



ALLIANCEBERNSTEIN®

April 25, 2019

FIRST QUARTER 2019 REVIEW

Seth P. Bernstein President & Chief Executive Officer

John C. Weisenseel Chief Financial Officer

Cautions Regarding Forward-Looking Statements

Certain statements provided by management in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of these factors include, but are not limited to, the following: the performance of financial markets, the investment performance of sponsored investment products and separately-managed accounts, general economic conditions, industry trends, future acquisitions, competitive conditions, and current and proposed government regulations, including changes in tax regulations and rates and the manner in which the earnings of publicly-traded partnerships are taxed. AB cautions readers to carefully consider such factors. Further, such forward-looking statements speak only as of the date on which such statements are made; AB undertakes 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, 2018 and Form 10-Q for the quarter ended March 31, 2019. Any or all of the forward-looking statements made in this presentation, Form 10-K, Form 10-Q, other documents AB files with or furnishes to the SEC, and any other public statements issued by AB, 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 AB’s 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.
- + **The possibility that AB will engage in open market purchases of Holding Units to help fund anticipated obligations under our incentive compensation award program:** The number of Holding Units AB may decide to buy in future periods, if any, to help fund incentive compensation awards is dependent upon various factors, some of which are beyond our control, including the fluctuation in the price of a Holding Unit and the availability of cash to make these purchases.
- + **AB’s adjusted operating margin target:** We previously adopted a goal of increasing our adjusted operating margin to a target of 30% by 2020, subject to the assumptions, factors and contingencies described as part of the initial disclosure of this target. Our adjusted operating margin, which was 29.1% during 2018, declined to 24.1% during the first quarter of 2019. Our AUM and, therefore, our investment advisory revenues, including performance-based fee revenues, are heavily dependent upon the level and volatility of the financial markets. Based upon our current outlook for the financial markets, which has changed since we initially forecast when establishing the 2020 Margin Target, presently we do not believe that achieving the 2020 Margin Target is likely. However, we are taking additional actions to better align our expenses with our lower expected AUM and revenue amounts. We remain committed to achieving an adjusted operating margin of 30% in years subsequent to 2020 and will take continued actions in this regard, subject to prevailing market conditions and the evolution of our business mix.

Seth P. Bernstein

President & Chief Executive Officer

Firmwide Overview: First Quarter 2019

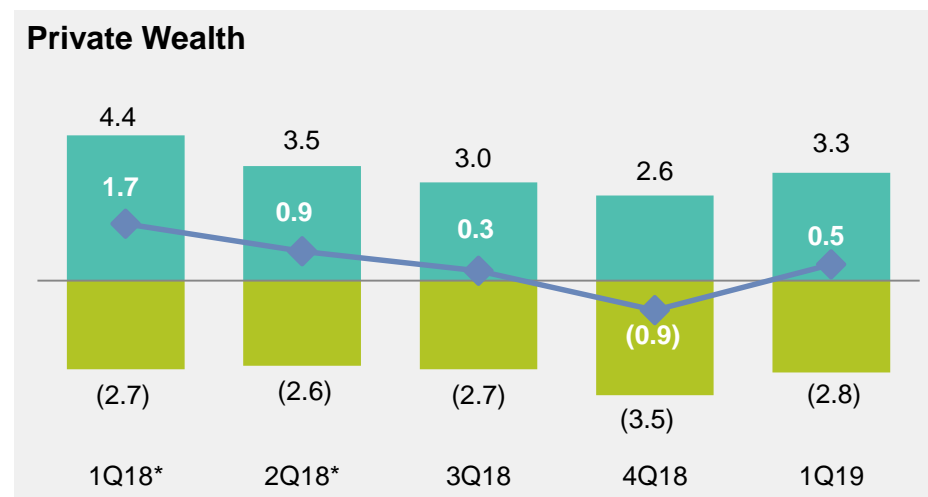
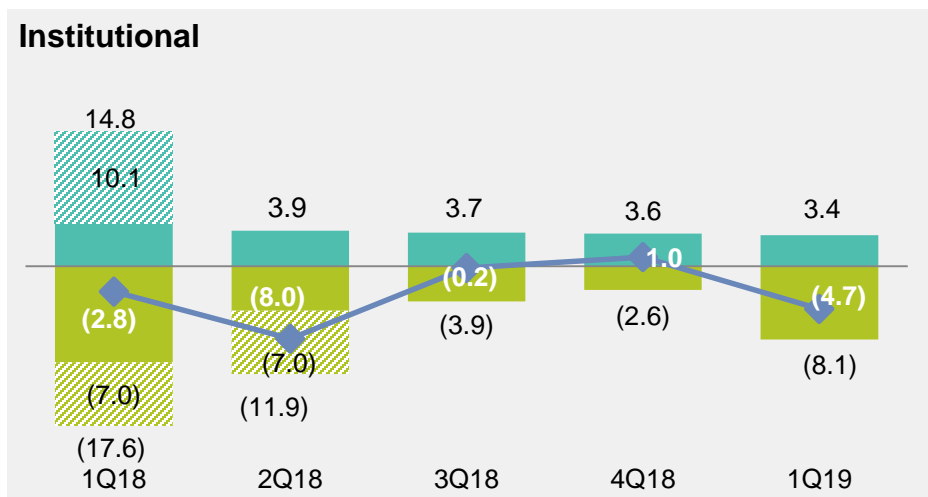
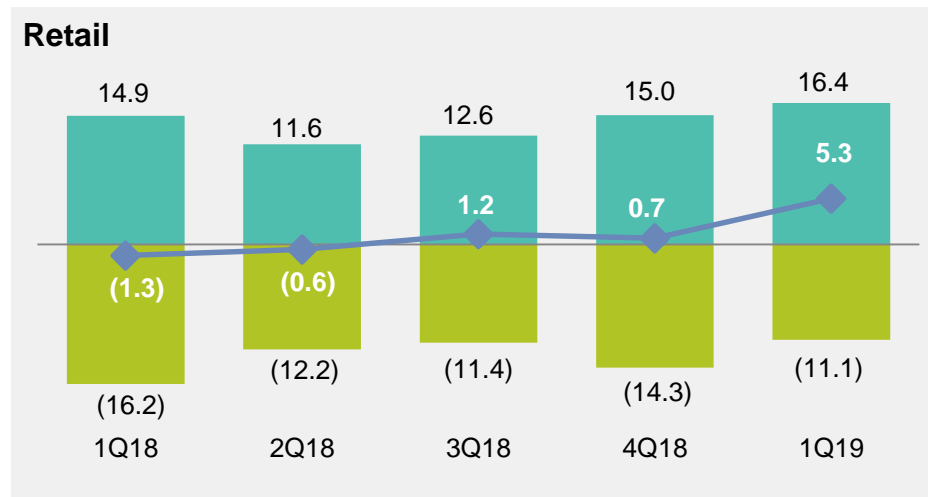


US \$ Billions; scales differ by chart

(1) 1Q19: \$2.2B active net inflows and \$1.1B passive net outflows. 1Q18: \$1.1B active net outflows and \$1.3B passive net outflows. 4Q18: \$1.2B active net outflows and \$2.0B passive net inflows.



