



ALLIANCEBERNSTEIN®

October 24, 2019

THIRD 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, 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. 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 subsequent Forms 10-Q. Any or all of the forward-looking statements made in this presentation, Form 10-K, Forms 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.

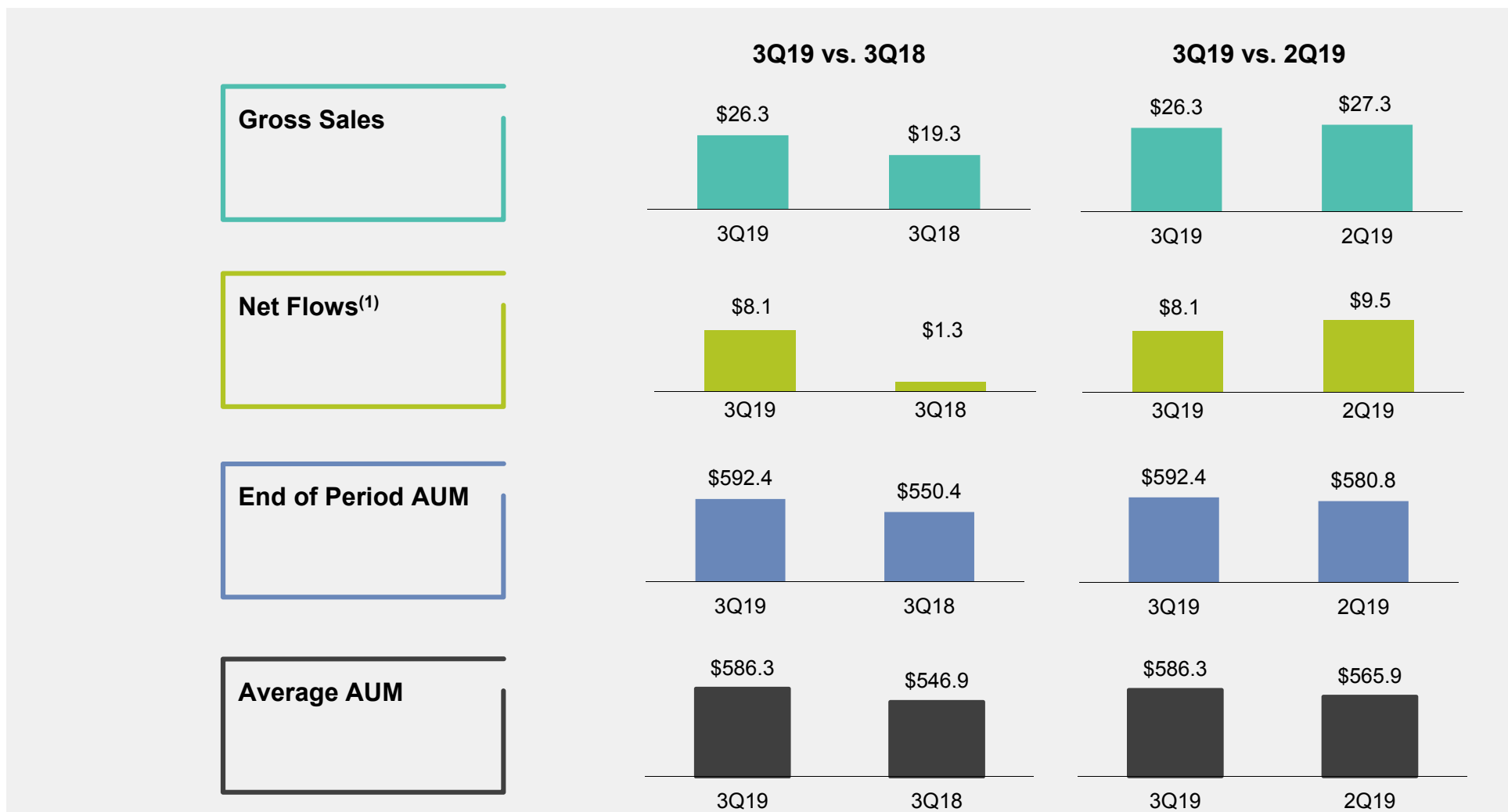
The forward-looking statements referred to in the preceding paragraph include statements regarding:

- + **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 25.7% during the first nine months 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 revenue and expense projections, 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 expected revenues. 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: Third Quarter 2019

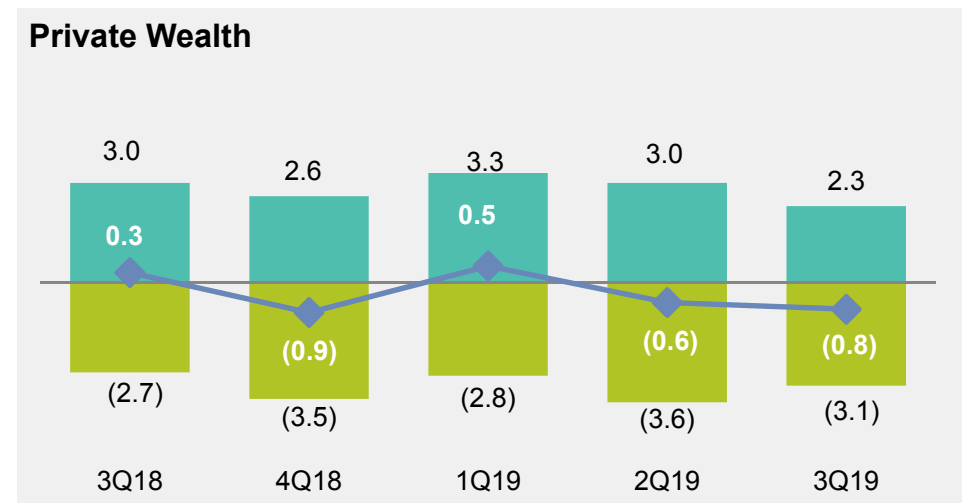
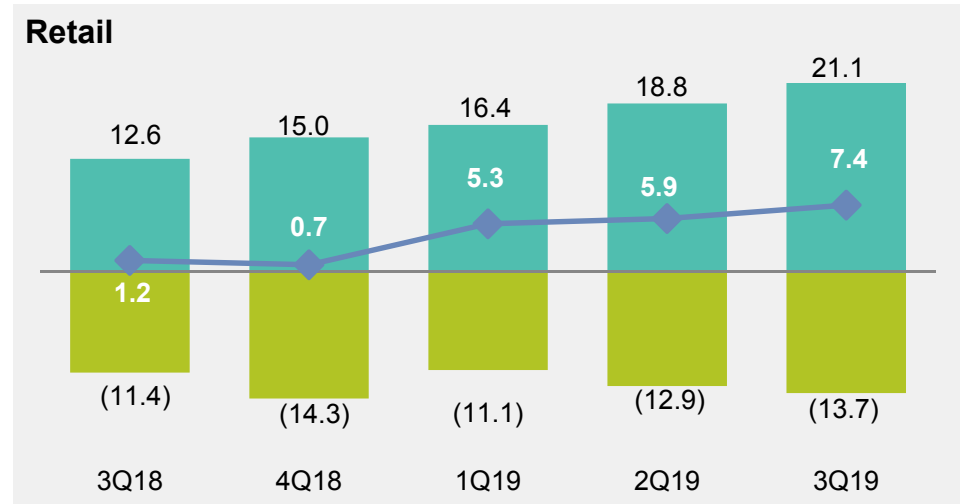
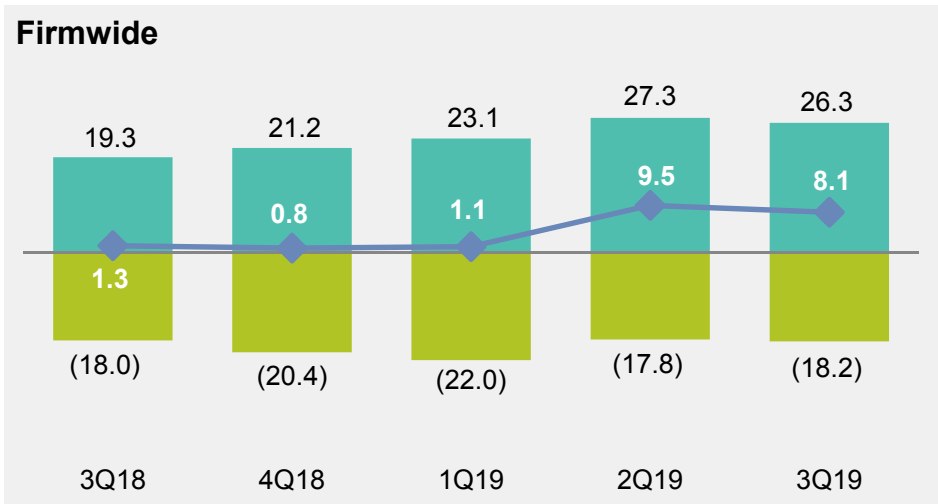


US \$ Billions; scales differ by chart

(1) 3Q19: \$9.3B active net inflows and \$1.2B passive net outflows. 3Q18: \$2.5B active net inflows and \$1.2B passive net outflows. 2Q19: \$10.2B active net inflows and \$0.7B passive net outflows.



