SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported):

ALLIANCE CAPITAL MANAGEMENT L.P.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization) **000-29961** (Commission File Number) **13-4064930** (I.R.S. Employer

Identification Number)

10105

(Zip Code)

1345 Avenue of the Americas, New York, New York (Address of principal executive offices)

Registrant's telephone number, including area code:

212-969-1000

January 30, 2003

Item 1. Changes in Control of Registrant.

Not applicable.

Item 2. Acquisition or Disposition of Assets.

Not applicable.

Item 3. Bankruptcy or Receivership.

Not applicable.

Item 4. Changes in Registrant's Certifying Accountant.

Not applicable.

Item 5. Other Events and Regulation FD Disclosure.

Not applicable.

Item 6. <u>Resignations of Registrant's Directors.</u>

Not applicable.

- Item 7. Financial Statements and Exhibits.
 - (a) Financial Statements of Businesses Acquired

None.

- (b) Pro Forma Financial Information None.
- (c) Exhibits

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Pursuant to Regulation FD, Alliance Capital Management L.P. is furnishing its Fourth Quarter and Full Year 2002 Review dated January 30, 2003.

Item 8. Change in Fiscal Year.

Not applicable.

Item 9. <u>Regulation FD Disclosure.</u>

Pursuant to Regulation FD, Alliance Capital Management L.P. is furnishing its Fourth Quarter and Full Year 2002 Review dated January 30, 2003. The Fourth Quarter and Full Year 2002 Review is attached hereto as Exhibit 99.04.

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SIGNATURES

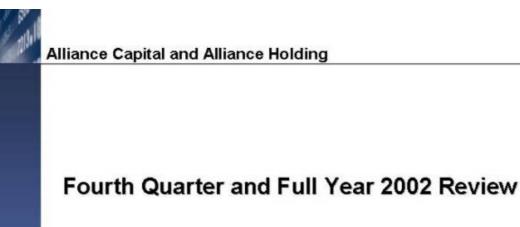
Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALLIANCE CAPITAL MANAGEMENT L.P.

- By: Alliance Capital Management Corporation, General Partner
- By: /s/ Robert H. Joseph, Jr. Robert H. Joseph, Jr. Senior Vice President and Chief Financial Officer

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Dated: January 31, 2003



Bruce W. Calvert Chairman and CEO John D. Carifa President and COO

Lewis A. Sanders Vice Chairman and CIO

January 30, 2003

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Introduction

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

Forward-Looking Statements

Certain statements provided by Alliance Capital Management L.P. ("Alliance Capital") and Alliance Capital Management Holding L.P. ("Alliance Holding") in this report are "forwardlooking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of such factors include, but are not limited to, the following: the performance of financial markets, the investment performance of Alliance Capital's sponsored investment products and separately managed accounts, general economic conditions, future acquisitions, competitive conditions, and government regulations, including changes in tax rates. Alliance Capital and Alliance Holding caution readers to carefully consider such factors. Further, such forward-looking statements speak only as of the date on which such statements are made; Alliance Capital and Alliance Holding undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

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Fourth Quarter Financial Overview

Alliance Capital	4Q02 vs. 4Q01
End of Period AUM	\$387 bn vs. \$452 bn, down 14.5%
 Market Environment (12 Months) 	S&P 500 down 22.1% Russell 1000 Growth down 27.9% Russell 1000 Value down 15.5% MSCI EAFE down 15.9% Lehman Aggr. Bond up 10.3%
 Annualized Fee Base⁽¹⁾ 	\$1,565 mm vs. \$1,850 mm, down 15.4%
Average AUM	\$384 bn vs. \$440 bn, down 12.7%
Revenues	\$648 mm vs. \$765 mm, down 15.3%
 Operating Expenses 	\$488 mm vs. \$563 mm, down 13.3%
 Staffing Levels 	4,118, down 7.8%
 Net Operating Earnings⁽²⁾ 	\$152 mm vs. \$194 mm, down 21.7%

year. (2) Net Operating Earnings: Net Income excluding amortization of intangibles and goodwill. https://percentages.inthis.presentation.are.calculated based on underlying numbers.

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Alliance Capital Fourth Quarter Financial Overview

	4Q02	4Q01	% chg
 Average AUM (\$bn) 	\$384	\$440	-13
Revenues			
Base Fee & Other	\$515	\$583	-12
Performance Fee	29	50	-41
Distribution	104	132	-21
	648	765	-15
 Expenses 			
Compensation	216	263	-18
Distribution (1)	144	163	-12
Other (1)	136	145	-6
	496	571	-13
 Net Operating Earnings⁽²⁾ 	\$152	\$194	-22
 Base Fee Earnings 	\$137	\$169	-19
 Performance Fee Earnings 	15	25_	-39
 Net Operating Earnings⁽²⁾ 	\$152	\$194	-22

(1) Distinction motivates distribution plan payments and anortization of deferred sales commissions. Distribution and Other reflect reclassification of revenue sharing payments, effective 3002, resulting in a \$13mm reclass from distribution plan payments to other promotion and servicing expense for 4001.
 (2) Net Operating Earnings: Net knowe excluding anortization of intangibles and goodwill.

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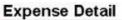
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Fourth Quarter Revenues - by Distribution Channel

	4Q02	4Q01	% chg	Comments
Retail	\$309	\$382	-19	 AUM decline weighted toward higher fee equity products; distribution revenues
 Institutional Inv. Mgmt 	151	177	-14	 Revenues decline with average AUM
 Private Client 	109	126	-14	Lower Advanced Value performance fees of \$16mm
 Institutional Research Svcs. 	69	67	+4	 Expanded research coverage and broader trading capabilities
Other	10	13_	-26	
Total	\$648	\$765	-15	

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(In \$ millions)

4Q02	4Q01	% chg
\$ 75	\$ 84	-11
66	80	-18
28	20	+38
29	57	-48
18	22	-18
\$216	\$263	-18
	\$ 75 66 28 29	\$ 75 \$ 84 66 80 28 20 29 57

(1) Reduced headcount.

(2) Lower operating earnings and performance fees.

(3) Final tranche of SCB deferred compensation.

(4) \$19 million accrued as commissions for certain sales management professionals was instead paid from the IC pool.

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	(In \$ millions)				
-		4Q02	4Q01	% chg	Comments
	Employee Comp. & Benefits	\$216	\$263	-18	
	Promotion & Servicing				
	Distribution Plan Pmts (1)	89	106	-16	
	Amort of Def Sales Comm	55	57	-4	
	T & E	12	15	-17]	
	Printing/Mailing	2	9	-73 }.	Continued reductions i
	Other (1)	25	26	-4	controllable expenses
		183	213	-14	
	General & Admin				
	Office Expense	39	41	-7 •	Office consolidation
	Other	44	40	+12 •	Legal Fees
		83	81	+2	
	Interest and Taxes	14	14	-	
	Total	\$496	\$571	-13	

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Net Distribution Expense

	4Q02	4Q01	% chg
Distribution Revenues	\$104	\$132	-21
 Distribution Expenses 			
Distribution Plan Payments (1)	89	106	-16
Amort of Def Sales Comm	55	57	-4
	144	163	-12
Net Distribution Expense	\$ 40	\$ 31	+26

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(1) Reflects reclassification of revenue sharing payments, effective 3Q02, resulting in a \$13 nm reclass from distribution plan payments to other promotion and servicing expense for 4Q01.

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(in \$ millions)	4Q02	% of Rev ⁽¹⁾	4Q01	% of Rev ⁽¹⁾
 Base Fee Earnings, Net 	\$175	32.1%	\$200	31.6%
Distribution Expense, Net ⁽²⁾	(31)	-5.8	(25)	-3.9
 Performance Fee Earnings, Net 	16		27	4.2
 Pre-tax Operating Earnings 	\$160	29.3%	\$202	31.9%

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Alliance Holding Net Operating Earnings and Distribution

(Per Unit amounts)			
	4Q02	4Q01	% chg
 Diluted Net Income 	\$0.51	\$0.51	-%
Amortization of Intangibles & Goodwill	0.02	0.17	-88
 Net Operating Earnings⁽¹⁾ 	\$0.53	\$0.68	-22%
 Base Fee Earnings 	\$0.47	\$0.59	-20%
 Performance Fee Earnings 	0.06	0.09	-33
 Net Operating Earnings⁽¹⁾ 	\$0.53	\$0.68	-22%
 Distribution 	\$0.52	\$0.67	-22%

(1) Net Operating Earnings: Net Income excluding amortization of intangibles and goodwill.

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Full Year Financial Overview

Alliance Capital	2002 vs. 2001
End of Period AUM	\$387 bn vs. \$452 bn, down 14.5%
 Market Environment (12 Months) 	S&P 500 down 22.1% Russell 1000 Growth down 27.9% Russell 1000 Value down 15.5% MSCI EAFE down 15.9% Lehman Aggr. Bond up 10.3%
Annualized Fee Base	\$1,565 mm vs. \$1,850 mm, down 15.4%
 Average AUM 	\$415 bn vs. \$449 bn, down 7.7%
 Revenues 	\$2,742 mm vs. \$ 2,993, down 8.4%
 Operating Expenses 	\$2,079 mm vs. \$2,168 mm, down 4.1%
 Staffing Levels 	4,118, down 7.8%
Net Operating Earnings ⁽¹⁾	\$632 mm vs. \$787 mm, down 19.8%

(1) Net Operating Earnings: Net income excluding amortization of intangibles and goodwill.

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Alliance Capital Full Year Financial Overview

	2002	2001	% chg
 Average AUM (\$bn) 	\$415	\$449	-8
Revenues			
Base Fee & Other	\$2,221	\$2,369	-6
Performance Fee	54	79	-32
Distribution	467	545	-14
	2,742	2,993	-8
Expenses			
Compensation	907	931	-3
Distribution (1)	622	660	-6
Other (1)	582	615	-5
	2.111	2.206	-4
Net Operating Earnings ⁽²⁾	\$632	\$787	-20
Base Fee Earnings	\$599	\$740	-19
Performance Fee Earnings	33	47_	-29
Net Operating Earnings ⁽²⁾	\$632	\$787	-20

(1) Distribution includes distribution plan payments and amortization of deferred sales commissions. Distribution and Other reflect reclassification of revenue sharing payments, effective 3Q42, resulting in a \$59 mm reclass from distribution plan payments to other promotion and servicing expense for 4Q49. (2) Net Operating Earnings: Net Income excluding another of intergibles and goodwill. AUM in \$ billions. 12

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(In \$ millions)				
	2002	2001	% chg	Comments
Retail	\$1,358	\$1,592	-15	 Market depreciation; lower average AUM impacts base fees and distribution revenues
 Institutional Inv. Mgmt 	633	676	-6	Revenues decline with average AUM
 Private Client 	425	397	+7	 Higher base fees more than offset \$16 mm decline in performance fees
 Institutional Research Svcs. 	295	266	+11	 Expanded research coverage and broader trading capabilities
Other	31	62	-51	
Total	\$2,742	\$2,993	-8	

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Expense Detail

(In \$ millions)

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	2002	2001	% chg
Employee Comp. & Benefits			
Base Compensation ⁽¹⁾	\$302	\$320	-6
Incentive Compensation ⁽²⁾			
Cash ⁽²⁾	229	265	-14
Deferred ⁽³⁾	93	57	+64
Commissions ⁽⁴⁾	203	202	
Fringes & Other	80	87	-8
Total	\$907	\$931	-3

(1) Reduced headcount.

(2) Lower operating earnings and performance fees.

(3) Final tranche of SCB deferred compensation.

(4) \$19 million accrued as commissions for certain sales management professionals was instead paid from the IC pool.

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(In \$ millions)	10-001270	******	1000 AC 100 AC 100	Ministra - concernations
	2002	2001	% chg	Comments
 Employee Comp. & Benefits 	_907_	931_	-3	
Promotion & Servicing				
Distribution Plan Pmts (1)	393	429	-9	
Amort of Def Sales Comm	229	231	-1	
T&E	53	66	-19]	
Printing/Mailing	30	43	-31 >	 Continued reductions in
Other (1)	110	124	-11	controllable expenses
	815	893	-9	
General & Admin				 Office expansion and
Office Expense	165	157	+5	restacking
Other	164		+6	 Legal fees
	329	312	+6	
Interest and Taxes	60	70	-15	Lower debt and earning:
Total	\$2,111	\$2,206	-4	

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Net Distribution Expense

	2002	2001	% chg
Distribution Revenues	\$467	\$545	-14
Distribution Expenses			
Distribution Plan Payments (1)	393	429	-9
Amort of Def Sales Comm	229	_231	-1
	622	660	-6
Net Distribution Expense	\$ 155	\$ 115	+34

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(1) Reflects reclassification of revenue sharing payments, effective 3Q02, resulting in a \$59 mm reclass from distribution plan payments to other promotion and servicing expense for 4Q01.

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(In \$ millions)	2002	% of Rev ⁽¹⁾	2001	% of Rev ⁽¹⁾
 Base Fee Earnings, Net 	\$750	33.0%	\$866	35.4%
 Distribution Expense, Net ⁽²⁾ 	(121)	-5.3	(90)	-3.7
 Performance Fee Earnings, Net 	35_		49	
 Pre-tax Operating Earnings 	\$664	29.2%	\$825	33.7%
 Pre-tax Operating Earnings 	\$664	29.2%	\$825	33.1

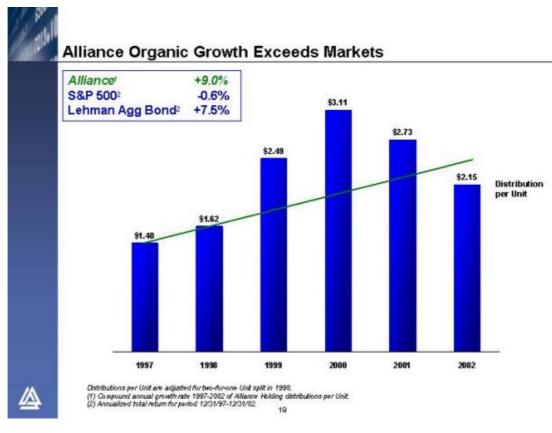
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Alliance Holding Net Operating Earnings and Distribution

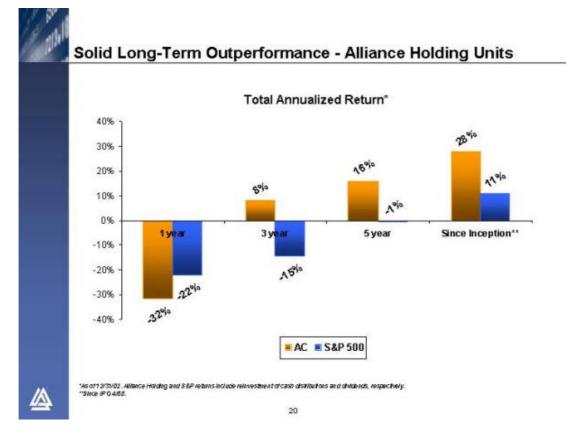
(Per Unit amounts)			
	2002	2001	% chg
 Diluted Net Income 	\$2.11	\$2.10	1%
 Amortization of Intangibles & Goodwill 	0.08	0.67	-88
 Net Operating Earnings⁽¹⁾ 	\$2.19	\$2.77	-21%
 Base Fee Earnings 	\$2.07	\$2.60	-20%
 Performance Fee Earnings 	_0.12	0.17	-29
 Net Operating Earnings⁽¹⁾ 	\$2.19	\$2.77	-21%
Distribution	\$2.15	\$2.73	-21%

(1) Net Operating Earnings: Net Income excluding amortization of intangibles and goodwill.

