,706

Consolidated Statement of Cash Flows

In US \$ Millions

	Twelve months ended	
	December 31, 2020	December 31, 2019
Net Income	\$ 862	\$ 782
Non-cash items: Amortization of deferred sales commissions	27	15
Non-cash long-term incentive compensation expense	196	208
Depreciation and other amortization	138	167
Unrealized losses (gains) on investments	10	(13)
Unrealized (gains) on investments of consolidated company-sponsored investment funds	(1)	(36)
Other, net	(3)	10
Changes in assets and liabilities	293	(305)
Net cash provided by operating activities	1,522	828
Purchase of equity method investments	(4)	—
Purchases of furniture, equipment, and leasehold improvements, net	(41)	(28)
Purchases of businesses, net of cash acquired	(14)	5
Net cash used in investing activities	(59)	(23)
Proceeds from debt	115	2
Decrease in overdrafts payable	(13)	(60)
Distributions to General Partner and Unitholders	(837)	(704)
(Redemptions) subscriptions of non-controlling interests of consolidated company-sponsored investment funds, net	(219)	150
Additional investments by Holding with proceeds from exercise of compensatory options to buy Holding Units	—	12
Purchases of AB Holding Units to fund long-term incentive compensation plan awards, net	(149)	(172)
Other, net	—	(3)
Net cash used in financing activities	(1,103)	(775)
Effect of exchange rate changes on cash and cash equivalents	23	8
Net increase in cash and cash equivalents	383	38
Cash and cash equivalents at the beginning of period	691	653
Cash and cash equivalents at the end of period	\$ 1,074	\$ 691



Fourth Quarter and Full Year 2020 AB Holding Financial Results

In US \$ Millions (excluding per Unit amounts)	4Q20	4Q19	% Δ	FY 2020	FY 2019	% Δ
AB						
Net Income Attributable to AllianceBernstein	\$286	\$249	15 %	\$866	\$752	15 %
Weighted Average Equity Ownership Interest	35.4%	35.3%		35.6%	35.4%	
AB Holding						
Equity in Net Income Attributable to AB	\$101	\$88	15 %	\$308	\$266	16 %
Income Taxes	\$8	\$8	— %	\$29	\$28	4 %
Net Income	\$93	\$80	16 %	\$279	\$238	17 %
Diluted Net Income Per Unit, GAAP basis	\$0.97	\$0.84	15 %	\$2.88	\$2.49	16 %
Distributions Per Unit	\$0.97	\$0.85	14 %	\$2.91	\$2.53	15 %
Adjusted Diluted Net Income Per Unit	\$0.97	\$0.85	14 %	\$2.91	\$2.52	15 %



Please refer to pages 35-39 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Percentages are calculated using amounts rounded in millions.

Fourth Quarter 2020 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	GAAP	Adjustments						Non-GAAP	
		Distribution Related Payments (A)	Pass Through Adjustments (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	Real Estate Credits (Charges) (E)	Acquisition-Related Expenses (F)		Contingent Payment Adjustment (G)
Investment advisory and services fees	\$ 764,969	(19,722)	(3,999)		(170)				\$ 741,078
Bernstein research services	118,398								118,398
Distribution revenues	143,131	(143,131)							—
Dividend and interest income	8,696			(918)	(1,284)				6,494
Investment gains (losses)	2,610			(4,270)	711			—	(949)
Other revenues	26,517		(10,187)		(121)				16,209
Total revenues	1,064,321	(162,853)	(14,186)	(5,188)	(864)	—	—	—	881,230
Less: interest expense	1,429								1,429
Net revenues	1,062,892	(162,853)	(14,186)	(5,188)	(864)	—	—	—	879,801
Employee compensation and benefits	424,468			(5,056)					419,412
Promotion and servicing	211,522	(162,853)	(10,043)						38,626
General and administrative	122,533		(4,143)		(483)	985	(1,614)		117,278
Contingent payment arrangements	(558)							1,366	808
Interest on borrowings	1,177								1,177
Amortization of intangible assets	1,330								1,330
Net income (loss) of consolidated entities attributable to non-controlling interests	—								—
Total expenses	760,472	(162,853)	(14,186)	(5,056)	(483)	985	(1,614)	1,366	578,631
Operating income	302,420	—	—	(132)	(381)	(985)	1,614	(1,366)	301,170
Income taxes	15,704	—	—	(7)	(21)	(52)	82	(75)	15,631
Net income	286,716	—	—	(125)	(360)	(933)	1,532	(1,291)	285,539
Net income (loss) of consolidated entities attributable to non-controlling interests	381				(381)				—
Net income attributable to AB Unitholders	\$ 286,335	\$ —	\$ —	\$ (125)	\$ 21	\$ (933)	\$ 1,532	\$ (1,291)	\$ 285,539



Please refer to page 39 for notes describing the adjustments.

