



ALLIANCEBERNSTEIN®

# First Quarter 2024 Review

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April 26, 2024

**Seth P. Bernstein**, President & Chief Executive Officer

**Jackie Marks**, Chief Financial Officer


**Mark Gessner**, Head of US Retail

# 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, 2023 and subsequent forms 10-Q. Any or all of the forward-looking statements made in this presentation, Form 10-K, Forms 10-Q, other documents we file with or furnish to the SEC, and any other public statements we issue, may turn out to be wrong. It is important to remember that other factors besides those listed in “Risk Factors” and “Cautions Regarding Forward-Looking Statements,” and those listed below, could also adversely affect our revenues, financial condition, results of operations and business prospects.

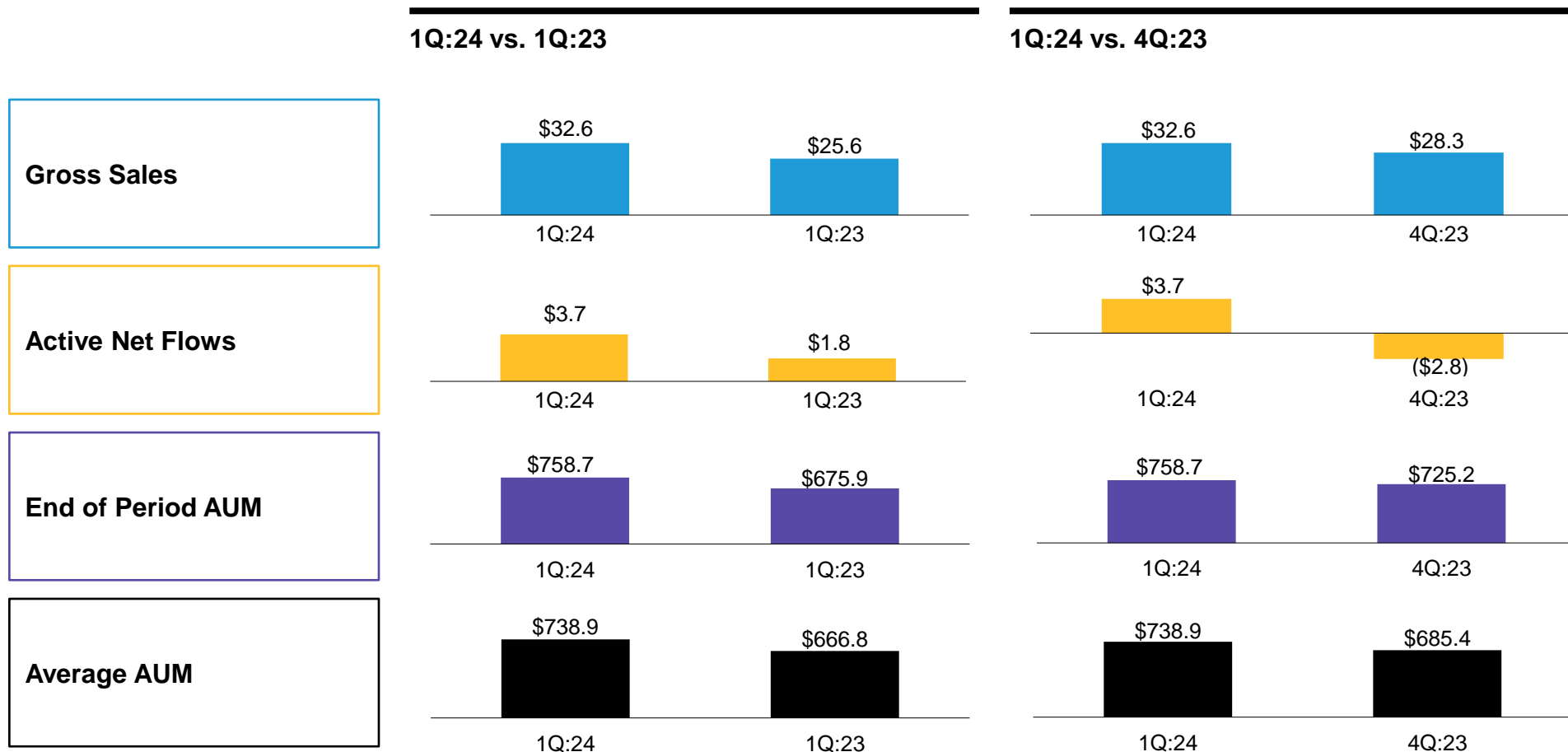
## The Forward-Looking Statements Referred to in the Preceding Paragraph Include Statements Regarding:

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



**Seth P. Bernstein**  
President & Chief  
Executive Officer

# Firmwide Overview: First Quarter 2024

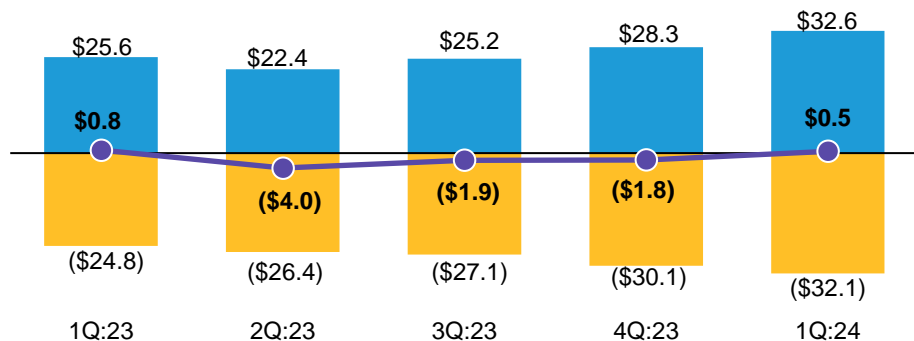


USD billions; scales differ by chart  
 Figures shown may vary from reported figures due to rounding.

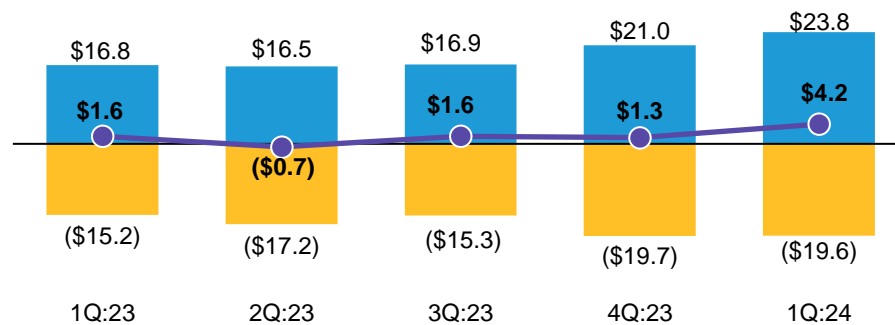


# Asset Flows by Distribution Channel: Quarterly Trend

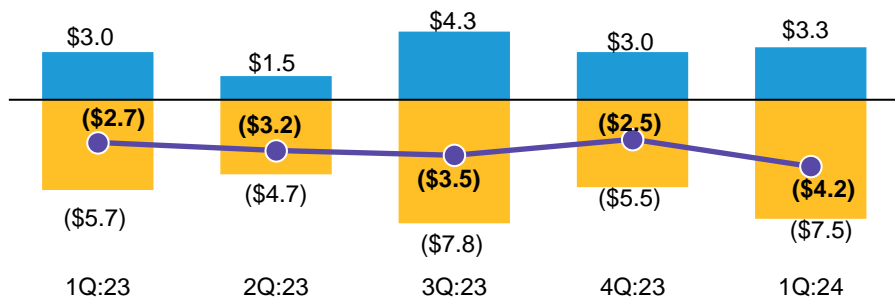
## Firmwide



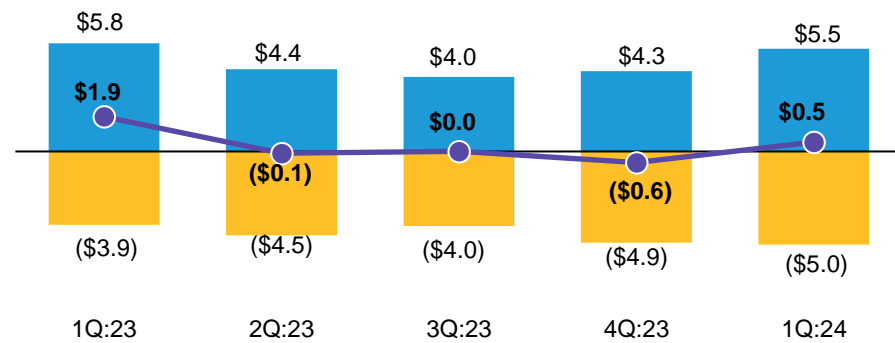
## Retail



## Institutional



## Private Wealth



■ Gross Sales

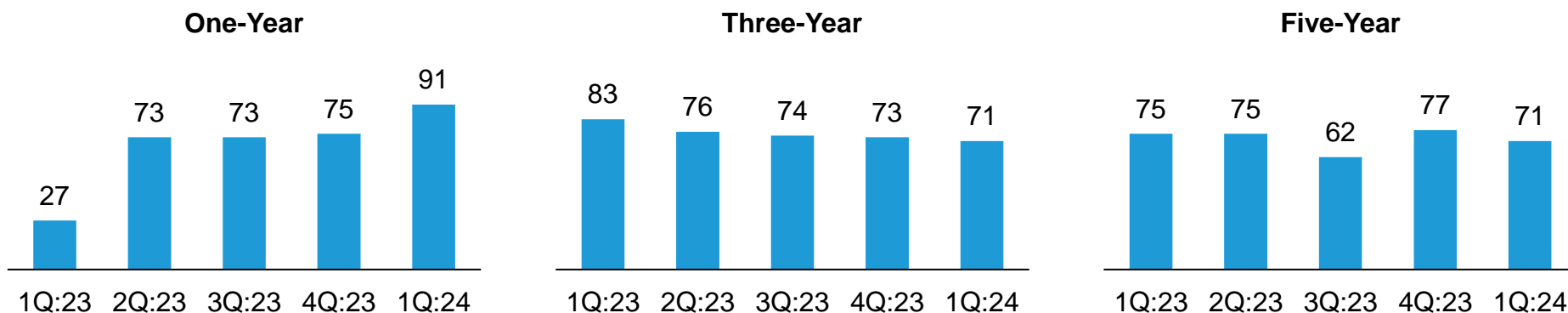
■ Gross Redemptions

● Net Flows

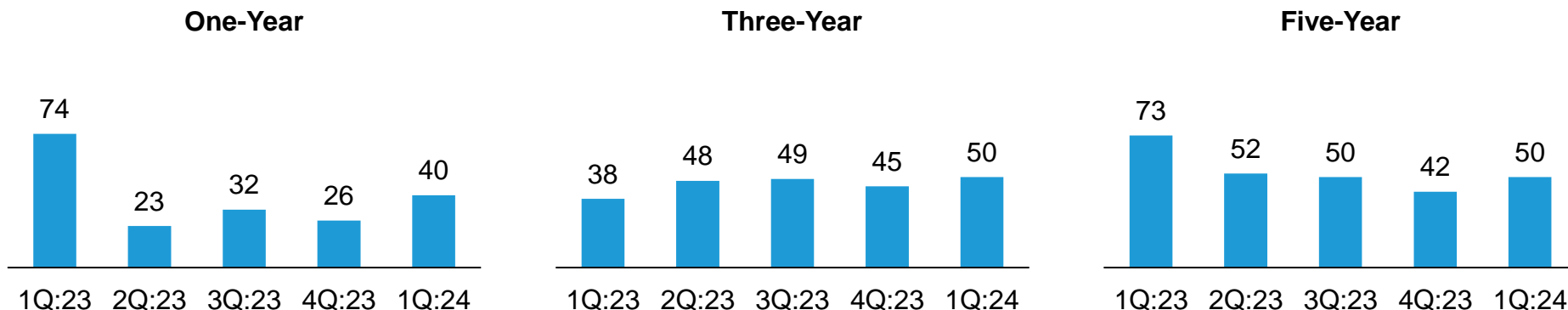
USD billions; scales differ by chart  
 Figures shown may vary from reported figures due to rounding

# Percentage of Assets Outperforming at Quarter-End

## Fixed Income



## Equities



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.