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2002 Summary



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Challenging Market Environment

Period ended December 31,

	2002	2001	2000	3 Yr Cum
S&P 500	-22.1%	-11.9%	-9.1%	-37.6%
Russell 1000 Growth	-27.9%	-20.4%	-22.4%	-55.5%
Russell 1000 Value	-15.5%	-5.6%	7.0%	-14.7%
NASDAQ Composite	-31.5%	-21.1%	-39.3%	-67.2%
MSCI EAFE	-15.9%	-21.4%	-14.2%	-43.3%
Lehman Aggregate Bond	10.3%	8.4%	11.6%	33.5%

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Relative Performance (1) - Institutional Growth Equity

Institutional Equity Composites vs. Benchmarks

	Large Cap Growth ⁽²⁾	Disciplined Growth ⁽²⁾	Multi Cap Growth ⁽³⁾	Small Cap Growth ⁽⁴⁾	Inti Lg Cap Growth ⁽³⁾	Emerging Market Growth ^(†)
1уг	-2.3	-4.3	+1.0	-0.5	+1.6	+6.1
Эут	+1.7	-0.1	+3.6	+11.2	+5.5	+0.5
5ут	+2.8	-0.4	+0.9	+4.7	+4.9	+4.5
10уг	+2.2	+0.3	+0.9	+7.2	+3.7	+2.8

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(1) Investment performance of composities are after investment management fees. (2) vs. Russell 1000 Growth (3) vs. Russell 3000 Growth (4) vs. Russell 2000 Growth (5) vs. MSCI EAFE Growth (6) vs. MSCI Emerging Markets Free Composite and benchmark data through 12/39/02. Performance is preliminary. See Performance Usobasine

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Relative Performance (1) - Institutional Value Equity

Institutional Equity Composites vs. Benchmarks

	Strategic Value ⁽²⁾	Diversified Value ⁽³⁾	Relative Value ⁽²⁾	Small- Mid Cap Value ⁽⁴⁾	International Value ⁽⁵⁾	Emerging Market Value ^(§)
1yr	-1.8	+5.6	-6.8	+3.1	+7.7	+10.8
Зуг	+5.0	+10.7	+0.8		+5.4	+4.4
Syr	+0.7	+2.9	+2.1		+2.5	+5.0
10yr	+0.9	+1.6			+2.0	(A)

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(1) Investment performance of composites are after investment management fees. (2) vs. Russell 1000 Value (3) vs. S&P 500 (4) vs. Russell 2500 Value (5) vs. MSCI EAFE Value (6) vs. MSCI Emerging Markets Free Composite and benchmark data through 12/39/02. Performance is preliminary. See Performance Disclosure

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Relative Performance (1) – Institutional Fixed Income

Institutional Fixed Income Composites vs. Benchmarks

	High Grade Aggregate ⁽²⁾	Insurance ⁽³⁾	Sector Rotation ⁽²⁾	High Yield ⁽⁴⁾	Global ⁽⁵⁾	Emerging Market ^(c)
1уг	-0.2	+0.3	-2.0	-3.4	-1.3	+4.1
Зут	-0.1	+0.5	-0.4	-0.5	-0.8	+4.8
5ут	-0.2	+0.3	-0.6	+0.6	-0.5	+2.4
10ут	-	+0.3	-0.3	+1.4	-0.2	-

(1) Investment performance of composites are after investment management fees. (2) vs. Lehman US Aggregate Unhedged (3) vs. Custom Insurance Index (4) vs. Custom High Yield Index (5) vs. JPIM Global Bond Unhedged (8) vs. JPIM EMB Pus Composite and benchmark data through 12/31/02, Performance is preliminary. See Performance Disclosure 26

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Relative Performance - Retail Growth Equity

Retail Mutual Funds vs. Lipper Averages

	Premier Growth ⁽¹⁾	Growth ⁽²⁾		Int'l Premier ⁽⁵⁾	Global Gr Trd ⁽⁴⁾
1ут	-3.8	+1.3	+0.1	-1.8	+1.0
Зуг	-2.9	-0.1	+5.9	-3.5	+5.7
5ут	-1.0	-4.4	+0.8	: 1 4	+7.4
10уг	+1.4	-0.5	+0.6	120	+6.1

(1) vs. Large Cap. Growth average. (2) vs. Multi Cap. Growth average. (3) vs. Science and Technology average. (4) vs. Health/Biotechnology average. (5) vs. International average. (6) vs. Growth average Source: Alliance Capital and Upper data through 12/31/02. Mutual fund performance and Upper data through 12/31/02.

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Relative Performance - Retail Value Equity

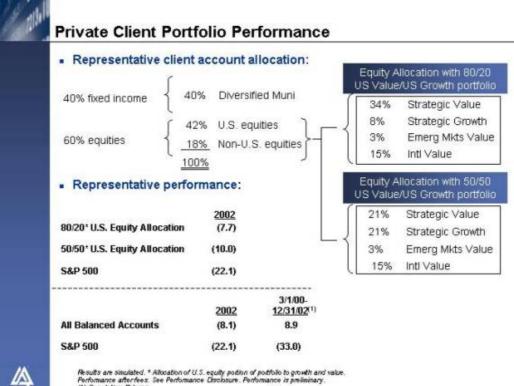
Retail Mutual Funds vs. Lipper Averages

	AB Value ⁽¹⁾	Growth & Income ⁽²⁾	Small Cap Value ⁽³⁾	Inti Value ⁽⁴⁾	Global Value ⁽³⁾	Balanced ⁽⁴⁾
1ут	+4.6	-6.6	+5.3	+13.5	+4.8	+1.0
Зут	-	+0.8	-	-	-	+5.7
буг	1211	+3.0	-	-	<u> </u>	+3.1
10уг	.))	+1.6	-	7	-	+1.3

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(1) vs. Multi Cap Value average (2) vs. Large Cap Value average (3) vs. Mid Cap Value average (4) vs. International average (5) vs. Global average (6) vs. Balanced average Source: Allance Capital and Lipper Mutual fund performance and Lipper data through 12/31/02.

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Results are simulated. * Allocation of U.S. equity potion of potholio to growth and value. Performance after fees. See Performance Esolosure. Performance is preliminary. (1) Cumulative Returns. 20 29

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AUM by Investment Orientation

Twelve Months Ended Dec. 31, 2002

(In \$ billions)	Growth	Value	Fixed	-	-
Alternative States - Sectores	Equity	Equity	Income	Passive	Total
 Dec. 2001 AUM* 	\$173	\$101	\$146	\$32	\$452
 Net Long-Term Flows 	(15)	9	11	(3)	2
 Cash Management, Net 			(6)		(6)
 Net New Business/(Outflows) 	(15)	9	5	(3)	(4)
Transfers	(5)	4	1	-	le le
 Apprec/(Deprec) 	_(44)_	(15)	4	(6)	(61)
• Dec. 2002 AUM	\$109	\$99	\$156	\$23	\$387
• % Change	-37.2%	-2.7%	+7.1%	-26.8%	-14.5%
• % Total	28.1%	25.5%	40.3%	6.0%	

* A UM previously reported as of each date prior to March 31, 2002, have been restated to exclude assets managed by unconsolidated affiliates.

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AUM by Channel

Twelve Months Ended Dec. 31, 2002 (In \$ billions)

	Retail	Institutional Inv Mgmt	Private Client	Total
 Dec. 2001 AUM* 	\$172	\$241	\$39	\$452
Net Long-Term Flows	(6)	4	4	2
Cash Management, Net	(6)			(6)
 Net New Business/(Outflows) 	(12)	4	4	(4)
Transfers	-	-	-	-
Depreciation	(24)	(34)	(3)	(61)
 Dec. 2002 AUM 	\$136	\$211	\$40	\$387
% Change	-20.8%	-12.6%	+1.3%	-14.5%
 % Total 	35.2%	54.6%	10.3%	

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* A UNA previously reported as of each date prior to March 31, 2002, have been restated to exclude assets managed by unconsolidated affiliates. 31

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Retail Net Outflows

	2002	Comments
• U.S.	\$(1,829)	 Inflows into AB Value and Fixed Income offset by outflows in Growth and Technology.
 Luxembourg 	1,521	 strong 529 sales Balanced product mix, strong performance in Global Growth Trends
Other Non-U.S.	(2,416)	 Internalization of \$2.4 bn of EPTA managed portfolios
Variable/Sub-Advised	(1,265)	 Loss of accounts and merger of EQAT portfolios
 Managed Accounts 	(1,806)	 Mirrors outflows in U.S. funds
 Net Long-term Outflows 	(5,795)	
Cash Management	(6,176)	 Industry consolidation
Total Net Outflows	\$(11,971)	

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Institutional Investment Mgmt Overview

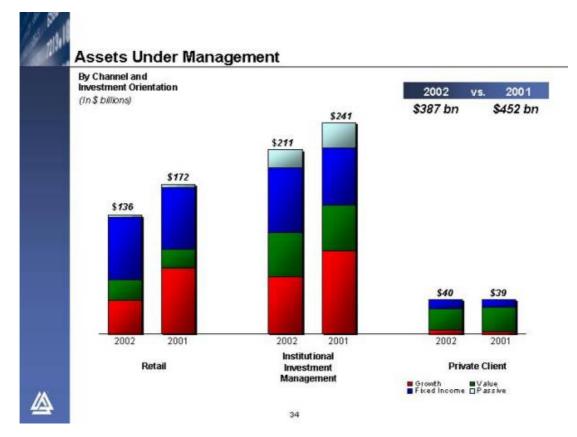
- New account wins representing \$22 billion in AUM across a broad range of disciplines
- Non-U.S. business accounts for more than \$13 billion, particularly strong in UK, Japan and Australia

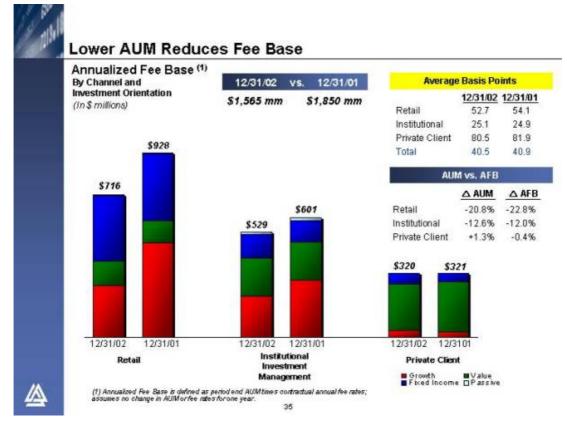
(In \$ billions)	2002
U.S. Growth	\$2.1
U.S. Value	3.2
Global/Int'l Growth	1.2
Global/Int'l Value	5.0
Fixed Income	9.5
Enhanced/Passive	0.1
Blend Growth/Value	1.0
Total	\$22.1

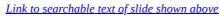
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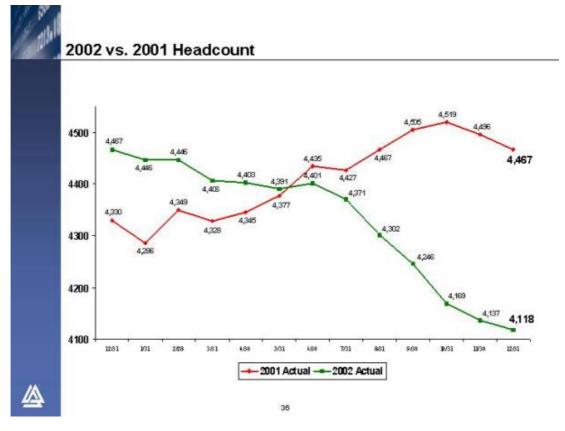
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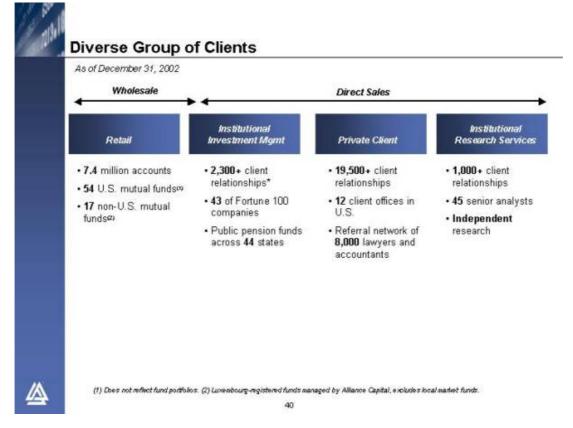
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Positioned For Growth

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

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Changes in AUM by Investment Orientation

Three Months Ended December 31, 2002

(In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
Beginning of Period	\$107,310	\$88, 104	\$151,565	\$21,675	\$368,654
Sales/New accounts	2,429	3,781	6,582	438	13,230
Redemptions/Terminations	(4,350)	(2,763)	(5,067)	(223)	(12,403)
Net cash management sales	-		356		356
Cash flow	(650)	526	(214)	(103)	(441)
Unreinvested dividends	(4)		(259)		(263)
Net new business/(Outflows)	(2,575)	1,544	1,398	112	479
Transfers	(1,497)	459	1,038	-	
Market appreciation	5,561	8,529	1,761	1,595	17,446
End Of Period	\$108,799	\$98,636	\$155,762	\$23,382	\$386,579

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Changes in Retail AUM by Investment Orientation

Three Months Ended December 31, 2002 (In \$ billions)

	G rowth Equity	Value Equity	Fixed Income	Cash Mgmt	Total
Beginning Of Period	\$41,992	\$20,613	\$32,933	\$35,312	\$130,850
Sales	2,068	1,382	2,326	-	5,776
Redemptions	(2,904)	(1,196)	(2,232)	-	(6,332)
Net cash management sales	-	020501000		356	356
Cash flow	(550)	9	198		(343)
Unreinvested dividends	(3)		(231)	÷ 33	(234)
Net new business/(Outflows)	(1,389)	195	61	356	(777)
Transfers	(1,497)	459	1,038		
Market appreciation	2,523	1,929	1,371	<u> </u>	5,823
End Of Period	\$41,629	\$23,196	\$35,403	\$35,668	\$135,896



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Changes in Retail AUM by Product

Three Months Ended December 31, 2002

(In \$ billions)

	U.S. Funds	Non-U.S. Funds	Variable Annuity	Managed Accounts	Total
Beginning Of Period	\$75,819	\$17, 158	\$31,078	\$6,795	\$130,850
Sales	1,840	1,921	1,779	236	5,776
Redemptions	(2,600)	(1,712)	(1,404)	(616)	(6,332)
Net cash management sales	356	100 (100 (100 (100 (100 (100 (100 (100	-	-	356
Cash flow	49	(22)	(370)	-	(343)
Unreinvested dividends	(173)	(61)		-	(234)
Net new business (Outflows)	(528)	126	5	(380)	(777)
Transfers		1.00	*	8	*
Market appreciation	2,066	1,143	2,260	354	5,823
End Of Period	\$77,357	\$18,427	\$33,343	\$6,769	\$135,896

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Changes in Institutional Investment Management AUM by Investment Orientation

Three Months Ended December 31, 2002 (In \$ billions)

	Growth Equity	Value Equity	Fixed Income	Passive	Total
Beginning Of Period	\$64,520	\$44,353	\$72,216	\$19,224	\$200, 313
Sales/New accounts Redemptions/Terminations	406 (1,581)	1,904 (1,328)	3,543 (2,299)	125	5,978 (5,219)
Cash management sales, net Cash flow	227	554	(312)	(110)	359
Unreinvested dividends Net new business/(Outflows)	(948)	1,130	932	4	1,118
Transfers	2	122	12	12	12
Market appreciation	2,507	4,914	744	1,394	9,559
End Of Period	\$66,079	\$50,397	\$73,892	\$20,622	\$210,990



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Alliance Capital (The Operating Partnership) Consolidated Balance Sheet

Amounts in \$ thousands. Unaudited

		12/31/02		12/31/01
Assets	2.0	11 × 10 1-1 - 01	122	
Cash and investments	\$	472,676	\$	501,845
Cash and securities, segregated		1,174,323		1,415,158
Receivables		1,450,326		1,954,582
Goodwill, net		2,876,657		2,876,657
Intangible assets, net		367,425		388,125
Deferred sales commissions, net		500,890		648,244
Other		375,673		390,782
Total Assets	\$	7,217,970	\$	8,175,393
Liabilities and Partners' Capital				
Liabilites:				
Payables	\$	2,287,111	\$	3,029,983
Accounts payable and accrued expenses		234,133		194,538
Accrued compensation and benefits		298,485		328,077
Debt		426,907		627,600
Other		7,883		7,026
Total Liabilities		3,254,519	- CV	4,187,23
Partners' Capital		3,963,451		3,988,160
Total Liabilities and Partners' Capital	\$	7,217,970	\$	8,175,393

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Alliance Capital (The Operating Partnership) Consolidated Cash Flow

Amounts in \$ thousands. Unaudited

	Twelve Month's Ended			ded
	1	2/31/02		12/31/01
Cash Flows From Operating Activities:	_			
Netincome	\$	610,978	\$	614,625
Non-cash items:				
Amortization and depreciation		298,281		446,119
Other, net		105,305		67,698
Changes in assets and liabilities	-	(111,710)	1.2	(131,596
Net cash provided from operating activities	_	902,854	-	996,834
Cash Flows From Investing Activities:				
Purchase of investments, net		(6,058)		56,762
Additions to furniture, equipment and leaseholds, net		(53,548)		(87,000
Other				(5,422
Net cash (used in) investing activities	1	(59,606)	8 <u>—</u>	(35,660
Cash Flows From Financing Activities:				
(Decrease) in debt, net		(202,973)		(173,111
Cash distributions to General Partner and Alliance Capital Unitholders		(654,225)		(785,530
Other		(49,967)		1,935
Net cash (used in) financing activities		(907,165)	1	(956,706
Effect of exchange rate change on cash		3,781		(592
Net(decrease) increase in cash		(60,136)		3,876
Cash at the beginning of period		220,127		216,251
Cash at the end of period	\$	159,391	\$	220,127

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Allower Ophil Management L.P. ("AC MLP") is angle and inserment shriver. AC MLP had \$166 5 bills ain uses a managed by our pixels diant surface going, which does not present it performance compositive instrict accordance with AMR, standards.