Fourth Quarter 2019 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	GAAP	Adjustments						Non-GAAP	
		Distribution Related Payments (A)	Pass Through Adjustments (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	Real Estate Credits (Charges) (E)	Acquisition-Related Expenses (F)		Contingent Payment Adjust. (G)
Investment advisory and services fees	\$ 702,701	(15,120)	(6,717)		84				\$ 680,948
Bernstein research services	109,671								109,671
Distribution revenues	127,553	(127,553)							—
Dividend and interest income	24,539			(997)	(4,425)				19,117
Investment gains (losses)	7,541			(1,457)	(3,544)				2,540
Other revenues	26,061		(9,436)		(682)				15,943
Total revenues	998,066	(142,673)	(16,153)	(2,454)	(8,567)	—	—	—	828,219
Less: interest expense	10,762								10,762
Net revenues	987,304	(142,673)	(16,153)	(2,454)	(8,567)	—	—	—	817,457
Employee compensation and benefits	377,951			(2,737)			(294)		374,920
Promotion and servicing	201,521	(142,673)	(9,265)						49,583
General and administrative	132,289		(6,888)		(944)	(2,623)	(3,165)		118,669
Contingent payment arrangements	(2,222)							3,051	829
Interest on borrowings	2,259								2,259
Amortization of intangible assets	7,223								7,223
Net income (loss) of consolidated entities attributable to non-controlling interests	—								—
Total expenses	719,021	(142,673)	(16,153)	(2,737)	(944)	(2,623)	(3,459)	3,051	553,483
Operating income	268,283	—	—	283	(7,623)	2,623	3,459	(3,051)	263,974
Income taxes	11,795	—	—	12	(331)	117	154	(132)	11,615
Net income	256,488	—	—	271	(7,292)	2,506	3,305	(2,919)	252,359
Net income (loss) of consolidated entities attributable to non-controlling interests	7,623				(7,623)				—
Net income attributable to AB Unitholders	\$ 248,865	\$ —	\$ —	\$ 271	\$ 331	\$ 2,506	\$ 3,305	\$ (2,919)	\$ 252,359



Please refer to page 39 for notes describing the adjustments.

Full Year 2020 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	Adjustments									Non-GAAP
	Distribution Related Payments	Pass Through Adjustments	Deferred Comp. Inv.	NCI/ Consol VIE	Real Estate Credits (Charges)	Acquisition- Related Expenses	Contingent Payment Adjustment	Other		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)		
Investment advisory and services fees	\$2,595,436	(66,858)	(18,279)		(366)					\$ 2,509,933
Bernstein research services	459,744									459,744
Distribution revenues	529,781	(529,781)								—
Dividend and interest income	50,923		(1,204)	(12,390)						37,329
Investment gains (losses)	(16,401)		(5,568)	14,215				859		(6,895)
Other revenues	104,703		(39,333)	(505)						64,865
Total revenues	3,724,186	(596,639)	(57,612)	(6,772)	954	—	—	—	859	3,064,976
Less: interest expense	15,650									15,650
Net revenues	3,708,536	(596,639)	(57,612)	(6,772)	954	—	—	—	859	3,049,326
Employee compensation and benefits	1,494,198			(7,491)			(394)			1,486,313
Promotion and servicing	786,425	(596,639)	(38,764)							151,022
General and administrative	491,070		(18,848)		(3,215)	(2,880)	(2,907)			463,220
Contingent payment arrangements	1,855							1,366		3,221
Interest on borrowings	6,180									6,180
Amortization of intangible assets	21,372									21,372
Net income (loss) of consolidated entities attributable to non-controlling interests	—									—
Total expenses	2,801,100	(596,639)	(57,612)	(7,491)	(3,215)	(2,880)	(3,301)	1,366	—	2,131,328
Operating income	907,436	—	—	719	4,169	2,880	3,301	(1,366)	859	917,998
Income taxes	45,653	—	—	36	208	143	164	(70)	42	46,176
Net income	861,783	—	—	683	3,961	2,737	3,137	(1,296)	817	871,822
Net income (loss) of consolidated entities attributable to non-controlling interests	(4,169)				4,169			—		—
Net income attributable to AB Unitholders	\$ 865,952	\$ —	\$ —	\$ 683	\$ (208)	\$ 2,737	\$ 3,137	(1,296)	817	\$ 871,822



Please refer to page 39 for notes describing the adjustments.

