

August 2008

Enhancements to Our Growth Funds

At AllianceBernstein, we believe that providing a broadly diversified group of investment strategies is the best way to help investors build and preserve their wealth over time. To that end, we'll be making some enhancements to our Growth services.

A Consistent Framework for Our Investment Services

We've specifically designed our Growth, Value and Fixed-Income funds to complement each other when combined in a broader portfolio, ensuring effective diversification. By using our funds as building blocks, investors should be able to construct well-rounded portfolios to help them meet their investment objectives.

To ensure that we're meeting investors' needs effectively, we're continually evaluating our family of funds and the evolving capital markets. Our recent research suggests that investors don't always capitalize on the higher returns that higher-risk investments generally offer. That's because as volatility rises, investors become more likely to sell during a downturn, causing them to miss out on the eventual recovery and hurting their long-term returns.

What's Changing

Based on this research, we're transforming our investment services toward a consistent framework that balances risk and return with the investor in mind. We've found that achieving the right balance requires using diversified portfolios that access a wide investment universe. These enhancements also provide better alignment between our individual investment services and our research-based portfolio construction philosophy, which allows investors to take full advantage of AllianceBernstein's global research platform.

We're making the following enhancements to our Growth services.

	Page	Enhanced Guidelines	Benchmark Change	Portfolio Management Team Change	Fund Name Change
AllianceBernstein Global Technology Fund	3	Multi-sector theme-driven focus	MSCI All-Country World Index	✓	AllianceBernstein Global Thematic Growth Fund
AllianceBernstein Global Health Care Fund	6	To be acquired by Global Thematic Growth Fund			
AllianceBernstein Mid-Cap Growth Fund	8	Small/Mid Cap companies	Russell 2500 Growth Index	✓	AllianceBernstein Small/Mid Cap Growth Fund
AllianceBernstein Growth Fund	11	Increasing number of holdings	Russell 1000 Growth Index	✓	—
AllianceBernstein Global Research Growth Fund	13	—	—	—	AllianceBernstein Global Growth Fund

We'll also begin active currency management for our Growth funds. Please see page 14 for more details.

Please note diversification does not guarantee a profit or protect against a loss.

Investment Products Offered • Are Not FDIC Insured • May Lose Value • Are Not Bank Guaranteed

The enhancements to our Growth funds will help align our individual investment services within a framework that provides investors with a simple and effective way to build a diversified portfolio.

AllianceBernstein's Equity Building Blocks



When will the enhancements take place?

Enhancements to our Growth funds' currency management guidelines will be effective in September. All other enhancements mentioned here will be effective in late October to early November.

How will investors be notified?

- > We'll notify investors with a prospectus supplement to be distributed on or about August 15, 2008.
- > Shareholders of the Global Technology Global Health Care Fund will receive a letter outlining the changes; we will distribute this letter on or about August 15, 2008.
- > The annual prospectus, which is distributed in early November, will reflect all changes communicated within this document.
- > You can find further fund information, including a shareholder-approved FAQ, on our website: www.alliancebernstein.com.

August 2008

For Shareholders of AllianceBernstein Global Technology Fund

The Board of Directors of AllianceBernstein Global Technology Fund (“Technology Fund”) has approved our recommendation to broaden the Fund’s investment policy guidelines. AllianceBernstein, as the Advisor, believes it’s in shareholders’ best interests for the Fund to evolve into a multi-sector growth equity offering that invests opportunistically and pursues innovative issuers regardless of sector.

What changes are being made to the Technology Fund?

- We’re removing the restriction that currently requires the Fund to invest at least 80% of its net assets in companies that are expected to derive a substantial portion of their revenue from products and services in technology-related industries and/or companies that benefit from technological advancements or improvements. This broader mandate will allow the Fund to invest across multiple sectors.
- As a result, the Fund’s benchmark will change from MSCI World Information Technology Index to MSCI All-Country World Index.
- To reflect this broader mandate, we’re changing the Fund’s name to AllianceBernstein Global Thematic Growth Fund, Inc. (“Thematic Growth Fund”).
- The portfolio management team will change.
- We’re raising the minimum initial investment to \$10,000 and the maintenance minimum (for new shareholders only) to \$4,000.

What’s the key benefit of the changes?

We believe these enhancements will allow us to provide shareholders with greater access to innovation and major thematic shifts throughout the market.