2) MFE OF REFURN — No spacements is note that the performance closes in this presentations is indicating of forms performance. A perifolis could never so well as give, Berformance figure for each account on existing that monthly each tuble the basis using an internal meter frame and calculate monthly makes include in one account on existing of the second second and refer the dark using figure for each account on existing and a more singled on a membry herit. Quarkey and annual composite performance figures are computed by finding membry metric and account on a computed by finding membry metric and account on a computed by finding membry herit. The second second account of the second second

3) COMPOSITE STRUCTIONS — to of Launder 31, 2002, the Composite include the paying discustionary account with event over 518 million in D6 dollars, which an net subject to significantine-transmistrations imposed by cleant. As of December 31, 2002, Emerging Mathes Growth Composite had have the soft most of incommits or majors within of the banchmach, M92 Himening Mathes Fine, and Innovational Large Cap Growth Rythy Composite had 3.37% of it asset into the location or majors ownike of the banchmach, M92 Himening Mathes Fine, and Innovational Large Cap Growth Rythy Composite had 3.37% of it asset into the location or majors ownike of the banchmach, M92 Himening Composite had 3.37% of it asset into the location of the banchmach, M92 Himening Composite had 3.37% of it asset into the location of the banchmach, M92 Himening Composite had 3.37% of it asset into the location of the banchmach, M92 Himening Composite had a state of the banchmach asset into the location of the banchmach. the banch

Ils at ar of any une in such composity, the market value, and permantage of composite asset in markets the total scate under management are included in the following table

	Number of Assemut	Accest Value (5 in millions)	% of Allian Iotal Aveat
Large Cap Growth Composite	239	20,191	3
Disciplined Ga with Composite	79	4,745	1
Inlative Value Composite	18	1,060	1
fmall Cap Composite	23	338	4
MultiCapitalization Ocowth Composite	8	#37	-1
International Longs C op Goowth Equity	7	1,240	4
Emerging Malaty Ga with Composite		494	4

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Performance Disclosure – Growth Composites: Net of Fee

The Lorge Cap and Disciplined Geowth Composite include the equity to generat of balanced excents. In these possibles, the several location mixels generally documented by clearly publicate and each down an effected in some dance with face graduings. The primary possible for managing the faced frame gradual documents of the face gradual document of the management of the several document document of the several document of the several document document

The withle Ring the basis of the Okobal Composities is consistent with the banchmail, which is Lowenbergs. The Constant laws of the composities was a follow: If while up Con with December 2000. The Logic Cop Growth, Disciplined Growth, Interactional Logic Cop Growth, Balatine Growth and finall Cop Growth Composities was a cashed prior to December 1997, the first year that there Composities was AMR variable. The Hanaging Growth Composities was cashed prior to December 1994, the first year that the Composities was AMR variable. The Hanaging Growth Composities was cashed prior to December 1994, the first year that the Composities was AMR variable.

*) DISPURNOV — The dispersion of current network we calculated based on the overweighted related herization. Expersion of particulation for the Composition of a state of the state of t a for the Composites is a follows:

Hangmag Marker Greecht Compose in 1999: 1002 * 1294: 12.94; 1299: 1.09; 1296: 0.27; 12970: 0.21; 12990: 1001; 12090: 1202 * 10000: 1202 * 1000: 12000 * 10000: 10000: 1000: 1000: 1000: 100

Aliane Capital has papend and paramet this mpost in compliance with the Parformann. The southing Studieds of the Association for Insertment Management and Fareach (ABE-2977), the UE and Candian versions of the Geballinew transformance Studieds (GEP77). AME has not been into had in the properties or noise worf this mport. Aliane Capital maximal leaved 1 and 2 AME Medication from EFMCS LLP-for 1999, 1999, 1999, 1999, 1999, 1999, 1999, 1999, and 2000. EFMES LLP-is commonly embining 2001. This weither the weither the south has a paper.

Io maine a complex ht and description of Alliana Capital - composite and/or a presention that allame to the ARD-FPF standards, places submit a mynest sin small to Victoria Generalich of Generalich/Officianetsinoom.

"Mill agnorate "hotmossinghi". NM coding indicate that only one account or no account, an in the Composite for the fully or. Dispersion is only do we for a count of no account, an in the Composite for the fully or. Dispersion is only do we for a count of no account, and in the Composite for the fully or. Dispersion is only do we for a count of no account, and in the Composite for the fully or.



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Performance Disclosure - Value Composites: Net of Fee

AlianceBernstein STRATEGEC VALUE Composite, Performance Disclosure, Bet of Fees in US Dellars, December 31, 2002

Aliana Capital Managaman L.P. ("ACMLP") is a ngicked ince the statistics. ACMLP had US3364.5 billion in a set wake management a of December 31, 2002. US339.7 billion in a set an managed by supprise climiton incogenge, which does not present it parti mana composite in statist according a

2) K-07 07 K-07 007-36 mpacenteion's main that he performance down in this presentation is indicative of form performance. A perfolio could incurb one as well a gaine. Performance means for an indication of form performance means a schedule of the sch

3) COMPANYS STATU 1985—Balaminarity, as of Dacamber 31, 2002, the Alikana Europtin (Nampavine Composite) consisted of 217 accounts with a mathetenine of \$10, 40,000 million in U & dollary, which mayments if 2, 2000, the famile to balaways. It is planning 1999, the Composite in State in a proving million in a transmission of a state of the state of the

4) DESERVATION -- The dispersion of summal network was calculated based on the equal-main that is shaded durintion in 1992 and on the wave-main that durintion from 1995 forward. Dispersion of summal metrus was calculated based on the equal-main that exactly 1993; 1994; 1997; 1997; 1997; 1997; 1998; 1,78%; 1999; 1,92%; 2010; 2138%; 2011; 131%; 2012; 100%.

5) - dow not Maranes-Canor: 1992; 14.89%; 1993; 17.34%; 1994; 1.10%; 1995; 38.81%; 1994; 24.71%; 1997; 27.79%; 1998; 10.34%; 1999; 0.25%; 2001; 10.44%; 2001; 10.13%; 2002; (14.97%; Nat 1992; 24.03%; 1999; 24.03%; 1999; 24.03%; 1999; 25.03%; 1999; 24.03%; 1999; 25.03%; 25.03%; 1999; 25.03%; 25.03\%; 2

AlisanceDematein DEVERSIFIED VALUE Composite (optimized to the S&P 500 Index), Forth manaceDisclosure Net of Peer in US Dollars, December 31, 2002

1) For a Kerner Memorance and Far Structures—Rathemann figure in this report has been presented and of more thank many membra in Far Structures of the composition of the second second memory with the composition of the second second memory of the second seco

(1) Kerr or Arran.—He mpacention's make that he primanes down in this presention is indication of forms performance. A particle could increase as well as pairs. Performance means for an indication of forms performance with a mathematical means of the period. The period of the pe

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Performance Disclosure – Value Composites: Net of Fee

1) Converses Francesses-Finkminarity: as of Desember 31, 2007, the AllanceFerretain Discontined Value comparite (spt. 8282-300) ("Comparite") consists of 214 accounts with a mediativable of 54, 94, 74 acids a size of 5, 94,

4) Dependence—The dispersion of anomal network was calculated based on the area transidiated readant dependence. Dispersion of particulates for the Composite is as follows: 1992: IEEE, 1990: 0.47%, 1994: 0.47%, 1995: 0.57%, 1995: 0.57%, 1997: 1.47%, 1998: 0.59%, 1999: 1.22%, 2000: 2.13%, 2001: 0.40%, 2002: 0.77%.

5) American European-Classes (1992) [1419; 1995; 13.59%; 1994; 13.89%; 1995; 38.14%; 1997; 13.14%; 1997; 31.14%; 1998; 17.18%; 1999; 31.4%; 2000; 4.35%; 2000; 4.35%; 2001; 2.40%; 2002; (14.19)6. Mar: 1992; 13.49%; 1999; 13.14%; 1994; 13.44%; 1995; 37.34%; 1994; 21.20%; 1997; 34.43%; 1998; 14.89%; 1599; 7.7%; 2001; 4.21%; 2001; 2.44%; 2002; (14.49)6.

Will non-sure "not mainingful." Hill coding indicates that 5 or fa we account an in the Composite for the fully see.

AllianceBernstein SMALL & MIDCAP VALUE Composite Performance Disclosure Set of Fees in US Dollars, December 31, 2002

1) for a Forner Management for For Fore reas—References in this appertiance being meaned grees and not of incommutation appendix on the fore starts if a series of fore wind of the series of fore the series of fore and an experiments. Here is a performance form information of the series of fore the

2) Ser OF STREE-We appendix to a both performance beam in the presentation is indicative of forms performance. A perfolio could increase as well as gain. Performance forms for and an end of a strength of the second s

3) Courses of State root — Indiminally, so of Learnike 31, 2007, the Allanceleurskin final and MidCap Value comprehe ("Comparin") consists of four account with a mail strate of \$134.94 million in US do has, which argues as has then 1.0% of the final state ones. The Comparin include the paying institutional discartionary account which an not object to significant innertness metricines imposed by diamo. The Comparin was caused in Manh 2002 with an integrind as of Dacabar 31, 2000.

) DEPENDING—The dispersion of annul neurons and calculated based on the sources data deviation. Dispersion of performance for the Composite is as follows: 2001: MAR, 2002: MAR*, 2002.

3) ANNUAL BETWENS-GROW 2001: 23 40% 2002 : (6,38)%. Skr. 2001 : 22 37% 2002 : (7.40)%.

"Bill aguesate "not manningful." Bill coling indicates that 5 or fa variance was an in the Composite for the fully set.

AlianceBernstein INTERNATIO NAL VALUE Composite (Half Eniged, CEP weighted), FerformanceDitcksum, Statof Rest in US Dollars, December 31, 2012

1) for a farme demonstore are Feedratering. Performance figure in this report have been presented good and not of intertment monopment fast. The composite's not of the artening of the artening effect of each size of each account in the composite. Here of its performance figure and not the compounding effect of each fast.

2) Are construints for an analysis and that he particulates to wait this presention is taken the offerin particulates. A particular way as well a gain. Particulates the version is taken to be a set of form particular to a to be introduced to be a set of the matter of a transfer of the matter of a transfer of the matter of the matter





Performance Disclosure – Value Composites: Net of Fee

b) Converses Generations — Pullminning at of Danmalar 31, 2012, the Interactional Value comparits (EH, GDP) ("Comparity") consists of eff. 5 amount with a multi-tubm of \$1,474.31 million in UF dollars, which argue and lise than 1.0% of the firm's total area. From February 2007 the style feyturble 1999, the Comparity consists of eff. a fingle-pooled discussion area consists of eff. Comparits and the style of the firm's total area. From February 2007 the style feyturble 1999, the Comparity consists of eff. a fingle-pooled discussion area consists of eff. Comparits area to a fingle-pooled discussion and a star financial and the Comparits interfined area for the total discussion area to a single-pooled discussion and the star financial interfined interficience interfined interfined

4) Construct—The dispersion of named a time was calculated based on the west weighted standard deviation. Dispersion of performance for the Comparise is while were 600-41201.021; MMC*, 1999; 1.00%; 1000; 1.00%; 1000; 100

3) American Samana Canass (AD0-1201592) (4.08)% (1995) 37.43% (1994) 3.43% (1995) 9.48% (1995) 18.49% (1997) 10.54% (1996) 14.49% (1996) 19.49% (1996) 15.201% (2001) (10.75)% (10.7

"Rell non-sents "het maaningful." Mill coding indicates that 5 or favor account an in the Composite for the fully ser.

AllanceBernstein EMER.GENG MARK ETS VALUE Composite Performance Disclosure fid. of Fees in US Dollars, December 31, 2002

1) fote Armer directorizet we Fit State test-Techenana figure in the apertian bear present gere ad net of insetmate management face. Het performens figure have bear eakslabel byde testig die hijde the popula byen anomitet the type (120% annully. Bettef he parformane figure adhet the compounding effect of each fier.

1) A or or Asymptotic problem in the horitoperformance is well for presentions' indicates of form performance. A particle could now have a well to gain, "Performance means for an analysis and the set of the performance means for an analysis of a stability of the set of th

3) Descours Senerous --Palinianily, as of Daumón 31, 2017, the Emerging Mathet Main composite ("Composite") consisted of eix accent with analytic black of \$1,294.33 million in Uf Solker, which represe have than 1.8% of the first word over. The Composite indulate the poping institutional and poole discussionary accent which an net object a significant internationarization imposed by clause. In 1995, the Composite of a single-point indulate the poping institutional and poole discussionary accent which an net object a significant internationarization imposed by clause. In 1995, the Composite of a single-point discussionary accent. The withholding to the is of the composite is consistent with the banchmath, which is Lemmons. The Composite was ensured in Math. 2019 with a linearize the composite of a specific of the banchmath, the M SUI Emerging M show Fine Index.

) Opportune - The dispersion of annulintum was calculated based on the asset-weighted standard desireds. Dispersion of performance for the Composite is as fillow (1994); RME 1997; RME* 1998; RME* 1999; RME* 2000; RME* 2001; RME* 2002; RME*.

5) A 2400 AL BATURNES-GRAVE 1996 9.05% (1997); (21 3 5 (5); 1998); (18 44 5%; 1999); 75 28%; 2010); (24 28 5%; 2010); (21 23 5%; 2011); (21 7%); Bat 1994; 771)%; 1997; (22 34 5%; (1942)); (1997); (1997)

* HM nymousts "not manningful," HM coding indicates that 3 or ferour account are in the Composite for the fullyear.

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Performance Disclosure – Fixed Income: Net of Fee

A4765 CF REFURIT — No spacestation is made that the parlomanne shows in this presentation is indicatine of forms parlomanne. A particles could never wall us gains. In termanne forms for an alcount use calculated monthly one make the basic wainteened reso of some alcounds in M the duly weighting of our first an alcount of the source weighted on a monthly basis. Quantup and annual composite parlomance forms an experted by finding monthly strains, as whithey in a "time-weighted" such counts were basice that an alcount of the basic strain and a source on a defined in 10% follows.

1. En orging Marten Fixed Income Composite

TOTAL RETURN METAGLOGUOUV AND REE STRUCTURE — Performance age as a take reporting been parsented actor intertments an argument thes. Net performance figures have been cabe backdow dedicting the highest the composite to an account in the composite for inception of the composite to be center (2000, which was an an arable of D.6%. From January 2001 toward, the composite's retortive many is based on any grind average of the actualities categories and accounting the composite. The free applied to the composite to proceed to an account on the set of D.7%. Both the structures exclude account is with performance tasked the arrangement is near the performance figures a fract the composite the composite the set.