Asset Flows by Distribution Channel: Quarterly Trend

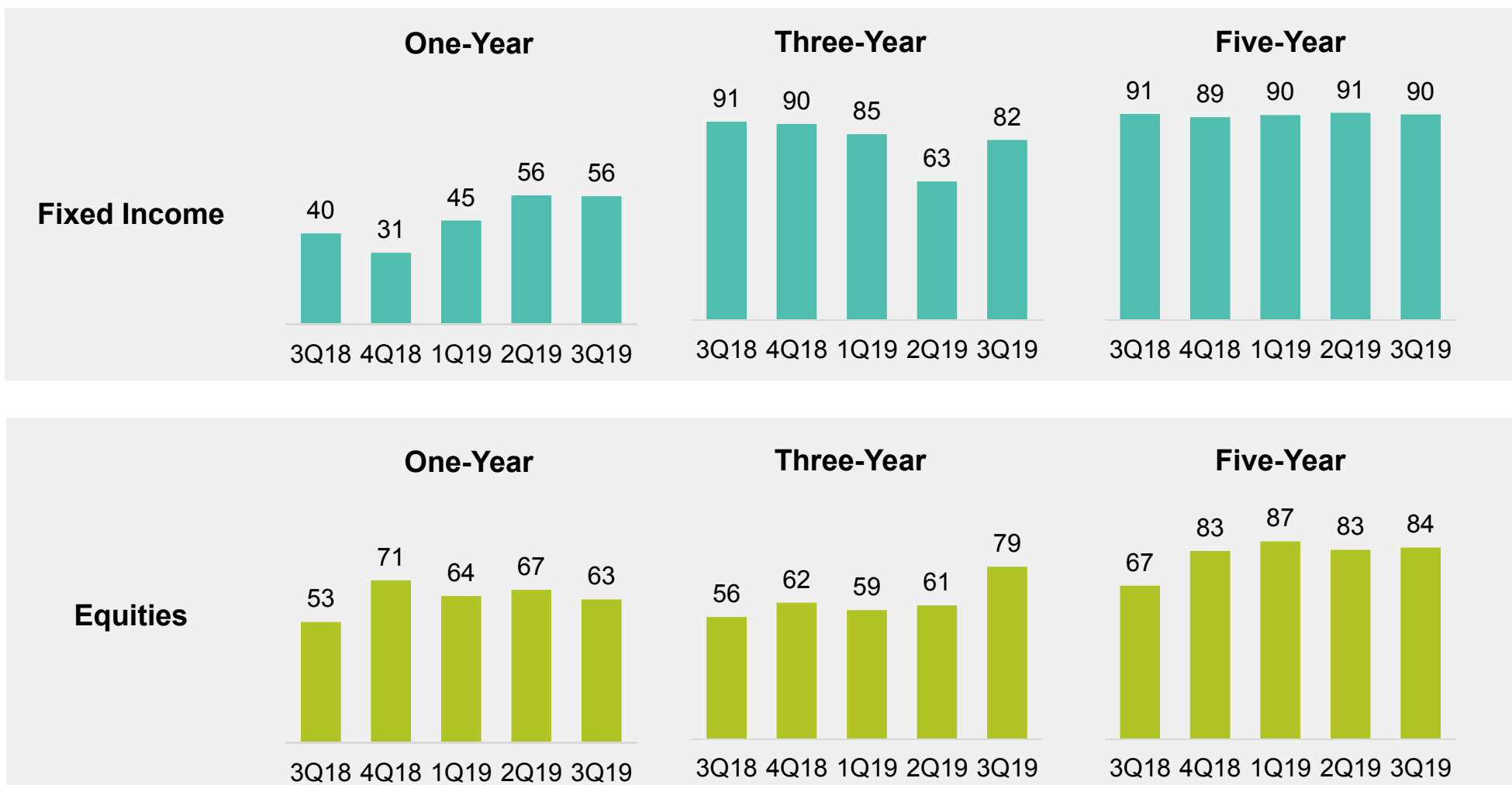


■ Gross Sales ■ Gross Redemptions ◆ Net Flows

US \$ Billions; scales differ by chart



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 September 30, 2019.



Fixed Income Investment Performance

Retail Service	Performance vs. Morningstar Category Average Through 9/30/19					
	1 Year		3 Year		5 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
Offshore						
American Income Portfolio	5.0	2	1.6	14	1.5	16
Emerging Markets Debt Portfolio	2.6	27	0.6	45	1.5	31
Emerging Markets Local Currency Debt	0.7	51	0.3	44	0.4	35
European Income Portfolio	3.8	10	2.0	13	2.3	3
Global High Yield Portfolio	0.4	52	0.1	49	0.4	47
Mortgage Income Portfolio ⁽¹⁾	2.1	N/A	3.3	N/A	3.0	N/A
Euro High Yield Portfolio	0.5	43	0.8	30	0.6	33
US Taxable						
Global Bond Fund	(1.2)	78	(0.2)	60	0.4	39
High Income Fund	(0.1)	55	(0.3)	65	0.4	37
AB Income Fund	1.3	17	1.4	4	1.3	3
Municipals						
High Income Municipal Portfolio	1.5	14	0.5	28	0.8	22
Intermediate Diversified Muni	2.8	2	0.6	8	N/A	N/A
Municipal Income National Portfolio	0.2	42	0.4	25	0.7	15

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; 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 Interim. As of 9/30/19. Source: AB and Morningstar.

(1) Mortgage Income Portfolio relative performance measured against 3 month USD LIBOR.



Equities Investment Performance

Retail Service	Performance vs. Morningstar Category Average Through 9/30/19					
	1 Year		3 Year		5 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
Offshore						
Select US	(0.1)	57	1.4	35	1.1	40
Sustainable US Thematic	4.8	12	2.2	30	2.1	29
Concentrated Global	7.8	6	5.1	8	4.1	8
Global Low Vol ⁽¹⁾	6.8	7	3.5	9	4.6	3
Global Core	7.4	7	4.6	4	3.8	5
Sustainable Global Thematic	4.0	22	1.9	29	2.1	21
European Equity	0.0	53	2.7	7	4.2	2
Emerging Markets Growth	2.2	27	(1.8)	79	0.9	30
Emerging Markets Low Vol ⁽¹⁾	(2.3)	74	(0.6)	64	1.6	19
US						
Large Cap Growth	5.5	13	2.8	16	3.7	5
Discovery Growth	(9.0)	91	2.4	23	0.6	45
Discovery Value	(5.6)	87	(1.0)	70	0.3	51
Concentrated Growth (US)	10.5	3	2.9	15	1.8	26
Concentrated International Growth	3.7	21	3.0	11	N/A	N/A
Relative Value	(0.6)	58	1.9	15	1.7	17
International Value	(7.1)	99	(3.5)	95	(0.6)	72

Past performance does not guarantee future results.

