

March 10, 2010

# AllianceBernstein

Citi 2010 Financial Services Conference

**Robert H. Joseph, Jr.**

Chief Financial Officer



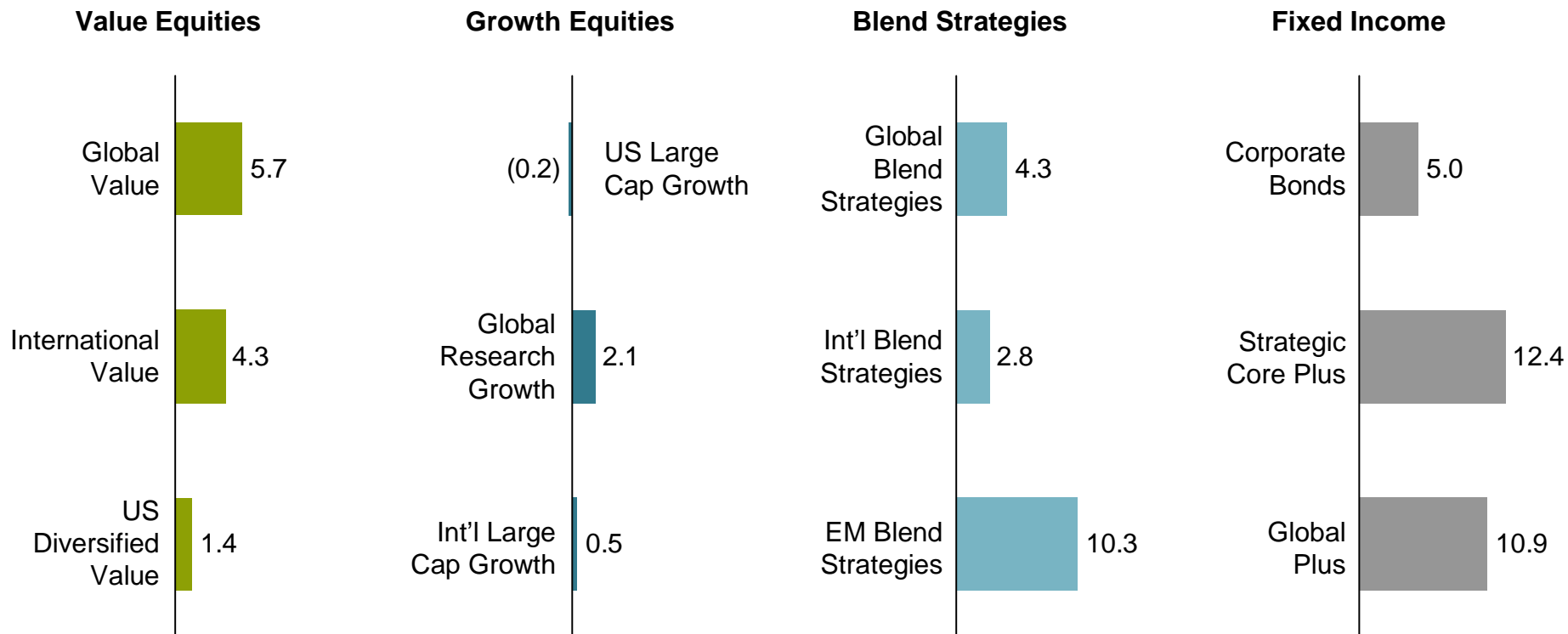
# Cautions Regarding Forward-Looking Statements

Certain statements provided by management in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of these factors include, but are not limited to, the following: the performance of financial markets, the investment performance of sponsored investment products and separately managed accounts, general economic conditions, industry trends, future acquisitions, competitive conditions, and government regulations, including changes in tax regulations and rates and the manner in which the earnings of publicly-traded partnerships are taxed. We caution readers to carefully consider such factors. Further, such forward-looking statements speak only as of the date on which such statements are made; we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements. For further information regarding these forward-looking statements and the factors that could cause actual results to differ, see “Risk Factors” and “Cautions Regarding Forward-Looking Statements” in our Form 10-K for the year ended December 31, 2009. Any or all of the forward-looking statements that we make in this presentation, Form 10-K, other documents we file with or furnish to the SEC, and any other public statements we issue, may turn out to be wrong. It is important to remember that other factors besides those listed in “Risk Factors” and “Cautions Regarding Forward-Looking Statements”, and those listed above, could also adversely affect our financial condition, results of operations and business prospects.