Asset Flows by Distribution Channel: Quarterly Trend



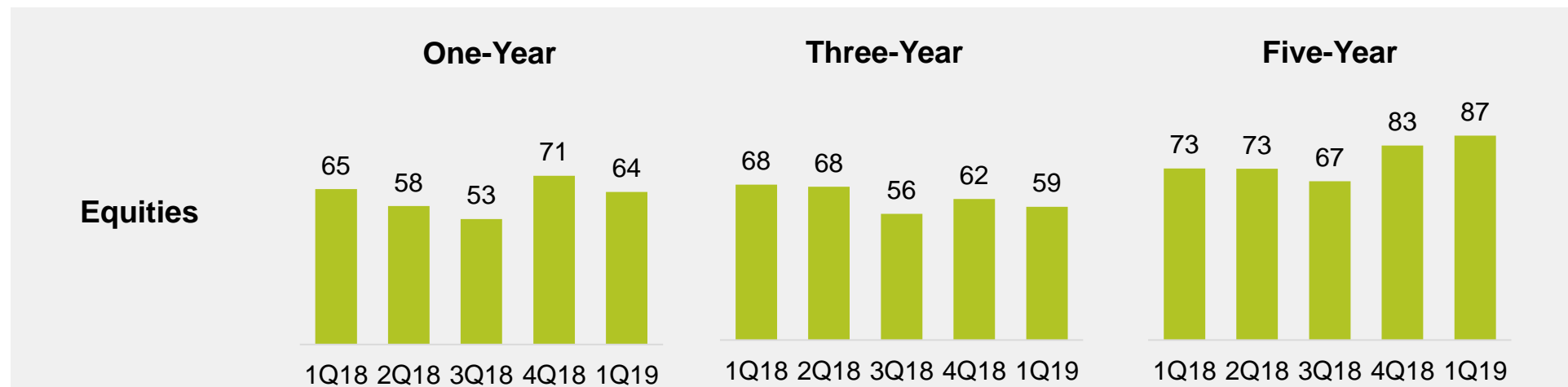
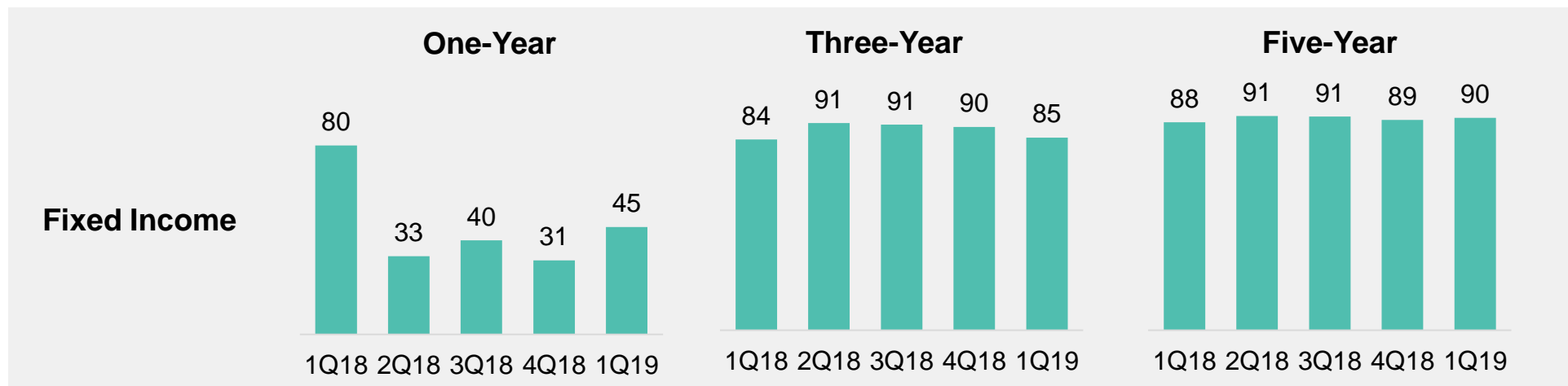
■ Gross Sales ■ CRS Sales ■ Gross Redemptions ■ CRS Redemptions ◆ Net Flows

US \$ Billions; scales differ by chart

*Private Wealth net inflows include Option Advantage overlay strategy inflows of \$1.3B in 1Q18 and \$0.5B in 2Q18.



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. As of March 31, 2019.



Fixed Income Investment Performance

Retail Service	Performance vs. Morningstar Category Average Through 3/31/19					
	1 Year		3 Year		5 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
Offshore						
American Income Portfolio	2.3	8	0.7	29	1.3	18
Emerging Markets Debt Portfolio	1.6	52	1.0	32	1.6	32
Emerging Markets Local Currency Debt	(3.2)	91	0.5	33	0.4	32
European Income Portfolio	1.9	16	1.6	16	1.6	9
Global High Yield Portfolio	(2.2)	86	0.5	44	0.4	45
Mortgage Income Portfolio	0.6	52	2.0	14	1.5	16
Euro High Yield Portfolio	(1.5)	82	0.5	45	0.3	43
US Taxable						
Global Bond Fund	3.5	26	1.0	27	2.4	9
High Income Fund	(3.5)	96	(0.5)	64	0.4	37
AB Income Fund	(0.1)	60	1.6	5	1.6	3
Municipals						
High Income Municipal Portfolio	0.2	36	0.4	31	1.0	18
Intermediate Diversified Muni	1.8	2	0.4	13	N/A	N/A
Municipal Income National Portfolio	0.0	55	0.6	18	0.9	12

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; Emerging Markets Debt – Global Emerging Markets Bond; Emerging Markets Local Currency Debt – Global Emerging Markets Bond – Local Currency; European Income – EUR Flexible Bond; Global High Yield – Global High Yield Bond; Mortgage Income – USD Flexible Bond; Euro High Yield – EUR High Yield Bond; Global Bond – World Bond; High Income – High Yield Bond; AB Income – Intermediate-Term Bond; High Income Municipal – High Yield Muni; Intermediate Diversified Muni – Muni National Short; Municipal Income National – Muni National Intern. As of 3/31/19. Source: AB and Morningstar.



Equities Investment Performance

Retail Service	Performance vs. Morningstar Category Average Through 3/31/19					
	1 Year		3 Year		5 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
Offshore						
Select US	(0.7)	68	1.1	42	1.4	33
Sustainable US Thematic	(0.3)	60	1.6	37	1.3	38
Concentrated Global	3.5	24	4.8	11	4.7	6
Global Low Vol ⁽¹⁾	8.1	5	1.8	28	4.8	2
Global Core	6.8	11	4.9	3	3.5	7
Sustainable Global Thematic	1.1	39	2.7	21	2.4	19
European Equity	1.0	44	3.3	5	4.2	1
Emerging Markets Growth	(6.8)	96	(0.4)	59	1.3	23
Emerging Markets Low Vol ⁽¹⁾	(3.5)	87	(2.5)	84	1.9	13
US						
Large Cap Growth	5.3	10	2.3	23	4.2	4
Discovery Growth	2.2	36	5.4	9	1.6	28
Discovery Value	0.0	46	0.5	38	2.1	17
Concentrated Growth (US)	7.6	5	1.6	30	1.6	28
Concentrated International Growth	(2.5)	76	1.6	25	N/A	N/A
Relative Value	1.1	38	1.4	19	1.4	22
International Value	(10.0)	100	(3.8)	95	(0.7)	74

Past performance does not guarantee future results.

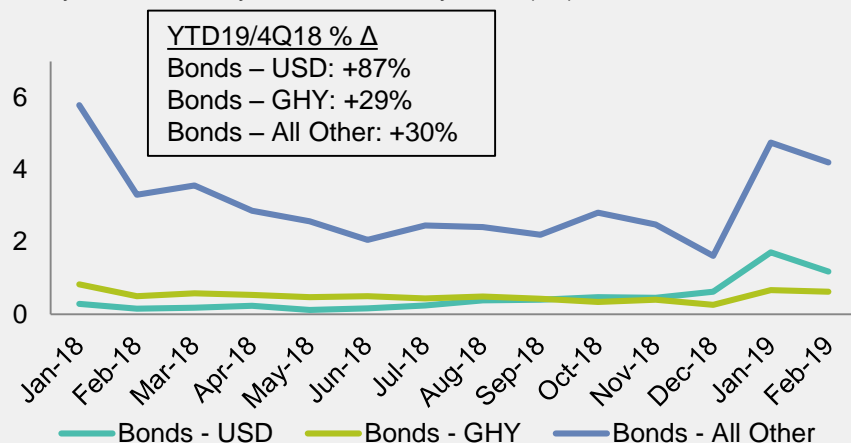
Relative Performance is calculated against the Fund's Morningstar Category and Percentile Ranking is determined by Morningstar Ranking Methodology. Advisor and I share class; A share class used when Advisor and I class not available. Select US – US Large-Cap Blend; Sustainable US Thematic – US Large-Cap Blend – representative of US Thematic and Strategic Research SMAs; Concentrated Global – Large Cap Growth; Global Low Vol – Global Large-Cap Blend; Global Core – Europe Large-Cap Value; Sustainable Global Thematic – Global Large-Cap Growth; European Equity – Europe Large-Cap Value; Emerging Markets Growth – Global Emerging Markets; Emerging Markets Low Vol – Global Emerging Markets Equity; Large Cap Growth – Large Growth; Discovery Growth – Mid-Cap Growth; Discovery Value – Mid-Cap Value; Concentrated Growth (US) – Large Growth; Concentrated International Growth – Foreign Large Growth; Relative Value – Large Value; International Value – Foreign Large Value. As of 3/31/19. Source: AB and Morningstar. (1) A low vol universe comparison is not currently listed in Morningstar.