We believe investors can take better advantage of the market’s major themes with a broadly diversified approach that looks for innovation across *all* sectors of the market.

Will the Fund’s portfolio management team change?

Yes. Janet Walsh (Senior Vice President, Global Sector Head) currently manages the Technology Fund with the support of our technology, media and telecom growth equity analysts. Going forward, Catherine Wood (Senior Vice President, Chief Investment Officer—Strategic Research) and Stephen Tong (Associate Director of Global Growth Research) will co-head the Global Thematic Growth Portfolio Oversight Group. This Group will make investment decisions for the Fund based on our thematic and fundamental research.

We’re also adding representatives from other research teams to the Portfolio Oversight Group, including members of Global Economic Research, Growth Quantitative Research and AllianceBernstein’s innovative research platforms—Early Stage Growth and Research on Strategic Change.

Members with responsibility for day-to-day management of the Fund

Name	Title/Responsibilities	Years of Experience	Years with Firm
Catherine Wood Co-Head	Senior Vice President, Chief Investment Officer—Strategic Research	31	7
Stephen Tong Co-Head	Associate Director of Global Growth Research	18	10
Lisa A. Shalett	Executive Vice President of AllianceBernstein and Global Head of Alliance Growth Equities	23	13
Amy Raskin	Senior Vice President and Director of Research, Research on Strategic Change and Early Stage Growth	15	8
Vadim Zlotnikov	Executive Vice President, Chief Investment Officer	25	15
Joseph G. Carson	Senior Vice President and Director—Global Economic Research	27	7
Average:		23	10

What’s AllianceBernstein’s experience in managing thematic portfolios?

We manage a similar strategy—the Strategic Research service—for our separately managed accounts and institutional clients. Launched in 1981, this service has been well received and has more than \$6 billion in assets under management (as of June 30, 2008). Catherine Wood has managed this service since 2001.

This service has sought to capture innovation in a variety of fields, pursuing such themes as the broadband revolution, abating climate change, productivity super-cycle and the developing world’s emerging middle class, and personalized molecular medicine.

Will these changes alter the way we manage the Fund?

Yes. The Thematic Growth Fund will combine both top-down and bottom-up investment processes in seeking opportunities to invest in innovative companies. With this unique approach, investors may benefit from all of our firm’s research insights across multiple market sectors.

- From the top-down perspective, we start with insights from our Global Economic Research and our innovative research platforms, the Early Stage Growth team and Research on Strategic Change team. We use this research to identify long-term themes that will impact multiple sectors and short-term economic trends. These insights form the basis of key themes that we use to guide the Fund’s investment strategy.
- We then use bottom-up research to select individual stocks that are positioned to benefit from these themes. This process calls on our fundamental and quantitative analysts to forecast valuations and earnings growth potential.
- In constructing the portfolio, the Portfolio Oversight Group considers a universe of approximately 2,600 mid- to large-cap companies from around the world. From this pool, we identify a diversified portfolio of 60–80 securities that represent the most attractive companies fitting into our themes.

Is this change a taxable event?

No. The broadened guidelines don’t constitute a taxable event for the Fund. In addition, the Technology Fund has substantial capital loss carryforwards, so any gains that may be realized in the repositioning the Fund shouldn’t result in a negative tax effect.

Will the Fund’s benchmark change?

Yes. The Fund’s benchmark will change from the MSCI World Information Technology Index to MSCI All-Country World Index.

Will the Fund’s Lipper and/or Morningstar category classification change?

Lipper and Morningstar currently classify the Technology Fund in their technology categories. As the Thematic Growth Fund becomes more diversified over time, we anticipate that Lipper and Morningstar, respectively, will characterize it as Global Multi-Cap Growth and World Stock.

Will the Fund’s CUSIP numbers change?

No. The Fund’s CUSIPs and ticker symbols will remain the same:

AllianceBernstein Global Thematic Growth Fund

Class	CUSIP	Ticker Symbol
A	018780106	ALTFX
B	018780304	ATEBX
C	018780403	ATECX
R	018780601	ATERX
K	018780700	ATEKX
I	018780809	AGTIX
Advisor	018780502	ATEYX

Do you expect the total expenses of the Fund to increase as a result of these changes?

No. The Fund's total expense ratio shouldn't increase as a result of these changes.