COMPORTE STRUCTURE — As of Danmhar 11, 1012, the Energing Multist Find Composite (Composite') consists of one account with a mather takes of 544 87 million in Uf dollary, which represent has the charles of the final, which are not of the structure of the struct

fla enstiendate offic composite we prior to December 1994, the first year that this composite we AMR, verified,

Amount in the Composite may maintain show positions, we forme, interstant swaps and interstants forms to had printerstants argoing, align nil with the index and advess class nish and webrility. Incertain situations, the was of these instruments may constitute homorys.

DEFENSION - The Repetience function time we calculated based on the scattering and reached statistics. Dispersion of performance for the Composite 5 w fillow : 1999 Q-Q4: MMA*, 1999 : MM*, 1997 : MM*, 1997 : MM*, 1998 : MM*, 1999 : MM*, 2001 : MM*, 2001 : MM*, 2007 : MM *,

ANNULA RETURNS - GB(#: 1995:37.48, 1995:47.12, 1997:19.4), 1997:19.4), 1996:(21.39), 1999:34.80; 2001:14.49, 2001:19.10, 2002:19.13. Nat 1993:34.82; 1994: 44.31; 1997:16.89; 1996: (22.11), 1999:35.94; 2001:15.94; 2001:18.44; 2002:18.34.

1. Globel Fixed Income Composite

TOTAL RETURN NETRADEDLOCY AND REE STRUCTURE — Performance forms in this report into been processed set of hurstments in an agement thes. Net performance for use have been cable labelogy dedicing the signest fee charged to an account in the composite form inception of the composite to December (2000), which may an an interfee of D.SDN. From January 2001 to ward, the composite's retoring and in the traced you are gived and any of the actual decided of a second structure of the structure of the composite for the composite for actual decided of the composite for actual decided of the structure of t

ECONFERTESTRUCTURE — As of December 31, 202, the (Sobal Find herms Composite ("Composite") one is to form account with a mathetradue of \$13.03 million in US dollar, which mparametrizes than her than 1% of the finite tool wasts as of December 31, 2012. The Composite includes the paying discustorary to reasing account with west successful million in US dollar, which as not object to significant measures to involve in myood by chara. As of Boardson y to reason to account with west successful moments or a give outward. As form Early boards we downmost Double to investing a prototice and the constitute of the source find account. In these ringh-west fund accounts, the west allocation mix is generally determined by chara yield have an allocated in accounts in these yields has:



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Performance Disclosure - Fixed Income: Net of Fee

Ile enstiendate of this Composite was prior to Dammiter 1992, the fire types that this composite was ADD, unified.

DEFERSION - The dispersion of annual memory was calculated band on the avert-weighted charled deviation. The parsion of performance for the Composite is as follows: 1999; MAR* 1994; MAR* 1999; MAR* 1997; MAR* 1997; MAR* 1999; MAR* 2000; MAR* 2001; MAR* 2001; MAR*, 2002; MAR*,

 $\begin{array}{l} \textit{Anv} \textit{Isl} \textit{ISI} \textit{TETUTNS} & \longrightarrow \textit{O}_{\textit{ISV}} : 1590; 1143; 1394; (0.57) 1390; 1345; 1394; (3.54) 1997; 1.56; 1999; (5.54) 2010; 1.40; 2011; (0.23) 2012; 13.48; \textit{Har}; 1999; 15.54; 1994; (3.44) 1997; 1.46; 1994; (4.13) 1999; (4.13) 199; (4$

4. High Grade AGG Composite

TOTAL RETURN METHODOLODY AND RESISTRUCTURE — Performance fights is this report have been presented vetor have in an agement tes. Netperformance fights know have a calculated by dedividing the kightest file charged to an account in the composite from keep four of the composite to become 2000, which was an an unit fe of 0.40%. From Java any 2001 boward, he composite to test file testing be account in the based vpor a weighted age rage of the actual te effect in the standard account is the composite for the formation of the composite for the formation of the composite for the composit

COMPENTESTRUCTURE — As of December 31, 2003, the High Chain ACCC Composite ("Composite") consists of the account with a market value of \$431.57 million in US follow, which appears her than 155 of the first's wall were used Theorement 31, 2003. The Composite incluies the paying discutioning the warm with array over \$10 million in US follow, which as not related a significant interment metric time imposed by client. The construction the Composite war Column 8, 2003. The Composite does not include the first income agreement.

 $\begin{array}{l} \textit{AMWUAL} \textit{R27UMW} \leftarrow \textit{Geoder:} 1997 \texttt{AQTE:} 3.72; \texttt{1997}\texttt{AQTE:} 3.24; \texttt{1997}\texttt{AQTE:} 2.86; \texttt{1998}; \texttt{9.22}; \texttt{1999}; \texttt{0.22}; \texttt{2001}; \texttt{11.4}; \texttt{2001}; \texttt{9.12}; \texttt{2002}; \texttt{10.85}; \texttt{Mat:} \texttt{1997}\texttt{AQTE:} 3.4; \texttt{1997}\texttt{AQTE:}$

5. High Yield Composite

TOTAL RETLEM METHODOL OUV AND REE STRUCTURE — Performance figures is this report have been prevented vetor have the example of the composite to the formance figures have been calculated by dedworking the high estime charged to an account in the composite from inception of the composite to becomber 2000, which was an an unality of 0.69%. From Java any 2001 toward, the composite to the fertime based upon a weighted and rage of the actuality estimates charged based account is the composite. The fee applied was 0.25%. Both we stimatives exclude account is with performance based the arrangements. Net of the performance figures reflectible composite free.

COMPCENTE STRUCTURE — As of Dambard 1, 2012, the High Yald Composite ("Composite") consists of sight account with a market value of 59(19) million in US John, which represent is a family of the first's will work as of Dambard 31, 2012. The Composite includes fine-paying discussionary travements with works seen file million in US dollars, which are not valued to intermentate infines imposed by diants. The market date of this Composite we prior to Dambar 1999, the first yearths this composite we AMR confied.

Phore Carebar2000, the bandmark for the Composite use the CFFE High Yield Bond Index, then where the Composite's bandmark is a curvanized, accervational value of the head head of the bandmarks of such of the south of the south in the Composite. A weighting's applied to the bandmarks by wing the prior membrand market value of the positions within the Composite. First to the spatial position of a south in the Composite. A weighting's applied to the bandmarks by wing the prior membrand market value of the positions within the Composite. First to the spatial position of a south in a second is added or laked, the curve bandmark will submarked by middlened to milest the change in market without of the law of the position of the south of the s

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Performance Disclosure – Fixed Income: Net of Fee

The Composite doar notice hale the fixed income regnerat of balanced account.

DEFERSION - The dispersion of annual norms was calculated based on the asset weighted studied daviation. Dispersion of performance for the Composite is as follows: 1995: HVM*, 1996: HVM*, 1996: 1.20, 1996: 1.10, 1997: 0.07, 1998: 0.94; 1999: HVM*, 2001: 0.47, 2002: 0.48.

4/WW1/4L RETURNS --Omm: 1995; 11.0; 1996; (7.33); 1996; (7.33); 1996; (7.33); 1997; 19.0; 1996; (0.99); 1996; (0.99); 1999; 10.3); 2000; (2.23); 2001; 4.97; 2002; (3.34); Mar: 1995; 20.30; 1994; (3.17); 1995; 14.14; 1994; 21.04; 1997; 12.20; 1996; (1.5); 1999; 10.14; 2000; (2.64); 2001; 4.72; 2002; (3.34); Mar: 1995; 20.30; 1994; (3.17); 1995; 14.14; 1994; 21.04; 1997; 12.20; 1995; 14.14; 1994; 21.04; 1997; 12.20; 1995; 14.14; 1994; 21.04; 1997; 12.20; 1995; 14.14; 1994; 2000; (2.64); 2001; 4.72; 2002; (3.34); Mar: 1995; 20.30; 1994; (3.17); 1995; 14.14; 1994; 21.04; 1997; 12.20; 1995; 14.14; 1994; 2000; (2.64); 2001; 4.72; 2002; (3.19); 2001; 4.72; 2002; (3.14); 2000; (2.64); 2001; 4.72; 2002; (3.14); 2000; (2.64); 2001; 4.72; 2002; (3.14); 2000; (2.64); 2001; 4.72; 2002; (3.14); 2000; 200; 2000; 2000; 2000; 2000; 2000; 2000; 200

6. Insurance Composite

TOTAL RETURN METAGOOLOOV AND MEESTRUCTURE — Performance topies in this report in the properties of the orthogene it fees. Net performance topies have been cable tabled by dedicing the ighest be charged to an account in the composite form is ception of the composite to December 2000, which was an an at the officient. Form Javany 2001 forward, the composite's retories et on it based upon a weighted are says of the actualise rates charged to each account in the composite. The fee applied use 0.18%. Both the stinctures exclude accounts with performance based fee alrangement. Net office performance topies reflective composite in the fee applied use 0.18%. Both the stinctures exclude accounts with performance based fee alrangement. Net office performance topies reflective composite in the terms of the set office of the stinctures exclude accounts with performance based fee alrangement . Net office performance topies reflective composite in the set office office.

COMPENTE STRUCTURE — So of Databas 31, 2012, the hormate Composite ("Composite") consist of nine account with a market value of \$1,413.78 million in US dollar, which mynome her family of the family well so as as of Databas 31, 2012. The Composite induke file-posing theoreticary teachies and with some the set of \$10 million in US dollar, which an not subject to significant incommunications imposed by client. The Composite four notice has the final income segment of balance accounts.

The composite's bandment wed in the presentation's accretionized, and-weighted black of the bandment of each of the accretion in the Composite's for the section of the section of the bandment's present and account a state value of the positive of the bandment's present account is added or tabled, the composite bandment's presentable to include the new account's maker value and bandment. He terminated account's added or tabled, the composite which we are bandment will be achieved in account's added or tabled, the section of the bandment's presentable to include the new account's maker value and bandment will be achieved in the bandment will be achieved in the bandment will be achieved in the bandment in the bandment account's maker value and bandment will be achieved in the bandment account's maker value and bandment.

The emotion date of this Composite was prior to Dacamberl 998, the first year that this Composite was ADMR varified.

DEPERSION — The dispersion of namelinetume was calculated based on the scate weighted standard deviation. Dispersion of performance for the Composite is as follows: 1999: 1026; 1994: 1026; 1995: 102

7.Sector Rotation (formerly Bread) Composite

TOTAL RETURN METAGOOLOOY AND RESSTRUCTURE — Performance tignes in this reportians been presented net of huestine Henanagement hes. Net performance figures have been cabe tabledby deducting the higher the charged to an account in the composite form herepton of the composite to December 2000, which was an an unite of D.40%. From January 2001 from the composite's retroffere with a transformance type and give age of the actual termater charged to each account in the composite. The fera applied was 0.23%. Both the stinctures exclude accounts with performance based feel antagements. Net offere performance tigs as reflective composite. The termapplied was 0.23%. Both the stinctures exclude accounts with performance based feel antagements. Net offere performance tigs as reflective composite the stinctures of the stinctures exclude accounts with performance based feel antagements. Net offere performance tigs as reflective composite. The stinctures are 0.23%. Both the stinctures exclude accounts with performance based feel antagements. Net offere performance tigs as reflective composite. The stincture of the stinctures are accounts with performance based feel antagements. Net offere performance tigs as reflective composite. The stincture of the stinctures are accounts with performance based feel antagements. Net offere performance tigs as reflective composite. The stincture of the stinctures are accounts with performance based feel antagements.



COMPAGATE STRUCTURE — So of Landar 31, 2002, the factor Lettin. (Semady Bood) Composite ("Composite") outsite of 17 account with a maker value of \$1,957.84 million in US dollar, which represents have than 18 of the first is well-areas to or Elanander 31, 2002. The Composite include: the point disconteneum teacount with outsite our \$100 million in US dollar, which am net which to rightmant matteriate migrated by olime. The Composite includes the first income compared based with outsite our \$100 portface, the over the outpoint of spin and the probability of the outpoint with the spin line.

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Performance Disclosure – Fixed Income: Net of Fee

The emotion date of this Composite was prior to December 1992, the first year that this composite was ABER, senified.

DSPERSON — The dispersion of annulintum: we calculated based on the scate weighted studied deviation. The partition of partitionance for the Compacts is as follow: 1999:0.53; 1999; 1999:0.53; 1999:0.53; 1999:0

 $\begin{array}{l} \textit{AMW104}, \textit{RFT03W5} = (3_{201}, 1590; 12.44; 1994; (3.88); 1995; 13.83; 1996; (3.52; 1997; 9.34; 1996; 9.39); 1999; (2.02); 2000; 12.22; 2001; 9.20; 2012; 8.20; Ma+1993; 12.22; 1994; (4.24); 1995; 18.34; 1994; 11; 1397; 911; 1996; 8.29; 1999; (2.41); 2000; 11.77; 2001; 8.94; 2002; 8.24; .\\ \end{array}$

Allians Capital he papend and parametric in post in complians with the Performance Description Fandade of the Association for Insertment Management and Essenth (AIME) 1997), the US and Canadian surviver of the Global houring report Parameters Scalarly (AIME). AIME, he arthug into the papersise or most worthis mpost. Alliana Capital available and I and FAME Mathieutics from RFMO LLP for 1992, 1999, 1999, 1999, 1999, 1999, 1999, 1999 and 1000. RFMO LLP is consider available available spent statistics for the second scalar and available spent statistics of the Scalar available scalar available statistics of the Scalar available sc

In massive complete list and description of Alliance Capitals composites and/or expresentation that allows to the AMR-PPF standards, phone submit a negrest vice-mail to Victoria Cancernick of Generatic AMR/homestancem.

Föl represents "not mean-legist". Wolt welling indicates that only one account, or no account, and in the Composite for the full pear. Dispersion is only those for accounts included is In quarter of each year prevailed.

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Performance Disclosure – Value Composites and Private Client Simulation: Net of Fee

All Bakacel Accounts Composite Methodology

Insertiant wells on a quaktly have 55 KB Enhand Account for the some quarks wass added to gather and the sum divided by the total combar of accounts in and quarks to profess a same of saming quarkaly performants figure. All Balaned Accounts include there with any combination of aquity and find income (U.S. er new U.S.) in any parameters mix. When an account satimatily contribute was have than 10% of its leginning market when the cosh flow wess assumed to have occurred on the last day of the month. Reginning in 2001, all such flow and aday suchful the parameters in the same that the cosh flow was assumed to have occurred on the last day of the month. Reginning in 2001, all such flow and aday suchful the same high Links much the same field.

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Performance Disclosure – Private Client: Net of Fee

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Allians Large Cap Growth Composite Markedo by (1979-2001) - Hondly market using contract warmade and rather the dely weighting of each flows. The Allianes Large Cap Growth composite sorth an accelerationflate large comparison of the state of the state

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Fourth Quarter and Full Year 2002 Review

Bruce W. Calvert *Chairman and CEO* John D. Carifa President and COO Lewis A. Sanders Vice Chairman and CIO

January 30, 2003

Introduction

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

Forward-Looking Statements

Certain statements provided by Alliance Capital Management L.P. ("Alliance Capital") and Alliance Capital Management Holding L.P. ("Alliance Holding") in this report are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks, uncertainties and otherfactors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of such factors include, but are not limited to, the following: the performance of financial markets, the investment performance of Alliance Capital's sponsored investment products and separately managed accounts, general economic conditions, future acquisitions, competitive conditions, and government regulations, including changes in tax rates. Alliance Capital and Alliance Holding caution readers to carefully consider such factors. Further, such forward-looking statements speak only as of the date on which such statements are made; Alliance Capital and Alliance Holding undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

2

Fourth Quarter Financial Overview	
Alliance Capital	4Q02 vs. 4Q01
• End of Period AUM	\$387 bn vs. \$452 bn, down 14.5%
• Market Environment (12 Months)	S&P 500 down 22.1% Russell 1000 Growth down 27.9% Russell 1000 Value down 15.5% MSCI EAFE down 15.9% Lehman Aggr. Bond up 10.3%
Annualized Fee Base(1)	\$1,565 mm vs. \$1,850 mm, down 15.4%
Average AUM	\$384 bn vs. \$440 bn, down 12.7%
• Revenues	\$648 mm vs. \$765 mm, down 15.3%
Operating Expenses	\$488 mm vs. \$563 mm, down 13.3%
Staffing Levels	4,118, down 7.8%
Net Operating Earnings(2)	\$152 mm vs. \$194 mm, down 21.7%

(1) Annualized Fee Base is defined as period end AUM times contractual annual fee rates; assumes no change in AUM or fee rates for one year.
(2) Net Operating Earnings: Net Income excluding amortization of intangibles and goodwill.
Note: Percentages in this presentation are calculated based on underlying numbers.