Retail Highlights

Asia ex Japan Industrywide Retail Bond Fund Sales⁽¹⁾

Monthly Sales January 2018 – February 2019 (\$B)



Diverse Array of AB Funds with \$100M+ Net Flows

Equity	Fixed Income
Large Cap Growth ⁽²⁾	American Income Portfolio
Global REIT	Fixed Maturity Bond 2023
Strategic Research SMA	High Income Muni
Eurozone Equity	Global High Yield
Global Core Equity	Tax Aware Muni SMA
Small Cap Growth	High Income
	AB Income

First Quarter 2019 Highlights

Sales and Flows

- + Gross sales of \$16.4B up 10% Y/Y and 9% Q/Q; best quarter in 6+ years
- + Strong regional sales results:
 - + Q/Q sales up in Asia ex Japan, US Retail⁽³⁾, EMEA and LatAm
 - + US Retail: sales up 8% Y/Y and 33% Q/Q; best quarter since 2Q07
 - + Asia ex Japan: sales up 18% Y/Y and more than double 4Q18
- + Redemptions of \$11.1B improved 31% Y/Y and 22% Q/Q
- + Net inflows of \$5.3B best in 19 years; positive flows in 7 of last 9 quarters
 - + Active equity net inflows of \$0.5B for 8th straight positive flow quarter
 - + US Retail net flow positive in 8 of last 9 quarters

Asia ex Japan Fixed Income Update

- + Industry-wide retail bond fund sales⁽¹⁾ rebounded in January and February
 - + USD Bonds +87% YTD vs. 4Q18; GHY +29% and All Other +30%
- + AB Asia ex Japan sales and flows improved in 1Q19
 - + Combined GHY and AIP gross sales more than double vs. 1Q18
 - + GHY and AIP each net flow positive in 1Q19 – first time since 3Q17

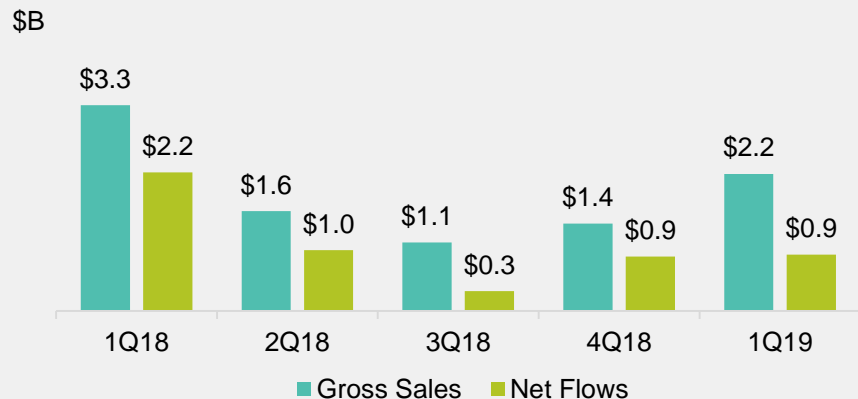
Milestones

- + Five AB Lux funds top 5 ranked in respective category by net flows: Global High Yield, American Income, EM Low Volatility, EMMA, European Income
- + 14 services launched since 2009 have \$1B+ in AUM
 - + Six equity, five fixed income and 3 multi-asset/alts
- + Added \$100M in FlexFee assets in 1Q19 to bring total to ~\$240M ex seed

(1) Source: SalesWatch. As of February 28, 2019. (2) US 40 Act Fund (3) US Retail excludes Sub-Advisory.

Institutional Highlights

Active Equity Sales and Flow Momentum Continues



First Quarter 2019 Highlights

Sales and Flows

- + Gross sales of \$3.4B down vs. both prior periods
- + Net outflows of \$4.7B driven by taxable fixed income redemptions
- + Quarter-end pipeline of \$11.4B up 18% vs. 4Q18
 - + Actively managed pipeline of \$9.7B, excluding CRS, highest since tracking began more than 7 years ago

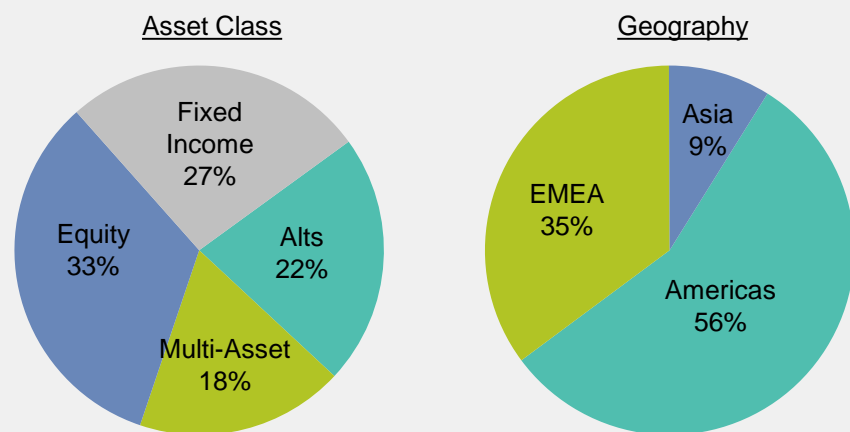
Momentum in active equities continues into 2019

- + \$2.2B active equity gross sales two-thirds of channel total in 1Q19
- + Seventh straight \$1B+ equity sales quarter
- + Fifth straight quarter of active equity organic growth

Diverse Pipeline Mix

- + Notable 1Q pipeline adds across asset classes:
 - + Global Core Equity: \$1.3B
 - + Taxable Muni Bonds: \$1.3B
 - + US SMID Cap Value: \$420M
 - + Emerging Market Debt: \$390M
 - + Arya Partners: \$180M
 - + US Treasury Short Duration: \$170M
 - + Eurozone Equity: \$130M
 - + Concentrated Global Growth: \$110M
- + \$4.2B of pipeline adds in 1Q best in six quarters
 - + 50% of adds in active equity services
- + Sixth straight quarter with pipeline annualized fee base (AFB) >\$30M
 - + Pipeline AFB highest since tracking began more than 7 years ago

\$11.4B Pipeline⁽¹⁾ Diverse by Asset Class and Geography

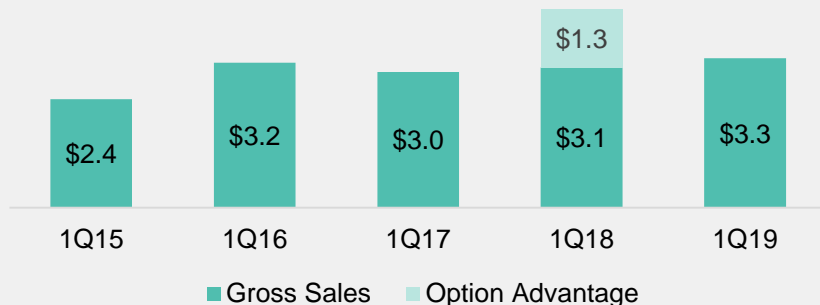


(1) Total assets awarded and pending funding as of quarter-end

Private Wealth Management Highlights

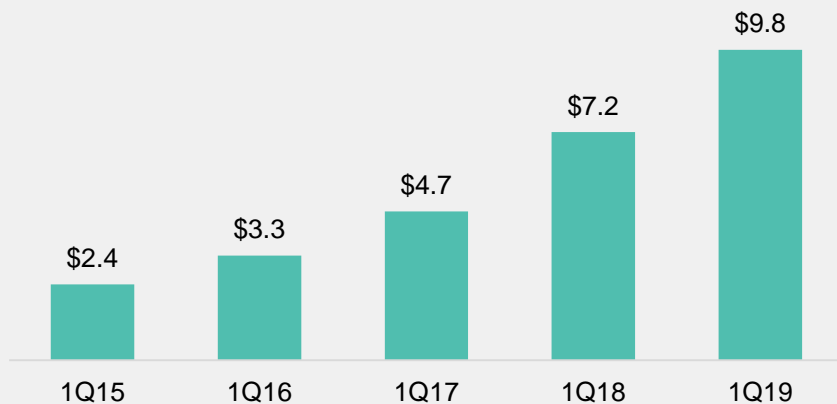
1Q19 Gross Sales Best First Quarter (ex OA) in 10+ Years