# Turn Around Investment Performance

## Top Institutional Services vs. Benchmarks\*

Full Year 2009 (Percent)



As of December 31, 2009  
Performance is preliminary.

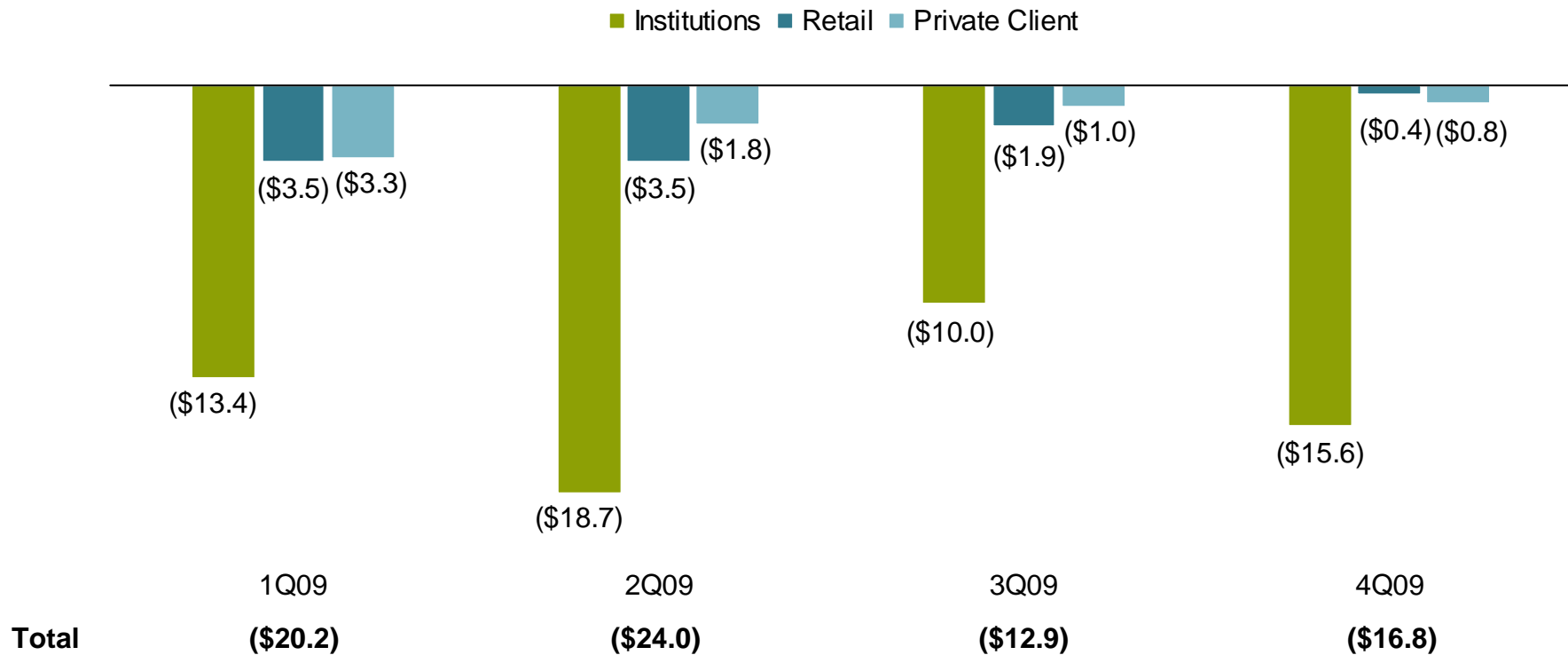
The information in this table is provided solely for use in connection with this presentation, and is not directed toward existing or potential investment advisory clients of AllianceBernstein.

\*Investment performance of composites is presented after investment management fees.