Total Expense Ratio—Class A

Global Technology Fund	1.51%
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As of May 31, 2008

Why are you raising the minimum initial investment?

The Thematic Growth Fund isn't designed to be a substitute for the core components of an investor's portfolio, such as value, growth or blend. Instead, we propose that investors use it as a complement, or "satellite," to their core portfolio, depending on their investment objectives and tolerance for risk.

To underscore this distinction within the marketplace, we're raising the minimum initial investment from \$2,500 to \$10,000. In addition, for new shareholders only, we're increasing the minimum balance to maintain an active account from \$500 to \$4,000.

Timing

When will the changes take effect?

The portfolio managers will begin investing according to the new strategy late in October or early November.

How will shareholders be notified?

- Shareholders will receive a letter outlining the changes along with a prospectus supplement to be distributed on or about August 15, 2008.
- The annual prospectus distribution in early November will reflect the new policies.
- You can find further Fund information on our website: www.alliancebernstein.com.

August 2008

For Shareholders of AllianceBernstein Global Health Care Fund

The Board of Directors of AllianceBernstein Global Health Care Fund (“Health Care Fund”) has approved our recommendation that the Fund be acquired by the AllianceBernstein Global Thematic Growth Fund, Inc. (“Thematic Growth Fund”). AllianceBernstein, as the Advisor, believes it’s in shareholders’ best interests for the Fund to evolve into a multi-sector growth equity offering that invests opportunistically and pursues innovative issuers regardless of sector.

What changes are being made to the Health Care Fund?

- The Thematic Growth Fund will acquire the Health Care Fund. The Thematic Growth Fund (presently named the AllianceBernstein Global Technology Fund) will take on its new name as well as broadened investment guidelines at the time of the acquisition of the Health Care Fund (see page 3).
- The Health Care Fund currently invests at least 80% of its assets in healthcare-related issuers. The Thematic Growth Fund will pursue a broader mandate across multiple sectors.
- As a result, the Fund’s benchmark will be the MSCI All-Country World Index.

What are the key benefits to combining the Health Care Fund with the Thematic Growth Fund?

We believe that combining the Health Care Fund with the Thematic Growth Fund will provide Health Care Fund shareholders with greater access to innovation and major thematic shifts throughout the market.

Shareholders will also gain an immediate benefit in the form of a lower expense ratio—the combined Fund will have an asset base that’s significantly larger than the Health Care Fund’s current net assets.

Will the portfolio management team change?

Yes. Steven Nussbaum, M.D. (Senior Vice President, Global Sector Head) currently manages the Health Care Fund with the support of our global growth equity analysts. Going forward, Catherine Wood (Senior Vice President, Chief Investment Officer—Strategic Research) and Stephen Tong (Associate Director of Global Growth Research) will co-head the Global Thematic Growth Portfolio Oversight Group. The Group will make investment decisions for the Fund based on our thematic and fundamental research.

We’re also adding representatives from other research teams to the Portfolio Oversight Group, including Global Economic Research, Growth Quantitative Research and AllianceBernstein’s innovative research platforms—Early Stage Growth and Research on Strategic Change. See page 3 for a list of team members with responsibility for day-to-day management of the Fund.

Will the change alter the way we manage the Fund?

Yes. The Thematic Growth Fund will combine both top-down and bottom-up investment processes, thus allowing investors to benefit from all of our firm’s research insights. For more details, please see page 4.

How will the portfolio transition occur?

The Thematic Growth Fund will acquire the assets and liabilities of the Global Health Care Fund. The two funds have some holdings in common—we anticipate the Thematic Growth Fund will keep at least 50% of the Health Care Fund’s securities as these holdings are an important theme within Global Thematic Growth and will help the Fund pursue its broadened guidelines.

Will I incur any processing fees from this combination?

No. Shareholders won’t be charged any special processing fees.

Is this combination a taxable event?

No. Shareholders won't recognize any capital gains or losses as a result of the combination.

What will be the Global Thematic Growth Fund's benchmark?

The Global Thematic Growth Fund's benchmark will be the MSCI All-Country World Index, reflecting its more diversified investment strategy.

Will the Lipper and Morningstar categories change?

Lipper and Morningstar currently classify the Health Care Fund in their respective Healthcare categories. As the Thematic Growth Fund becomes more diversified over time, we anticipate Lipper and Morningstar, respectively, will characterize it in their Global Multi-Cap Growth and World Stock categories.