\$B



\$9.8B in Alts/Focused Equity Deployed and Committed Assets

\$B



First Quarter 2019 Highlights

Sales and Flow Momentum

- + First quarter gross sales of \$3.3B up 6% vs. 1Q18 ex Option Advantage (OA) and up 27% Q/Q
- + One-third of sales in 1Q19 from new client relationships
- + Net inflows of +\$0.5B vs. net inflows of +\$0.4B ex OA in 1Q18 and outflows of -\$0.9B in 4Q18

Appealing to a broader and more affluent client base

- + Alts/Focused Equity total deployed and committed assets of \$9.8B at quarter-end
- + \$0.7B in commitments added during 1Q19
- + Clients are increasingly attracted to Responsible/Impact portfolio offerings
- + Assets in a diverse array of responsible equity and fixed income services totaled \$1.9B at quarter-end, up 23% YTD

Strong Client Engagement

- + Number of client meetings in 1Q19 up 5% vs 1Q18
- + Positive response to “Women and Wealth” content campaign, podcast and microsite
- + Gaining traction with additional focused “Bernstein Insights” podcast series
 - + *The Pulse* – trends in markets and wealth strategy topics
 - + *Inspired Investing* – topics specific to smaller non-profit institutions

Bernstein Research Highlights

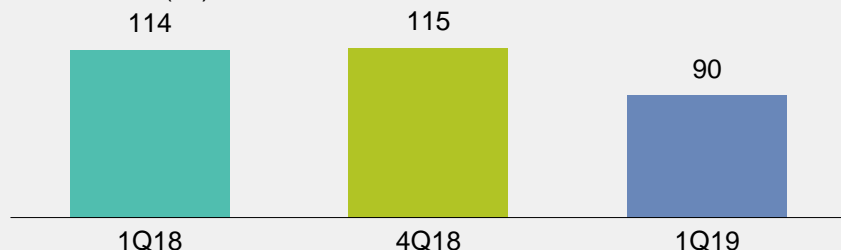
Bernstein Research Quarterly Revenues

\$M

% Change

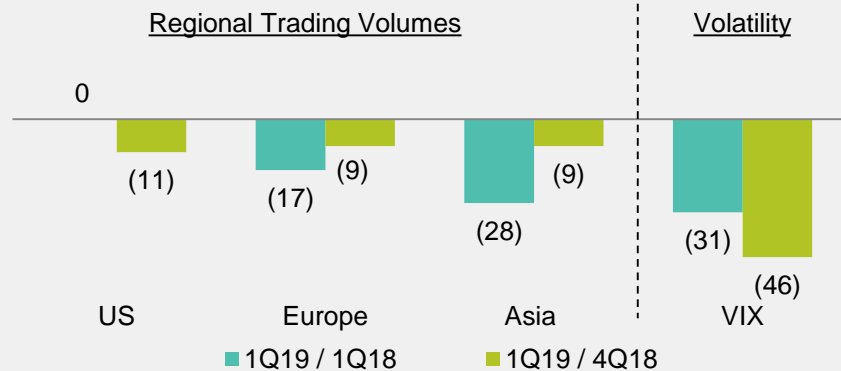
1Q19/1Q18: (21)%

1Q19/4Q18: (22)%



Regional Volumes and Volatility Declined in 1Q19⁽¹⁾

(% Change)



Progress on Bernstein Research Strategy in 1Q19

Investing to remain the industry's research quality leader

- + Autonomous acquisition closed on April 1
 - + Now covering ~230 financials stocks across US and Europe
 - + 26 additional analysts globally
 - + Solidifies our position as the largest independent research firm globally measured by research revenue
- + Reinvesting in additional non-financials sectors including European luxury goods, European retail, European utilities, Global tobacco & nicotine, US internet, US cable & telco and several Asian sectors

Growing our industry-leading agency trading platform

- + Ranked #1 in five European algorithmic trading categories in *The Trade* magazine survey of long-only managers
- + Investing in additional quantitative resources and execution R&D
- + Added access to three new dark pools in Japan
- + Added dedicated financials trader in Europe

Globalizing our research and trading capabilities

- + New launches in Chinese banks, Chinese internet and Indian autos
- + Upcoming launches in China healthcare, China consumer and Asia quant
- + Hired and promoted 3 analysts to cover China A-shares
- + Indian trading projected to go live in 3Q19

(1) US: Market Volumes Tape A and C – Bats; Europe: FESE - Federation of European Stock Exchanges on-exchange volumes. 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. Source: Bloomberg.

Progress on Our Strategy in 1Q19

Firmwide Initiative

Deliver differentiated return streams to clients

Commercialize and scale our suite of services

Continuous and rigorous focus on expense management

Progress

- + Fixed Income: 85% of assets in outperforming services for 3-yr period; 45% for 1-yr and 90% for 5-yr
 - + Top quartile⁽¹⁾ 3-yr: AB Income, Int. Diversified Muni, Mortgage Income, European Income, Muni Income
 - + Active equity: 59% of assets in outperforming services for 3-yr period; 64% for 1-yr and 87% for 5-yr
 - + Top quartile⁽¹⁾ 3-yr: Global Core, European Equity, Discovery Growth, Concentrated Global, Relative Value, Sustainable Global Thematic, Large Cap Growth, Concentrated International Growth
 - + 85% rated Retail assets rated 4/5-stars by Morningstar at quarter-end
-
- + Momentum and growth in revitalized active equities franchise
 - + Institutional: \$2.2B gross sales for 7th straight quarter of \$1B+ sales; 5th straight quarter net flow positive
 - + Retail: net inflows of \$0.5B for 8th straight positive flow quarter
 - + Sales diversification efforts continue to pay off
 - + Retail: US Retail sales up 8% Y/Y and 33% Q/Q for best quarter since 2Q07; Asia ex Japan sales up 18% Y/Y and more than double 4Q18
 - + Institutional: \$11.4B pipeline at quarter-end 33% equity, 27% fixed income, 22% alts and 18% multi-asset
 - + Private Wealth: \$3.3B gross sales up 6% Y/Y excluding Option Advantage and 27% Q/Q
 - + One-third of 1Q19 gross sales from new client relationships
-
- + Adjusted comp ratio of 49.5% in 1Q19
 - + Includes \$6M of Nashville-related compensation expenses
 - + Adjusted EPU of \$0.49
 - + Full year impact of Nashville-related expenses expected to be \$0.07

(1) Source: Morningstar



John C. Weisenseel

Chief Financial Officer

First Quarter 2019 GAAP Income Statement

Income Statement (in US \$ Millions)	1Q19	1Q18	% Δ	4Q18	% Δ
Base Fees	\$ 552	\$ 568	(3%)	\$ 544	1%
Performance Fees	4	6	(33%)	35	(89%)
Bernstein Research Services	90	114	(21%)	115	(22%)
Distribution Revenues	101	108	(6%)	101	-
Dividends & Interest	27	28	(4%)	27	-
Investment Gains (Losses)	16	26	(38%)	(24)	n/m
Other Revenues	22	27	(19%)	22	-
Total Revenues	812	877	(7%)	820	(1%)
Less: Interest Expense	17	9	89%	16	6%
Net Revenues	\$ 795	\$ 868	(8%)	\$ 804	(1%)
Compensation & Benefits					
Compensation & Fringes	\$ 331	\$ 337	(2%)	\$ 309	7%
Other Employment Costs	8	7	14%	10	(20%)
Total Compensation & Benefits	339	344	(1%)	319	6%
Promotion & Servicing	159	171	(7%)	167	(5%)
General & Administrative	118	121	(2%)	112	5%
Other	11	9	22%	7	57%
Total Operating Expenses	\$ 627	\$ 645	(3%)	\$ 605	4%
Operating Income	\$ 168	\$ 223	(25%)	\$ 199	(16%)
Operating Margin	19.9%	23.0%		25.0%	
AB Holding GAAP Diluted Net Income Per Unit	\$ 0.49	\$ 0.60	(18%)	\$ 0.63	(22%)

Percentages are calculated using amounts rounded in millions.