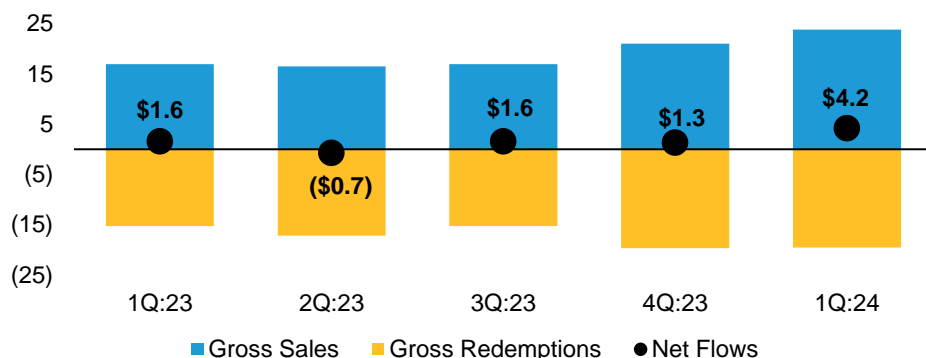
As of March 31, 2024



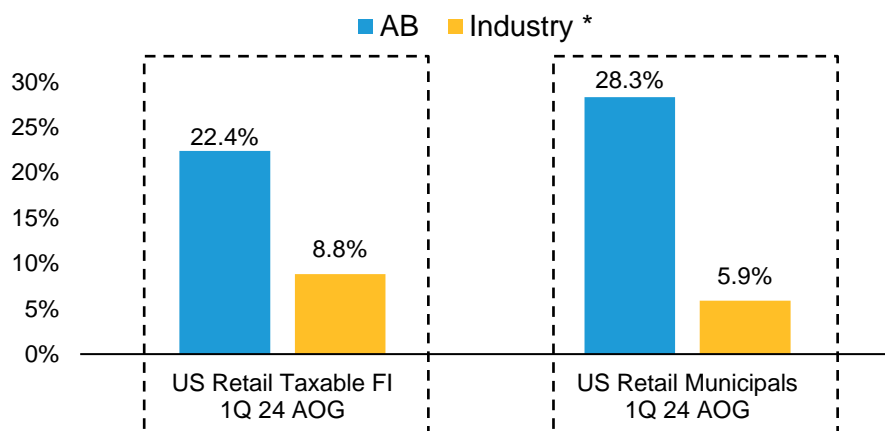
# Retail Highlights

## Strong Fixed Income Demand and Improving Equity

Highest quarterly channel sales and inflows since 4Q21



## AB vs. Industry 1Q Annualized Organic Growth: US Retail Taxable FI & Retail Munis (Percent)



\*Source: Simfund; excludes passive funds, ETFs, SMAs and 529 FoFs

†Source: Publicly available Morningstar data on retail funds

## First Quarter 2024 Highlights

### Channel Sales & Flows on Track with FY21 Record Metrics

- Gross sales of \$23.8B, +\$7.0B / +42% Y/Y, +\$2.8B / +13% Q/Q; best in 9 qtrs.
- Redemption rate of 27%, improved vs. 30% 4Q and higher vs. 25% 1Q23
- **Net flows +\$4.2B, or +5.8% AOG** (annualized organic growth)

### Product and Geographic Diversification; Resilient Fixed Income Demand Coupled with Improving Equity Dynamics

- Strong geographic breadth with all regions posting net inflows
- Balanced demand: Equities 42%, Taxable FI 40%, Munis 17% of sales
- Taxable FI sales of \$9.5B, +43% Q/Q & +41% Y/Y, despite resurgent rates vol; net inflows of +\$4.0B (+25% AOG; 5th straight q) driven by AIP, MMKTs & GHY
- Muni sales of \$4.0B, -8% vs. record 4Q23 & +37% Y/Y; highest on record net inflows +\$2.3B (+28% AOG), positive 14 of last 15 quarters
- Active Equity sales of \$9.9B, +19% Q/Q & +45% Y/Y; net outflows -\$1.3B

### Milestones

- Ranked in top 7% of US Retail Fixed Income flows
- Ranked in top 2% of Cross-Border Fixed Income flows
- Notable Net Inflow Peer Rankings†: US Funds: US Large Cap Growth 3/335, Sustainable Int'l Thematic 9/105, Muni Income 1/28; Offshore Funds: Mortgage Income 6/47, American Income 1/46, Global High Yield, 2/151



# Institutional Highlights

## 1Q: Equity Outflows outweigh Alts/MAS AOG of +5%

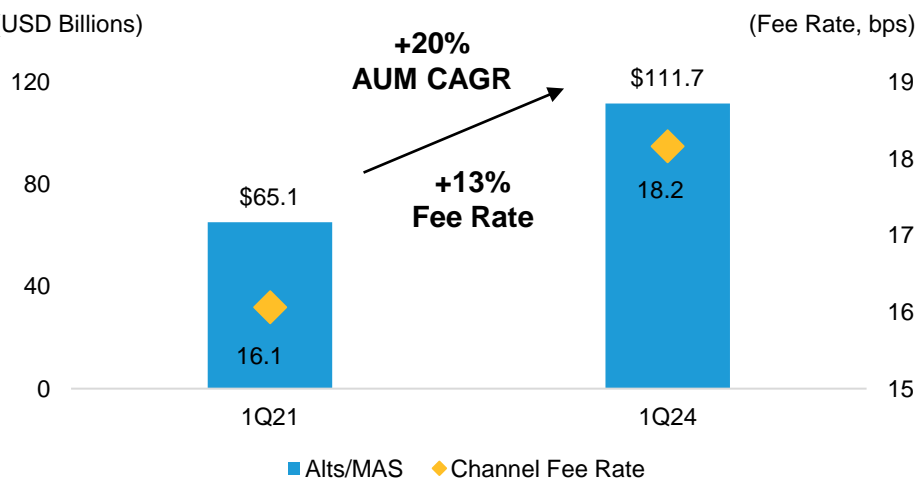
(USD Billions)



## AUM Mix Shift Favoring Alternatives/MAS

Now 35% of channel AUM, up from 21% 3 years ago

(USD Billions)



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



## First Quarter 2024 Highlights

### Sales and Flows

- 1Q24 gross sales of \$3.3B, up 12% both Y/Y and Q/Q
- Institutional net outflows -\$4.2B, includes \$3.0B partial, low-fee passive redemption

### Sustained Mix Shift from Institutional Demand for Alternatives

- 13 of last 16 quarters Alts/MAS net inflows
- Alts/MAS 35% of channel AUM, up from 21% 3 years ago
- Channel Fee Rate up +13% from 3 years ago, reflecting accretive mix shift

### Pipeline w/ Accretive Annualized Fee Base (AFB)

- \$11.5B qtr-end pipeline\*, -\$0.5B Q/Q, with funded assets including \$330M US SMID Cap Value, \$315M ABCarVal Residential Mortgage, \$135M US Low Vol
- Notable 1Q pipeline additions:
 

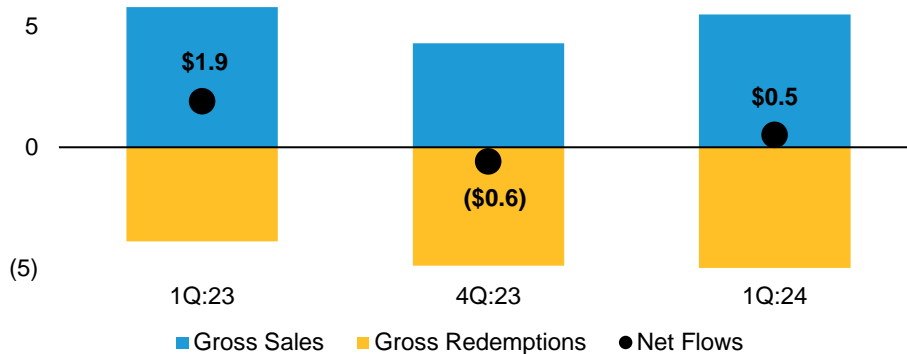
• PCI NAV Lending (Equitable)	\$500M
• Systematic US Investment Grade	\$500M



# Private Wealth Highlights

## +2% AOG in 1Q Driven by Alts/MAS and Munis

(USD billions)



## First Quarter 2024 Highlights

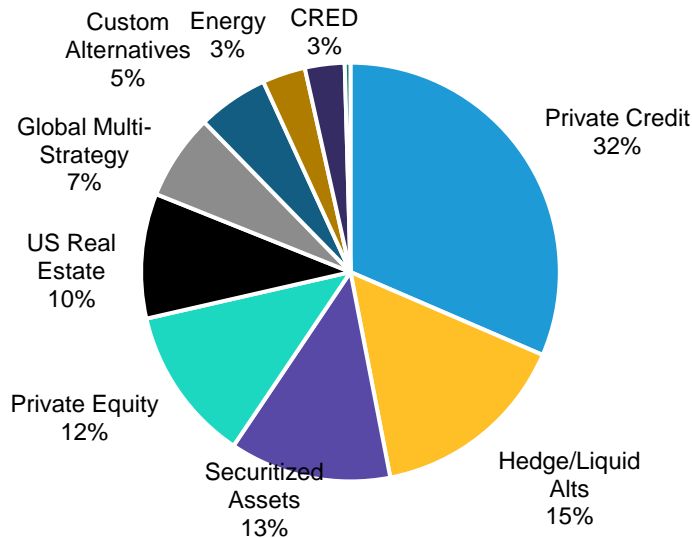
### Strong Q/Q Sales and Advisor Productivity Growth Drive Net Inflows

- 1Q24 gross sales of \$5.5B, -6% Y/Y, +26% Q/Q
  - Y/Y comparison driven by lower money market sales relative to 1Q 2023 banking dislocation
- Advisor productivity: -10% Y/Y, +27% Q/Q
- 1Q net inflows +\$0.5B
- Growth in Proprietary Direct Indexing, Munis, ETF's
- Pre-transaction planning pipeline remains solid

### Innovation Supports Differentiated Client Needs

- Proprietary Direct Indexing Strategy \$4.6B in AUM, +51% AOG, +50% TTM organic
- Alternative Raises: PE fund of funds \$120M, Priv. Middle Mkt Lending \$120M, CRE Priv. Debt \$60M
- Diverse 2024 Private Alternative launches balance Evergreen funds with 2 ABCarVal services and external partners

## Diversified Alternative Services (as % of Alts AUM)



# Bernstein Research Highlights

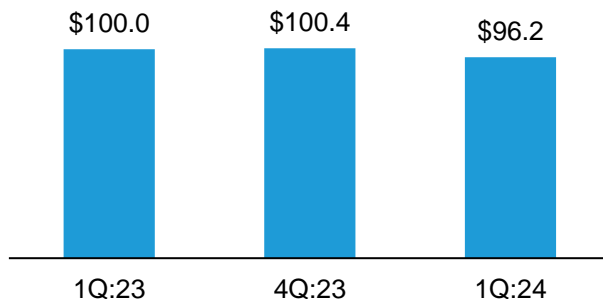
## Bernstein Research Quarterly Revenues

(USD millions)

### Percent Change

Y/Y: -4%

Q/Q: -4%



## First Quarter 2024 Highlights

### Institutional Trading Volumes Remain Soft

- 1Q revenues of \$96M, -4% Y/Y, -4% Q/Q
- Key markets remain soft; signs of improvement in Asia activity
- Gradual ramp of ECM mandates