Source:

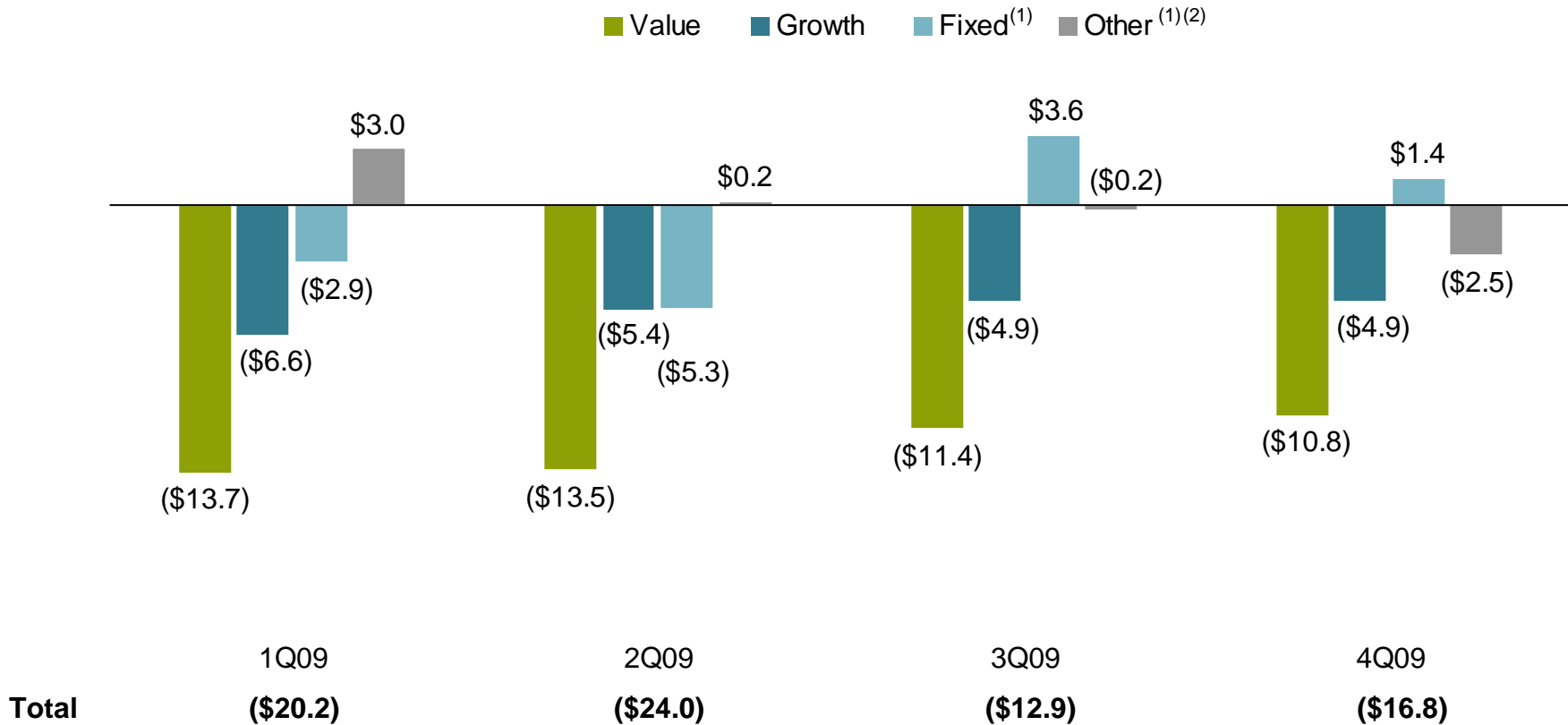
# Net Flows by Distribution Channel

US Dollars billions



# Net Flows by Investment Service

US Dollars billions



(1) Certain client assets were reclassified among investment services to more accurately reflect how these assets are managed by our firm.