3

Alliance Capital Fourth Quarter Financial Overview

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

4Q02

4Q01

% chg

• Average AUM (\$bn)	\$	384	\$	440	-13
· Average AOW (JUII)	Ψ		Ψ		15
• Revenues					
Base Fee & Other	\$	515	\$	583	-12
Performance Fee		29		50	-41
Distribution		104		132	-21
		648		765	-15
• Expenses					
Compensation		216		263	-18
Distribution (1)		144		163	-12
Other (1)		136		145	-6
		496		571	-13
Net Operating Earnings(2)	\$	152	\$	194	-22
	•		<i>.</i>	1.00	10
• Base Fee Earnings	\$	137	\$	169	-19
• Performance Fee Earnings		15		25	-39
• Net Operating Earnings(2)	\$	152	\$	194	-22
			<u> </u>		

(1) Distribution includes distribution plan payments and amortization of deferred sales commissions. Distribution and Other reflect reclassification of revenue sharing payments, effective 3Q02, resulting in a \$13 mm reclass from distribution plan payments to other promotion and servicing expense for 4Q01.
 (2) Net Operating Earnings: Net Income excluding amortization of intangibles and goodwill.

Fourth Quarter Revenues — by Distribution Channel

(In \$ millions)						
	40	Q02	4	Q01	% chg	Comments
• Retail	\$	309	\$	382	-19	 AUM decline weighted toward higher fee equity products; distribution revenues
• Institutional Inv. Mgmt		151		177	-14	• Revenues decline with average AUM
• Private Client		109		126	-14	• Lower Advanced Value performance fees of \$16 mm
• Institutional Research Svcs.		69		67	+4	• Expanded research coverage and broader trading capabilities
• Other		10		13	-26	
• Total	\$	648	\$	765	-15	

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Expense Detail

(In \$ millions)				
	40	202	4Q01	% chg
• Employee Comp. & Benefits				
Base Compensation(1)	\$	75	\$ 84	-11
Incentive Compensation(2)				
Cash(2)		66	80	-18
Deferred(3)		28	20	+38
Commissions(4)		29	57	-48
Fringes & Other		18	22	-18
• Total	\$	216	<u>\$</u> 263	-18

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(1) Reduced headcount.

(2) Lower operating earnings and performance fees.

(3) Final tranche of SCB deferred compensation.

(4) \$19 million accrued as commissions for certain sales management professionals was instead paid from the IC pool.

Expense Detail

(In \$ millions)						
	40	02	4	Q01	% chg	Comments
• Employee Comp. & Benefits	\$	216	\$	263	-18	
Promotion & Servicing						
Distribution Plan Pmts (1)		89		106	-16	
Amort of Def Sales Comm		55		57	-4	
Т&Е		12		15	-17	
Printing/Mailing		2		9	-73 Ş	• Continued reductions in
Other (1)		25		26	-4)	controllable expenses
		183		213	-14	
• General & Admin						
Office Expense		39		41	-7	 Office consolidation
Other		44		40	+12	• Legal Fees
		83		81	+2	0
 Interest and Taxes 		14		14	—	
• Total	\$	496	\$	571	-13	

(1) Reflects reclassification of revenue sharing payments, effective 3Q02, resulting in a \$13 mm reclass from distribution plan payments to other promotion and servicing expense for 4Q01.

	7				
Net Distribution Expense					
(In \$ millions)					
		4Q02	2	4Q01	% chg
Distribution Revenues	\$	104	\$	132	-21
• Distribution Expenses					
Distribution Plan Payments (1)		89		106	-16
Amort of Def Sales Comm		55		57	-4
		144		163	-12
• Net Distribution Expense	\$	40	\$	31	+26

(1) Reflects reclassification of revenue sharing payments, effective 3Q02, resulting in a \$13 mm reclass from distribution plan payments to other promotion and servicing expense for 4Q01.

Alliance Capital Pre-tax Operating Margin

	4	Q02	% of Rev (1)	 4Q01	% of Rev (1)
• Base Fee Earnings, Net	\$	175	32.1%	\$ 200	31.6%
• Distribution Expense, Net (2)		(31)	-5.8	(25)	-3.9
• Performance Fee Earnings, Net		16	3.0	 27	4.2
• Pre-tax Operating Earnings	\$	160	29.3 %	\$ 202	<u>31.9</u> %

(1) Excludes distribution revenues.

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

Alliance Holding Net Operating Earnings and Distribution

(Per Unit amounts)			
	 4Q02	 4Q01	% chg
• Diluted Net Income	\$ 0.51	\$ 0.51	<u> </u>
Amortization of Intangibles & Goodwill	 0.02	 0.17	-88
• Net Operating Earnings(1)	\$ 0.53	\$ 0.68	-22 %
• Base Fee Earnings	\$ 0.47	\$ 0.59	-20%
• Performance Fee Earnings	 0.06	 0.09	-33
• Net Operating Earnings(1)	\$ 0.53	\$ 0.68	-22 %
• Distribution	\$ 0.52	\$ 0.67	-22 %

(1) Net Operating Earnings: Net Income excluding amortization of intangibles and goodwill.

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Full Year Financial Overview

Alliance Capital	2002 vs. 2001
• End of Period AUM	\$387 bn vs. \$452 bn, down 14.5%
• Market Environment (12 Months)	S&P 500 down 22.1% Russell 1000 Growth down 27.9% Russell 1000 Value down 15.5% MSCI EAFE down 15.9% Lehman Aggr. Bond up 10.3%
• Annualized Fee Base	\$1,565 mm vs. \$1,850 mm, down 15.4%
• Average AUM	\$415 bn vs. \$449 bn, down 7.7%
• Revenues	\$2,742 mm vs. \$2,993 mm, down 8.4%
• Operating Expenses	\$2,079 mm vs. \$2,168 mm, down 4.1%
• Staffing Levels	4,118, down 7.8%
• Net Operating Earnings(1)	\$632 mm vs. \$787 mm, down 19.8%

(1) Net Operating Earnings: Net Income excluding amortization of intangibles and goodwill.

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Alliance Capital Full Year Financial Overview

(In \$ millions)			
	2002	2001	% chg
• Average AUM (\$bn)	\$ 415	\$ 449	-8
Revenues			
Base Fee & Other	\$ 2,221	\$ 2,369	-6
Performance Fee	54	79	-32
Distribution	467	545	-14
	 2,742	 2,993	-8
• Expenses			
Compensation	907	931	-3
Distribution (1)	622	660	-6
Other (1)	582	615	-5
	2,111	 2,206	-4
• Net Operating Earnings(2)	\$ 632	\$ 787	-20
• Base Fee Earnings	\$ 599	\$ 740	-19
Performance Fee Earnings	 33	 47	-29
Net Operating Earnings(2)	\$ 632	\$ 787	-20

(1) Distribution includes distribution plan payments and amortization of deferred sales commissions. Distribution and Other reflect reclassification of revenue sharing payments, effective 3Q02, resulting in a \$59 mm reclass from distribution plan payments to other promotion and servicing expense for 4Q01.
(2) Net Operating Earnings: Net Income excluding amortization of intangibles and goodwill.
AUM in \$ billions.

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Full Year Revenues — by Distribution Channel

	2002	2001	% chg	Comments
	 	 	,0 clig	
• Retail	\$ 1,358	\$ 1,592	-15	 Market depreciation; lower average AUM impacts base fees and distribution revenues
and the state of the	633	676	-6	• Revenues decline with average AUM
 Institutional Inv. Mgmt 	033	070	-0	• Revenues decline with average AOM
• Private Client	425	397	+7	• Higher base fees more than offset \$16 mm decline in performance fees
• Institutional Research Svcs.	295	266	+11	 Expanded research coverage and broader trading capabilities
• Other	 31	 62	-51	
• Total	\$ 2,742	\$ 2,993	-8	
		13		

Expense Detail

% chg

 Employee Comp. & Benefits 			
Base Compensation(1)	\$ 302	\$ 320	-6
Incentive Compensation(2)			
Cash(2)	229	265	-14
Deferred(3)	93	57	+64
Commissions(4)	203	202	—
Fringes & Other	80	87	-8
• Total	\$ 907	\$ 931	-3

(1) Reduced headcount.

(2) Lower operating earnings and performance fees.

(3) Final trancheof SCB deferred compensation.

(4) \$19 million accrued as commissions for certain sales management professionals was instead paid from the IC pool.

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Expense Detail

(In \$ millions)

	2002	2001	% chg	Comments
• Employee Comp. & Benefits	907	931	-3	
Promotion & Servicing				
Distribution Plan Pmts (1)	393	429	-9	
Amort of Def Sales Comm	229	231	-1	
T & E	53	66	-19).	Continued reductions in
Printing/Mailing	30	43	-31 💡	controllable expenses
Other (1)	110	124	-11)	controllable expenses
	815	893	-9	
• General & Admin				
Office Expense	165	157	+5	 Office expansion and restacking
Other	164	155	+6	• Legal fees
	329	312	+6	C
• Interest and Taxes	60	70	-15	• Lower debt and earnings
• Total	\$ 2,111	\$ 2,206	-4	

(1) Reflects reclassification of revenue sharing payments, effective 3Q02, resulting in a \$59 mm reclass from distribution plan payments to other promotion and servicing expense for 4Q01.

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Net Distribution Expense			
(In \$ millions)			
	 2002	 2001	% chg
• Distribution Revenues	\$ 467	\$ 545	-14
• Distribution Expenses			
Distribution Plan Payments (1)	393	429	-9
Amort of Def Sales Comm	229	231	-1
	622	660	-6
Net Distribution Expense	\$ 155	\$ 115	+34

(1) Reflects reclassification of revenue sharing payments, effective 3Q02, resulting in a \$59 mm reclass from distribution plan payments to other promotion and servicing expense for 4Q01.

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Alliance Capital Pre-tax Operating Margin

(In \$ millions)					
	;	2002	% of Rev (1)	2001	% of Rev (1)
• Base Fee Earnings, Net	\$	750	33.0% \$	866	35.4%
• Distribution Expense, Net (2)		(121)	-5.3	(90)	-3.7
• Performance Fee Earnings, Net		35	1.5	49	2.0
• Pre-tax Operating Earnings	\$	664	<u>29.2</u> % <u></u> \$	825	33.7 %

(1) Excludes distribution revenues.

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

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Alliance Holding Net Operating Earnings and Distribution

(Per Unit amounts)			
	 2002	 2001	% chg
• Diluted Net Income	\$ 2.11	\$ 2.10	1%
Amortization of Intangibles & Goodwill	 0.08	 0.67	-88
• Net Operating Earnings(1)	\$ 2.19	\$ 2.77	-21 %
• Base Fee Earnings	\$ 2.07	\$ 2.60	-20%
• Performance Fee Earnings	 0.12	 0.17	-29
• Net Operating Earnings(1)	\$ 2.19	\$ 2.77	-21 %
• Distribution	\$ 2.15	\$ 2.73	-21 %

(1) Net Operating Earnings: Net Income excluding amortization of intangibles and goodwill.

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Alliance Organic Growth Exceeds Markets

[GRAPH]

Distributions per Unit are adjusted for two-for-one Unit split in 1998.

⁽¹⁾ Compound annual growth rate 1997-2002 of Alliance Holding distributions per Unit.

⁽²⁾ Annualized total return for period 12/31/97-12/31/02.

Total Annualized Return*

[GRAPH]

*As of 12/31/02. Alliance Holding and S& P returns include reinvestment of cash distributions and dividends, respectively. ** Since IPO 4/88.

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2002 Summary

- Continued decline in global equity markets pressured AUM and revenues throughout the year
- Extreme risk aversion and highly volatile markets created a **challenging investment environment** particularly for growth equities and credit sensitive fixed income products
 - · Growth equity and fixed income products underperformed
 - A strong year for the Bernstein value services
 - Longer-term results are generally competitive
- Net flows by product generally reflect the risk averse environment and recent relative performance trends
 - Outflows in growth equities
 - Inflows in value equities and fixed income
 - Outflows in cash management resulting from industry consolidation

• Mixed year for Retail flows

- · Risk averse investors selling growth and technology
- Sales of AllianceBernstein value products build as track records mature
- Maintained leading position in state-sponsored 529 plans with \$2.6 billion in assets and 330,000 shareholder accounts
- Solid net sales in Luxembourg funds reflecting a more balanced product mix

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2002 Summary

- A good year for Institutional Investment Management flows with particular strength overseas
- A record year for the Private Client channel with more than \$4.0 billion of net flows
- A strong year for the Institutional Research channel
- Year-end AUM declined to \$387 billion from \$452 billion; Average AUM declined to \$415 billion from \$449 billion
- Stable overall revenue yields
- Good progress in expense management
- Overall, Alliance's diverse mix of clients and high quality investment products validate the Bernstein acquisition and provide relative stability in the toughest environment in nearly 30 years

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Challenging Market Environment				
Period ended December 31,				
	2002	2001	2000	3 Yr Cum
S&P 500	-22.1 %	-11.9 %	-9.1 %	-37.6 %

Russell 1000 Growth	-27.9 %	-20.4 %	-22.4 %	-55.5 %
Russell 1000 Value	-15.5 %	-5.6 %	7.0 %	-14.7 %
	D1 F 0/	21.1.0/	20.2.0/	67.2.0/
NASDAQ Composite	-31.5 %	-21.1 %	-39.3 %	-67.2 %
MSCI EAFE	-15.9 %	-21.4 %	-14.2 %	-43.3 %
Lehman Aggregate Bond	10.3 %	8.4 %	11.6 %	33.5 %
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Relative Performance (1)—Institutional Growth Equity

Institutional Equity Composites vs. Benchmarks

	Large Cap Growth(2)	Disciplined Growth(2)	Multi Cap Growth(3)	Small Cap Growth(4)	Intl Lg Cap Growth(5)	Emerging Market Growth(6)
1yr	-2.3	-4.3	+1.0	-0.5	+1.6	+6.1
3yr	+1.7	-0.1	+3.6	+11.2	+5.5	+0.5
5yr	+2.8	-0.4	+0.9	+4.7	+4.9	+4.5
10yr	+2.2	+0.3	+0.9	+7.2	+3.7	+2.8

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

(2) vs. Russell 1000 Growth (3) vs. Russell 3000 Growth (4) vs. Russell 2000 Growth (5) vs. MSCI EAFE Growth (6) vs. MSCI Emerging Markets Free Composite and benchmark data through 12/31/02. Performance is preliminary.

See Performance Disclosure

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Relative Performance (1)—Institutional Value Equity

Institutional Equity Composites vs. Benchmarks

	Strategic Value(2)	Diversified Value(3)	Relative Value(2)	Small- Mid CapValue(4)	International Value(5)	Emerging Market Value(6)
1yr	-1.8	+5.6	-6.8	+3.1	+7.7	+10.8
3yr	+5.0	+10.7	+0.8	—	+5.4	+4.4
5yr	+0.7	+2.9	+2.1	_	+2.5	+5.0
10yr	+0.9	+1.6	—		+2.0	_

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

(2) vs. Russell 1000 Value (3) vs. S&P 500 (4) vs. Russell 2500 Value (5) vs. MSCI EAFE Value (6) vs. MSCI Emerging Markets Free Composite and benchmark data through 12/31/02. Performance is preliminary.