Will there be any special distributions associated with the acquisition?

We'll make any income and/or capital gain distributions (if necessary) from the Health Care Fund to the Fund's shareholders prior to the acquisition date.

Will the minimum required balance change?

Investment minimums will remain the same for current shareholders. For new shareholders only, the combined Fund will have a higher minimum initial investment and minimum required balance to maintain an active account. See page 5 for more details.

Will CUSIP numbers and stock symbols change?

The combined fund will retain the CUSIPs and ticker symbols used for the Thematic Growth Fund (formerly the Technology Fund).

AllianceBernstein Global Thematic Growth Fund

Class	CUSIP	Ticker Symbol
A	018780106	ALTFX
B	018780304	ATEBX
C	018780403	ATECX
R	018780601	ATERX
K	018780700	ATEKX
I	018780809	AGTIX
Advisor	018780502	ATEYX

What will be the total expenses of the combined Fund?

We expect the combined Fund's expense ratio to be lower than the Health Care Fund's current ratio, as shown below:

Health Care Fund	1.80%
Thematic Growth Fund (combined Fund)	1.50% (pro forma)

As of May 31, 2008

Timing

When will the changes take effect?

We expect the acquisition to be effective in late October or early November.

How will shareholders be notified?

- Shareholders will receive a letter outlining the changes along with a prospectus supplement on or about August 15, 2008.
- We'll also send shareholders a prospectus comparing the investment policies of the Global Thematic Growth Fund and the Health Care Fund prior to the acquisition.
- The annual prospectus distribution in early November for the Global Thematic Growth Fund will reflect the new policies.
- You can find further Fund information on our website: www.alliancebernstein.com.

August 2008

For Shareholders of AllianceBernstein Mid-Cap Growth Fund

The Board of Directors of AllianceBernstein Mid-Cap Growth Fund (“Mid-Cap Growth Fund”) has approved our recommendation to broaden the Fund’s investment policy guidelines. We’ll also rename the Fund to reflect its broader mandate.

What changes are being made to the Mid-Cap Growth Fund?

- The Mid-Cap Growth Fund currently invests at least 80% of its net assets in “mid-cap” companies. Under the new guidelines, the Fund will invest at least 80% of its net assets in “small- and mid-cap” companies.

	Low End of Range	High End of Range
Previous market-cap range (mid-cap)	The smallest company in the Mid-Cap Growth Index (\$765 million*)	The largest company in the Mid-Cap Growth Index (\$20.5 billion*)
New market-cap range (small/mid-cap)	The lesser of \$1 billion or the smallest company in the Russell 2500 Growth Index (\$88 million*)	The greater of \$6 billion or the largest company in the Russell 2500 Growth Index (\$10 billion*)

* As of June 30, 2008, the date of last reconstitution of the Russell Indexes.

- We’re changing the Fund’s name to AllianceBernstein Small/Mid Cap Growth Fund (“Small/Mid Cap Growth Fund”) to reflect this broader mandate.
- The benchmark for the Fund will change from the Russell Mid-Cap Growth Index to the Russell 2500 Growth Index.
- The Fund will be more diversified, typically holding 60–90 securities versus its current range of 40–70 securities.
- We’re also adding members of our Small/Mid Cap Growth Investment Team to the Fund’s portfolio management team.

What are the key benefits of these changes?

Our research indicates that a Small/Mid Cap Growth strategy may lead to lower volatility than the current Mid-Cap Growth strategy. The new strategy should result in a balance of risk and return, while still providing shareholders access to a similar capitalization range. We believe that these changes may make the Fund a more attractive offering to investors over the long term.

Will there be substantial turnover or change to the portfolio’s composition?

Yes. The Fund will experience substantial turnover during the course of transition. Once the transition is complete, the Fund will typically hold about 60–90 securities, up from 40–70. We anticipate shifts in the Fund’s overall sector weightings and in the specific securities held.

We don’t expect the Fund’s capitalization weightings to change significantly. As of June 30, 2008, the Fund held approximately 75% of its assets in securities of companies with market capitalizations of less than \$6 billion—within the range of the Fund’s revised guidelines.

We’ll transition the current portfolio of securities over the course of approximately 3–4 months, depending on market conditions and taking into account tax implications, trading costs and market trading volume in the given securities.

Is this change a taxable event?