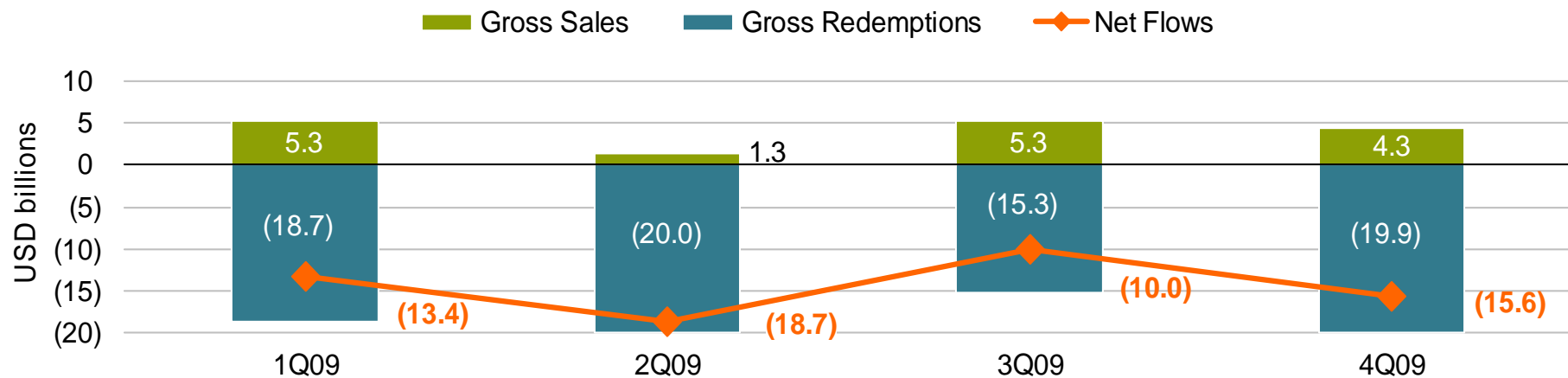
(2) Includes index, structured, asset allocation services and other non-actively managed AUM.

# Institutions Highlights

- 2010 strategic initiatives

- Market 2009 strong performance in many of our core long-only offerings
- Expand existing strategic services:
  - Global Credit
  - Thematic Investing
  - Currency Alpha
- Launch new services
  - Real Estate
  - Unconstrained Investing

## Asset Flows for Trailing Four Quarters

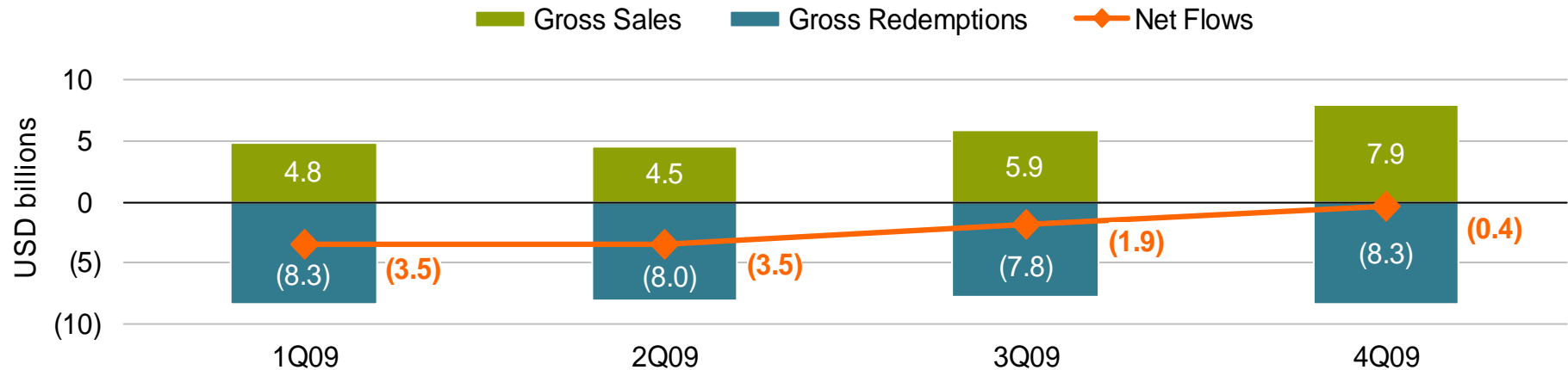


# Retail Highlights

## ■ 2010 strategic initiatives

- New fund launches: Inflation Strategies suite; US Thematic; High Income Muni; Asian and Global Equity (with dividend); Dynamic Asset Allocation funds; currency specific share classes
- Market and channel development: Europe and Japan sub-advisory, Japan regional banks, Asia x-Japan, Latin America