See Performance Disclosure

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Relative Performance (1)—Institutional Fixed Income

Institutional Fixed Income Composites vs. Benchmarks							
	High Grade Aggregate(2)	Sector Insurance(3)	Emerging Rotation(2)	High Yield(4)	Global(5)	Emerging Market(6)	
1yr	-0.2	+0.3	-2.0	-3.4	-1.3	+4.1	
3yr	-0.1	+0.5	-0.4	-0.5	-0.8	+4.8	
5yr	-0.2	+0.3	-0.6	+0.6	-0.5	+2.4	
10yr	_	+0.3	-0.3	+1.4	-0.2		

(2) vs. Lehman US Aggregate Unhedged (3) vs. Custom Insurance Index (4) vs. Custom High Yield Index (5) vs. JPM Global Bond Unhedged (6) vs. JPM EMBI Plus Composite and benchmark data through 12/31/02. Performance is preliminary. See Performance Disclosure

Relative Performance — **Retail Growth Equity**

Retail Mutual Funds vs. Lipper Averages

	Premier Growth(1)	Growth(2)	Tech(3)	Int'l Premier(5)	Global Gr Trd(6)
1yr	-3.8	+1.3	+0.1	-1.8	+1.0
3yr	-2.9	-0.1	+5.9	-3.5	+5.7
5yr	-1.0	-4.4	+0.8	—	+7.4
10yr	+1.4	-0.5	+0.6	_	+6.1

(1) vs. Large Cap Growth average (2) vs. Multi Cap Growth average (3) vs. Science and Technology average (4) vs. Health/Biotechnology average (5) vs. International average (6) vs. Global Growth average

Source: Alliance Capital and Lipper

Mutual fund performance and Lipper data through 12/31/02.

Relative Performance — Retail Value Equity

Retail Mutual Funds vs. Lipper Averages

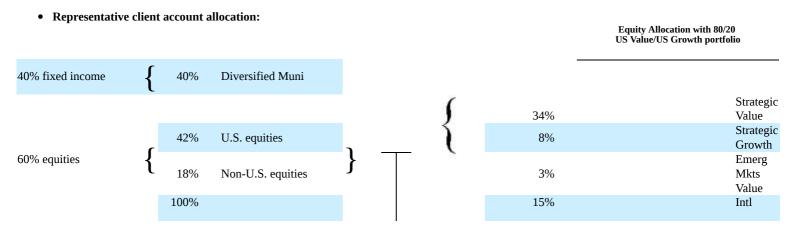
	AB Value(1)	Growth & Income(2)	Small Cap Value(3)	Int'l Value(4)	Global Value(5)	Balanced(6)
1yr	+4.6	-6.6	+5.3	+13.5	+4.8	+1.0
3yr	—	+0.8	—	—	—	+5.7
5yr	—	+3.0	—	—	—	+3.1
10yr	—	+1.6	—	—	—	+1.3

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

Source: Alliance Capital andLipper

Mutual fund performance and Lipper data through 12/31/02.

Private Client Portfolio Performance



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

		Value
ſ	21%	Equity Allocation with 50/50 US Value/US Growth <u>portfolio</u> Strategic Value
- 1	21%	Strategic Growth
	3%	Emerg Mkts Value
	15%	Intl Value

• Representative performance:

	2002	
80/20* U.S. Equity Allocation	(7.7)	
50/50* U.S. Equity Allocation	(10.0)	
S&P 500	(22.1)	
	2002	3/1/00- 12/31/02(1)
All Balanced Accounts	(8.1)	8.9
S&P 500	(22.1)	(33.0)

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

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AUM by Investment Orientation

Twelve Months Ended Dec. 31, 2002 (In \$ billions)

	rowth quity		Value Equity		Fixed Income		Passive	Total
• Dec. 2001 AUM*	\$ 173	\$	101	\$	146	\$	32 \$	452
Net Long-Term Flows	(15)		9		11		(3)	2
Cash Management, Net	 				(6)			(6)
Net New Business/(Outflows)	(15)		9		5		(3)	(4)
• Transfers	(5)		4		1		—	_
Apprec/(Deprec)	 (44)		(15)	. <u></u>	4		(6)	(61)
• Dec. 2002 AUM	\$ 109	\$	99	\$	156	\$	23 \$	387
% Change	-37.2%	,)	-2.7%	6	+7.1%	,)	-26.8%	-14.5%
• % Total	28.1%	,)	25.5%	6	40.3%	, D	6.0%	

^{*} AUM previously reported as of each date prior to March 31, 2002, have been restated to exclude assets managed by unconsolidated affiliates.

AUM by Channel

Twelve Months Ended Dec. 31, 2002

	1	Retail		nstitutional Inv Mgmt	Private Client		Total
• Dec. 2001 AUM*	\$	172	\$	241	\$ 39	\$	452
Net Long-Term Flows		(6)		4	4		2
Cash Management, Net	<u> </u>	(6)					(6)
Net New Business/(Outflows)		(12)		4	4		(4)
• Transfers		—		—	—		—
Depreciation		(24)		(34)	(3)		(61)
• Dec. 2002 AUM	\$	136	\$	211	<u>\$ 40</u>	\$	387
% Change		-20.8%	6	-12.6%	6 +1.39	6	-14.5%
• % Total		35.2%	6	546%	5 10.3%	6	

* AUM previously reported as of each date prior to March 31, 2002, have been restated to exclude assets managed by unconsolidated affiliates.

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Retail Net Outflows

In \$ millions)			
	200	2	Comments
• U. S.	\$	(1,829)	• Inflows into AB Value and Fixed Income offset by outflows in Growth and Technology; strong 529 sales
Luxembourg		1,521	• Balanced product mix; strong performance in Global Growth Trends
• Other Non-U. S.		(2, 416)	• Internalization of \$2.4 bn of EPTA managed portfolios
Variable/Sub-Advised		(1, 265)	Loss of accounts and merger of EQAT portfolios
Managed Accounts		(1,806)	Mirrors outflows in U. S. funds
Net Long-term Outflows		(5,795)	
Cash Management		(6,176)	Industry consolidation
Total Net Outflows	\$	(11,971)	

Institutional Investment Mgmt Overview

• New account wins representing \$22 billion in AUM across a broad range of disciplines

• Non-U.S. business accounts for more than \$13 billion, particularly strong in UK, Japan and Australia

(In \$billions)

2002

	U. S. Growth		\$	2.1
	U. S. Value		•	3.2
	Global/ Int'l Growth Global/ Int'l Value			1.2 5.0
	Fixed Income			9.5
	Enhanced/ Passive			0.1
	Blend Growth/ Value Total		\$	<u>1.0</u> 22.1
	10(a)		3	
		33		
A sets The day Managament				
Assets Under Management				
By Channel and Investment Orientation (In \$ billions)				
	[G	GRAPH]		
		34		
Lower AUM Reduces Fee Bas	e e			
Annualized Fee Base (1) By Channel and Investment Orientation (In \$ millions)				
	[G	GRAPH]		
(1) Annualized Fee Base is defin assumes no change in AUM or †	ned as period end AUM times contractual and fee rates for one year.	nual fee rates;		
		35		
2002 vs. 2001 Headcount				
	[G	GRAPH]		
		36		
Looking Ahead				
• Year-end 2002 AUM of	\$387 billion is 6.7% lower than average AUI	M for 2002		
	owth from blended capital markets			
• Retail flows are expecte	ed to turn positive			
Ø Non-recurring natØ Balanced product	ture of money fund and EPTA outflows profile			
Ø Maturation of value	ue investment records			
Ø Continued strengt	h in 529 and Luxembourg			

- Ø Continued strength in 529 and Luxembourg
- Ø Abatement of growth outflows
- Continued net inflows in Institutional Investment Management (overseas momentum) and Private Client
- Moderate revenue growth and improved margins in **Institutional Research**
- Ø Market share gains offset by modest pricing pressure
- Modest headcount and expense growth as the year progresses
- Lead to "flatish" year over year results, with most difficult comparisons early in the year

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

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[LOGO]

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Diverse Group of Clients

As of December 31, 2002

Wholesale	Direct Sales								
Retail	Institutional Investment Mgmt	Private Client	Institutional Research Services						
• 7.4 million accounts	• 2,300 + client relationships*	• 19,500 + client relationships	• 1,000 + client relationships						
• 54 U. S. mutual funds(1)	• 43 of Fortune 100 companies	• 12 client offices in U. S.	• 45 senior analysts						
• 17 non-U. S. mutual funds(2)	• Public pension funds across 44 states	• Referral network of 8,000 lawyers and accountants	• Independent research						

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

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Changes in AUM by Investment Orientation

Three Months Ended December 31, 2002 (*In \$ billions*)

		Growth Equity	 Value Equity	 Fixed Income	 Passive	 Total
Beginning of Period	\$	107,310	\$ 88,104	\$ 151,565	\$ 21,675	\$ 368,654
Sales/New accounts		2,429	3,781	6,582	438	13,230
Redemptions/Terminations		(4,350)	(2,763)	(5,067)	(223)	(12,403)
Net cash management sales			—	356		356
Cash flow		(650)	526	(214)	(103)	(441)
Unreinvested dividends		(4)	—	(259)		(263)
Net new business/(Outflows)		(2,575)	 1,544	 1,398	 112	 479
Transfers		(1,497)	459	1,038		_
Market appreciation		5,561	8,529	1,761	1,595	17,446
	-	<u> </u>	 	 <u> </u>	 	
End Of Period	\$	108,799	\$ 98,636	\$ 155,762	\$ 23,382	\$ 386,579

Changes in Retail AUM by Investment Orientation

Three Months Ended December 31, 2002

1	(IN	\$ DII	lions)	

	rowth quity	 Value Equity	 Fixed Income	 Cash Mgmt	 Total
Beginning Of Period	\$ 41,992	\$ 20,613	\$ 32,933	\$ 35,312	\$ 130,850
Sales	2,068	1,382	2,326	—	5,776
Redemptions	(2,904)	(1,196)	(2,232)	—	(6,332)
Net cash management sales				356	356
Cash flow	(550)	9	198		(343)
Unreinvested dividends	(3)		(231)	_	(234)
Net new business/(Outflows)	(1,389)	195	61	356	(777)
Transfers	(1,497)	459	1,038	_	_
Market appreciation	2,523	1,929	1,371	_	5,823
	 <u> </u>	 			
End Of Period	\$ 41,629	\$ 23,196	\$ 35,403	\$ 35,668	\$ 135,896

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Changes in Retail AUM by Product

Three Months Ended December 31, 2002 (*In \$ billions*)

	J. S. unds	Non-U. S. Funds	Variable Annuity	Managed Accounts	Total
Beginning Of Period	\$ 75,819	\$ 17,158	\$ 31,078	\$ 6,795	\$ 130,850
Sales	1,840	1,921	1,779	236	5,776
Redemptions	(2,600)	(1,712)	(1,404)	(616)	(6,332)
Net cash management sales	356	—			356
Cash flow	49	(22)	(370)	—	(343)
Unreinvested dividends	(173)	(61)		—	(234)
Net new business/(Outflows)	 (528)	 126	 5	 (380)	 (777)
Transfers	—	—			
Market appreciation	2,066	1,143	2,260	354	5,823
End Of Period	\$ 77,357	\$ 18,427	\$ 33,343	\$ 6,769	\$ 135,896

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Changes in Institutional Investment Management AUM by Investment Orientation

Three Months Ended December 31, 2002 (In \$ billions)

	Frowth Equity	Value Equity	Fixed Income	Passive	Total
Beginning Of Period	\$ 64,520	\$ 44,353	\$ 72,216	\$ 19,224	\$ 200,313
Sales/New accounts	406	1,904	3,543	125	5,978
Redemptions/Terminations	(1,581)	(1,328)	(2,299)	(11)	(5,219)
Cash management sales, net	_	_			
Cash flow	227	554	(312)	(110)	359
Unreinvested dividends	 	 	 	 	

Net new business/(Outflows)	(948)	1,130	932	4	1,118
Transfers	—		—	—	
Market appreciation	2,507	4,914	744	1,394	9,559
End Of Period	\$ 66,079	\$ 50,397	\$ 73,892	\$ 20,622	\$ 210,990

Alliance Capital (The Operating Partnership) Consolidated Balance Sheet

Amounts in \$ thousands. Unaudited

		12/31/02		12/31/01
Assets				
Cash and investments	\$	472,676	\$	501,845
Cash and securities, segregated		1,174,323		1,415,158
Receivables		1,450,326		1,954,582
Goodwill, net		2,876,657		2,876,657
Intangible assets, net		367,425		388,125
Deferred sales commissions, net		500,890		648,244
Other		375,673		390,782
Total Assets	\$	7,217,970	\$	8,175,393
Liabilities and Partners' Capital				
Liabilites:	¢	0.007.111	¢	2 020 002
Payables	\$	2,287,111	\$	3,029,983
Accounts payable and accrued expenses		234,133		194,538
Accrued compensation and benefits		298,485		328,077
Debt		426,907		627,609
Other		7,883		7,026
Total Liabilities		3,254,519		4,187,233
Partners' Capital		3,963,451		3,988,160
Total Liabilities and Partners' Capital	\$	7,217,970	\$	8,175,393

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Alliance Capital (The Operating Partnership) Consolidated Cash Flow

Amounts in \$ thousands. Unaudited

	 Twelve Months Ended		
	 12/31/02	12/31/01	
Cash Flows From Operating Activities:			
Net income	\$ 610,978 \$	614,625	
Non-cash items:			
Amortization and depreciation	298,281	446,119	
Other, net	105,305	67,686	
Changes in assets and liabilities	(111,710)	(131,596)	
Net cash provided from operating activities	 902,854	996,834	
Cash Flows From Investing Activities:			
Purchase of investments, net	(6,058)	56,762	
Additions to furniture, equipment and leaseholds, net	(53,548)	(87,000)	
Other	—	(5,422)	
Net cash (used in) investing actvities	 (59,606)	(35,660)	
Cash Flows From Financing Activities:			
(Decrease) in debt, net	(202,973)	(173,111)	
Cash distributions to General Partner and Alliance Capital Unitholders	(654,225)	(785,530)	
Other	(49,967)	1,935	
Net cash (used in) financing activities	 (907,165)	(956,706)	

(60,136)	3,876
220,127	216,251
\$ 159,991	\$ 220,127
	220,127

Performance Disclosure — Growth Composites: Net of Fee

Alliance Capital Management L.P. ("ACMLP"), is a registered investment advisor. ACMLP had \$386. 6 billion in assets under management as of December 31, 2002. \$39.7 billion in assets are managed by our private client services group, which does not present its performance composites in strict accordance with AIMR standards.

1) *TOTAL RETURN METHODOLOGY AND FEE STRUCTURE* — Performance figures in this report have been presented net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the composite from inception of the composite to December 2000. The annual fees used were: 0.90% for Large Cap Growth Composite from January 01, 2000 to December 31, 2000 and 0.75% from inception to December 31, 1999, 0.90% for Disciplined Growth Composite from January 01, 2000 to December 31, 2000 and 0.75% from inception to December 31, 1999, 0.75% for Relative Value Composite, 1.00% for Small Cap Composite, 1.00% for Multi Capitalization Growth Composite, 0.90% for International Large Cap Growth Equity Composite. From January 2001 forward, the Composites' net of fee returns are based upon a weighted average of the actual fee rates charged to each account in the Composite; 0.79% for Small Cap Composite; 0.63% for Multi Capitalization Growth Composite; 0.32% for International Large Cap Growth Equity Composite; 0.79% for Small Cap Composite; 0.63% for Multi Capitalization Growth Composite; 0.32% for International Large Cap Growth Equity Composite; 0.79% for Small Cap Composite; 0.63% for Multi Capitalization Growth Composite; 0.32% for International Large Cap Growth Equity Composite; 0.79% for Small Cap Composite; 0.63% for Multi Capitalization Growth Composite; 0.32% for International Large Cap Growth Equity Composite; and 0.42% for Emerging Markets Growth Composite. Both fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

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

3) *COMPOSITE STRUCTURE* — As of December 31, 2002, the Composites include fee-paying discretionary accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. As of December 31, 2002, Emerging Markets Growth Composite had less than 1% of its assets invested in countries or regions outside of the benchmark, MSCI Emerging Markets Free, and International Large Cap Growth Equity Composite had 3.37% of its assets invested in countries or regions outside of the benchmark, MSCI EAFE.