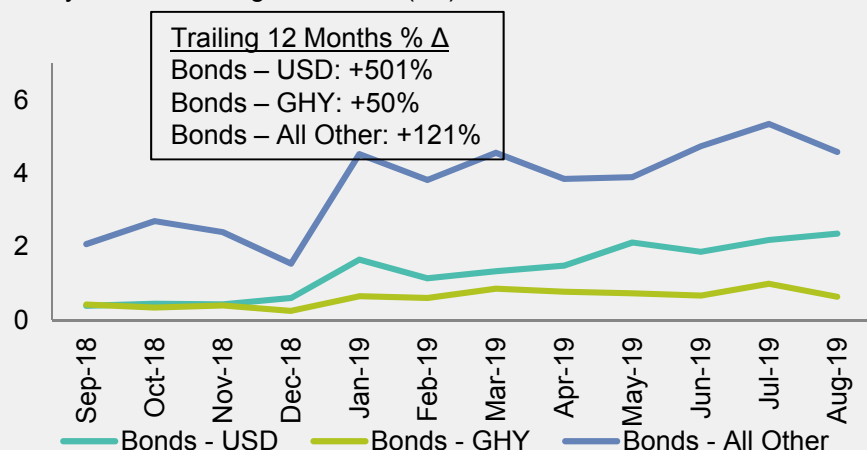
Relative Performance is calculated against the Fund's Morningstar Category and Percentile Ranking is determined by Morningstar Ranking Methodology. Advisor and I share class; A share class used when Advisor and I class not available. Select US – US Large-Cap Blend; Sustainable US Thematic – US Large-Cap 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 9/30/19. 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 - Trailing 12 Months (\$B)



Diverse Array of AB Funds with \$100M+ Net Flows in 3Q

Equity	Fixed Income
ABJ US Growth	American Income Portfolio
Low Volatility Equity	European Income
Large Cap Growth	Tax Aware Muni SMA
Strategic Research SMA	AB Income
Concentrated Growth	Global High Yield
Small Cap Growth	Government Money Market
Multi-Asset	ABITL Global High Yield ⁽⁴⁾
All Market Income	

Third Quarter 2019 Highlights

Sales and Flows

- + Gross sales of \$21.1B in 3Q up 67% Y/Y and surpasses 2Q as highest sales quarter in Retail history by 12%.
- + Strong regional⁽²⁾ sales results:
 - + Y/Y increases in AxJ, US Retail, EMEA and LatAm
 - + Q/Q increases in AxJ, US Retail, LatAm, Japan and Australia
- + Average fee rate on 3Q gross sales 22% higher than channel average
- + YTD gross sales of \$56.4B at end of quarter surpass highest full year gross sales in channel history with one quarter remaining
- + Net inflows of \$7.4B best in 19 years; positive flows in 9 of last 11 quarters
 - + Taxable fixed income net inflows of \$6.4B
 - + Active equity net inflows represent 10th straight positive flow quarter
- + Y/Y YTD gross sales up \$17B (44%) while redemptions improved \$2B (5%), resulting in net flows up \$19B

Asia ex Japan Update

- + AB Asia ex Japan 3Q sales of \$11.3B highest in history

Milestones

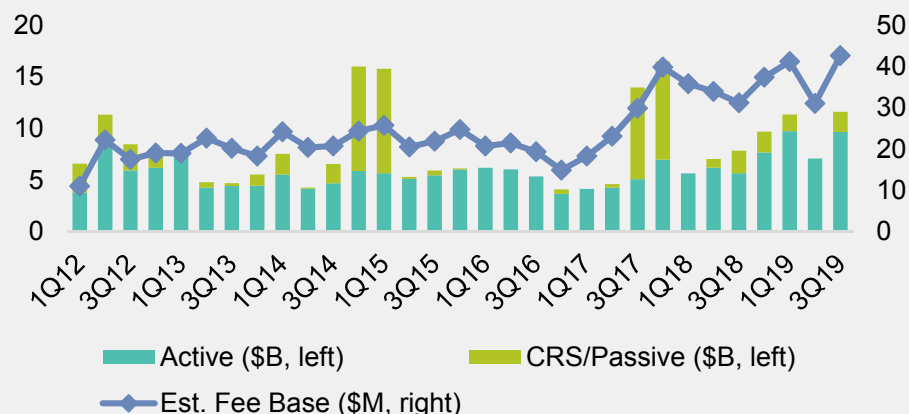
- + Channel AUM of \$223B; Highest level in Retail history
- + 50 products with assets over \$1B
- + AB ranks 6th out of 458 asset managers in US Retail active equity net inflows for quarter and 7th for YTD⁽³⁾

(1) Source: SalesWatch. As of August 31, 2019. (2) US Retail excludes Sub-Advisory (SA). (3) Source: Strategic Insight. Actively managed long-term funds only. Excludes 529 FoFs and closed-end funds. (4) Taiwan on-shore fund.



Institutional Highlights

Record High Annualized Fee Base At Quarter-End



Third Quarter 2019 Highlights

Sales and Flows

- + Gross sales of \$2.9B led by Fixed Income: 45% and Equities: 30%
- + Net inflows of \$1.5B brings YTD flows to +\$1B

Momentum in active equities continues

- + Equity pipeline annualized fee base (AFB) sets new high since tracking began
 - + Diverse mix of 3Q equity wins with additions from 10 different services totaling \$3B in AUM and over \$10M in AFB

Diverse Pipeline Mix

- + Pipeline ended quarter up 63% Q/Q and 47% Y/Y
- + 3Q pipeline adds of \$6.4B (2x higher than normal) & highest qtr. in 2 yrs.
- + Positive consultant support contributing to success:
 - + Additional upgrade of International Small Cap Strategy in quarter
 - + New ratings reported in 2Q have resulted in three 3Q pipeline adds
- + Notable 3Q pipeline adds across asset classes:

Equity

- + Concentrated Global Growth: \$1.6B
- + International Small Cap: \$450M
- + Eurozone Equity: \$370M
- + US Large Cap Growth: \$285M
- + Emerging Market Value: \$195M
- + European Small Cap: \$105M

Multi-Asset

- + Lifetime Income Strategies (LIS): \$1.7B
- + Custom Alternative Solutions (CAS): \$150M

Fixed Income

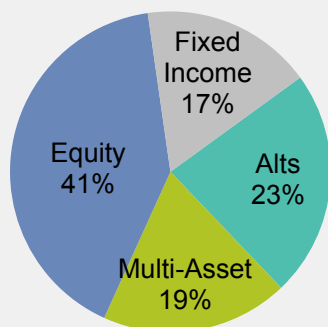
- + Global Aggregate: \$500M
- + Emerging Market Debt: \$100M

Alternatives

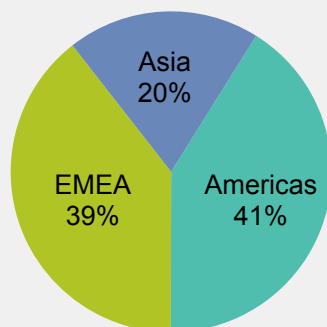
- + Commercial Real Estate Debt: \$300M
- + Middle Market Direct Lending: \$110M
- + Pipeline AFB sets new high > \$40M