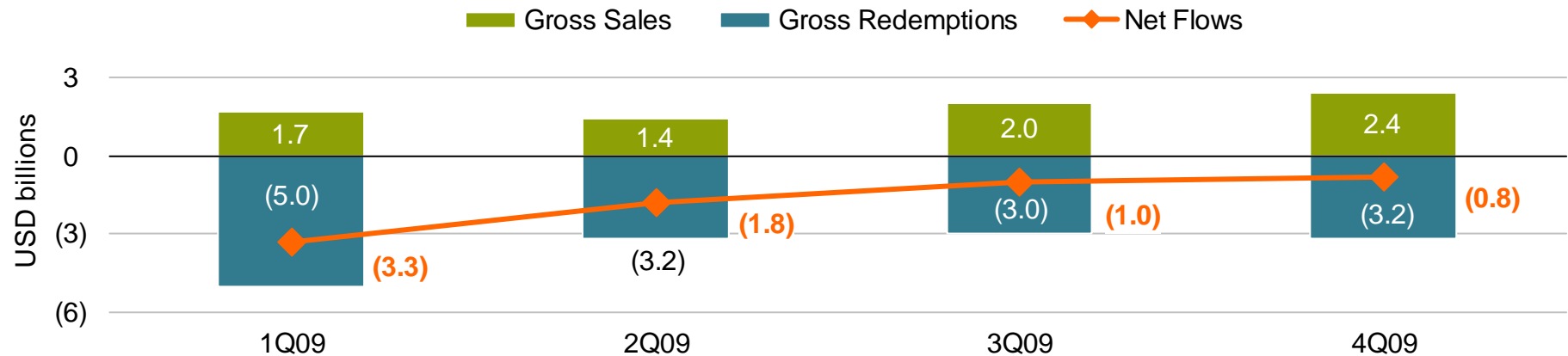
## Asset Flows for Trailing Four Quarters



# Private Client Highlights

- 1Q10 launch of a dynamic approach to managing risk that adjusts clients' asset allocation in response to forecast changes in market conditions
- 2010 additional strategic initiatives
  - Introduce inflation protection platform
  - Introduce commercial real estate service
  - Continue to advance client service excellence through operational efficiencies

## Asset Flows for Trailing Four Quarters



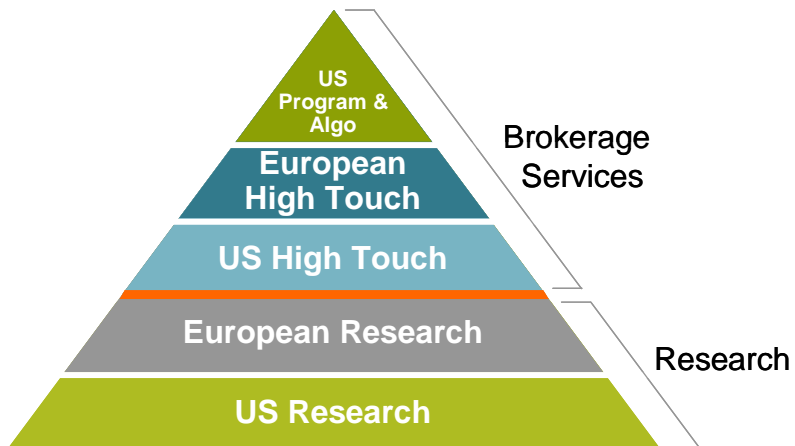
# Bernstein Research Services FY09 Highlights