The number of accounts in each composite, the market value, and percentage of composite assets in relation to the total assets under management are included in the following table.

	Number of Accounts	Asset Value (\$ in millions)	% of Alliance Total Assets
Large Cap Growth Composite	239	20,191	5
Disciplined Growth Composite	79	4,745	1
Relative Value Composite	18	2,083	1
Small Cap Composite	13	538	<1
Multi Capitalization Growth Composite	8	457	<1
International Large Cap Growth Equity	7	1,240	<1
Emerging Markets Growth Composite	6	694	<1

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Performance Disclosure — Growth Composites: Net of Fee

The Large Cap and Disciplined Growth Composites include the equity segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. The primary portfolio manager responsible for managing the Small Cap Strategy, who had been in place since June of 1994, left the firm in January of 1999. A new team responsible for managing the Small Cap Strategy was put in place during January of 1999. The Relative Value Composite has been restated to reflect a material change in the investment process during the fourth quarter of 1994. The nature of the restatement has resulted in a change in the inception of the composite from January 1, 1992 to January 1, 1995. No other changes occurred as a result of this restatement.

The withholding tax basis of the Global Composites is consistent with the benchmark, which is Luxembourg. The Creation dates of the composites are as follows: MultiCap Growth: December 2000. The Large Cap Growth, Disciplined Growth, International Large Cap Growth, Relative Growth and Small Cap Growth Composites were created prior to December 1992, the first year that these Composites were AIMR verified. The Emerging Growth Composite was created prior to December 1994, the first year that the Composite was AIMR verified.

4) *DISPERSION* — The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composites is as follows:

Large Cap Growth Composite: 1993: 1.61; 1994: 1.22; 1995: 1.86; 1996: 1.29; 1997: 4.96; 1998: 2.43; 1999: 3.23; 2000: 2.11; 2001: 3.56; 2002: 1.94; Disciplined Growth Composite: 1993: 1.10; 1994: 0.68; 1995: 1.05; 1996: 1.09; 1997: 1.64; 1998: 0.88; 1999: 1.36; 2000: 1.68; 2001: 1.75; 2002: 0.80; Relative Value Composite: 1994 Q4: 0.53; 1995: 2.72; 1996: 0.39; 1997: 0.23; 1998: 0.54; 1999: 0.76; 2000: 0.24; 2001: 0.50; 2002: 1.24; Small Cap Composite: 1994 Q2-Q4: 1.65; 1995: 0.19; 1996: 0.09; 1997: 0.14; 1998: 0.29; 1999: 0.55; 2000: 0.79; 2001: 0.29; 2002: 0.27; Multi Capitalization Growth Composite: 1993: 1.64; 1994: 0.41; 1995: 0.36; 1996: 0.94; 1997: 0.69; 1998: 0.26; 1999: 1.14; 2000: 0.28; 2001: 0.24; 2002: 0.45;

International Large Cap Growth Equity Co: 1993: 2.22; 1994: 0.49; 1995: 1.18; 1996: 0.24; 1997: 0.90; 1998: 3.06; 1999: 5.77; 2000: 2.58; 2001: 0.69; 2002: 0.88;

Emerging Markets Growth Composite: 1993:

N/M*; 1994: 2.56; 1995: 1.00; 1996: 0.57; 1997: 0.31; 1998: 0.04; 1999: N/M*; 2000:

N/M*; 2001:

N/M*; 2002: 0.24.

5) *ANNUAL RETURNS* — Large Cap Growth: Gross: 1993: 10.70; 1994: (2.92); 1995: 40.00; 1996: 23.61; 1997: 37.63; 1998: 52.24; 1999: 32.96; 2000: (16.81); 2001: (17.25); 2002: (29.90). Net: 1993: 9.88; 1994: (3.64); 1995: 38.99; 1996: 22.71; 1997: 36.63; 1998: 51.14; 1999: 31.99; 2000: (17.57); 2001: (17.52); 2002: (30.14).

Disciplined Growth: Gross: 1993: 10.61; 1994: (1.86); 1995: 38.36; 1996: 23.41; 1997: 37.10; 1998: 43.74; 1999: 27.76; 2000: (17.14); 2001: (20.01); 2002: (31.92). Net: 1993: 9.80; 1994: (2.59); 1995: 37.36; 1996: 22.51; 1997: 36.11; 1998: 42.70; 1999: 26.83; 2000: (17.90); 2001: (20.27); 2002: (32.17). Relative Value: Gross: 1995: 38.17; 1996: 26.40; 1997: 29.77; 1998: 22.86; 1999: 10.45; 2000: 15.90; 2001: (1.73); 2002: (22.09). Net: 1995: 37.17; 1996: 25.48; 1997: 28.83; 1998: 21.96; 1999: 9.63; 2000: 15.04; 2001: (1.92); 2002: (22.32).

Small Cap Growth: Gross: 1993: 15.21; 1994: (2.56); 1995: 55.52; 1996: 37.91; 1997: 23.11; 1998: (2.66); 1999: 30.08; 2000: 19.62; 2001: (10.14); 2002: (30.12). Net: 1993: 14.08; 1994: (3.52); 1995: 54.03; 1996: 36.58; 1997: 21.91; 1998: (3.63); 1999: 28.82; 2000: 18.45; 2001: (10.92); 2002: (30.73). Multi Capitalization Growth: Gross: 1993: 20.32; 1994: (6.94); 1995: 32.46; 1996: 26.25; 1997: 32.54; 1998: 34.33; 1999: 25.56; 2000: (8.67); 2001: (21.43); 2002: (26.60). Net: 1993: 19.15; 1994: (7.87); 1995: 31.17; 1996: 25.02; 1997: 31.25; 1998: 33.03; 1999: 24.34; 2000: (9.59); 2001: (21.92); 2002: (27.08). International Large Cap Growth: Gross: 1993: 28.49; 1994: 7.40; 1995: 12.42; 1996: 8.58; 1997: 5.56; 1998: 17.37; 1999: 43.57; 2000: (14.83); 2001: (18.81); 2002: (14.12). Net: 1991: 9.20; 1992: (3.60); 1993: 27.56; 1994: 6.61; 1995: 11.59; 1996: 7.77; 1997: 4.78; 1998: 16.51; 1999: 42.53; 2000: (15.51); 2001: (19.05); 2002: (14.41).

Emerging Market Growth: Gross: 1993: 64.90; 1994: (12.28); 1995: (3.06); 1996: 22.53; 1997: (8.42); 1998: (28.06); 1999: 118.32; 2000: (29.23); 2001: (7.14); 2002: 0.69. Net: 1993: 63.33; 1994: (13.16); 1995: (4.03); 1996: 21.34; 1997: (9.33); 1998: (28.80); 1999: 116.29; 2000: (29.96); 2001: (7.56); 2002: 0.21.

Alliance Capital has prepared and presented this report in compliance with the Performance Presentation Standards of the Association for Investment Management and Research (AIMR-PPS®), the US and Canadian versions of the Global Investment Performance Standards (GIPS®). AIMR has not been involved in the preparation or review of this report. Alliance Capital received Level 1 and 2 AIMR Verification from KPMG LLP for 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999 and 2000. KPMG LLP is currently auditing 2001. This verification is available upon request.

To receive a complete list and description of Alliance Capital's composites and/or a presentation that adheres to the AIMR-PPS standards, please submit a request via email to Victoria Grancarich at GrancarichVJ@bernstein.com.

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

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Performance Disclosure — Value Composites: Net of Fee

AllianceBernstein STRATEGIC VALUE Composite, Performance Disclosure, Net of Fees in US Dollars, December 31, 2002

Alliance Capital Management L.P. ("ACMLP") is a registered investment advisor. ACMLP had US\$386.6 billion in assets under management as of December 31, 2002. US\$39.7 billion in assets are managed by our private-client services group, which does not present its performance composites in strict accordance with AIMR standards.

1) TOTAL RETURN METHODOLOGY AND FEE STRUCTURE — Performance figures in this report have been presented net of investment-management fees. Prior to 1983, management fees were not charged; instead, the accounts incurred transaction costs. From 1983 through 1992, the composite's net-of-fee return is the equal-weighted average of the actual after-fee returns of each account in the composite. From 1993 forward, the composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of each account in the composite. Net-of-fee performance figures reflect the compounding effect of such fees.

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

3) *COMPOSITE STRUCTURE* — Preliminarily, as of December 31, 2002, the AllianceBernstein Strategic Value composite ("Composite") consisted of 217 accounts with a market value of \$10,603.00 million in US dollars, which represents 2.74% of the firm's total assets. Beginning 1993, the Composite includes fee-paying institutional discretionary accounts with assets over \$5 million in US dollars which are not subject to significant investment restrictions imposed

by clients. From 1983 through 1992, the Composite includes all discretionary accounts with assets over \$5 million in US dollars. Prior to 1983, the Composite includes all accounts regardless of size. The Composite was created in March 2002 with an inception date of December 31, 1973.

4) *DISPERSION* — The dispersion of annual returns was calculated based on the equal-weighted standard deviation in 1992 and on the asset-weighted standard deviation from 1993 forward. Dispersion of performance for the Composite is as follows: 1992: 1.42%; 1993: 1.19%; 1994: 0.69%; 1995: 1.24%; 1996: 1.10%; 1997: 1.95%; 1998: 1.74%; 1999: 1.92%; 2000: 2.38%; 2001: 1.51%; 2002: 2.00%.

5) *ANNUAL RETURNS* — Gross: 1992: 26.89%; 1993: 27.30%; 1994: 1.30%; 1995: 38.01%; 1996: 24.71%; 1997: 27.79%; 1998: 10.34%; 1999: 0.25%; 2000: 10.46%; 2001: 10.13%; 2002: (16.97)%. Net: 1992: 26.05%; 1993: 26.69%; 1994: 0.81%; 1995: 37.36%; 1996: 24.15%; 1997: 27.25%; 1998: 9.88%; 1999: (0.16)%; 2000: 9.98%; 2001: 9.67%; 2002: (17.36)%.

AllianceBernstein DIVERSIFIED VALUE Composite (optimized to the S&P 500 Index), Performance Disclosure Net of Fees in US Dollars, December 31, 2002

1) TOTAL RETURN METHODOLOGY AND FEE STRUCTURE — Performance figures in this report have been presented net of investment-management fees. Beginning 1993, the composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of each account in the composite. Prior to 1993, the composite's net-of-fee return is the equal-weighted average of the actual after-fee returns of each account in the composite. Net-of-fee performance figures reflect the compounding effect of such fees.

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

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Performance Disclosure — Value Composites: Net of Fee

3) *COMPOSITE STRUCTURE* — Preliminarily, as of December 31, 2002, the AllianceBernstein Diversified Value composite (opt. S&P 500) ("Composite") consisted of 266 accounts with a market value of \$6,942.61 million in US dollars, which represents 1.80% of the firm's total assets. Beginning 1993, the Composite includes fee-paying institutional discretionary accounts which are not subject to significant investment restrictions imposed by clients. Beginning 1992, the Composite includes all discretionary accounts regardless of size. Prior to 1992, the Composite includes all discretionary accounts with an anception date of June 30, 1986.

4) *DISPERSION* — The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1992: N/M*; 1993: 0.47%; 1994: 0.63%; 1995: 0.56%; 1996: 0.97%; 1997: 1.14%; 1998: 0.99%; 1999: 1.22%; 2000: 1.13%; 2001: 0.60%; 2002: 0.77%.

5) *ANNUAL RETURNS* —Gross: 1992: 14.19; 1993: 13.59%; 1994: 1.89%; 1995: 38.14%; 1996: 23.40%; 1997: 31.10%; 1998: 17.18%; 1999: 8.14%; 2000: 4.56%; 2001: 2.40%; 2002: (16.19)%.Net: 1992: 13.69%; 1993: 13.16%; 1994: 1.44%; 1995: 37.56%; 1996: 22.90%; 1997: 30.63%; 1998: 16.80%; 1999: 7.77%; 2000: 4.23%; 2001: 2.06%; 2002: (16.49)%.

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

AllianceBernstein SMALL & MIDCAP VALUE Composite, Performance Disclosure, Net of Fees in US Dollars, December 31, 2002

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

2) *RATE OF RETURN* — No representation is made that the performance shown in this presentation is indicative of future performance. A portfolio could incur losses as well as gains. Performance figures for each account are calculated monthly on a trade-date basis using an internal rate-of-return calculation. Performance results are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. All cash flows are daily weighted using the Modified Dietz Method. The composite results are asset weighted on a monthly basis. These monthly performance figures are geometrically linked to calculate cumulative and/or annualized rates of return for various time periods. Returns for the portfolios in the composite are calculated in US dollars.

3) *COMPOSITE STRUCTURE* — Preliminarily, as of December 31, 2002, the AllianceBernstein Small and MidCap Value composite ("Composite") consisted of four accounts with a market value of \$136. 96 million in US dollars, which represents less than 1.0% of the firm's total assets. The Composite includes fee-paying institutional discretionary accounts which are not subject to significant investment restrictions imposed by clients. The Composite was created in March 2002 with an inception date of December 31, 2000.

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

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

AllianceBernstein INTERNATIONAL VALUE Composite (Half Hedged, GDP weighted), Performance Disclosure, Net of Fees in US Dollars, December 31, 2002

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

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

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Performance Disclosure — Value Composites: Net of Fee

3) *COMPOSITE STRUCTURE* — Preliminarily, as of December 31, 2002, the International Value composite (HH, GDP) ("Composite") consisted of 25 accounts with a market value of \$1,424.31 million in US dollars, which represents less than 1.0% of the firm's total assets. From July 1992 through September 1993, the Composite consisted of a single-pooled discretionary account. Beginning July 1993, the pooled discretionary account is excluded and the Composite includes only fee-paying institutional discretionary accounts, which are not subject to significant investment restrictions imposed by clients. The withholding tax basis of the composite is consistent with the benchmark, which is Luxembourg. The Composite was created in March 2002 with an inception date of June 30, 1992. As of September 30, 2002, the Composite had 5.0% of its assets invested in countries or regions outside of the benchmark, the MSCI EAFE Index (half hedged, GDP weighted).

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

5) *ANNUAL RETURNS* — Gross: 6/30 — 12/31/92: (4.08)%; 1993: 37.45%; 1994: 5.65%; 1995: 9.48%; 1996: 18.69%; 1997: 10.54%; 1998: 14.49%; 1999: 22.01%; 2000: (1.79)%; 2001: (10.73)%; 2002: (7.61)%. Net: 6/30 — 12/31/92: (4.99)%; 1993: 36.00%; 1994: 5.11%; 1995: 8.84%; 1996: 18.14%; 1997: 9.84%; 1998: 13.81%; 1999: 21.32%; 2000: (2.42)%; 2001: (11.22)%; 2002: (8.21)%.

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

AllianceBernstein EMERGING MARKETS VALUE Composite, Performance Disclosure, Net of Fees in US Dollars, December 31, 2002

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

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

3) *COMPOSITE STRUCTURE* — Preliminarily, as of December 31, 2002, the Emerging Markets Value composite ("Composite") consisted of six accounts with a market value of \$1,296.33 million in US dollars, which represents less than 1.0% of the firm's total assets. The Composite includes fee-paying institutional and pooled discretionary accounts which are not subject to significant investment restrictions imposed by clients. In 1996, the Composite consisted of a single-pooled discretionary account. The withholding tax basis of the composite is consistent with the benchmark, which is Luxembourg. The Composite was created in March 2002 with an inception date of December 31, 1995. As of September 30, 2002, the Composite had 0.6% of its assets invested in countries or regions outside of the benchmark, the MSCI Emerging Markets Free Index.

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

5) *ANNUAL RETURNS* — Gross: 1996: 9.06%; 1997: (21.56)%; 1998: (18.40)%; 1999: 73.28%; 2000: (26.83)%; 2001: (1.12)%; 2002: 6.17%. Net: 1996: 7.71%; 1997: (22.54)%; 1998: (19.42)%; 1999: 71.13%; 2000: (27.74)%; 2001: (2.35)%; 2002: 4.85%.