## Bernstein JV with SocGen Closed on April 1

- Bernstein Research to be deconsolidated from AB financials going forward
- **Accretive to adjusted operating margins** by 200-250 bps annualized, beginning 4/1/24
- EPU Accretion/Dilution:
  - GAAP EPU: Slightly dilutive
  - Non-GAAP EPU: Slightly accretive
    - AB's portion of Equity in earnings will be added back for non-GAAP purposes as the business is **non-core**
    - Equalization payment of **\$304 million** received prior to 3/31 was used to pay down debt, reducing annual interest expense by ~\$15 million

# Progress on Our Initiatives in 1Q24

## Firmwide Initiative

**Deliver superior investment solutions to clients**

## Progress

- Fixed Income: 71% of assets in outperforming services for 3-yr period; 91% for 1-yr and 71% for 5-yr
- Active Equity: 50% of assets in outperforming services for 3-yr period; 40% for 1-yr and 50% for 5-yr
- 60% of US and 63% of Lux assets rated 4/5-stars by Morningstar at quarter-end

**Develop, commercialize and scale our suite of services**

- +2% active organic growth in 1Q led by Fixed Income and Alternatives/MAS
  - Retail: +6% AOG driven by +25% AOG in Taxable FI and +28% AOG in Municipals
  - Institutional: Sustained organic growth in Alts/MAS, more than offset by Equities attrition
  - Private Wealth: +2% AOG
- Differentiated product amplifying growth
  - Private Wealth: Growth led by Buffered ETF, proprietary direct indexing
  - Alternatives: \$63B Private Markets AUM\*, +9% Y/Y
    - AB CarVal: Residential Mortgage deployed \$315M, CLO IX raised \$780M
  - Municipals: +19% AOG, well outpacing industry; 82% of AUM in 4/5-star rated funds

**Maintain a targeted focus on margin expansion**

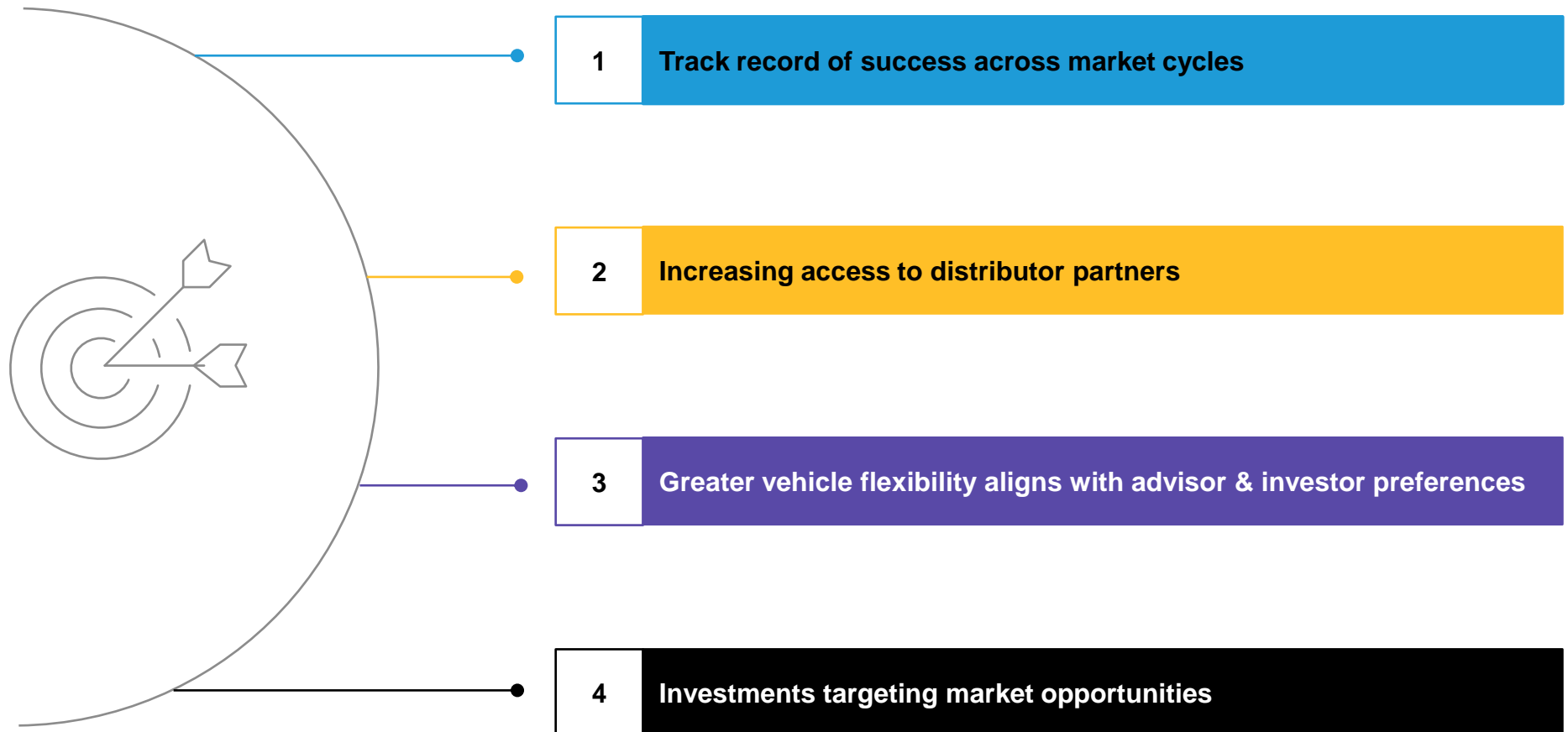
- Adjusted 1Q operating income of \$267 million, up 12% Y/Y
- Adjusted 1Q operating margin of 30.3%, up 160 bps Y/Y
- Adjusted EPU of \$0.73, up 11% Y/Y
- Closed BRS JV, accretive to 2024 margins effective 4/1

\* Private Markets AUM includes fee earning and fee eligible AUM in the following strategies: Direct Lending, RE Debt, RE Equity, Private Placements, PE, CLOs, Opportunistic Credit, Renewable Infrastructure, Specialty Finance, Secondaries, Transportation



**Mark Gessner**  
Head of US Retail

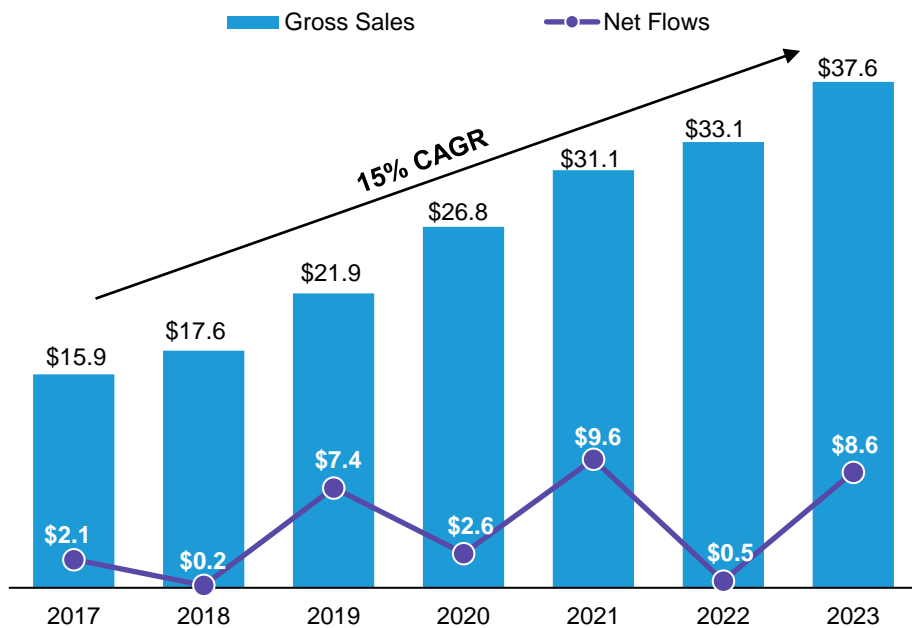
# AB Is Well Positioned for Growth in the US Retail Wealth Channel



# Track Record of Success Across Market Cycles

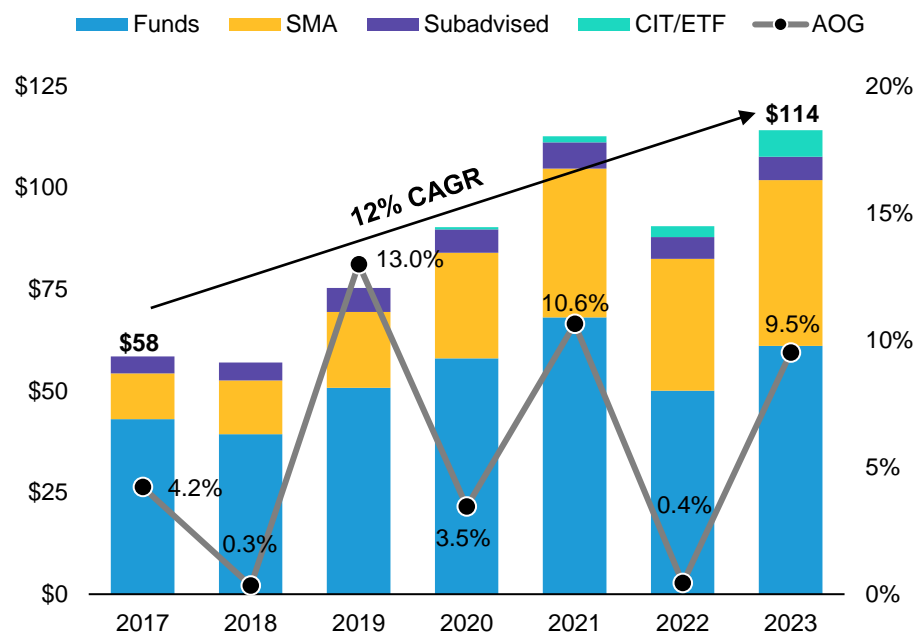
Seven straight years of net inflows supported by sales growth and vehicle diversification

**AB US Retail Sales\*, Redemptions and Net Flows**  
(\$ in billions)



- 15% Sales CAGR (2017–2023)
- 5.9% average annual organic growth (2017–2023)

**EoP AUM by Wrapper/Vehicle & Annual Organic Growth**  
(\$ in billions, except AOG)



- 12% US Retail AUM CAGR
- Organic growth from diversification into high-growth vehicles

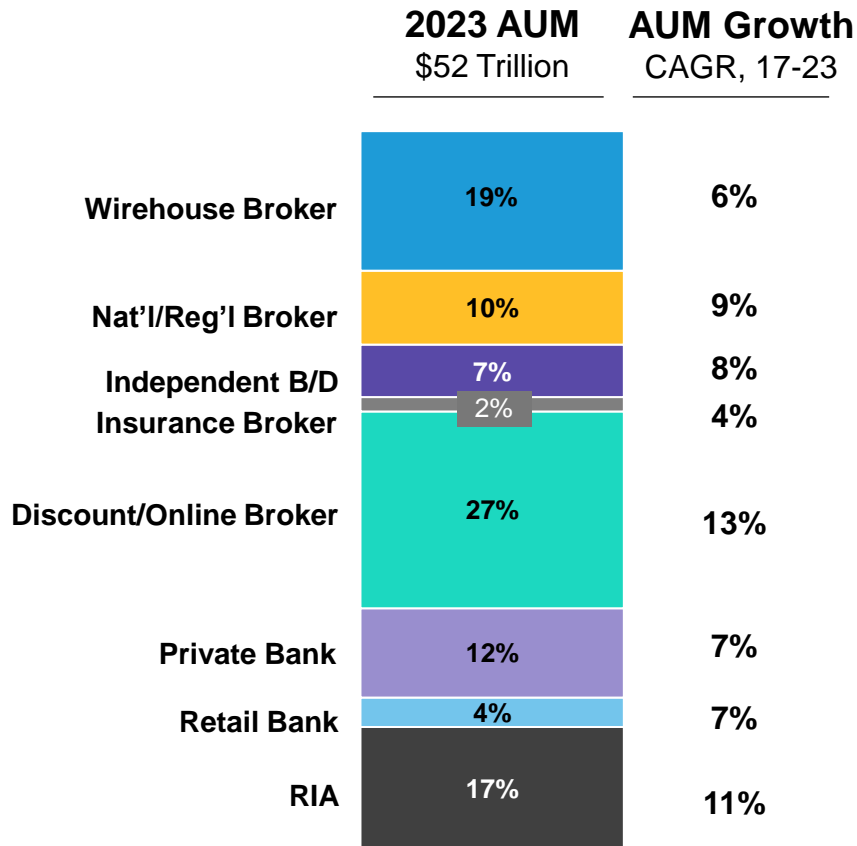
Source: AB, Morningstar  
\*Includes sub-advisory sales