Adjusted Financial Highlights: First Quarter 2019

In US \$ Millions; scales may differ



Please refer to pages 32-35 for additional information on the reconciliation of GAAP financial results to adjusted financial results.

First Quarter 2019 Adjusted Income Statement

Adjusted Income Statement⁽¹⁾ (in US \$ Millions)	1Q19	1Q18	% Δ	4Q18	% Δ
Base Fees	\$ 548	\$ 568	(4%)	\$ 543	1%
Performance Fees	4	84	(95%)	35	(89%)
Bernstein Research Services	90	114	(21%)	115	(22%)
Net Distribution Revenues (Expenses)	(9)	(9)	-	(7)	29%
Investment Gains (Losses)	4	3	33%	(13)	n/m
Other Revenues	38	31	23%	39	(3%)
Total Revenues	675	791	(15%)	712	(5%)
Less: Interest Expense	17	9	89%	16	6%
Adjusted Net Revenues	\$ 658	\$ 782	(16%)	\$ 696	(5%)
Compensation & Benefits					
Compensation & Fringes	\$ 326	\$ 379	(14%)	\$ 315	3%
Other Employment Costs	8	7	14%	10	(20%)
Total Compensation & Benefits	334	386	(13%)	325	3%
Promotion & Servicing	42	45	(7%)	51	(18%)
General & Administrative	112	107	5%	108	4%
Other	11	9	22%	8	38%
Total Adjusted Operating Expenses	\$ 499	\$ 547	(9%)	\$ 492	1%
Adjusted Operating Income	\$ 159	\$ 235	(32%)	\$ 204	(22%)
Adjusted Operating Margin	24.1%	30.1%		29.3%	
AB Holding Adjusted Diluted Net Income Per Unit	\$ 0.49	\$ 0.73	(33%)	\$ 0.64	(23%)
Compensation Ratio	49.5%	48.5%		45.2%	

(1) Prior period Net Distribution Revenues (Expenses), Adjusted Revenues, Promotion and Servicing Expenses and Adjusted Operating Margin have been revised due to a reclassification of certain expenses that impacted previously presented amounts.

Please refer to pages 32-35 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Percentages are calculated using amounts rounded in millions.

First Quarter 2019 Adjusted Income Statement Highlights

Revenues

- + The decline in Base Fees versus the prior year was due primarily to lower average AUM across all three distribution channels. Higher average AUM across all channels, combined with higher portfolio fee rate realization, contributed to the increase in base fees versus the prior quarter.
- + 1Q18 Performance Fees reflect \$78M in deferred revenue related to the Real Estate Equity Investment Fund 1, accounting for the majority of the difference versus 1Q19. Additionally for 4Q18, a large number of investment strategies have annual calculation periods ending in 4Q, which drove the variance versus the prior quarter.
- + Compared to 1Q18 and 4Q18, Bernstein Research revenues declined in the US, Europe and Asia due to lower global trading volumes.
- + Net Distribution Expenses increased versus 4Q18 due primarily to higher distribution payments related to increased Asia retail funds sales in the current period.
- + Investment gains in both the current quarter and prior year quarter were driven predominantly by seed investment gains. Investment losses in the prior quarter were attributed primarily to seed investment losses.
- + Compared to 1Q18, Other Revenues increased due to higher dividend & interest earned on broker dealer investments while Interest Expense increased due to higher interest paid on broker dealer customer balances.

Expenses

- + The Adjusted Compensation Ratio was 49.5% in 1Q19 versus 48.5% in 1Q18 and 45.2% in 4Q18.
- + Total Compensation & Benefits decreased 13% versus 1Q18 due primarily to lower incentive compensation accruals driven by lower revenues, notably the impact of the Real Estate Fund performance fee, which was partially offset by the higher comp ratio. The 3% sequential increase was driven by higher incentive compensation accruals due to the 430 basis point increase in the comp ratio from 4Q18 which reflected full year compensation true-ups.
- + Promotion & Servicing was down 7% versus the prior year quarter due to lower trade execution costs driven by lower trading volumes and lower transfer fees. The 18% decline versus 4Q18 was due primarily to lower seasonal T&E, marketing expenses, transfer fees, in addition to lower trade execution costs resulting from lower trading volumes.
- + G&A expenses were up 5% versus 1Q18 and 4% versus 4Q18 due to increased trading errors and increased mutual fund proxy solicitation fees related to the AXA change of control.
- + Other Expenses increased versus 1Q18 and 4Q18 due to increased interest expense resulting from higher borrowings and interest rates.

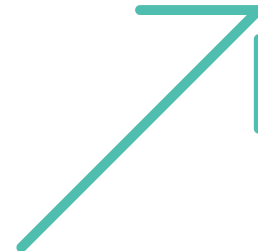
Operating Results

- + Adjusted Operating Income declined 32% versus the prior year quarter due to a decrease in revenues driven mainly by lower performance fees, outpacing the decline in operating expenses. The 22% decrease versus the prior quarter was due primarily to lower revenues paired with higher compensation expenses in the current period.
- + Adjusted Margin was 24.1% in 1Q19, versus 30.1% in 1Q18 and 29.3% in 4Q18.

Please refer to pages 32-35 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Percentages are calculated using amounts rounded in millions.



Q & A



APPENDIX

Institutional Composite Relative Performance vs. Benchmarks

Periods Ended March 31, 2019

Service	1Q19	1-Yr	3-Yr	5-Yr	10-Yr	Benchmark
Equity						
Emerging Markets Value	3.2	(1.6)	(1.5)	(0.2)	(0.4)	MSCI EM
Global Strategic Value	(2.5)	(11.0)	(4.6)	(2.7)	(1.0)	MSCI ACWI
US Small & Mid Cap Value	(1.2)	(3.6)	(0.1)	1.0	1.5	Russell 2500 Value
US Strategic Value	(1.2)	(6.3)	(3.6)	(3.1)	(2.2)	Russell 1000 Value
US Small Cap Growth	5.0	12.2	9.8	3.5	4.1	Russell 2000 Growth
US Large Cap Growth	0.1	4.1	2.0	2.9	0.7	Russell 1000 Growth
US Small & Mid Cap Growth	3.2	3.5	4.8	1.6	2.5	Russell 2500 Growth
Concentrated US Growth	5.2	9.5	4.8	3.2	1.8	S&P 500
Select US Equity	(1.9)	(2.4)	0.1	0.1	1.6	S&P 500
Global Core Equity	0.5	3.5	2.8	1.8	N/A	MSCI ACWI
Fixed Income						
Global High Income	(0.5)	(2.7)	(0.3)	(0.6)	0.5	Bloomberg Barclays Global High Yield - Hedged
US High Yield	0.4	(0.6)	(0.6)	(0.1)	0.8	Bloomberg Barclays US Corporate High Yield
US Strategic Core Plus	0.3	0.1	1.1	0.9	2.1	Bloomberg Barclays US Aggregate
Emerging Market Debt	0.6	(1.8)	1.2	(0.0)	1.6	JPM EMBI Global
Global Plus	0.5	(0.1)	0.9	0.5	2.3	Bloomberg Barclays Global Aggregate - Hedged

Performance is preliminary and as of March 31, 2019. Investment performance of composites is presented before investment management fees. Periods of more than one year are annualized. The information in this table is provided solely for use in connection with this presentation and is not directed toward existing or potential investment advisory clients of AB. Global High Income and Global Plus are hedged to USD.