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

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Performance Disclosure — Fixed Income: Net of Fee

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

1. Emerging Markets Fixed Income Composite

TOTAL RETURN METHODOLOGY AND FEE STRUCTURE — Performance figures in this report have been presented net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the composite from inception of the composite to December 2000, which was an annual fee of 0.65%. From January 2001 forward, the composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied to the composite represents a standard institutional fee of 0.70%. Both fee structures exclude accounts with performance based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

COMPOSITE STRUCTURE — As of December 31, 2002, the Emerging Markets Fixed Composite ("Composite") consists of one account with a market value of \$64.87 million in US dollars, which represents less than less than 1% of the firm's total assets as of December 31, 2002. The Composite includes feepaying discretionary tax-exempt account with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. As of December 31, 2002, the composite had less than 1% of its assets invested in countries outside of the benchmark, JPM EMBI+. The Composite includes the fixed segment of a multiple-asset fund account. In these single-asset fund accounts, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines.

The creation date of this composite was prior to December 1994, the first year that this composite was AIMR verified.

Accounts in the Composite may maintain short positions, use futures, interest rate swaps and interest rate futures to hedge interest rate exposure, align risk with the index and reduce client risk and volatility. In certain situations, the use of these instruments may constitute leverage.

DISPERSION — The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1994 Q3-Q4: N/M*; 1995: N/M*; 1996: N/M*; 1997: N/M*; 1998: N/M*; 1999: N/M*; 2000: N/M*; 2001: N/M*; 2002: N/M*.

ANNUAL RETURNS — Gross: 1995: 37.68; 1996: 47.23; 1997: 19.65; 1998: (21.59); 1999: 36.82; 2000: 16.69; 2001: 9.30; 2002: 19.13. Net: 1995: 36.82; 1996: 46.31; 1997: 18.89; 1998: (22.11); 1999: 35.96; 2000: 15.94; 2001: 8.60; 2002: 18.34.

2. Global Fixed Income Composite

TOTAL RETURN METHODOLOGY AND FEE STRUCTURE — Performance figures in this report have been presented net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the composite from inception of the composite to December 2000, which was an annual fee of 0.50%. From January 2001 forward, the composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied to the composite represents a standard institutional fee of 0.50%. Both fee structures exclude accounts with performance based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

COMPOSITE STRUCTURE — As of December 31, 2002, the Global Fixed Income Composite ("Composite") consists of one account with a market value of \$13.03 million in US dollars, which represents less than less than 1% of the firm's total assets as of December 31, 2002. The Composite includes fee-paying discretionary tax-exempt account with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. As of December 31, 2002, the composite includes the fixed segment of a multiple-asset fund account. In these single-asset fund accounts, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines.

Performance Disclosure — Fixed Income: Net of Fee

The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified.

DISPERSION — The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1993: N/M*; 1994: N/M*; 1995: N/M*; 1996: N/M*; 1997: N/M*; 1998: N/M*; 1999: N/M*; 2000: N/M*; 2001: N/M*; 2002: N/M*.

ANNUAL RETURNS — Gross: 1993: 16.43; 1994: (0.97); 1995: 19.45; 1996: 5.96; 1997: 1.90; 1998: 16.70; 1999: (5.50); 2000: 1.60; 2001: (0.23); 2002: 18.68; Net: 1993: 15.86; 1994: (1.46); 1995: 18.86; 1996: 5.44; 1997: 1.40; 1998: 16.13; 1999: (5.97); 2000: 1.10; 2001: (0.73); 2002: 18.10.

4. High Grade AGG Composite

TOTAL RETURN METHODOLOGY AND FEE STRUCTURE — Performance figures in this report have been presented net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the composite from inception of the composite to December 2000, which was an annual fee of 0.40%. From January 2001 forward, the composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.29%. Both fee structures exclude accounts with performance based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

COMPOSITE STRUCTURE — As of December 31, 2002, the High Grade AGG Composite ("Composite") consists of five accounts with a market value of \$431.67 million in US dollars, which represents less than 1% of the firm's total assets as of December 31, 2002. The Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The creation date of this Composite was October 31, 2000. The Composite does not include the fixed income segment of balanced accounts.

DISPERSION — The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1997: 2QTR: 0.02, 1997: 3QTR: 0.02, 1997: 4QTR: 0.03, 1998: 0.10, 1999: 0.11, 2000: 0.03, 2001: 0.55; 2002: 0.24.

ANNUAL RETURNS — Gross: 1997: 2QTR: 3.72; 1997: 3QTR: 3.24; 1997: 4QTR: 2.80; 1998: 9.22; 1999: (1.22); 2000: 11.61; 2001: 9.12; 2002: 10.45.Net: 1997: 2QTR: 3.61; 1997: 3QTR: 3.14; 1997: 4QTR: 2.70; 1998: 8.79; 1999: (1.61); 2000: 11.17; 2001: 8.83; 2002: 10.16.

5. High Yield Composite

TOTAL RETURN METHODOLOGY AND FEE STRUCTURE — Performance figures in this report have been presented net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the composite from inception of the composite to December 2000, which was an annual fee of 0.65%. From January 2001 forward, the composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.26%. Both fee structures exclude accounts with performance based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

COMPOSITE STRUCTURE — As of December 31, 2002, the High Yield Composite ("Composite") consists of eight accounts with a market value of \$963.95 million in US dollars, which represents less than 1% of the firm's total assets as of December 31, 2002. The Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The creation date of this Composite was prior to December 1993, the first year that this composite was AIMR verified.

Prior to October 2000, the benchmark for this Composite was the CSFB High Yield Bond Index, thereafter the Composite's benchmark is a customized, assetweighted blend of the benchmarks of each of the accounts in the Composite. A weighting is applied to the benchmarks by using the prior month-end market values of the portfolios within the Composite. Prior to the beginning of a new quarter, if an account is added or deleted, the custom benchmark will automatically be rebalanced to reflect the changes in market value and benchmarks.

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Performance Disclosure — Fixed Income: Net of Fee

The Composite does not include the fixed income segment of balanced accounts.

DISPERSION — The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1993: N/M*; 1994: N/M*; 1995: 1.28; 1996: 1.10; 1997: 0.07; 1998: 0.96; 1999: N/M*; 2000: N/M*; 2001: 0.47; 2002: 0.68.

ANNUAL RETURNS —Gross: 1993: 21.05; 1994: (2.53); 1995: 16.89; 1996: 21.84; 1997: 19.03; 1998: (0.99); 1999: 10.85; 2000: (2.23); 2001: 4.97; 2002: (3.34). Net: 1993: 20.30; 1994: (3.17); 1995: 16.14; 1996: 21.06; 1997: 18.28; 1998: (1.63); 1999: 10.14; 2000: (2.86); 2001: 4.72; 2002: (3.59).

6. Insurance Composite

TOTAL RETURN METHODOLOGY AND FEE STRUCTURE — Performance figures in this report have been presented net of investment management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the composite from inception of the composite to December 2000, which was an annual fee of 0.18%. From January 2001 forward, the composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.18%. Both fee structures exclude accounts with performance based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

COMPOSITE STRUCTURE — As of December 31, 2002, the Insurance Composite ("Composite") consists of nine accounts with a market value of \$2,415.78 million in US dollars, which represents less than 1% of the firm's total assets as of December 31, 2002. The Composite includes fee-paying discretionary taxable accounts with assets over \$40 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite does not include the fixed income segment of balanced accounts.

The composite's benchmark used in the presentation is a customized, asset-weighted blend of the benchmarks of each of the accounts in the Composite('custom benchmark'). A weighting is applied to the benchmarks by using the prior month-end market values of the portfolios within the Composite. Prior to the beginning of a new quarter, if an account is added or deleted, the custom benchmark will automatically be rebalanced to include the new account's market value and benchmark. The terminated account's market value and benchmark return will be excluded.

The creation date of this Composite was prior to December 1993, the first year that this Composite was AIMR verified.

DISPERSION — The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1993: N/M*; 1994: N/M*; 1995: N/M*; 1996: 0.53; 1997: 0.57; 1998: 0.50; 1999: 1.09; 2000: 0.50; 2001: 0.81; 2002: 1.04.

ANNUAL RETURNS — Gross: 1993: 11.16; 1994: (1.73); 1995: 18.91; 1996: 4.02; 1997: 9.37; 1998: 8.46; 1999: 0.40; 2000: 10.92; 2001: 9.69; 2002: 10.79. Net: 1993: 10.97; 1994: (1.91); 1995: 18.70; 1996: 3.83; 1997: 9.17; 1998: 8.27; 1999: 0.22; 2000: 10.73; 2001: 9.49; 2002: 10.59.

7. Sector Rotation (formerly Broad) Composite

TOTAL RETURN METHODOLOGY AND FEE STRUCTURE — Performance figures in this report have been presented net of investment-management fees. Net performance figures have been calculated by deducting the highest fee charged to an account in the composite from inception of the composite to December 2000, which was an annual fee of 0.40%. From January 2001 forward, the composite's net of fee return is based upon a weighted average of the actual fee rates charged to each account in the composite. The fee applied was 0.23%. Both fee structures exclude accounts with performance based fee arrangements. Net of fee performance figures reflect the compounding effect of such fees.

COMPOSITE STRUCTURE — As of December 31, 2002, the Sector Rotation (formerly Broad) Composite ("Composite") consists of 17 accounts with a market value of \$1,957.06 million in US dollars, which represents less than 1% of the firm's total assets as of December 31, 2002. The Composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million in US dollars, which are not subject to significant investment restrictions imposed by clients. The Composite includes the fixed income segment of balanced accounts. In these portfolios, the asset allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines.

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Performance Disclosure — Fixed Income: Net of Fee

The creation date of this Composite was prior to December 1992, the first year that this composite was AIMR verified.

DISPERSION — The dispersion of annual returns was calculated based on the asset-weighted standard deviation. Dispersion of performance for the Composite is as follows: 1993: 0.55; 1994: 0.43; 1995: 0.32; 1996: 0.81; 1997: 0.17; 1998: 0.70; 1999: 0.63; 2000: 0.25; 2001: 0.17; 2002: 0.17.

ANNUAL RETURNS — Gross: 1993: 12.66; 1994: (3.88); 1995: 18.81; 1996: 3.52; 1997: 9.56; 1998: 9.39; 1999: (2.02); 2000: 12.22; 2001: 9.20; 2002: 8.50. Net: 1993: 12.22; 1994: (4.26); 1995: 18.34; 1996: 3.11; 1997: 9.13; 1998: 8.95; 1999: (2.41); 2000: 11.77; 2001: 8.94; 2002: 8.26.

Alliance Capital has prepared and presented this report in compliance with the Performance Presentation Standards of the Association for Investment Management and Research (AIMR-PPS®), the US and Canadian versions of the Global Investment Performance Standards (GIPS®). AIMR has not been involved in the preparation or review of this report. Alliance Capital received Level 1 and 2 AIMR Verification from KPMG LLP for 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999 and 2000. KPMG LLP is currently auditing 2001. This verification is available upon request.

To receive a complete list and description of Alliance Capital's composites and/ or a presentation that adheres to the AIMR-PPS standards, please submit a request via e-mail to Victoria Grancarich at GrancarichVJ@bernstein.com.

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

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Performance Disclosure — Value Composites and Private Client Simulation: Net of Fee

All Balanced Accounts Composite Methodology

Investment results on a quarterly basis for All Balanced Accounts for the entire quarter were added together and the sum divided by the total number of accounts in each quarter to produce a series of average quarterly performance figures. All Balanced Accounts include those with any combination of equity and fixed income (U.S. or non-U.S.), in any percentage mix. When an account's net monthly cash flows were less than 10% of its beginning market value, the cash flows were assumed to have occurred on the last day of the month. Beginning in 2001, all cash flows are daily weighted using the modified Dietz method.

Private Client Portfolio Performance — Simulation

The private client portfolio representative performance does not represent actual account performance but is a simulation constructed using the following products in the asset allocation shown below. As such, performance returns are not compliant with AIMR presentation standards and are provided as supplemental information only. Simulated trading programs in general are also subject to the fact that they are designated with the benefit of hindsight. No representation is being made that any account will, or is likely to, achieve profits or losses similar to those shown.

For 50/50 U.S. Equity/Asset Allocation Blend:

21% Bernstein "Strategic Value" composite (after all costs); 21% Bernstein "Strategic Growth" composite (after all costs); 15% Bernstein "Tax-Managed International Value Fund" (after all costs); 3% Bernstein "Emerging Markets Value Fund" (after expenses but before 2% purchase & 2% redemption fees); 40% Bernstein "Intermediate Diversified Municipal Bond Fund" (after all costs)

For 80/20 U.S. Equity/Asset Allocation Blend:

34% Bernstein "Strategic Value" composite (after all costs); 8% Bernstein "Strategic Growth" composite (after all costs); 15% Bernstein "Tax-Managed International Value Fund" (after all costs); 3% Bernstein "Emerging Markets Value Fund" (after expenses but before 2% purchase & 2% redemption fees); 40% Bernstein "Intermediate Diversified Municipal Bond Fund" (after all costs)

The simulated returns were calculated on a monthly basis; each product's actual monthly return was multiplied by its weight within the blend then summed together. These monthly returns were then geometrically linked to calculate year-to-date 6/30/02 returns. This methodology assumes the portfolio is rebalanced monthly to the allocation described above but does not account for the costs of rebalancing.

Performance Disclosure — Private Client: Net of Fee

Strategic Value (All) / Strategic Growth

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

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

<u>Alliance Large Cap Growth Composite Methodology (1979-2000)</u> - Monthly market values include income accruals and reflect the daily weighting of cash flows. The Alliance Large Cap Growth composite results are asset-weighted on a monthly basis. The quarterly composite performance figures are computed by linking the monthly returns, resulting in a time-weighted rate of return. The composite includes fee-paying discretionary tax-exempt accounts with assets over \$10 million not subject to significant investment restrictions imposed by clients. The composite includes the equity segment of balanced accounts. In these equity portfolios, the asset-allocation mix is generally determined by client guidelines and cash flows are allocated in accordance with these guidelines. Fee structures exclude accounts with performance-based fee arrangements. Net-of-fee performance figures reflect the compounding effect of such fees.

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

2. Net-of-fee performance figures have been calculated as follows:

Strategic Value (All) composite:

- a. Prior to 1983, management fees were not charged; instead, the accounts incurred transaction costs.
- b. From 1983 forward, the composite's net-of-fee return is the equal-weighted average of the actual after-fee returns of Strategic Value accounts in the composite.
- Strategic Growth composite:
- a. From 1979-1982, 0.75%, the highest annual fee charged to an Alliance Large Cap Growth account for that period (excluding accounts with performance-based fee arrangements) was deducted from the composite's gross-of-fee returns.
- b. From 1983 through 2000, the actual average quarterly fee charged by Bernstein for the Strategic Value (All) service was deducted from the Alliance Large Cap Growth composite gross-of-fee returns.
- c. From January 2001 forward, the composite's net-of-fee return is the asset-weighted average of the actual after-fee returns of Strategic Growth accounts in the composite.

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

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

Dispersion of returns for accounts within the Alliance Large Cap Growth from 1979-2000 is as follows 1979: 4.7; 1980: 1.4; 1981: 2.4; 1982: 3.1; 1983: 2.4; 1984: 2.1; 1985: 2.6; 1986: 5.3; 1987: 3.9; 1988: 2.9; 1989: 5.4; 1990: 1.5; 1991: 3.3; 1992: 3.1; 1993: 1.6; 1994: 1.2; 1995: 1.9; 1996: 1.3; 1997: 5.0; 1998: 2.4; 1999: 3.2; 2000: 2.1. Dispersion of returns for Strategic Growth is as follows: 2001: 2.2; 2002: N/A.

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

Performance of Private Client International Value, Emerging Markets Value and Intermediate Muni are the returns of portfolios of the Sanford C. Bernstein Fund, Inc. Past performance is not necessarily indicative of future results. The investment return and principal value of an investment may fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Portfolio returns are expressed after all fees.

Alliance Capital Investment Management Services

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

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