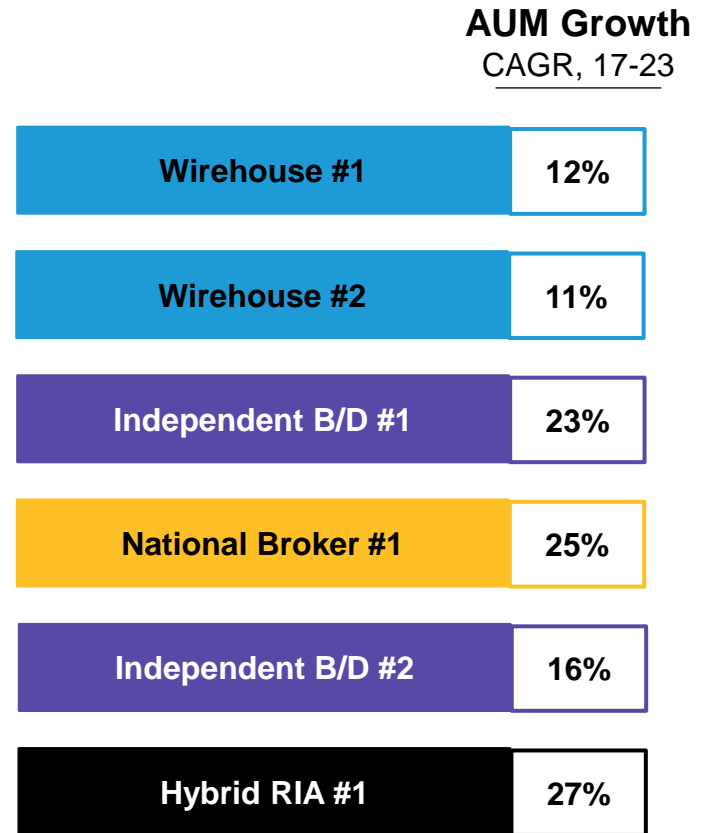
# Deep Established Relationships with Key Distributors

U.S. Retail Wealth is a large market with significant growth potential

## US Retail Wealth Assets



## AB Retail Select Distributor Relationships



Source: Independent Third Party Benchmark Survey; most recently available data shown (2022)

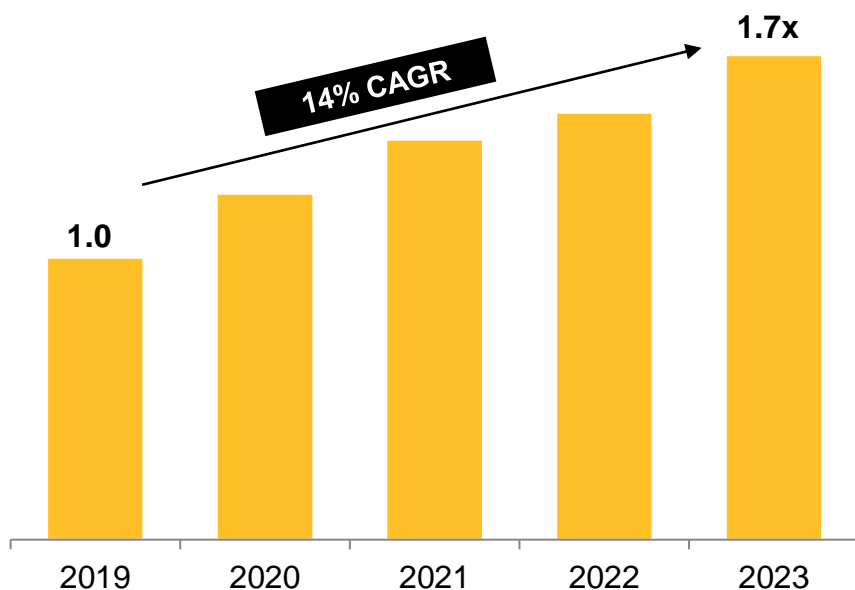


# Increased Distribution Productivity and Penetration

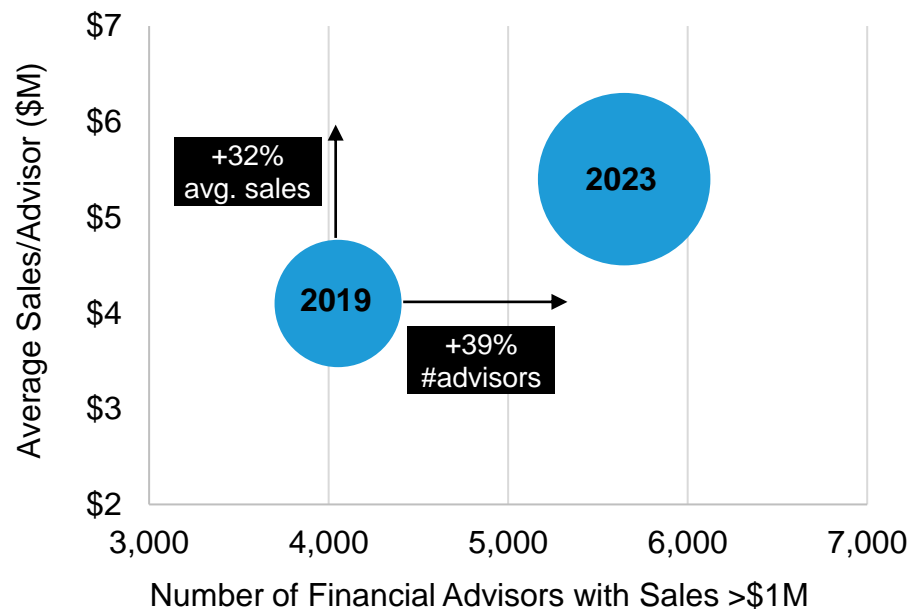
Deepening distribution coverage boosts wholesale productivity and advisor engagement

## Wholesaler Productivity Up 70% Last Five Years

(Indexed Sales per Wholesaler)



## # Financial Advisors with Sales >\$1M and Avg. Sales



- Increased product footprint at key distribution partners
- Targeted geographic growth to align with market opportunity
- Invested in technology infrastructure

Source: AB

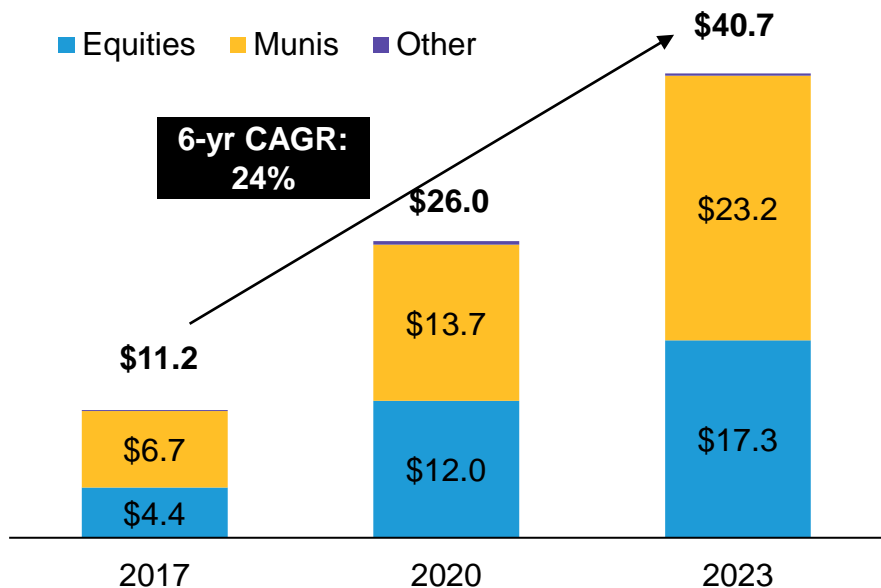




# Greater Vehicle Flexibility Aligns with Evolving Investor Preferences

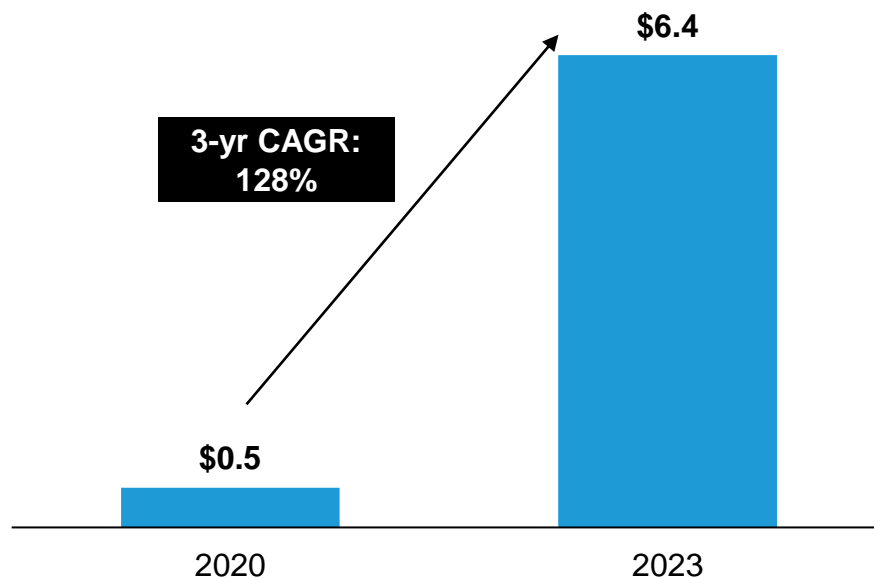
Vehicle versatility extends addressable market for our differentiated investment strategies

**SMA: End-of-Period AUM**  
(\$ billions)



**Industry assets held in SMA accounts projected to grow by 14% over the next few years**

**Retail CITs & Active ETFs: Combined, End-of-Period AUM**  
(\$ billions)



**Active ETFs anticipated to grow at 17% annualized rate between 2024–2028\* industrywide**

Source: AB, \*Cerulli Associates, ISS  
Graph scaling may differ by chart



# The Next Wave of Growth

Market-leading investment capabilities, strong distribution relationships, customization expertise

## Accelerating Growth: SMAs 2.0

AB SMA platform has more than tripled in the last 6 years to \$40.7B from \$11.2B

- SMA 2.0 strategy:
  - Launch highly differentiated products that deliver innovative tax benefits
  - Continued focus on growth of our Municipal SMA platform
  - Evolution of top-tier client experience & SMA platform scalability

## Emerging Growth: Active ETFs

Active ETFs expected to grow 17% annualized from 2024–28 industrywide

AB's active ETF strategy:

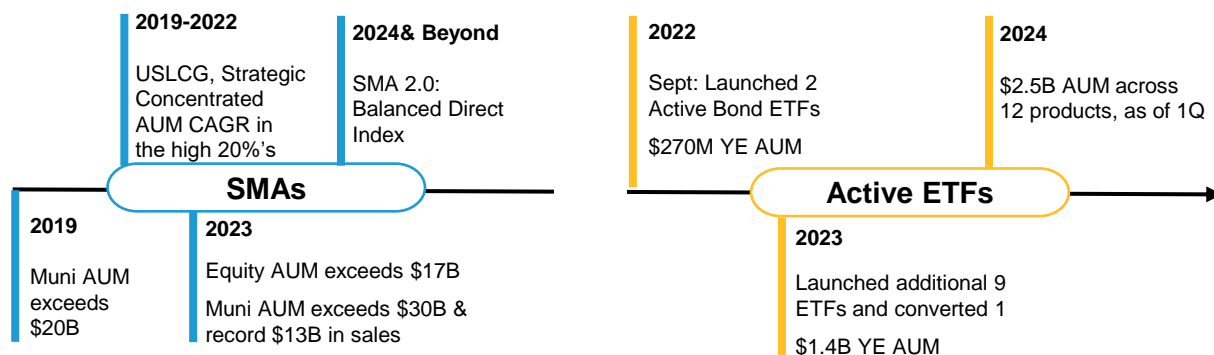
- Complement existing solutions
- Launch new concepts
- Expand our reach