Full Year 2019 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	GAAP	Adjustments						Non-GAAP	
		Distribution Related Payments	Pass Through Adjustments	Deferred Comp. Inv.	NCI/ Consol VIE	Real Estate Credits (Charges)	Acquisition- Related Expenses		Contingent Payment Adjust.
		(A)	(B)	(C)	(D)	(E)	(F)		(G)
Investment advisory and services fees	\$ 2,472,044	(47,951)	(20,914)		(519)				\$ 2,402,660
Bernstein research services	407,911								407,911
Distribution revenues	455,043	(455,043)							—
Dividend and interest income	104,421			(1,408)	(15,662)				87,351
Investment gains (losses)	38,659			(7,531)	(15,267)				15,861
Other revenues	97,559		(35,926)		(1,596)				60,037
Total revenues	3,575,637	(502,994)	(56,840)	(8,939)	(33,044)	—	—	—	2,973,820
Less: interest expense	57,205								57,205
Net revenues	3,518,432	(502,994)	(56,840)	(8,939)	(33,044)	—	—	—	2,916,615
Employee compensation and benefits	1,442,783			(11,281)				(1,261)	1,430,241
Promotion and servicing	722,854	(502,994)	(35,387)						184,473
General and administrative	488,074		(21,453)		(3,494)	(2,623)		(5,473)	455,031
Contingent payment arrangements	(510)						3,051		2,541
Interest on borrowings	13,035								13,035
Amortization of intangible assets	28,759								28,759
Net income (loss) of consolidated entities attributable to non-controlling interests	—				91				91
Total expenses	2,694,995	(502,994)	(56,840)	(11,281)	(3,403)	(2,623)	3,051	(6,734)	2,114,171
Operating income	823,437	—	—	2,342	(29,641)	2,623	(3,051)	6,734	802,444
Income taxes	41,754	—	—	119	(1,506)	132	(156)	341	40,684
Net income	781,683	—	—	2,223	(28,135)	2,491	(2,895)	6,393	761,760
Net income (loss) of consolidated entities attributable to non-controlling interests	29,641				(29,641)				—
Net income attributable to AB Unitholders	\$ 752,042	\$ —	\$ —	\$ 2,223	\$ 1,506	\$ 2,491	\$ (2,895)	\$ 6,393	\$ 761,760



Please refer to page 39 for notes describing the adjustments.

AB Adjusted Financial Results Reconciliation

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

- A. We exclude all of the company's distribution revenues, which are recorded as a separate line item on the consolidated statement of income, as well as a portion of investment advisory services fees received that is used to pay distribution and servicing costs. Such presentation appropriately reflects the nature of these costs as pass-through payments to third parties that perform functions on behalf of our sponsored mutual funds and/or shareholders of these funds. Distribution-related adjustments fluctuate each period based on the type of investment products sold, as well as the average AUM over the period. Also, we adjust distribution revenues for the amortization of deferred sales commissions as these costs, over time, will offset such revenues.
- B. We adjust investment advisory and services fees and other revenues for pass through costs, primarily related to our transfer agent and shareholder servicing fees. These fees do not affect operating income, but they do affect our operating margin. As such, we exclude these fees from adjusted net revenues.
- C. We exclude the impact on net revenues and compensation expense of the mark-to-market gains and losses (as well as the dividends and interest) associated with employee long-term incentive compensation-related investments. In addition, we exclude any EQH-related equity compensation expense as the awards are non-cash and are based on EQH's and not AB's financial performance.
- D. We adjust for the impact of consolidating certain company-sponsored investment funds by eliminating the consolidated company-sponsored investment funds revenues and expenses and including AB's revenues and expenses that were eliminated in consolidation. In addition, the net income of joint ventures attributable to non-controlling interests is excluded because it does not reflect the economic interest attributable to AB.
- E. Real estate credits are excluded because they are not considered part of our core ongoing operations. However, beginning in the fourth quarter of 2019, real estate charges (credits) while excluded in the period in which the charges (credits) are recorded, are included ratably over the remaining applicable lease term.
- F. Acquisition-related expenses have been excluded because they are not considered part of our core operating results when comparing financial results from period to period and to industry peers.
- G. The recording of a change in estimate of the contingent consideration payable relating to our acquisitions is not considered part of our core operating results.
- H. The write-down of the investment in the first quarter of 2020 has been excluded due to its non-recurring nature and because it is not part of our core operating results.

Adjusted Operating Margin

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



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