Retail Mutual Funds Relative Performance vs. Morningstar Average

Service	Periods Ended March 31, 2019					Morningstar Average
	1Q19	1-Yr	3-Yr	5-Yr	10-Yr	
Equity						
International Value	0.1	(10.0)	(3.8)	(0.7)	(1.7)	Foreign Large Value
Relative Value	(0.9)	1.1	1.4	1.4	0.8	Large Value
Discovery Value	(0.5)	0.0	0.5	2.1	1.5	Mid-Cap Value
US Value	(0.8)	(6.3)	(4.2)	(3.4)	(2.2)	Large Value
Sustainable Global Thematic	1.9	1.5	4.4	3.2	0.3	World Large Stock
Sustainable International Thematic	(2.1)	(4.2)	(2.4)	(1.5)	(1.8)	Foreign Large Growth
Large Cap Growth ⁽¹⁾	0.3	5.3	2.3	4.2	2.2	Large Growth
Emerging Markets Growth	7.6	(6.8)	(0.4)	1.3	0.6	Global Emerging Markets Equity
Growth ⁽¹⁾	1.5	6.5	3.5	4.3	1.8	Large Growth
Discovery Growth	3.7	2.2	5.4	1.6	3.4	Mid-Cap Growth
Fixed Income						
Global High Yield	0.0	(2.2)	0.5	0.4	1.8	Global High Yield Bond
American Income Portfolio	0.6	2.3	0.7	1.3	1.3	USD Flexible Bond
Global Bond	0.5	3.5	1.0	2.4	2.3	World Bond
High Income	(0.4)	(3.5)	(0.5)	0.4	1.9	High Yield Bond

(1) Performance figures other than 1Q19, One Year and Three Year positively affected by class action settlement proceeds.

As of March 31, 2019. Fund returns are based on Advisor Class shares. Where Advisor Class doesn't exist, Class I is used. All fees and expenses related to the operation of the Fund have been deducted, but returns do not reflect sales charges. The information in this table is provided solely for use in connection with this presentation, and is not directed toward existing or potential investment advisory clients of AB.

Assets Under Management: 1Q19

(US \$ Billions)

	At March 31, 2019				At December 31 2018
	Institutions	Private Wealth	Retail	Total	Total
Equity					
Actively Managed	\$ 38	\$ 47	\$ 70	155	\$ 136
Passive ⁽¹⁾	23	-	32	55	50
Total Equity	61	47	102	210	186
Fixed Income					
Taxable	148	12	68	228	220
Tax-Exempt	1	25	18	44	42
Passive ⁽¹⁾	-	-	9	9	9
Total Fixed Income	149	37	95	281	271
Other⁽²⁾	47	12	5	64	59
Total	\$ 257	\$ 96	\$ 202	\$ 555	\$ 516
	At December 31, 2018				
Total	\$ 246	\$ 181	\$ 89	\$ 516	

(1) Includes index and enhanced index services.

(2) Includes certain multi-asset solutions and services and certain alternative investments.



Three Months Ended 3/31/19: AUM Roll-Forward by Distribution Channel

In US \$ Billions	Beginning	Sales/New	Redemptions/	Net Cash	Net	Transfers	Investment	Net	End
Investment Service:	of Period	Accounts	Terminations	Flows	Flows		Performance	Change	of Period
Institutions									
US	130.1	1.4	(2.8)	(1.7)	(3.1)	0.1	6.9	3.9	134.0
Global and Non-US	116.2	2.0	(2.4)	(1.2)	(1.6)	-	8.0	6.4	122.6
Total Institutions	246.3	3.4	(5.2)	(2.9)	(4.7)	0.1	14.9	10.3	256.6
Retail									
US	95.0	6.2	(4.3)	(0.2)	1.7	-	10.1	11.8	106.8
Global and Non-US	85.8	10.2	(5.8)	(0.8)	3.6	-	5.7	9.3	95.1
Total Retail	180.8	16.4	(10.1)	(1.0)	5.3	-	15.8	21.1	201.9
Private Wealth Management									
US	59.6	2.2	(2.2)	0.1	0.1	(0.1)	4.1	4.1	63.7
Global and Non-US	29.7	1.1	(0.7)	-	0.4	-	2.4	2.8	32.5
Total Private Wealth	89.3	3.3	(2.9)	0.1	0.5	(0.1)	6.5	6.9	96.2
Firmwide									
US	284.7	9.8	(9.3)	(1.8)	(1.3)	-	21.1	19.8	304.5
Global and Non-US	231.7	13.3	(8.9)	(2.0)	2.4	-	16.1	18.5	250.2
Total Firmwide	516.4	23.1	(18.2)	(3.8)	1.1	-	37.2	38.3	554.7

Three Months Ended 3/31/19: 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	73.6	3.6	(3.6)	(0.1)	(0.1)	-	10.5	10.4	84.0
Global and Non-US	62.6	4.3	(2.6)	(0.6)	1.1	-	7.4	8.5	71.1
Total Equity Active	136.2	7.9	(6.2)	(0.7)	1.0	-	17.9	18.9	155.1
Equity Passive ⁽¹⁾									
US	40.2	-	-	(0.7)	(0.7)	-	5.4	4.7	44.9
Global and Non-US	10.0	-	(0.1)	-	(0.1)	-	1.0	0.9	10.9
Total Equity Passive ⁽¹⁾	50.2	-	(0.1)	(0.7)	(0.8)	-	6.4	5.6	55.8
Total Equity	186.4	7.9	(6.3)	(1.4)	0.2	-	24.3	24.5	210.9
Fixed Income - Taxable									
US	110.9	2.8	(3.7)	(1.2)	(2.1)	-	3.5	1.4	112.3
Global and Non-US	108.8	8.7	(5.5)	(1.8)	1.4	-	4.7	6.1	114.9
Total Fixed Income - Taxable	219.7	11.5	(9.2)	(3.0)	(0.7)	-	8.2	7.5	227.2
Fixed Income - Tax-Exempt									
US	41.7	2.6	(1.6)	(0.1)	0.9	-	1.2	2.1	43.8
Global and Non-US	-	-	-	-	-	-	-	-	-
Total Fixed Income - Tax-Exempt	41.7	2.6	(1.6)	(0.1)	0.9	-	1.2	2.1	43.8
Fixed Income Passive ⁽¹⁾									
US	5.1	-	-	(0.1)	(0.1)	-	0.1	-	5.1
Global and Non-US	4.3	-	(0.1)	(0.2)	(0.3)	-	0.2	(0.1)	4.2
Total Fixed Income Passive ⁽¹⁾	9.4	-	(0.1)	(0.3)	(0.4)	-	0.3	(0.1)	9.3
Total Fixed Income	270.8	14.1	(10.9)	(3.4)	(0.2)	-	9.7	9.5	280.3
Other ⁽²⁾									
US	13.2	0.8	(0.4)	0.4	0.8	-	0.4	1.2	14.4
Global and Non-US	46.0	0.3	(0.6)	0.6	0.3	-	2.8	3.1	49.1
Total Other⁽²⁾	59.2	1.1	(1.0)	1.0	1.1	-	3.2	4.3	63.5
Firmwide									
US	284.7	9.8	(9.3)	(1.8)	(1.3)	-	21.1	19.8	304.5
Global and Non-US	231.7	13.3	(8.9)	(2.0)	2.4	-	16.1	18.5	250.2
Total Firmwide	516.4	23.1	(18.2)	(3.8)	1.1	-	37.2	38.3	554.7

(1) Includes index and enhanced index services.

(2) Includes certain multi-asset solutions and services and certain alternative investments.