## Future Growth: Private Alternatives

### Distribution Capabilities ✓

- Deep, established relationships with the home offices of largest platforms
- Field coverage of advisors
- Brand awareness of capabilities to serve HNW segment
- Focused efforts on education & training

## Proven Track Record of Growth



### Select Private Alts Capabilities ✓

- Market leading investment capabilities with differentiated return streams among evergreen and drawdown vehicles

AB CarVal Credit Value	CRE Debt US
Clean Energy	CRE Debt EU
Aircraft Leasing	Residential Mortgage
Middle Market Lending	NAV Lending

### Wrapper Expertise ✓

Source: AB, ISS



# Laying the Foundation for Next Wave of Growth

Mix shift reflects growth towards specialist sales expertise

## Product Specialists

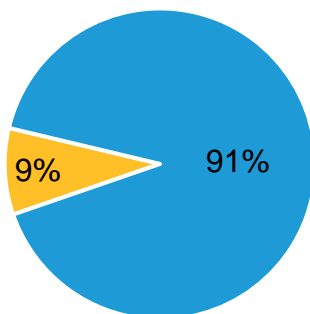
Dedicated ETF and Private Alternatives Specialists  
Successfully attracting outside talent where needed

## Client Segment Specialists

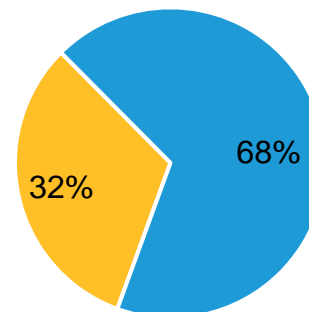
By YE-2024, we anticipate:

- 200% increase in RIA Specialists
- 33% increase in DC Specialists
- Ramping up of our business development consultants

2019



2023



- Specialists (Private Alts, ETF, RIA, CIO, BDC)
- Wholesalers + Regional Consultants

## Technology and Data Infrastructure

Significant investments in Technology and Data infrastructure delivered through leading-edge proprietary AI-enabled sales tool Oculus

- Integrating 15 third party data sources and 12 third party technologies + internal transaction data to improve advisor targeting
- Rapid adoption, averaging 22 sessions per week



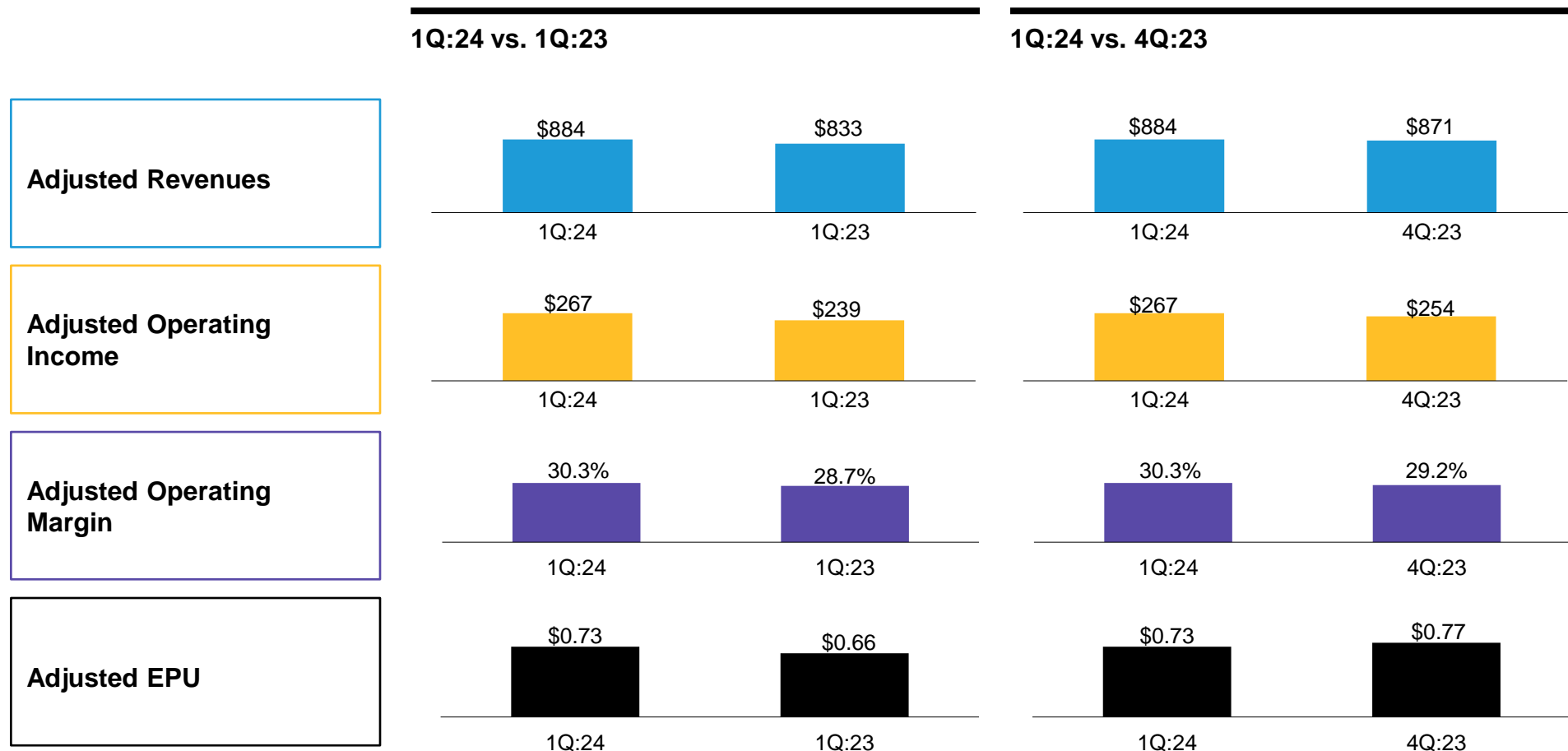
**Jackie Marks**  
Chief Financial Officer

# First Quarter 2024 GAAP Income Statement

Income Statement (in US \$ Millions)	1Q24	1Q23	% Δ	4Q23	% Δ
Base Fees	\$754	\$692	9 %	\$714	6 %
Performance Fees	30	37	(18)%	62	(51)%
Bernstein Research Services	96	100	(4)%	100	(4)%
Distribution Revenues	166	141	17 %	151	10 %
Dividends & Interest	45	51	(12)%	49	(9)%
Investment Gains	12	5	123 %	15	(22)%
Other Revenues	25	26	(3)%	26	(3)%
<b>Total Revenues</b>	<b>1,128</b>	<b>1,052</b>	<b>7 %</b>	<b>1,117</b>	<b>1 %</b>
Less: Broker-Dealer Related Interest Expense	24	28	(15)%	27	(11)%
<b>Net Revenues</b>	<b>\$1,104</b>	<b>\$1,024</b>	<b>8 %</b>	<b>\$1,090</b>	<b>1 %</b>
Compensation & Benefits					
Compensation & Fringes	\$444	\$426	4 %	\$442	— %
Other Employment Costs	9	8	13 %	11	(18)%
<b>Total Compensation &amp; Benefits</b>	<b>453</b>	<b>434</b>	<b>4 %</b>	<b>453</b>	<b>— %</b>
Promotion & Servicing	240	207	16 %	225	6 %
General & Administrative	138	140	(1)%	147	(6)%
Other	31	28	14 %	27	17 %
<b>Total Operating Expenses</b>	<b>\$862</b>	<b>\$809</b>	<b>7 %</b>	<b>\$852</b>	<b>1 %</b>
<b>Operating Income</b>	<b>\$242</b>	<b>\$215</b>	<b>12 %</b>	<b>\$238</b>	<b>2 %</b>
<b>Operating Margin</b>	<b>21.2 %</b>	<b>20.1 %</b>	<b>110 bps</b>	<b>20.6 %</b>	<b>60 bps</b>
<b>AB Holding GAAP Diluted Net Income Per Unit</b>	<b>\$0.67</b>	<b>\$0.59</b>	<b>14 %</b>	<b>\$0.71</b>	<b>(6)%</b>

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

# Adjusted Financial Highlights: First Quarter 2024



USD millions, except EPU; scales may differ by chart

Please refer to pages 39-42 for additional information on the reconciliation of GAAP financial results to adjusted financial results.

# First Quarter 2024 Adjusted Income Statement

Adjusted Income Statement (in US \$ Millions)	1Q24	1Q23	% Δ	4Q23	% Δ
Base Fees <sup>(1)</sup>	\$723	\$667	8 %	\$682	6 %
Performance Fees	27	33	(20)%	51	(48)%
Bernstein Research Services	96	100	(4)%	100	(4)%
Investment Gains (Losses)	3	(2)	n/m	2	15 %
Dividend & Interest Revenue	42	46	(9)%	46	(6)%
Other Revenues	17	17	1 %	17	(2)%
<b>Total Revenues</b>	<b>908</b>	<b>861</b>	<b>5 %</b>	<b>898</b>	<b>1 %</b>
Less: Broker-Dealer Related Interest Expense	24	28	(15)%	27	(11)%
<b>Adjusted Net Revenues</b>	<b>\$884</b>	<b>\$833</b>	<b>6 %</b>	<b>\$871</b>	<b>2 %</b>
Compensation & Benefits					
Compensation & Fringes	\$433	\$412	5 %	\$416	4 %
Other Employment Costs	9	8	7 %	10	(17)%
<b>Total Compensation &amp; Benefits</b>	<b>442</b>	<b>420</b>	<b>5 %</b>	<b>426</b>	<b>4 %</b>
Promotion & Servicing	46	41	12 %	50	(7)%
General & Administrative	128	132	(3)%	141	(9)%
Other	1	1	n/m	0	115 %
<b>Total Adjusted Operating Expenses</b>	<b>\$617</b>	<b>\$594</b>	<b>4 %</b>	<b>\$617</b>	<b>— %</b>
<b>Adjusted Operating Income <sup>(2)</sup></b>	<b>\$267</b>	<b>\$239</b>	<b>12 %</b>	<b>\$254</b>	<b>5 %</b>
<b>Adjusted Operating Margin</b>	<b>30.3 %</b>	<b>28.7 %</b>	<b>160 bps</b>	<b>29.2 %</b>	<b>110 bps</b>
<b>AB Holding Adjusted Diluted Net Income Per Unit</b>	<b>\$0.73</b>	<b>\$0.66</b>	<b>11 %</b>	<b>\$0.77</b>	<b>(5)%</b>
<b>Compensation Ratio</b>	<b>49.0 %</b>	<b>49.5 %</b>		<b>47.7 %</b>	

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

(2) During 2Q23, we adjusted operating income to exclude the impact of interest on borrowings in order to align with industry peers. We have recast prior periods presentation to align with the current period presentation. Interest expense on borrowings was \$17.4mln in 1Q24, \$13.7mln in 1Q23, and \$12.8mln in 4Q23.

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



# First Quarter 2024 Adjusted Income Statement Highlights

## Revenues

- Base Fees increased 8% versus 1Q23 driven by an 11% increase in average AUM, higher across all channels, partially offset by a 2% decrease in the fee rate, lower across all channels. Base Fees increased 6% versus 4Q23 driven by an 8% increase in average AUM, higher across all three channels, partially offset by a 1% decrease in the fee rate, lower across all channels.
- Performance Fees decreased 20% versus 1Q23 primarily driven by lower International Small Cap fees. The sequential decrease is mainly due to a large number of investment strategies having annual calculation periods ending in 4Q.
- Bernstein Research revenues decreased 4% versus 1Q23 driven by driven by reduced customer trading activities in the US and Europe due to lower global market volatility. Bernstein Research revenues decreased 4% versus 4Q23 driven by lower research payments partially offset by slightly higher trading activities.