\$11.6B Pipeline⁽¹⁾ Diverse by Asset Class and Geography

Asset Class



Geography

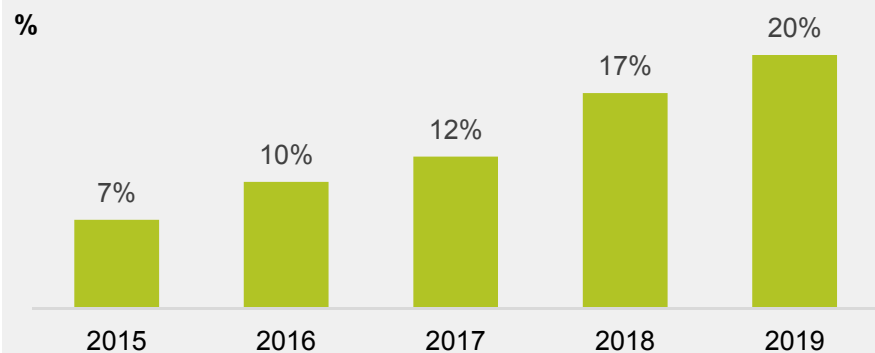


(1) Total assets awarded and pending funding as of quarter-end

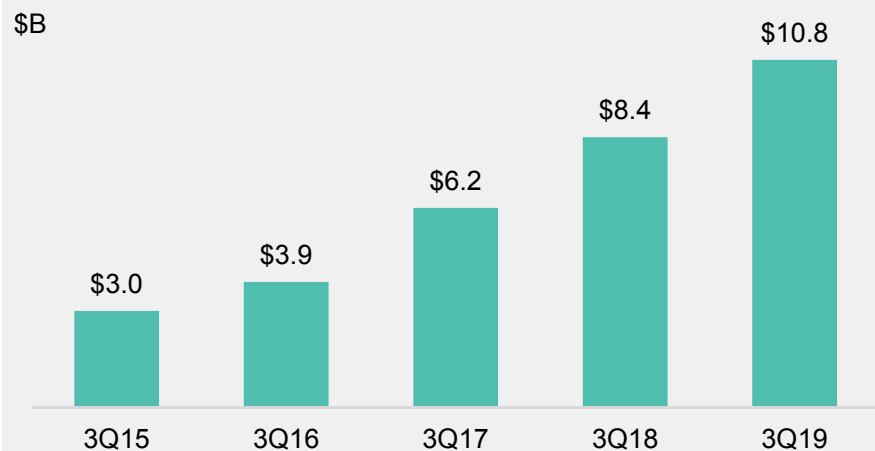


Private Wealth Management Highlights

% of Client Relationships with Alts/Focused Equity Exposure



\$10.8B in Alts/Focused Equity Deployed and Committed Assets



Third Quarter 2019 Highlights

Sales and Flows

- + \$2.3B gross sales in 3Q down 23% vs. \$3B in 3Q18 and 2Q19
 - + Softening sales trend due to delayed liquidity events and cautious market sentiment, although client engagement remains extremely high
- + 3Q net outflows of \$0.8B compares to outflows of \$0.6B in 2Q
 - + Annualized outflow rate remains below 20 year avg. even with volatile markets and heightened risk aversion
- + Despite evidence of de-risking across the industry, most clients are maintaining their long-term strategic allocations due to advice that includes volatility management tools and alts.

Continued growth in affluent and high complexity client base

- + Alts/Focused Equity total deployed and committed assets of \$10.8B at quarter-end
 - + +\$1.6B net inflows YTD
- + Closed 1st Opportunity Zone transaction (\$50M in client commitments) with an additional offering planned for 4Q

Growing advisor base

- + Advisor headcount growth of 5% YTD
 - + Reached year-end target advisor headcount
 - + Large and diverse FA training class started in for September

Bernstein Research Highlights

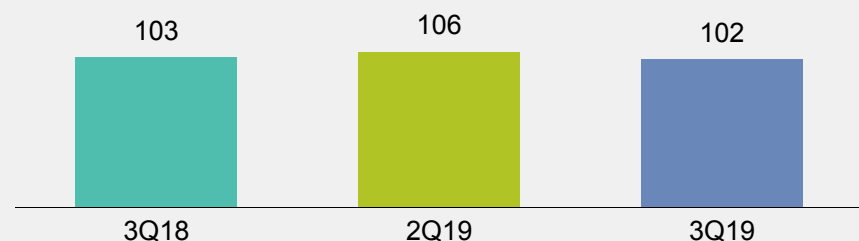
Bernstein Research Quarterly Revenues

\$M

% Change

3Q19/3Q18: (1)%; (10)% ex Autonomous

3Q19/2Q19: (4)%

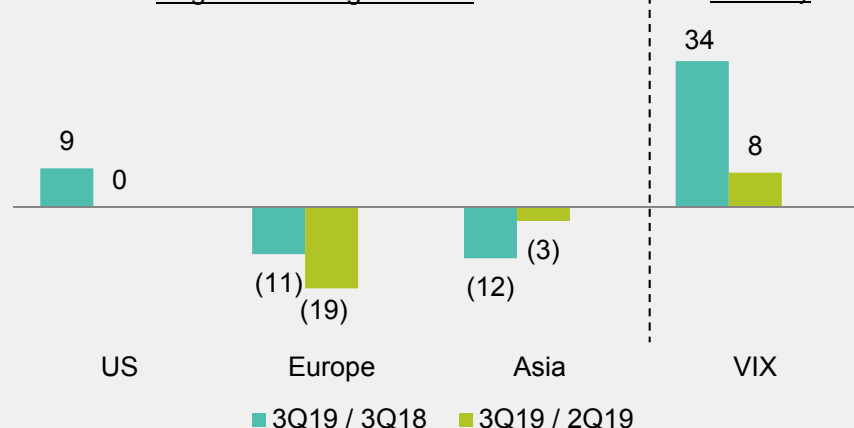


Regional Volumes and Volatility⁽¹⁾

(% Change)

Regional Trading Volumes

Volatility



Progress on Bernstein Research Strategy in 3Q19

Investing to remain the industry's research quality leader

- + Autonomous integration going well
- + Cross-selling efforts ramping up significantly with > 100 potential new clients on trial
- + Hired new European PayTech analyst
- + 16th annual European Strategic Decisions Conference attended by ~600 clients
- + CEOs and senior executives from 80+ of Europe's largest companies participated
- + Another strong showing in Institutional Investor AART Survey
- + 18 Top-ranked sectors compared to 17 last year
- + Significantly ramping up pre-IPO research to capitalize on our status as largest global independent broker

Growing our industry-leading agency trading platform

- + Ranked #1 for best European dark pool liquidity algos in leading annual independent survey
- + Finalist in all 5 electronic trading categories in *The Trade's* "2019 Leaders in Trading" survey

Globalizing our research and trading capabilities

- + Building out Indian research and sales in Mumbai office
- + Indian trading went live in July
- + Launched new Global Emerging Markets financials research product

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



Progress on Our Strategy in 3Q19

Firmwide Initiative

Progress

Deliver differentiated return streams to clients

- + Fixed Income: 82% of assets in outperforming services for 3-yr period; 56% for 1-yr and 90% for 5-yr
 - + Top quartile⁽¹⁾ 3-yr: AB Income, Int. Div. Muni, European, and American Income and Muni Income National
- + Active equity: 79% of assets in outperforming services for 3-yr period; 63% for 1-yr and 84% for 5-yr
 - + Top quartile⁽¹⁾ 3-yr: Global Core, European Equity, Concentrated Global, Global Low Vol, Concentrated Intl, Concentrated US, Relative Value, Discovery Growth and Large Cap Growth

Commercialize and scale our suite of services

- + Continued success with revitalized active equities franchise
 - + Institutional: Equity pipeline AFB set new high
 - + Diverse mix of 3Q pipeline additions with 10 funds generating \$3B in AUM and over \$10M in AFB
 - + Retail: net inflows of \$1.1B for 10th straight positive flow quarter
- + Sales diversification efforts continue to pay off
 - + Retail: another record quarter gross sales of \$21.1B in 3Q up 67% Y/Y and 12% Q/Q
 - + Y/Y up in AxJ, US Retail, EMEA, and LatAm; Q/Q up in AxJ, US Retail, LatAm, Japan, & Australia
 - + Institutional: \$11.6B pipeline at quarter-end 41% equity, 23% alts, 19% multi-asset, and 17% fixed income
 - + Pipeline annualized fee base sets new high over \$40M
 - + Private Wealth: Closed 1st Opportunity Zone transaction; additional offering planned for 4Q

Continuous and rigorous focus on expense management

- + Adjusted comp ratio of 48.5% in 3Q19, decrease of 100 bps from 1st half of 2019
 - + Includes net \$2M of Nashville-related compensation expenses
 - + YTD net Nashville-related compensation expenses of \$8M
- + Adjusted EPU of \$0.63
- + Full year impact of Nashville-related expenses expected to be \$0.08