Active vs. Passive Net Flows

Three Months Ended 3/31/18

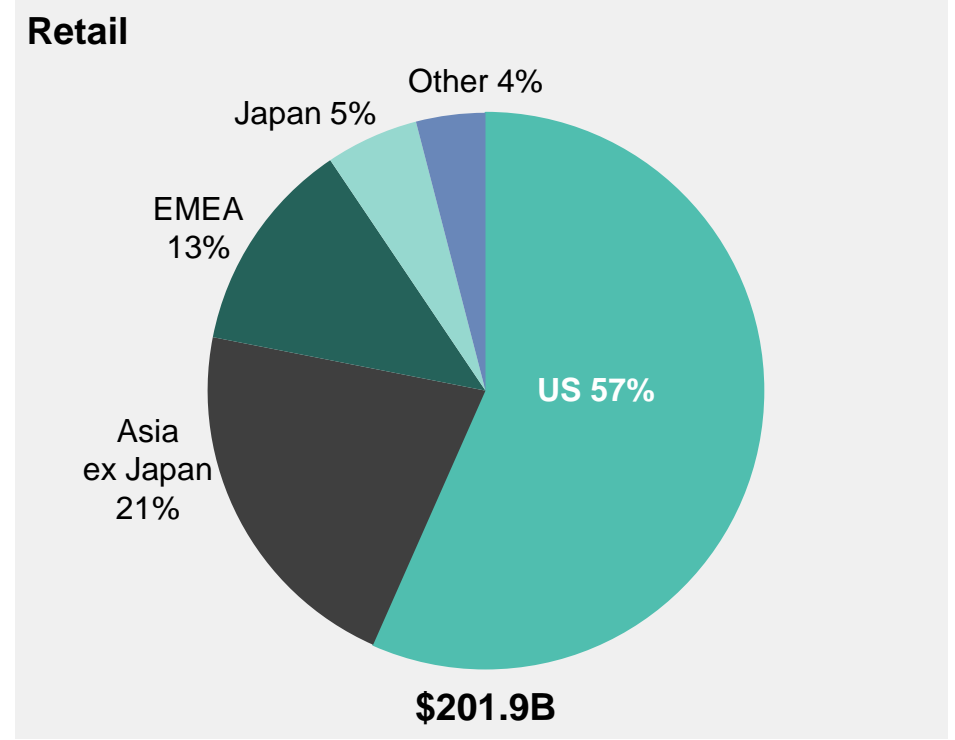
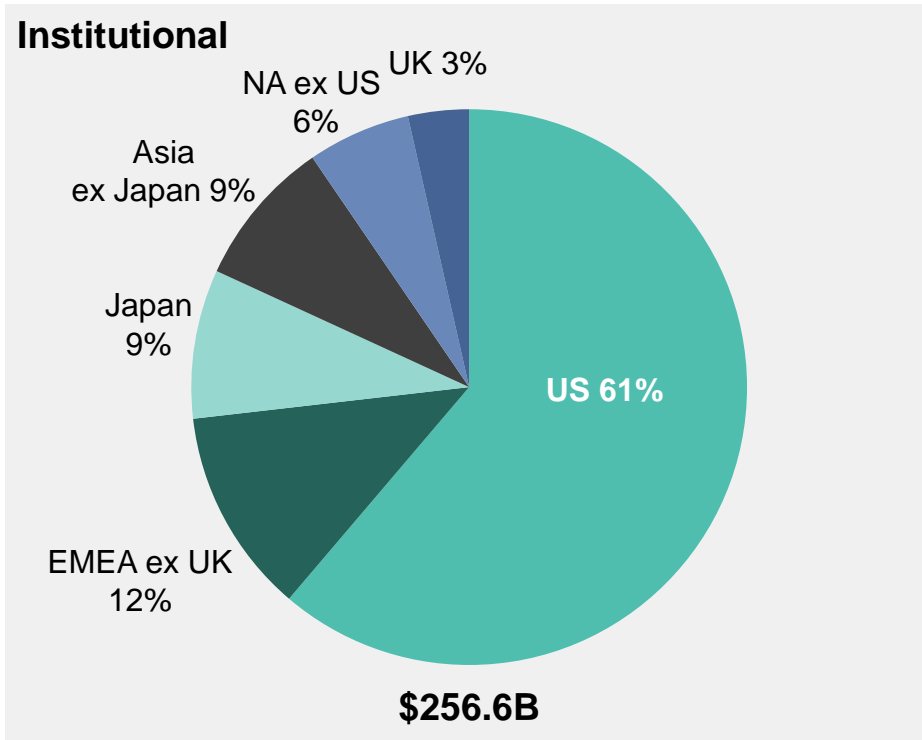
	Actively Managed	Passively Managed ⁽¹⁾	Total
Equity	\$1.0	(\$0.8)	\$0.2
Fixed Income	0.2	(0.4)	(0.2)
Other ⁽²⁾	1.0	0.1	1.1
Total	\$2.2	(\$1.1)	\$1.1

(1) Includes index and enhanced index services.

(2) Includes certain multi-asset solutions and services and certain alternative investments.



AUM by Region



As of March 31, 2019
By client domicile



First Quarter 2019 Adjusted Advisory Fees

	1Q19	1Q18	% Δ	4Q18	% Δ
Ending AUM (\$ Billions)	\$555	\$550	1%	\$516	8%
Average AUM (\$ Billions)	\$539	\$557	(3%)	\$533	1%

By Fee Type (\$ Millions):

Adjusted Base Fees	\$548	\$568	(4%)	\$543	1%
Adjusted Performance Fees	4	84	(95%)	35	(89%)
Total	\$552	\$652	(15%)	\$578	(4%)

Adjusted Base Fees By Channel (\$ Millions):

Institutions	\$107	\$115	(7%)	\$106	1%
Retail	241	249	(3%)	240	0%
Private Wealth	200	204	(2%)	197	2%
Total	\$548	\$568	(4%)	\$543	1%

First Quarter 2019 GAAP Income Statement

In US \$ Millions (except EPU)	1Q19	1Q18	% Δ	4Q18	% Δ
Net Revenues	\$ 795	\$ 868	(8%)	\$ 804	(1%)
Operating Expenses	627	645	(3%)	605	4%
Operating Income	168	223	(25%)	199	(16%)
Net Income Attributable to AB Unitholders	149	184	(19%)	188	(21%)
AB Holding GAAP Diluted Net Income per Unit	\$ 0.49	\$ 0.60	(18%)	\$ 0.63	(22%)
AB Holding Distribution Per Unit	\$ 0.49	\$ 0.73	(33%)	\$ 0.64	(23%)

Percentages are calculated using amounts rounded to the nearest million.



Consolidated Balance Sheet

In US \$ Millions

Assets	March 31, 2019	December 31, 2018
Cash and cash equivalents	\$ 754	\$ 640
Cash and securities, segregated	1,262	1,170
Receivables, net	2,163	2,261
Investments:		
Long-term incentive compensation-related	50	52
Other	226	662
Assets of consolidated company-sponsored investment funds	419	388
Goodwill	3,067	3,067
Intangible assets, net	72	79
Deferred sales commissions, net	17	17
Right-of-use Assets	421	-
Other (incl. furniture & equipment, net)	408	453
Total Assets	\$ 8,859	\$ 8,789
Liabilities and Capital		
Liabilities:		
Payables	\$ 3,250	\$ 3,470
Accounts payable and accrued expenses	181	412
Lease Liabilities	541	-
Liabilities of consolidated company-sponsored investment funds	30	23
Accrued compensation and benefits	314	273
Debt	540	546
Total Liabilities	4,856	4,724
Redeemable non-controlling interest	159	149
Partners' capital attributable to AllianceBernstein Unitholders	3,843	3,915
Non-controlling interests in consolidated entities	1	1
Total Capital	3,844	3,916
Total Liabilities and Capital	\$ 8,859	\$ 8,789

Consolidated Statement of Cash Flows

In US \$ Millions

	Three Months Ended	
	March 31, 2019	March 31, 2018
Net Income	\$ 159	\$ 207
Non-cash items:		
Amortization of deferred sales commissions	4	7
Non-cash long-term incentive compensation expense	19	12
Depreciation and other amortization	42	18
Unrealized (gains) losses on investments	(11)	3
Unrealized (gains) on investments of consolidated company-sponsored investment funds	(22)	(23)
Other, net	6	(3)
Changes in assets and liabilities	235	(56)
Net cash provided by operating activities	432	165
Purchases of furniture, equipment, and leasehold improvements, net	(6)	(5)
Net cash used in investing activities	(6)	(5)
Issuance (repayment) of commercial paper, net	15	(3)
Repayment of bank loans	(25)	(75)
(Decrease) increase in overdrafts payable	(65)	7
Distributions to General Partner and Unitholders	(192)	(248)
Subscriptions of non-controlling interests of consolidated company-sponsored investment funds, net	-	373
Additional investments by Holding with proceeds from exercise of compensatory options to buy Holding Units	7	4
Purchases of AB Holding Units to fund long-term incentive compensation plan awards, net	(58)	(2)
Other, net	(1)	(1)
Net cash (used in) provided by financing activities	(319)	55
Effect of exchange rate changes on cash and cash equivalents	1	8
Net increase in cash and cash equivalents	108	223
Cash and cash equivalents at the beginning of period	654	998
Cash and cash equivalents at the end of period	\$ 762	\$ 1,221

First Quarter 2019 AB Holding Financial Results

In US \$ Millions (exclucing per Unit amounts)	1Q19	1Q18	% Δ	4Q18	% Δ
AB					
Net Income Attributable to AllianceBernstein	\$149	\$184	(19%)	\$188	(21%)
Weighted Average Equity Ownership Interest	35.3%	35.7%		35.5%	
AB Holding					
Equity in Net Income Attributable to AB	\$53	\$66	(20%)	\$67	(21%)
Income Taxes	6	8	(25%)	7	(14%)
Net Income	\$47	\$58	(19%)	\$60	(22%)
Diluted Net Income Per Unit, GAAP basis	\$0.49	\$0.60	(18%)	\$0.63	(22%)
Distributions Per Unit	\$0.49	\$0.73	(33%)	\$0.64	(23%)
Adjusted Diluted Net Income Per Unit	\$0.49	\$0.73	(33%)	\$0.64	(23%)

Please refer to pages 32-35 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Percentages are calculated using amounts rounded in millions.