- Ranked #1 on all key metrics of research quality in a leading independent survey of institutional investors
- Achieved best ever results in U.S and European Institutional Investor surveys and Thomson Reuters Extel survey
- Ranked #1 in the U.S. in ITG's BrokersEDGE survey and #2 in Abel/Noser survey
- New Services: Equity Derivatives, European Program & Algo, Equity Capital Markets (“ECM”)
- Full year revenue down 8% versus record 2008
  - Estimate global secondary commission pool down 30+%\*
  - SCB relative outperformance driven by investments in broader product array and core market share gains
  - E-trading, derivatives, and ECM made important revenue contributions in 4Q

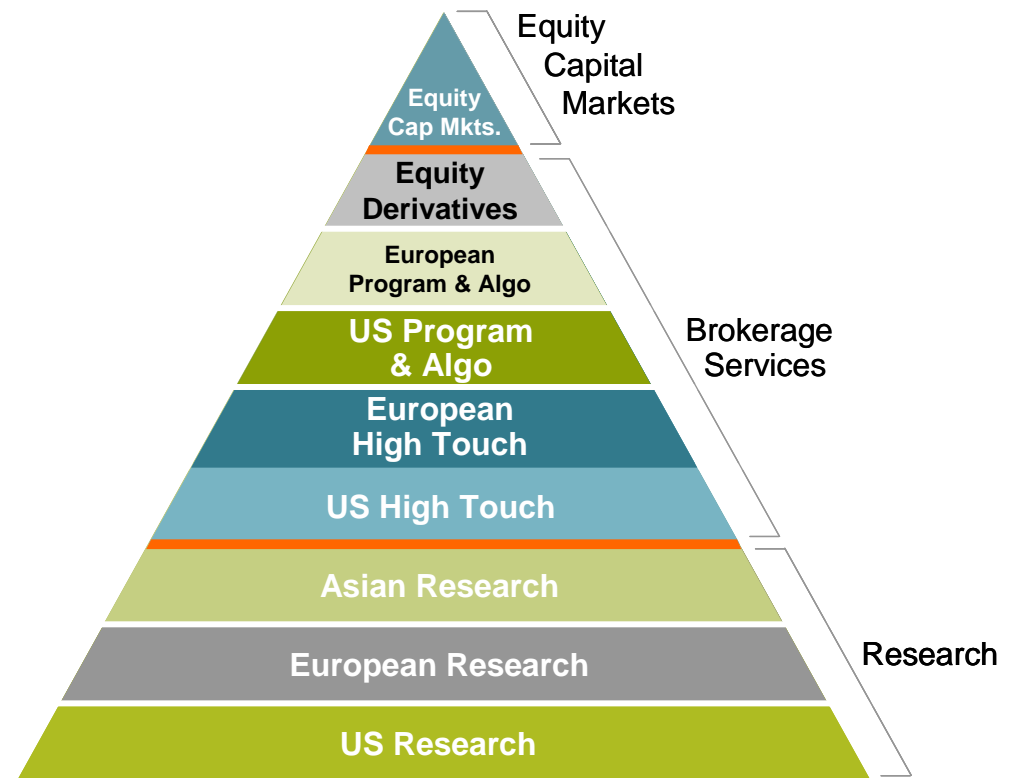
\*Third party research and management estimate

# Bernstein Research Growth

2008



2010



# FY 2009 P&L Highlights

US Dollars millions, except headcount and where noted

	FY 2009	FY 2008	Change
Ending AUM (billions)	\$496	\$462	7%
Average AUM (billions)	459	665	-31%
Advisory Fees	1,920	2,839	-32%
Bernstein Research Services	435	472	-8%
Other	552	203	NM
Net Revenues	2,907	3,514	-17%
Compensation & Benefits	1,298	1,455	-11%
Promotion & Servicing	436	561	-22%
General & Administrative	558	539	4%
Other	24	34	-29%
Operating Expenses	2,316	2,589	-11%
Operating Income	591	925	-36%
Net Income Attributable to AB Unitholders	556	839	-34%
Operating Margin <sup>(1)</sup>	19.6%	26.1%	(650 bps)
Headcount	4,369	4,997	-13%

(1) Operating Margin = (Operating Income less Net Income/plus Net Loss of Consolidated Entities Attributable to Non-Controlling Interests) / Net Revenues. Percentages are calculated using revenues and expenses rounded to the nearest thousand.

  
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