(1) Source: Morningstar



John C. Weisenseel

Chief Financial Officer

Third Quarter 2019 GAAP Income Statement

Income Statement (in US \$ Millions)	3Q19	3Q18	% Δ	2Q19	% Δ
Base Fees	\$ 609	\$ 569	7%	\$ 585	4%
Performance Fees	8	41	(80%)	11	(27%)
Bernstein Research Services	102	103	(1%)	106	(4%)
Distribution Revenues	119	104	14%	108	10%
Dividends & Interest	25	22	14%	28	(11%)
Investment Gains (Losses)	4	1	n/m	11	(64%)
Other Revenues	24	24	0%	25	(4%)
Total Revenues	891	864	3%	874	2%
Less: Interest Expense	13	14	(7%)	16	(19%)
Net Revenues	\$ 878	\$ 850	3%	\$ 858	2%
Compensation & Benefits					
Compensation & Fringes	\$ 354	\$ 348	2%	\$ 356	(1%)
Other Employment Costs	8	9	(11%)	8	0%
Total Compensation & Benefits	362	357	1%	364	(1%)
Promotion & Servicing	185	162	14%	177	5%
General & Administrative	117	107	9%	121	(3%)
Other	11	10	10%	12	(8%)
Total Operating Expenses	\$ 675	\$ 636	6%	\$ 674	0%
Operating Income	\$ 203	\$ 214	(5%)	\$ 184	10%
Operating Margin	22.6%	25.1%		20.6%	
AB Holding GAAP Diluted Net Income Per Unit	\$ 0.62	\$ 0.68	(9%)	\$ 0.54	15%

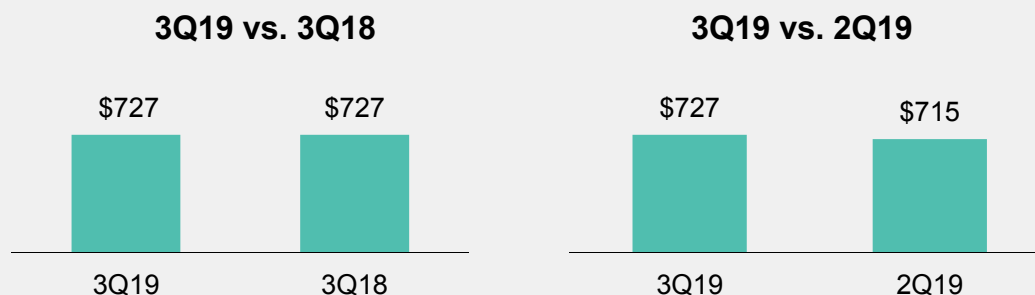
Percentages are calculated using amounts rounded in millions.



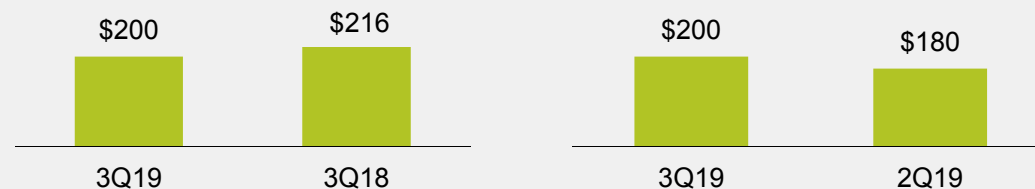
Adjusted Financial Highlights: Third Quarter 2019

In US \$ Millions; scales may differ

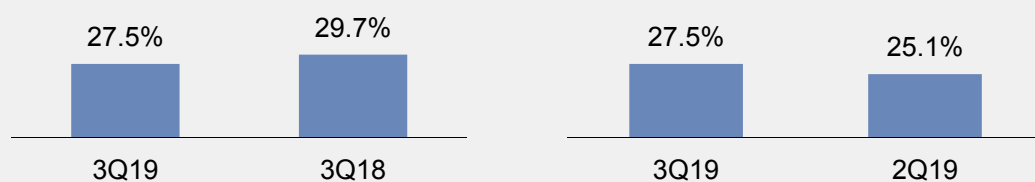
Adjusted Revenues



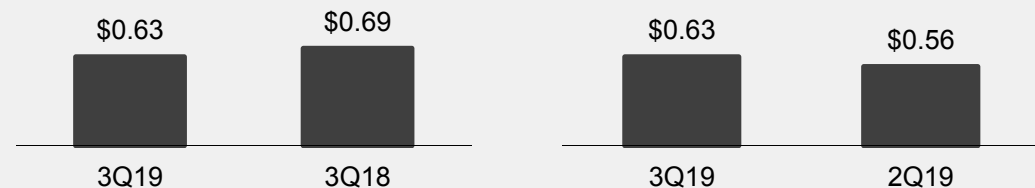
Adjusted Operating Income



Adjusted Operating Margin



Adjusted EPU



Please refer to pages 33-36 for additional information on the reconciliation of GAAP financial results to adjusted financial results.



Third Quarter 2019 Adjusted Income Statement

Adjusted Income Statement ⁽¹⁾ (in US \$ Millions)	3Q19	3Q18	% Δ	2Q19	% Δ
Base Fees	\$ 604	\$ 568	6%	\$ 580	4%
Performance Fees	8	41	(80%)	11	(27%)
Bernstein Research Services	102	103	(1%)	106	(4%)
Net Distribution Revenues (Expenses)	(13)	(6)	117%	(11)	18%
Investment Gains (Losses)	4	2	100%	5	(20%)
Other Revenues	35	33	6%	40	(13%)
Total Revenues	740	741	(0%)	731	1%
Less: Interest Expense	13	14	(7%)	16	(19%)
Adjusted Net Revenues	\$ 727	\$ 727	0%	\$ 715	2%
Compensation & Benefits					
Compensation & Fringes	\$ 352	\$ 345	2%	\$ 353	(0%)
Other Employment Costs	8	9	(11%)	8	0%
Total Compensation & Benefits	360	354	2%	361	(0%)
Promotion & Servicing	45	42	7%	49	(8%)
General & Administrative	111	105	6%	113	(2%)
Other	11	10	10%	12	(8%)
Total Adjusted Operating Expenses	\$ 527	\$ 511	3%	\$ 535	(1%)
Adjusted Operating Income	\$ 200	\$ 216	(7%)	\$ 180	11%
Adjusted Operating Margin	27.5%	29.7%		25.1%	
AB Holding Adjusted Diluted Net Income Per Unit	\$ 0.63	\$ 0.69	(9%)	\$ 0.56	13%
Compensation Ratio	48.5%	47.5%		49.5%	

(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 33-36 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Percentages are calculated using amounts rounded in millions.

Third Quarter 2019 Adjusted Income Statement Highlights

Revenues

- + The increase in Base Fees versus both prior periods resulted from higher base fees in all three channels (Retail, Institutions, and Private Wealth) due to higher average AUM.
- + 3Q18 reflects the recognition of performance fees from Financial Services Opportunity Fund 1 and Real Estate Equity Fund 1, which drove the difference year over year. The decrease versus 2Q19 was related to lower fees earned on US Select Equity Long/Short and Private Credit services.
- + The decline in Bernstein Research revenue versus both prior periods was driven mainly by lower global client activity and trading commissions. The decline versus the prior year was partially offset by revenues from the Autonomous acquisition.
- + Net Distribution Expenses increased versus both prior periods due to higher Asia retail fund sales/AUM.
- + Investment gains in all periods were driven by seed investment gains.
- + Other Revenues increased versus the prior year quarter due primarily to higher dividend & interest earned on seed investments. The sequential decline was driven mainly by lower dividend & interest earned on broker dealer investments.

Expenses

- + The Adjusted Compensation Ratio was 48.5% in 3Q19 versus 47.5% in 3Q18 and 49.5% in 2Q19.
- + Total Compensation & Benefits increased 2% versus 3Q18 due primarily to higher base salaries and fringes which were partially offset by lower incentive compensation. Sequentially, total compensation & benefits were flat as the lower comp ratio offset the impact of higher revenues.
- + Promotion & Servicing was up 7% versus the prior year quarter due to an increase in T&E and Marketing expenses. The 8% decrease versus the prior quarter is due primarily to lower seasonal T&E and marketing expenses.
- + G&A expenses were up 6% versus 3Q18 driven by higher Technology-related expenses and higher Occupancy expenses attributed mainly to the corporate headquarters relocation to Nashville.
- + Other Expenses increased versus 3Q18 due to higher contingent payments and amortization of intangibles related to the Autonomous acquisition. The sequential decline is related to lower interest expense resulting from lower average outstanding debt during the quarter.

Operating Results

- + Adjusted Operating Income declined 7% versus the prior year quarter due mainly to higher Compensation & Benefits driven by the higher comp ratio, paired with higher G&A and Promo & Servicing expenses in the current period. The 11% sequential increase versus the prior quarter was due primarily to higher revenues related to higher base fees, combined with lower operating expenses and a lower comp ratio.
- + Adjusted Margin was 27.5% in 3Q19, versus 29.7% in 3Q18, and 25.1% in 2Q19.