## Expenses

- The Adjusted Compensation Ratio was 49.0% in 1Q24 versus 49.5% in 1Q23 and 47.7% in 4Q23.
- Total Compensation & Benefits increased 5% versus 1Q23 primarily due to higher incentive compensation. Total Compensation & Benefits increased 4% versus 4Q23 primarily due to higher base compensation and fringe benefits.
- Promotion & Servicing increased 12% versus 1Q23 driven by higher transfer fees and T&E. Promotion & Servicing decreased 7% versus 4Q23 due to lower firm meetings and T&E.
- G&A expenses decreased 3% versus 1Q23 due to the recognition of a one-time relocation related grant from the state of Tennessee, partially offset by higher office and related, technology and related and portfolio services related expenses as well as an unfavorable foreign exchange impact. G&A expenses decreased 9% versus 4Q23 due to the Tennessee grant partially offset by higher occupancy related expenses and an unfavorable foreign exchange impact.

## Operating Results

- Adjusted Operating Income increased 12% versus 1Q23 due to higher base fees and a lower Adjusted Compensation Ratio. Adjusted Operating Income increased 5% versus 4Q23 due to higher base fees partially offset by the impact of lower performance fees.
- Adjusted Margin was 30.3% in 1Q24 versus 28.7% in 1Q23 and 29.2% in 4Q23.





# Appendix

# Retail Mutual Funds Relative Performance vs. Morningstar Averages

Retail Service	1 Year		3 Year		5 Year		10 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
<b>Equity</b>								
Large Cap Growth	0.6	54	3.6	18	2.0	23	2.9	7
Concentrated Growth	(12.8)	95	(1.7)	73	(2.2)	80	(0.4)	64
Concentrated International Growth	(11.6)	97	(7.2)	94	(4.4)	98	N/A	--
Sustainable US Thematic	(14.6)	97	(1.3)	72	(0.4)	60	N/A	--
Select US Equity	2.9	30	1.6	22	1.3	24	1.1	26
International Tech	14.0	25	2.7	46	4.3	25	3.3	19
Low Vol	3.6	32	4.6	5	1.0	41	2.7	12
Eurozone Equity	(6.8)	94	(2.8)	85	(2.9)	88	0.3	48
Relative Value	1.9	37	1.4	27	0.8	35	1.0	21
<b>Multi-Asset/Alternative</b>								
Emerging Markets Multi-Asset	5.8	19	1.1	39	(0.2)	50	0.5	38
All Market Real Return	(11.3)	95	0.3	52	(3.2)	91	(6.1)	100
Select US Long/Short	3.1	37	1.2	42	1.8	28	2.3	16

■ Top Quartile

■ 2nd Quartile

## Past performance does not guarantee future results.

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

As of March 31, 2024

Source: AB and Morningstar



# Retail Mutual Funds Relative Performance vs. Morningstar Averages

Service	1 Year		3 Year		5 Year		10 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
<b>Fixed Income</b>								
American Income	0.6	39	(0.4)	58	(0.2)	57	0.5	23
European Income	3.7	14	(0.2)	55	0.5	32	1.2	16
Asia Income	0.6	41	(0.7)	60	0.1	48	N/A	--
Global High Yield	3.0	10	1.1	29	0.2	46	0.3	45
Short Duration High Yield	(0.3)	63	1.5	22	1.0	21	0.7	32
Emerging Markets Debt	2.9	21	0.5	47	0.6	39	0.9	32
High Income Advisor	3.1	6	0.7	27	0.0	45	0.2	39
Global Bond Advisor	(0.9)	73	0.3	41	(0.2)	58	0.3	44
Income Advisor	0.9	23	(0.4)	66	(0.3)	62	0.6	15
Intermediate Diversified Muni	0.6	20	(0.3)	59	0.5	7	N/A	--
High Income Muni	(1.0)	75	(0.4)	69	0.2	37	0.6	16

■ Top Quartile

■ 2nd Quartile

## Past performance does not guarantee future results.

Relative Performance is calculated against the Fund's Morningstar Category and Percentile Ranking is determined by Morningstar Ranking Methodology. Advisor and I share class; A share class used when Advisor and I class not available. Morningstar Categories: American Income – USD Flexible Bond; European Income - EUR Flexible Bond; Asia Income - Asia Bond; Global High Yield - Global High Yield Bond; Short Duration High Yield - Global High Yield Bond; Emerging Markets Debt - Global Emerging Markets Bond; High Income - High Yield Bond; Global Bond - World Bond; Income Advisor - Intermediate Core-Plus Bond; Intermediate Diversified Muni - Muni National Short; High Income Municipal - High Yield Muni. As of March 31, 2024

Source: AB and Morningstar



# Institutional Composite Relative Performance vs. Benchmarks

Service	1 Year	3 Year	5 Year	10 Year
<b>Equity</b>				
US Small Cap Growth	(0.6)	(1.8)	2.1	2.8
Concentrated Global Growth	(10.5)	(7.3)	(2.6)	1.3
Global Core	(5.2)	(2.1)	(1.5)	0.2
International Strategic Core	(0.0)	0.7	(1.0)	1.6
Sustainable Global Thematic	(6.6)	(4.1)	1.7	2.2
US Small Cap Value	(5.3)	(1.0)	0.3	1.2
Global Strategic Value	(3.5)	(2.3)	(3.1)	(2.9)
International Strategic Value	(3.4)	(0.2)	(1.1)	(1.0)
<b>Fixed Income</b>				
Global Income	2.7	0.4	0.7	1.3
Global Plus	0.5	0.4	0.3	0.4
Emerging Market Debt	2.4	0.1	0.4	0.2
US High Yield	0.8	0.3	1.0	0.4
US Strategic Core Plus	0.9	0.4	0.5	0.7
US Investment Grade Corporate	1.5	0.5	0.9	0.7
Intermediate Muni	0.7	0.6	0.7	0.7

## Past performance does not guarantee future results.

Investment Performance of composites is presented before investment management fees. Periods of more than one year are annualized. US Small Cap Growth - Russell 2000 Growth Index GDR; Concentrated Global Growth - MSCI World Index NDR; Global Core - MSCI ACWI NDR; International Strategic Core - MSCI EAFE Index NDR; Sustainable Global Thematic - MSCI ACWI NDR; US Small Cap Value - Russell 2000 Value Index GDR; Global Strategic Value - MSCI ACWI NDR; International Strategic Value - MSCI EAFE Index NDR; Global Income - Bloomberg Barclays US Aggregate Index; Global Plus - Bloomberg Barclay Global Aggregate Index Hedged; EM Debt - JPM EMBI Global; Global High Income - Bloomberg Barclays Global HY Index Hedged; US HY - Bloomberg Barclays US Corporate HY Index; US Strategic Core Plus - Bloomberg Barclays US Aggregate Index; US Investment Grade Corporate - Bloomberg Barclays US Credit Index; Intermediate Muni - Lipper Short/Int Blended Muni Fund Avg. Global Plus are hedged to USD. Performance is preliminary and as of March 31, 2024.

# Assets Under Management: 1Q24

(US \$ Billions)					
At March 31, 2024					At December 31, 2023
	Institutions	Private Wealth	Retail	Total	Total
<b>Equity</b>					
Actively Managed	\$61	\$53	\$150	\$264	\$247
Passive <sup>(1)</sup>	23	5	37	65	62
<b>Total Equity</b>	<b>84</b>	<b>58</b>	<b>187</b>	<b>329</b>	<b>309</b>
<b>Fixed Income</b>					
Taxable	126	18	68	212	209
Tax-Exempt	1	28	35	64	61
Passive <sup>(1)</sup>	—		11	11	11
<b>Total Fixed Income</b>	<b>127</b>	<b>46</b>	<b>114</b>	<b>287</b>	<b>281</b>
Alternatives/MAS <sup>(2)</sup>	112	24	7	143	135
<b>Total</b>	<b>\$323</b>	<b>\$128</b>	<b>\$308</b>	<b>\$759</b>	<b>\$ 725</b>
<b>At December 31, 2023</b>					
<b>Total</b>	<b>\$317</b>	<b>\$121</b>	<b>\$287</b>	<b>\$725</b>	

(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 3/31/24: AUM Roll-Forward by Distribution Channel

In US \$ Billions Investment Service:	Beginning of Period	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Investment Performance	Net Change	End of Period
Institutions								
US	\$150.5	\$2.7	\$(0.5)	\$(3.7)	\$(1.5)	\$3.6	\$2.1	\$152.6
Global and Non-US	166.6	0.6	(2.9)	(0.4)	(2.7)	6.0	3.3	169.9
<b>Total Institutions</b>	<b>317.1</b>	<b>3.3</b>	<b>(3.4)</b>	<b>(4.1)</b>	<b>(4.2)</b>	<b>9.6</b>	<b>5.4</b>	<b>322.5</b>
Retail								
US	197.1	14.7	(10.7)	(2.1)	1.9	15.2	17.1	214.2
Global and Non-US	89.7	9.1	(6.2)	(0.6)	2.3	1.8	4.1	93.8
<b>Total Retail</b>	<b>286.8</b>	<b>23.8</b>	<b>(16.9)</b>	<b>(2.7)</b>	<b>4.2</b>	<b>17.0</b>	<b>21.2</b>	<b>308.0</b>
Private Wealth								
US	80.8	3.8	(3.6)	0.5	0.7	3.9	4.6	85.4
Global and Non-US	40.5	1.7	(1.3)	(0.6)	(0.2)	2.5	2.3	42.8
<b>Total Private Wealth</b>	<b>121.3</b>	<b>5.5</b>	<b>(4.9)</b>	<b>(0.1)</b>	<b>0.5</b>	<b>6.4</b>	<b>6.9</b>	<b>128.2</b>
Firmwide								
US	428.4	21.2	(14.8)	(5.3)	1.1	22.7	23.8	452.2
Global and Non-US	296.8	11.4	(10.4)	(1.6)	(0.6)	10.3	9.7	306.5
<b>Total Firmwide</b>	<b>\$725.2</b>	<b>\$32.6</b>	<b>\$(25.2)</b>	<b>\$(6.9)</b>	<b>\$0.5</b>	<b>\$33.0</b>	<b>\$33.5</b>	<b>\$758.7</b>