First Quarter 2019 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	GAAP	Adjustments							Non-GAAP	
		Distribution Related Payments	Pass Through Expenses	Deferred Comp. Inv.	NCI/ Consol VIE	Real Estate Credits (Charges)	Contingent Payment Adjust.	Acquisition- Related Expenses		Other
		(A)	(B)	(C)	(D)	(E)	(F)	(G)		(H)
Investment advisory and services fees	\$ 556,594		(4,722)		(299)					\$ 551,573
Bernstein research services	90,235									90,235
Distribution revenues	100,509	(109,495)			38					(8,948)
Dividend and interest income	27,346			(147)	(3,013)					24,186
Investment gains (losses)	15,735			(4,496)	(7,402)					3,837
Other revenues	22,206		(7,759)		(283)					14,164
Total revenues	812,625	(109,495)	(12,481)	(4,643)	(10,959)	-	-	-	-	675,047
Less: interest expense	17,163									17,163
Net revenues	795,462	(109,495)	(12,481)	(4,643)	(10,959)	-	-	-	-	657,884
Employee compensation and benefits	339,309			(5,465)						333,844
Promotion and servicing	159,143	(109,495)	(7,682)							41,966
General and administrative	117,848		(4,799)		(858)					112,191
Contingent payment arrangements	54									54
Interest on borrowings	3,983									3,983
Amortization of intangible assets	6,974									6,974
Net income (loss) of consolidated entities attributable to non-controlling interests					15					15
Total expenses	627,311	(109,495)	(12,481)	(5,465)	(843)	-	-	-	-	499,027
Operating income	168,151	-	-	822	(10,116)	-	-	-	-	158,857
Income taxes	8,921	-	-	45	(530)	-	-	-	-	8,435
Net income	159,230	-	-	777	(9,586)	-	-	-	-	150,422
Net income (loss) of consolidated entities attributable to non-controlling interests	10,116				(10,116)					-
Net income attributable to AB Unitholders	\$ 149,114	\$ -	\$ -	\$ 777	\$ 530	\$ -	\$ -	\$ -	\$ -	\$ 150,422

Please refer to page 35 for notes describing the adjustments.



First Quarter 2018 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	GAAP	Adjustments							Non-GAAP
		Distribution Related Payments (A)	Pass Through Expenses (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	Real Estate Credits (Charges) (E)	Contingent Payment Adjust. (F)	Acquisition-Related Expenses (G)	
Investment advisory and services fees	\$ 574,116		(1,058)		1,348			77,844	\$ 652,250
Bernstein research services	114,400								114,400
Distribution revenues	108,004	(116,752)			41				(8,707)
Dividend and interest income	28,215			(93)	(13,382)				14,740
Investment gains (losses)	26,082			209	(23,198)				3,093
Other revenues	26,510		(9,551)		(846)				16,113
Total revenues	877,327	(116,752)	(10,609)	116	(36,037)	-	-	77,844	791,889
Less: interest expense	9,540								9,540
Net revenues	867,787	(116,752)	(10,609)	116	(36,037)	-	-	77,844	782,349
Employee compensation and benefits	343,825			(301)				42,688	386,212
Promotion and servicing	170,795	(116,752)	(9,412)						44,631
General and administrative	120,970		(1,197)		(13,481)	264			106,556
Contingent payment arrangements	53						-		53
Interest on borrowings	2,612								2,612
Amortization of intangible assets	6,861								6,861
Net income (loss) of consolidated entities attributable to non-controlling interests	-				94				94
Total expenses	645,116	(116,752)	(10,609)	(301)	(13,387)	264	-	42,688	547,019
Operating income	222,671	-	-	417	(22,650)	(264)	-	35,156	235,330
Income taxes	15,825			30	(1,604)	(19)		2,500	16,732
Net income	206,846			387	(21,046)	(245)		32,656	218,598
Net income (loss) of consolidated entities attributable to non-controlling interests	22,650				(22,650)				-
Net income attributable to AB Unitholders	\$ 184,196	\$ -	\$ -	\$ 387	\$ 1,604	\$ (245)	\$ -	\$ 32,656	\$ 218,598

Please refer to page 35 for notes describing the adjustments.



Fourth Quarter 2018 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

GAAP	Adjustments								Non-GAAP
	Distribution Related Payments (A)	Pass Through Expenses (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	Real Estate Credits (Charges) (E)	Contingent Payment Adjust. (F)	Acquisition-Related Expenses (G)	Other (H)	
Investment advisory and services fees	\$ 579,924	(1,099)		(298)				-	\$ 578,527
Bernstein research services	115,240								115,240
Distribution revenues	100,952	(108,340)		43					(7,345)
Dividend and interest income	26,875		(1,631)	(202)					25,042
Investment gains (losses)	(24,207)		7,104	1,615				2,733	(12,755)
Other revenues	22,128	(7,940)		(227)					13,961
Total revenues	820,912	(108,340)	(9,039)	5,473	931	-	-	-	712,670
Less: interest expense	16,252							2,733	16,252
Net revenues	804,660	(108,340)	(9,039)	5,473	931	-	-	2,733	696,418
Employee compensation and benefits	319,297		5,232					-	324,529
Promotion and servicing	166,875	(108,340)	(7,777)						50,758
General and administrative	112,071		(1,262)	(680)	(670)		(1,924)		107,535
Contingent payment arrangements	(2,376)					2,429			53
Interest on borrowings	2,407								2,407
Amortization of intangible assets	7,027								7,027
Net income (loss) of consolidated entities attributable to non-controlling interests	-			(116)					(116)
Total expenses	605,301	(108,340)	(9,039)	5,232	(796)	(670)	2,429	(1,924)	492,193
Operating income	199,359	-	-	243	1,727	670	(2,429)	1,924	204,227
Income taxes	13,033	-	-	17	114	45	(158)	127	13,357
Net income	186,326	-	-	226	1,613	625	(2,271)	1,797	190,870
Net income (loss) of consolidated entities attributable to non-controlling interests	(1,727)			1,727					-
Net income attributable to AB Unitholders	\$ 188,053	\$ -	\$ -	\$ 226	\$ (114)	\$ 625	\$ (2,271)	\$ 1,797	\$ 190,870

Please refer to page 35 for notes describing the adjustments.



AB Adjusted Financial Results Reconciliation

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

- A. We offset distribution-related payments to third parties as well as amortization of deferred sales commissions against distribution revenues. Such presentation appropriately reflects the nature of these costs as pass-through payments to third parties who perform functions on behalf of our sponsored mutual funds and/or shareholders of these funds. Amortization of deferred sales commissions is offset against net revenues because such costs, over time, essentially offset distribution revenues earned by the company.
- B. We exclude additional pass-through expenses we incur (primarily through our transfer agency) that are reimbursed and recorded as fees in revenues. 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.
- 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 and charges are excluded since they are not considered part of our core ongoing operations.
- F. 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.
- G. 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.
- H. Other reflects recognition of deferred revenue and compensation related to the Real Estate Investment Equity Fund I performance fee. The net amount was recorded as a cumulative opening January 1, 2018 equity adjustment for GAAP, but included in adjusted earnings.

Adjusted Operating Margin

Adjusted operating margin allows us to monitor our financial performance and efficiency from period to period without the volatility noted above in our discussion of adjusted operating income 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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