Please refer to pages 33-36 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 September 30, 2019

Service	3Q19	1-Yr	3-Yr	5-Yr	10-Yr	Benchmark
Equity						
Emerging Markets Value	(1.0)	0.4	(1.9)	(0.9)	(1.4)	MSCI EM
Global Strategic Value	1.1	(8.3)	(4.7)	(2.8)	(1.9)	MSCI ACWI
US Small & Mid Cap Value	(0.8)	(2.6)	0.1	0.5	0.9	Russell 2500 Value
US Strategic Value	0.7	(6.5)	(2.8)	(3.6)	(2.5)	Russell 1000 Value
US Small Cap Growth	(3.0)	4.3	9.6	4.0	4.4	Russell 2000 Growth
US Large Cap Growth	(0.6)	4.4	1.5	2.2	0.5	Russell 1000 Growth
US Small & Mid Cap Growth	(4.2)	(3.2)	4.0	1.0	2.2	Russell 2500 Growth
Concentrated US Growth	(0.7)	8.9	5.4	3.2	2.5	S&P 500
Select US Equity	(0.6)	(1.3)	0.4	(0.1)	1.2	S&P 500
Global Core Equity	0.3	4.9	3.0	2.5	N/A	MSCI ACWI
Fixed Income						
Global High Income	1.5	0.1	0.6	(0.2)	0.1	Bloomberg Barclays Global High Yield - Hedged
US High Yield	0.4	0.1	0.1	(0.2)	0.4	Bloomberg Barclays US Corporate High Yield
US Strategic Core Plus	(0.1)	-	0.6	0.7	1.1	Bloomberg Barclays US Aggregate
Emerging Market Debt	(1.2)	(0.7)	0.2	(0.2)	0.4	JPM EMBI Global
Global Plus	(0.2)	(0.1)	0.4	0.4	1.2	Bloomberg Barclays Global Aggregate - Hedged

Performance is preliminary and as of September 30, 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 September 30, 2019					Morningstar Average
	3Q19	1-Yr	3-Yr	5-Yr	10-Yr	
Equity						
International Value	0.6	(7.1)	(3.5)	(0.6)	(1.9)	Foreign Large Value
Relative Value	(0.4)	(0.6)	1.9	1.7	1.7	Large Value
Discovery Value	(1.3)	(5.6)	(1.0)	0.3	0.2	Mid-Cap Value
US Value	0.4	(5.1)	(3.8)	(4.0)	(2.4)	Large Value
Sustainable Global Thematic	(1.4)	3.1	2.5	3.0	(0.3)	World Large Stock
Sustainable International Thematic	(0.2)	1.6	(2.4)	(2.4)	(2.1)	Foreign Large Growth
Large Cap Growth	1.2	5.5	2.8	3.7	2.3	Large Growth
Emerging Markets Growth	1.4	2.2	(1.8)	0.9	0.9	Global Emerging Markets Equity
Growth	0.4	4.9	4.1	3.9	1.9	Large Growth
Discovery Growth	(5.7)	(9.0)	2.4	0.6	2.4	Mid-Cap Growth
Fixed Income						
Global High Yield	0.4	0.4	0.1	0.4	0.9	Global High Yield Bond
American Income Portfolio	1.5	5.0	1.6	1.5	1.4	USD Flexible Bond
Global Bond	(0.5)	(1.2)	(0.2)	0.4	0.8	World Bond
High Income	0.2	(0.1)	(0.3)	0.4	0.9	High Yield Bond

As of September 30, 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: 3Q19

(US \$ Billions)

	At September 30, 2019				At June 30, 2019
	Institutions	Retail	Private Wealth	Total	Total
Equity					
Actively Managed	\$ 39	\$ 73	\$ 48	160	\$ 162
Passive ⁽¹⁾	24	33	-	57	57
Total Equity	63	106	48	217	219
Fixed Income					
Taxable	158	83	12	253	241
Tax-Exempt	1	20	25	46	44
Passive ⁽¹⁾	-	9	-	9	10
Total Fixed Income	159	112	37	308	295
Other⁽²⁾	51	4	12	67	67
Total	\$ 273	\$ 222	\$ 97	\$ 592	\$ 581
	At June 30, 2019				
Total	\$ 269	\$ 215	\$ 97	\$ 581	

(1) Includes index and enhanced index services.

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



Three Months Ended 9/30/19: AUM Roll-Forward by Distribution Channel

In US \$ Billions Distribution Channel:	Beginning of Period	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Investment Performance	Net Change	End of Period
Institutions								
US	139.5	1.6	(0.5)	5.5	6.6	2.1	8.7	148.2
Global and Non-US	129.6	1.3	(3.7)	(2.7)	(5.1)	0.2	(4.9)	124.7
Total Institutions	269.1	2.9	(4.2)	2.8	1.5	2.3	3.8	272.9
Retail								
US	111.2	6.1	(4.1)	(1.0)	1.0	0.4	1.4	112.6
Global and Non-US	103.3	15.0	(7.1)	(1.5)	6.4	0.2	6.6	109.9
Total Retail	214.5	21.1	(11.2)	(2.5)	7.4	0.6	8.0	222.5
Private Wealth Management								
US	64.0	1.6	(2.2)	-	(0.6)	0.6	(0.0)	64.0
Global and Non-US	33.2	0.7	(1.0)	0.1	(0.2)	-	(0.2)	33.0
Total Private Wealth	97.2	2.3	(3.2)	0.1	(0.8)	0.6	(0.2)	97.0
Firmwide								
US	314.7	9.3	(6.8)	4.5	7.0	3.1	10.1	324.8
Global and Non-US	266.1	17.0	(11.8)	(4.1)	1.1	0.4	1.5	267.6
Total Firmwide	580.8	26.3	(18.6)	0.4	8.1	3.5	11.6	592.4

Three Months Ended 9/30/19: AUM Roll-Forward by Investment Service

In US \$ Billions Investment Service:	Beginning of Period	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Investment Performance	Net Change	End of Period
Equity Active								
US	88.3	4.2	(3.2)	(0.4)	0.6	(0.1)	0.5	88.8
Global and Non-US	73.5	2.7	(4.0)	(0.7)	(2.0)	(0.4)	(2.4)	71.1
Total Equity Active	161.8	6.9	(7.2)	(1.1)	(1.4)	(0.5)	(1.9)	159.9
Equity Passive ⁽¹⁾								
US	46.2	0.3	(0.5)	(0.7)	(0.9)	0.7	(0.2)	46.0
Global and Non-US	11.2	-	(0.1)	(0.1)	(0.2)	(0.2)	(0.4)	10.8
Total Equity Passive ⁽¹⁾	57.4	0.3	(0.6)	(0.8)	(1.1)	0.5	(0.6)	56.8
Total Equity	219.2	7.2	(7.8)	(1.9)	(2.5)	-	(2.5)	216.7
Fixed Income - Taxable								
US	116.1	1.8	(1.1)	5.9	6.6	1.9	8.5	124.6
Global and Non-US	124.7	14.4	(7.7)	(3.9)	2.8	0.8	3.6	128.3
Total Fixed Income - Taxable	240.8	16.2	(8.8)	2.0	9.4	2.7	12.1	252.9
Fixed Income - Tax-Exempt								
US	44.3	2.5	(1.5)	-	1.0	0.5	1.5	45.8
Global and Non-US	-	-	-	-	-	-	-	-
Total Fixed Income - Tax-Exempt	44.3	2.5	(1.5)	-	1.0	0.5	1.5	45.8
Fixed Income Passive ⁽¹⁾								
US	5.2	-	-	(0.1)	(0.1)	0.1	-	5.2
Global and Non-US	4.3	-	(0.1)	-	(0.1)	-	(0.1)	4.2
Total Fixed Income Passive ⁽¹⁾	9.5	-	(0.1)	(0.1)	(0.2)	0.1	(0.1)	9.4
Total Fixed Income	294.6	18.7	(10.4)	1.9	10.2	3.3	13.5	308.1
Other ⁽²⁾								
US	14.6	0.5	(0.5)	(0.2)	(0.2)	-	(0.2)	14.4
Global and Non-US	52.4	(0.1)	0.1	0.6	0.6	0.2	0.8	53.2
Total Other ⁽²⁾	67.0	0.4	(0.4)	0.4	0.4	0.2	0.6	67.6
Firmwide								
US	314.7	9.3	(6.8)	4.5	7.0	3.1	10.1	324.8
Global and Non-US	266.1	17.0	(11.8)	(4.1)	1.1	0.4	1.5	267.6
Total Firmwide	580.8	26.3	(18.6)	0.4	8.1	3.5	11.6	592.4