# Three Months Ended 3/31/24: 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	\$161.3	\$9.0	\$(8.6)	\$(1.9)	\$(1.5)	\$17.3	\$15.8	\$177.1
Global and Non-US	86.2	2.7	(5.7)	(1.7)	(4.7)	5.5	0.8	87.0
<b>Total Equity Active</b>	<b>247.5</b>	<b>11.7</b>	<b>(14.3)</b>	<b>(3.6)</b>	<b>(6.2)</b>	<b>22.8</b>	<b>16.6</b>	<b>264.1</b>
Equity Passive <sup>(1)</sup>								
US	55.0	0.6	—	(3.8)	(3.2)	5.5	2.3	57.3
Global and Non-US	7.1	0.1	(0.1)	(0.1)	(0.1)	0.4	0.3	7.4
<b>Total Equity Passive<sup>(1)</sup></b>	<b>62.1</b>	<b>0.7</b>	<b>(0.1)</b>	<b>(3.9)</b>	<b>(3.3)</b>	<b>5.9</b>	<b>2.6</b>	<b>64.7</b>
<b>Total Equity</b>	<b>309.6</b>	<b>12.4</b>	<b>(14.4)</b>	<b>(7.5)</b>	<b>(9.5)</b>	<b>28.7</b>	<b>19.2</b>	<b>328.8</b>
Fixed Income – Taxable								
US	118.6	4.6	(3.2)	(0.1)	1.3	(0.6)	0.7	119.3
Global and Non-US	90.0	7.5	(3.8)	(0.4)	3.3	(0.5)	2.8	92.8
<b>Total Fixed Income – Taxable</b>	<b>208.6</b>	<b>12.1</b>	<b>(7.0)</b>	<b>(0.5)</b>	<b>4.6</b>	<b>(1.1)</b>	<b>3.5</b>	<b>212.1</b>
Fixed Income - Tax-Exempt								
US	61.1	5.3	(2.5)	0.1	2.9	—	2.9	64.0
Global and Non-US	—	—	—	—	—	—	—	—
<b>Total Fixed Income - Tax-Exempt</b>	<b>61.1</b>	<b>5.3</b>	<b>(2.5)</b>	<b>0.1</b>	<b>2.9</b>	<b>—</b>	<b>2.9</b>	<b>64.0</b>
Fixed Income Passive <sup>(1)</sup>								
US	9.0	—	—	—	—	(0.1)	(0.1)	8.9
Global and Non-US	2.4	—	(0.1)	—	(0.1)	—	(0.1)	2.3
<b>Total Fixed Income Passive<sup>(1)</sup></b>	<b>11.4</b>	<b>—</b>	<b>(0.1)</b>	<b>—</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.2)</b>	<b>11.2</b>
<b>Total Fixed Income</b>	<b>281.1</b>	<b>17.4</b>	<b>(9.6)</b>	<b>(0.4)</b>	<b>7.4</b>	<b>(1.2)</b>	<b>6.2</b>	<b>287.3</b>
Alternatives/MAS <sup>(2)</sup>								
US	23.4	1.7	(0.5)	0.4	1.6	0.6	2.2	25.6
Global and Non-US	111.1	1.1	(0.7)	0.6	1.0	4.9	5.9	117.0
<b>Total Alternatives/MAS<sup>(2)</sup></b>	<b>134.5</b>	<b>2.8</b>	<b>(1.2)</b>	<b>1.0</b>	<b>2.6</b>	<b>5.5</b>	<b>8.1</b>	<b>142.6</b>
Firmwide								
US	428.4	21.2	(14.8)	(5.3)	1.1	22.7	23.8	452.2
Global and Non-US	296.8	11.4	(10.4)	(1.6)	(0.6)	10.3	9.7	306.5
<b>Total Firmwide</b>	<b>\$725.2</b>	<b>\$32.6</b>	<b>\$(25.2)</b>	<b>\$(6.9)</b>	<b>\$0.5</b>	<b>\$33.0</b>	<b>\$33.5</b>	<b>\$758.7</b>

(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 3/31/24: Active vs. Passive Net Flows

	Actively Managed	Passively Managed <sup>(1)</sup>	Total
Equity	\$(6.2)	\$(3.3)	\$(9.5)
Fixed Income	7.5	(0.1)	7.4
Alternatives/MAS <sup>(2)</sup>	2.4	0.2	2.6
<b>Total</b>	<b>\$3.7</b>	<b>\$(3.2)</b>	<b>\$0.5</b>

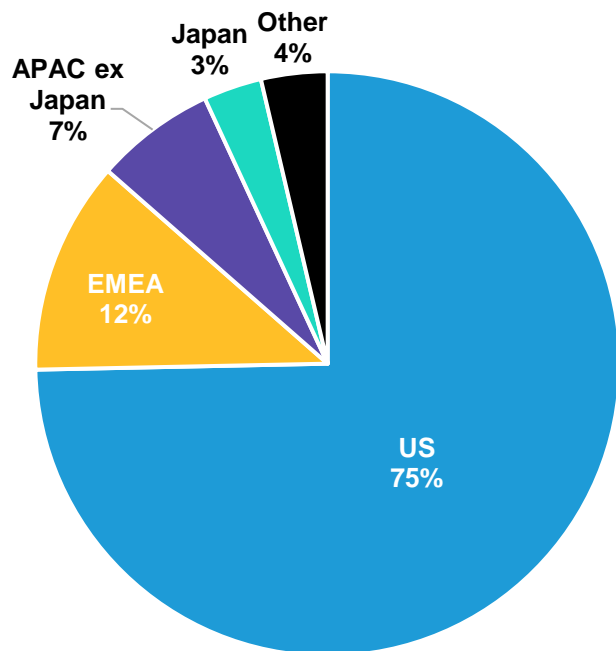
(1) Includes index and enhanced index services.

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



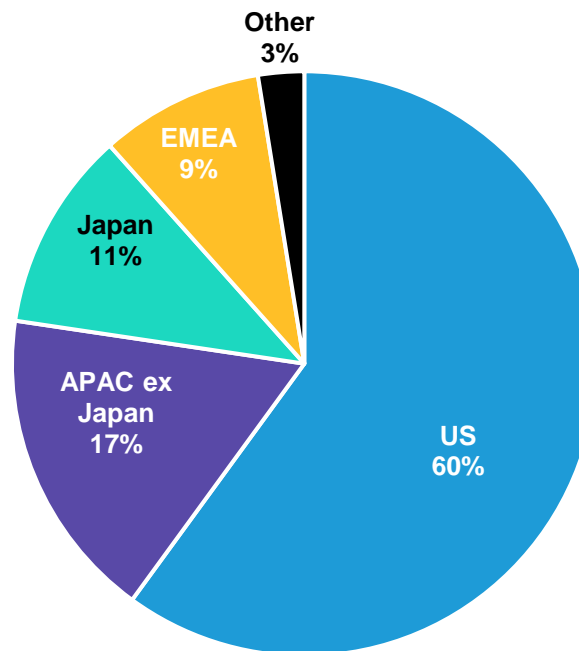
# Assets Under Management By Region

## Institutional Geographic Breakdown



**\$322.5B**

## Retail Geographic Breakdown



**\$308.0B**

As of March 31, 2024  
By Client Domicile  
Percentages may not add up to 100% due to rounding



# First Quarter 2024 Adjusted Advisory Fees

	1Q24	1Q23	% Δ	4Q23	% Δ
<b>Ending AUM (\$ Billions)</b>	<b>\$759</b>	<b>\$676</b>	<b>12 %</b>	<b>\$725</b>	<b>5 %</b>
<b>Average AUM (\$ Billions)</b>	<b>\$739</b>	<b>\$667</b>	<b>11 %</b>	<b>\$685</b>	<b>8 %</b>
<b>By Fee Type (\$ Millions):</b>					
Adjusted Base Fees <sup>(1)</sup>	\$723	\$667	8 %	\$682	6 %
Adjusted Performance Fees	27	33	(20)%	51	(48)%
<b>Total</b>	<b>\$750</b>	<b>\$700</b>	<b>7 %</b>	<b>\$733</b>	<b>2 %</b>
<b>Adjusted Base Fees By Channel (\$ Millions): <sup>(1)</sup></b>					
Institutions	\$144	\$148	(3)%	\$144	— %
Retail	329	292	13 %	303	9 %
Private Wealth	250	227	10 %	235	6 %
<b>Total</b>	<b>\$723</b>	<b>\$667</b>	<b>8 %</b>	<b>\$682</b>	<b>6 %</b>

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

# First Quarter 2024 GAAP Income Statement

In US \$ Millions (except EPU)	1Q24	1Q23	% Δ	4Q23	% Δ
Net Revenues	\$1,104	\$1,024	8 %	\$1,090	1 %
Operating Expenses	862	809	7 %	852	1 %
Operating Income	242	215	12 %	238	2 %
Net Income Attributable to AB Unitholders	218	194	12 %	227	(4)%
<b>AB Holding GAAP Diluted Net Income per Unit</b>	<b>\$0.67</b>	<b>\$0.59</b>	<b>14 %</b>	<b>\$0.71</b>	<b>(6)%</b>
<b>AB Holding Distribution Per Unit</b>	<b>\$0.73</b>	<b>\$0.66</b>	<b>11 %</b>	<b>\$0.77</b>	<b>(5)%</b>

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



# Consolidated Balance Sheet

In US \$ Millions		
Assets	3/31/2024	12/31/2023
Cash and cash equivalents	\$894	\$1,000
Cash and securities, segregated	866	868
Receivables, net	1,878	1,837
Investments:		
Long-term incentive compensation-related	37	40
Other	184	204
Assets of consolidated variable interest entities	317	430
Goodwill	3,599	3,599
Intangible assets, net	253	264
Deferred sales commissions, net	107	87
Right-of-use Assets	505	324
Other (incl. furniture & equipment, net)	411	392
Assets held for sale	745	565
<b>Total Assets</b>	<b>\$9,796</b>	<b>\$9,610</b>
<b>Liabilities, Redeemable Non-Controlling Interest and Capital</b>		
Liabilities:		
Payables	\$2,387	\$2,461
Contingent consideration liability	254	253
Accounts payable and accrued expenses	489	172
Lease Liabilities	570	369
Liabilities of consolidated variable interest entities	14	13
Accrued compensation and benefits	401	372
Debt	900	1,154
Liabilities held for sale	239	153
<b>Total Liabilities</b>	<b>5,254</b>	<b>4,947</b>
Redeemable non-controlling interest	125	209
Partners' capital attributable to AllianceBernstein Unitholders	4,413	4,449
Non-controlling interests in consolidated entities	4	5
<b>Total Capital</b>	<b>4,417</b>	<b>4,454</b>
<b>Total Liabilities and Capital</b>	<b>\$9,796</b>	<b>\$9,610</b>

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



# Consolidated Statement of Cash Flows

In US \$ Millions	Three Months Ended	
	3/31/2024	3/31/2023
Net Income	\$226	\$204
Non-cash items: Amortization of deferred sales commissions	12	8
Non-cash long-term incentive compensation expense	9	7
Depreciation and other amortization	23	23
Unrealized (gains) on investments	(4)	(5)
Unrealized (gains) on investments of consolidated company-sponsored investment funds	(7)	(16)
Noncash lease expense	29	26
Other, net	7	(1)
Changes in assets and liabilities	59	(293)
<b>Net cash provided by (used in) operating activities</b>	<b>354</b>	<b>(47)</b>
Purchases of furniture, equipment, and leasehold improvements, net	(31)	(10)
Purchases of businesses, net of cash acquired	304	—
<b>Net cash provided by (used in) investing activities</b>	<b>273</b>	<b>(10)</b>
(Repayments of) proceeds from debt, net	(254)	45
Increase in overdrafts payable	46	—
Distributions to General Partner and Unitholders	(246)	(222)
(Redemptions) of non-controlling interests of consolidated company-sponsored investment funds, net	(93)	(2)
Purchases of AB Holding Units to fund long-term incentive compensation plan awards, net	(6)	(18)
Other, net	(3)	(2)
<b>Net cash used in financing activities</b>	<b>(557)</b>	<b>(201)</b>
Effect of exchange rate changes on cash and cash equivalents	(10)	10
Net (decrease) in cash and cash equivalents	60	(248)
Cash and cash equivalents at the beginning of period	1,161	1,309
<b>Cash and cash equivalents at the end of period</b>	<b>\$1,221</b>	<b>\$1,061</b>

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

# First Quarter 2024 AB Holding Financial Results

In US \$ Millions (excluding per Unit amounts)	1Q24	1Q23	% Δ	4Q23	% Δ
<b>AB</b>					
Net Income Attributable to AllianceBernstein	\$218	\$194	12 %	\$227	(4)%
Weighted Average Equity Ownership Interest	39.6 %	39.3 %		38.9 %	
<b>AB Holding</b>					
Equity in Net Income Attributable to AB	\$86	\$76	13 %	\$89	(3)%
Income Taxes	9	9	1 %	9	(3)%
<b>Net Income</b>	<b>\$77</b>	<b>\$67</b>	<b>15 %</b>	<b>\$80</b>	<b>(3)%</b>
<b>Diluted Net Income Per Unit, GAAP basis</b>	<b>\$0.67</b>	<b>\$0.59</b>	<b>14 %</b>	<b>\$0.71</b>	<b>(6)%</b>
<b>Distributions Per Unit</b>	<b>\$0.73</b>	<b>\$0.66</b>	<b>11 %</b>	<b>\$0.77</b>	<b>(5)%</b>
<b>Adjusted Diluted Net Income Per Unit</b>	<b>\$0.73</b>	<b>\$0.66</b>	<b>11 %</b>	<b>\$0.77</b>	<b>(5)%</b>

Please refer to pages 39-42 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Dollars rounded in millions, however percentages calculated using amounts rounded in thousands. As such, amounts may not foot.