(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 9/30/19

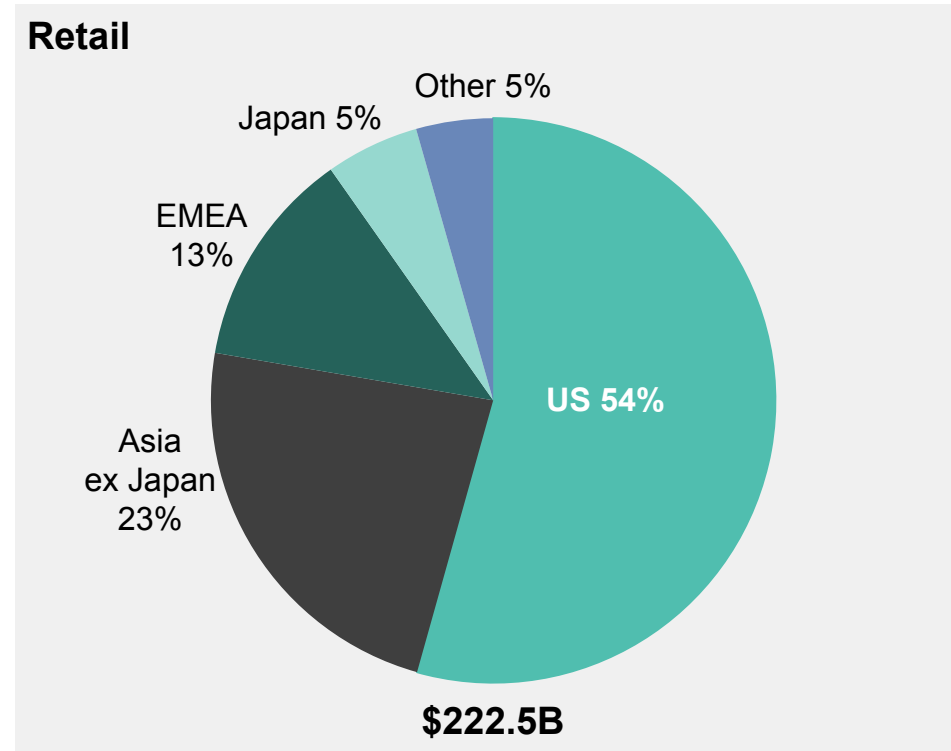
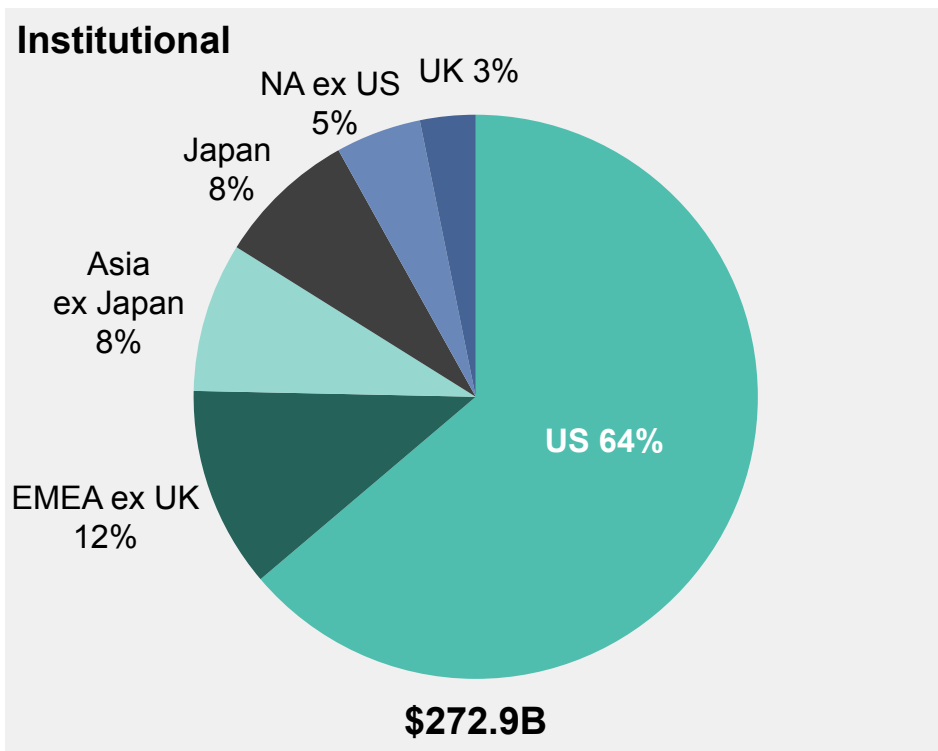
	Actively Managed	Passively Managed ⁽¹⁾	Total
Equity	(\$1.4)	(\$1.1)	(\$2.5)
Fixed Income	10.4	(0.2)	10.2
Other ⁽²⁾	0.3	0.1	0.4
Total	\$9.3	(\$1.2)	\$8.1

(1) Includes index and enhanced index services.

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



AUM by Region



As of September 30, 2019
By client domicile



Third Quarter 2019 Adjusted Advisory Fees

	3Q19	3Q18	% Δ	2Q19	% Δ
Ending AUM (\$ Billions)	\$592	\$550	8%	\$581	2%
Average AUM (\$ Billions)	\$586	\$547	7%	\$566	4%

By Fee Type (\$ Millions):

Adjusted Base Fees	\$604	\$568	6%	\$580	4%
Adjusted Performance Fees	8	41	(80%)	11	(27%)
Total	\$612	\$609	0%	\$591	4%

Adjusted Base Fees By Channel (\$ Millions):

Institutions	\$110	\$110	0%	\$107	3%
Retail	278	252	10%	260	7%
Private Wealth	216	206	5%	213	1%
Total	\$604	\$568	6%	\$580	4%

Third Quarter 2019 GAAP Income Statement

In US \$ Millions (except EPU)	3Q19	3Q18	% Δ	2Q19	% Δ
Net Revenues	\$ 878	\$ 850	3%	\$ 858	2%
Operating Expenses	675	636	6%	674	0%
Operating Income	203	214	(5%)	184	10%
Net Income Attributable to AB Unitholders	188	204	(8%)	166	13%
AB Holding GAAP Diluted Net Income per Unit	\$ 0.62	\$ 0.68	(9%)	\$ 0.54	15%
AB Holding Distribution Per Unit	\$ 0.63	\$ 0.69	(9%)	\$ 0.56	13%

Percentages are calculated using amounts rounded to the nearest million.



Consolidated Balance Sheet

In US \$ Millions

Assets	September 30, 2019	December 31, 2018
Cash and cash equivalents	\$ 705	\$ 640
Cash and securities, segregated	958	1,170
Receivables, net	1,992	2,261
Investments:		
Long-term incentive compensation-related	49	52
Other	274	662
Assets of consolidated company-sponsored investment funds	590	388
Goodwill	3,077	3,067
Intangible assets, net	66	79
Deferred sales commissions, net	27	17
Right-of-use Assets	381	-
Other (incl. furniture & equipment, net)	436	453
Total Assets	\$ 8,555	\$ 8,789
Liabilities and Capital		
Liabilities:		
Payables	\$ 2,681	\$ 3,470
Accounts payable and accrued expenses	199	412
Lease Liabilities	491	-
Liabilities of consolidated company-sponsored investment funds	38	23
Accrued compensation and benefits	607	273
Debt	383	546
Total Liabilities	4,399	4,724
Redeemable non-controlling interest	291	149
Partners' capital attributable to AllianceBernstein Unitholders	3,865	3,915
Non-controlling interests in consolidated entities	-	1
Total Capital	3,865	3,916
Total Liabilities and Capital	\$ 8,555	\$ 8,789



Consolidated Statement of Cash Flows

In US \$ Millions

	Nine Months Ended	
	September 30, 2019	September 30, 2018
Net Income	\$ 525	\$ 593
Non-cash items: Amortization of deferred sales commissions	10	17
Non-cash long-term incentive compensation expense	37	13
Depreciation and other amortization	126	53
Unrealized (gains) on investments	(17)	(5)
Unrealized (gains) on investments of consolidated company-sponsored investment funds	(30)	(24)
Other, net	4	1
Changes in assets and liabilities	151	466
Net cash provided by operating activities	806	1,114
Purchases of furniture, equipment, and leasehold improvements, net	(24)	(27)
Acquisition of businesses, net of cash acquired	5	-
Net cash used in investing activities	(19)	(27)
(Repayment) issuance of commercial paper, net	(228)	(97)
Proceeds (repayment) of bank loans	55	(75)
(Decrease) in overdrafts payable	(73)	(39)
Distributions to General Partner and Unitholders	(514)	(653)
Subscriptions (redemptions) of non-controlling interests of consolidated company-sponsored investment funds, net	124	(519)
Additional investments by Holding with proceeds from exercise of compensatory options to buy Holding Units	10	11
Purchases of AB Holding Units to fund long-term incentive compensation plan awards, net	(82)	(83)
Other, net	(2)	(4)
Net cash used in financing activities	(710)	(1,459)
Effect of exchange rate changes on cash and cash equivalents	(8)	(9)
Net increase (decrease) in cash and cash equivalents	69	(381)
Cash and cash equivalents at the beginning of period	653	998
Cash and cash equivalents at the end of period	\$ 722	\$ 617

Third Quarter 2019 AB Holding Financial Results

In US \$ Millions (exclucing per Unit amounts)	3Q19	3Q18	% Δ	2Q19	% Δ
AB					
Net Income Attributable to AllianceBernstein	\$188	\$204	(8%)	\$166	13%
Weighted Average Equity Ownership Interest	35.5%	35.7%		35.5%	
AB Holding					
Equity in Net Income Attributable to AB	\$67	\$73	(8%)	\$59	14%
Income Taxes	7	7	0%	7	0%
Net Income	\$60	\$66	(9%)	\$52	15%
Diluted Net Income Per Unit, GAAP basis	\$0.62	\$0.68	(9%)	\$0.54	15%
Distributions Per Unit	\$0.63	\$0.69	(9%)	\$0.56	13%
Adjusted Diluted Net Income Per Unit	\$0.63	\$0.69	(9%)	\$0.56	13%

Please refer to pages 33-36 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Percentages are calculated using amounts rounded in millions.



Third Quarter 2019 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	\$ 616,384		(5,119)		(165)				\$ 611,100
Bernstein research services	102,014								102,014
Distribution revenues	118,635	(131,331)			110				(12,586)
Dividend and interest income	24,882			(128)	(4,239)				20,515
Investment gains (losses)	4,433			(189)	(178)				4,066
Other revenues	24,497		(9,571)		(348)				14,578
Total revenues	890,845	(131,331)	(14,690)	(317)	(4,820)	-	-	-	739,687
Less: interest expense	12,978								12,978
Net revenues	877,867	(131,331)	(14,690)	(317)	(4,820)	-	-	-	726,709
Employee compensation and benefits	361,822			(1,051)			(404)		360,367
Promotion and servicing	185,145	(131,331)	(9,430)						44,384
General and administrative	117,209		(5,260)		(693)		(152)		111,104
Contingent payment arrangements	829								829
Interest on borrowings	2,802								2,802
Amortization of intangible assets	7,277								7,277
Net income (loss) of consolidated entities attributable to non-controlling interests	-				18				18
Total expenses	675,084	(131,331)	(14,690)	(1,051)	(675)	-	-	(556)	526,781
Operating income	202,783	-	-	734	(4,145)	-	-	556	199,928
Income taxes	10,827	-	-	39	(220)	-	-	30	10,676
Net income	191,956	-	-	695	(3,925)	-	-	526	189,252
Net income (loss) of consolidated entities attributable to non-controlling interests	4,145				(4,145)				-
Net income attributable to AB Unitholders	\$ 187,811	\$ -	\$ -	\$ 695	\$ 220	\$ -	\$ -	\$ 526	\$ 189,252

Please refer to page 36 for notes describing the adjustments.



Third 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	\$ 610,063		(1,114)		(132)				-	\$ 608,817
Bernstein research services	103,581									103,581
Distribution revenues	104,488	(111,023)			52					(6,483)
Dividend and interest income	21,942			(131)	(2,216)					19,595
Investment gains (losses)	565			(1,252)	1,269				1,000	1,582
Other revenues	24,012		(8,970)		(516)					14,526
Total revenues	864,651	(111,023)	(10,084)	(1,383)	(1,543)	-	-	-	1,000	741,618
Less: interest expense	14,475									14,475
Net revenues	850,176	(111,023)	(10,084)	(1,383)	(1,543)	-	-	-	1,000	727,143
Employee compensation and benefits	357,442			(3,203)						354,239
Promotion and servicing	161,816	(111,023)	(8,827)							41,966
General and administrative	107,371		(1,257)		(895)	155				105,374
Contingent payment arrangements	52						-			52
Interest on borrowings	2,711									2,711
Amortization of intangible assets	6,965									6,965
Net income (loss) of consolidated entities attributable to non-controlling interests	-				78					78
Total expenses	636,357	(111,023)	(10,084)	(3,203)	(817)	155	-	-	-	511,385
Operating income	213,819	-	-	1,820	(726)	(155)	-	-	1,000	215,758
Income taxes	9,419			82	(27)	(6)			46	9,515
Net income	204,400			1,738	(699)	(149)			954	206,243
Net income (loss) of consolidated entities attributable to non-controlling interests	726				(726)					-
Net income attributable to AB Unitholders	\$ 203,674	\$ -	\$ -	\$ 1,738	\$ 27	\$ (149)	\$ -	\$ -	\$ 954	\$ 206,243

Please refer to page 36 for notes describing the adjustments.



Second Quarter 2019 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	\$ 596,364		(4,356)		(327)				\$ 591,681
Bernstein research services	105,991								105,991
Distribution revenues	108,347	(119,495)			39				(11,109)
Dividend and interest income	27,654			(136)	(3,983)				23,535
Investment gains (losses)	10,949			(1,389)	(4,143)				5,417
Other revenues	24,796		(9,160)		(283)				15,353
Total revenues	874,101	(119,495)	(13,516)	(1,525)	(8,697)	-	-	-	730,868
Less: interest expense	16,302								16,302
Net revenues	857,799	(119,495)	(13,516)	(1,525)	(8,697)	-	-	-	714,566
Employee compensation and benefits	363,702			(2,029)			(563)		361,110
Promotion and servicing	177,045	(119,495)	(9,009)						48,541
General and administrative	120,728		(4,507)		(998)		(2,155)		113,068
Contingent payment arrangements	829								829
Interest on borrowings	3,990								3,990
Amortization of intangible assets	7,285								7,285
Net income (loss) of consolidated entities attributable to non-controlling interests	-				58				58
Total expenses	673,579	(119,495)	(13,516)	(2,029)	(940)	-	(2,718)	-	534,881
Operating income	184,220	-	-	504	(7,757)	-	2,718	-	179,685
Income taxes	10,211	-	-	27	(433)	-	149	-	9,954
Net income	174,009	-	-	477	(7,324)	-	2,569	-	169,731
Net income (loss) of consolidated entities attributable to non-controlling interests	7,757				(7,757)				-
Net income attributable to AB Unitholders	\$ 166,252	\$ -	\$ -	\$ 477	\$ 433	\$ -	\$ 2,569	\$ -	\$ 169,731

Please refer to page 36 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 that 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 incurred outside of our headquarters relocation strategy 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. For third quarter 2018, Other reflects a loss on the sale of software technology that has been excluded due to its non-recurring nature and because it is not part of our core operating results.

Adjusted Operating Margin

Adjusted operating margin allows us to monitor our financial performance and efficiency from period to period without the volatility 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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