# First Quarter 2024 GAAP to Non-GAAP Reconciliation

	GAAP	Adjustments							Non-GAAP	
		Distribution Related Payments	Pass Through Adj.	Deferred Comp. Inv.	NCI/ Consol VIE	Real Est. Credits (Charges)	Acq Related Expenses	Interest Expense		
		(A)	(B)	(C)	(D)	(E)	(F)	(G)		
Investment advisory and services fees	\$ 784,405	(19,090)	(15,513)	116	9					\$ 749,927
Bernstein research services	96,222									96,222
Distribution revenues	165,690	(165,690)								—
Dividend and interest income	44,515			(54)	(2,350)					42,111
Investment gains (losses)	11,743			(2,609)	(6,272)					2,862
Other revenues	25,293		(8,761)		239					16,771
<b>Total revenues</b>	<b>1,127,868</b>	<b>(184,780)</b>	<b>(24,274)</b>	<b>(2,547)</b>	<b>(8,374)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>907,893</b>
Less: broker-dealer related interest expense	23,717									23,717
<b>Net revenues</b>	<b>1,104,151</b>	<b>(184,780)</b>	<b>(24,274)</b>	<b>(2,547)</b>	<b>(8,374)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>884,176</b>
Employee compensation and benefits	452,772		(6,736)	(3,711)			(404)			441,921
Promotion and servicing	239,772	(184,780)	(8,624)							46,368
General and administrative	137,910		(8,914)		(464)	206	(380)			128,358
Contingent payment arrangements	2,558						(2,558)			—
Interest on borrowings	17,370							(17,370)		—
Amortization of intangible assets	11,772						(11,639)			133
Net (loss) income of consolidated entities attributable to non-controlling interests	—				(30)					(30)
<b>Total expenses</b>	<b>862,154</b>	<b>(184,780)</b>	<b>(24,274)</b>	<b>(3,711)</b>	<b>(494)</b>	<b>206</b>	<b>(14,981)</b>	<b>(17,370)</b>	<b>—</b>	<b>616,750</b>
<b>Operating income</b>	<b>241,997</b>	<b>—</b>	<b>—</b>	<b>1,164</b>	<b>(7,880)</b>	<b>(206)</b>	<b>14,981</b>	<b>17,370</b>	<b>—</b>	<b>267,426</b>
Interest on borrowings	—							17,370		17,370
Income taxes	16,042	—	—	77	(541)	(14)	965	—		16,529
<b>Net income</b>	<b>225,955</b>	<b>—</b>	<b>—</b>	<b>1,087</b>	<b>(7,339)</b>	<b>(192)</b>	<b>14,016</b>	<b>—</b>	<b>—</b>	<b>233,527</b>
Net income (loss) of consolidated entities attributable to non-controlling interests	8,028			(148)	(7,880)					—
<b>Net income attributable to AB Unitholders</b>	<b>\$ 217,927</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1,235</b>	<b>\$ 541</b>	<b>\$ (192)</b>	<b>\$ 14,016</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 233,527</b>

Please refer to page 42 for notes describing the adjustments.



# First Quarter 2023 GAAP to Non-GAAP Reconciliation

	Adjustments								
	GAAP	Distribution	Pass	Deferred	NCI/	RE	Acq	Interest	Non-GAAP
		Related	Through	Comp.	Consol	Credits	Related	Expense	
(A)	(B)	(C)	(D)	(E)	(F)	(G)			
Investment advisory and services fees	\$ 728,907	(15,456)	(9,763)	(3,586)	(208)				\$ 699,894
Bernstein research services	100,038								100,038
Distribution revenues	141,078	(141,078)							—
Dividend and interest income	50,679			(52)	(4,410)				46,217
Investment (losses) gains	5,264			(1,805)	(5,624)				(2,165)
Other revenues	26,146		(9,343)		(167)				16,636
<b>Total revenues</b>	<b>1,052,112</b>	<b>(156,534)</b>	<b>(19,106)</b>	<b>(5,443)</b>	<b>(10,409)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>860,620</b>
Less: broker-dealer related interest expense	28,021								28,021
<b>Net revenues</b>	<b>1,024,091</b>	<b>(156,534)</b>	<b>(19,106)</b>	<b>(5,443)</b>	<b>(10,409)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>832,599</b>
Employee compensation and benefits	434,163		(5,871)	(7,360)			(679)		420,253
Promotion and servicing	207,165	(156,534)	(9,201)						41,430
General and administrative	139,653		(4,034)		(473)	206	(2,963)		132,389
Contingent payment arrangements	2,444						(2,444)		—
Interest on borrowings	13,713							(13,713)	—
Amortization of intangible assets	11,693						(11,639)		54
Net income (loss) of consolidated entities attributable to non-controlling interests	—				(51)				(51)
<b>Total expenses</b>	<b>808,831</b>	<b>(156,534)</b>	<b>(19,106)</b>	<b>(7,360)</b>	<b>(524)</b>	<b>206</b>	<b>(17,725)</b>	<b>(13,713)</b>	<b>594,075</b>
<b>Operating income</b>	<b>215,260</b>	<b>—</b>	<b>—</b>	<b>1,917</b>	<b>(9,885)</b>	<b>(206)</b>	<b>17,725</b>	<b>13,713</b>	<b>238,524</b>
Interest on borrowings	—							13,713	13,713
Income taxes	11,342	—	—	102	(520)	(10)	934		11,848
<b>Net income</b>	<b>203,918</b>	<b>—</b>	<b>—</b>	<b>1,815</b>	<b>(9,365)</b>	<b>(196)</b>	<b>16,791</b>	<b>—</b>	<b>212,963</b>
Net income (loss) of consolidated entities attributable to non-controlling interests	9,767			118	(9,885)				—
<b>Net income attributable to AB Unitholders</b>	<b>\$ 194,151</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1,697</b>	<b>\$ 520</b>	<b>\$ (196)</b>	<b>\$ 16,791</b>	<b>\$ —</b>	<b>\$ 212,963</b>



Please refer to page 42 for notes describing the adjustments.



# Fourth Quarter 2023 GAAP to Non-GAAP Reconciliation

In US \$ Thousands		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)	Interest Expense (G)	
	GAAP								
Investment advisory and services fees	\$ 775,931	(15,302)	(27,162)	(763)	(204)				\$ 732,500
Bernstein research services	100,382								100,382
Distribution revenues	151,339	(151,339)							—
Dividend and interest income	48,682			(362)	(3,309)				45,011
Investment gains (losses)	14,966			(2,384)	(10,088)				2,494
Other revenues	25,993		(8,811)		(69)				17,113
<b>Total revenues</b>	<b>1,117,293</b>	<b>(166,641)</b>	<b>(35,973)</b>	<b>(3,509)</b>	<b>(13,670)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>897,500</b>
Less: interest expense	26,573								26,573
<b>Net revenues</b>	<b>1,090,720</b>	<b>(166,641)</b>	<b>(35,973)</b>	<b>(3,509)</b>	<b>(13,670)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>870,927</b>
Employee compensation and benefits	453,291		(21,702)	(4,677)			(1,270)		425,642
Promotion and servicing	225,226	(166,641)	(8,674)						49,911
General and administrative	146,595		(5,597)		(405)	206	633		141,432
Contingent payment arrangements	2,603						(2,603)		—
Interest on borrowings	12,799							(12,799)	—
Amortization of intangible assets	11,706						(11,639)		67
Net income (loss) of consolidated entities attributable to non-controlling interests	—				(19)				(19)
<b>Total expenses</b>	<b>852,220</b>	<b>(166,641)</b>	<b>(35,973)</b>	<b>(4,677)</b>	<b>(424)</b>	<b>206</b>	<b>(14,879)</b>	<b>(12,799)</b>	<b>617,033</b>
<b>Operating income</b>	<b>238,500</b>	<b>—</b>	<b>—</b>	<b>1,168</b>	<b>(13,246)</b>	<b>(206)</b>	<b>14,879</b>	<b>12,799</b>	<b>253,894</b>
Interest on borrowings								12,799	12,799
Income taxes	(2,202)	—	—	40	122	2	(180)	—	(2,218)
<b>Net income</b>	<b>240,702</b>	<b>—</b>	<b>—</b>	<b>1,128</b>	<b>(13,368)</b>	<b>(208)</b>	<b>15,059</b>	<b>—</b>	<b>243,313</b>
Net income (loss) of consolidated entities attributable to non-controlling interests	13,384			(138)	(13,246)			—	—
<b>Net income attributable to AB Unitholders</b>	<b>\$ 227,318</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1,266</b>	<b>\$ (122)</b>	<b>\$ (208)</b>	<b>\$ 15,059</b>	<b>\$ —</b>	<b>\$ 243,313</b>

Please refer to page 42 for notes describing the adjustments.

# AB Adjusted Financial Results Reconciliation

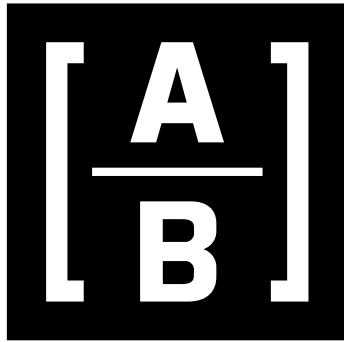
## Notes to Consolidated Statements of Income and Supplemental Information (Unaudited)

- A. We exclude all of the company's distribution revenues, which are recorded as a separate line item on the consolidated statement of income, as well as a portion of investment advisory services fees received that is used to pay distribution and servicing costs. Such presentation appropriately reflects the nature of these costs as pass-through payments to third parties that perform functions on behalf of our sponsored mutual funds and/or shareholders of these funds. Also, we adjust distribution revenues for the amortization of deferred sales commissions as these costs, over time, will offset such revenues.
- B. We exclude additional pass-through expenses we incur (primarily through our transfer agency) that are reimbursed and recorded as fees in revenues. Also, we adjust for certain investment advisory and service fees passed through to our investment advisors. These fees have no impact on operating income, but they do have an impact on our operating margin. As such, we exclude these fees from adjusted net revenues.
- C. We exclude the impact on net revenues and compensation expense of the mark-to-market gains and losses (as well as the dividends and interest) associated with employee long-term incentive compensation-related investments. In addition, we exclude any EQH-related equity compensation expense as the awards are non-cash and are based on EQH's and not AB's financial performance. Also, we adjust for certain acquisition related pass through performance-based fees and performance related compensation.
- D. We adjust for the impact of consolidating certain company-sponsored investment funds by eliminating the consolidated company-sponsored investment funds revenues and expenses and including AB's revenues and expenses that were eliminated in consolidation. In addition, the net income of joint ventures attributable to non-controlling interests is excluded because it does not reflect the economic interest attributable to AB.
- E. Real estate credits are excluded because they are not considered part of our core ongoing operations. However, beginning in the fourth quarter of 2019, real estate charges (credits) while excluded in the period in which the charges (credits) are recorded, are included ratably over the remaining applicable lease term.
- F. Acquisition-related expenses have been excluded because they are not considered part of our core operating results when comparing financial results from period to period and to industry peers. Acquisition-related expenses include professional fees and the recording of changes in estimates to contingent payment arrangements associated with our acquisitions. Beginning in the first quarter of 2022, acquisition-related expenses also include certain compensation-related expenses, amortization of intangible assets for contracts acquired and accretion expense with respect to contingent payment arrangements.
- G. Interest on borrowings has been excluded from operating income in order to align with our industry peers.

### Adjusted Operating Margin

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

**For illustrative purposes only;** The information should not be construed as sales or marketing material or an offer or solicitation for the purchase or sale of any financial instrument, product or service sponsored by AllianceBernstein or its affiliates.



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