No. The modified guidelines don’t constitute a taxable event.

Will these changes alter the way the Fund is currently managed?

Yes. The current process starts with a top-down thematic approach. The new portfolio-management team will seek to generate a premium through research-driven bottom-up stock selection. The team’s highly disciplined investment process will combine in-depth fundamental research with quantitative analysis to develop a diverse portfolio of high-quality companies with attractive growth potential.

Will the Fund’s portfolio management team change?

The Fund’s current management team (the Mid-Cap Growth team) will remain, but we’ll also add members of the Small/Mid Cap Growth team to the group.

Members with responsibility for day-to-day management of the Fund

Name	Title/Responsibilities	Years of Experience	Years with Firm
Bruce Aronow	Senior Vice President, Portfolio Analyst/ Manager and Small/ SMID Cap Growth Team Leader	20	9
Kumar Kirpalani	Senior Vice President and Portfolio Analyst/ Manager	27	9
Samantha Lau	Senior Vice President and Portfolio Analyst/ Manager	14	9
Wen-Tse Tseng	Vice President and Portfolio Analyst/ Manager	14	2
James Russo	Vice President and Senior Portfolio Manager	20	2
Catherine Wood	Senior Vice President, Chief Investment Officer—Strategic Research	31	7
Amy Raskin	Senior Vice President and Director of Research, Research on Strategic Change and Early Stage Growth	15	8
Benjamin Ruegsegger	Assistant Vice President and Mid Cap Growth Research Analyst	7	7
Thomas Zottner	Vice President and Mid Cap Growth Research Analyst	9	7
Average:		17	7

What’s AllianceBernstein’s experience in managing Small/Mid Cap Growth portfolios?

We currently manage the AllianceBernstein Small/Mid Cap Growth Pooling Portfolio, which we use in our blended investment solutions, including Wealth Strategies, Education Strategies and Retirement Strategies. As of June 30, 2008, this Portfolio had \$685 million dollars in net assets. We also offer this service to our institutional clients.

Will the changes impact the Fund’s risk/return profile?

Yes. Our research indicates that the Small/Mid Cap Growth strategy should produce a more consistent balance of risk and reward compared with the current Mid-Cap Growth strategy.

Why is the Fund’s name changing?

We’re changing the name to the AllianceBernstein Small/Mid Cap Growth Fund to be consistent with the Fund’s broadened guidelines. This change complies with the requirement of the Investment Company Act of 1940: if a fund’s name suggests a particular investment strategy, the fund must have a policy of investing at least 80% of its assets in such securities.

Will the Fund’s benchmark change?

Yes. The Fund’s benchmark will change from the Russell Mid-Cap Growth Index to the Russell 2500 Growth Index, reflecting the broader opportunity set.

Will the Fund’s Lipper and/or Morningstar category classification change?

We anticipate that Lipper and Morningstar will retain the Fund’s category classifications and will continue to classify it in their respective Mid-Cap Growth categories.

Will the Fund's CUSIP numbers change?

No. The Fund's CUSIPs and ticker symbols will remain the same:

AllianceBernstein Small/Mid Cap Growth Fund		
Class	CUSIP	Ticker Symbol
A	018636100	CHCLX
B	018636209	CHCBX
C	018636308	CHCCX
R	018636506	CHCRX
K	018636605	CHCKX
I	018636704	CHCIX
Advisor	018636407	CHCYX

Timing**When will the changes take effect?**

The portfolio managers will begin investing according to the new strategy in late October or early November.

How will shareholders be notified?

- In addition to this FAQ, we'll issue a prospectus supplement on or about August 15, 2008.
- The annual prospectus distribution in early November will reflect all changes communicated within this document.
- You can find further Fund information on our website: www.alliancebernstein.com.

August 2008

For Shareholders of AllianceBernstein Growth Fund

We're making changes to the AllianceBernstein Growth Fund's portfolio management team to provide a stronger tie to the firm's broad research capabilities. The U.S. Growth Portfolio Oversight Group, in consultation with the Fund's senior sector analysts, will determine the percentage of the Fund's assets to invest in each market sector. The senior sector analysts will also have a stronger role in selecting the Fund's individual securities.

What changes are being made to the Growth Fund?

- We're making changes to the portfolio management team and adjusting how the portfolio is managed.
- The Fund will be more diversified, typically holding 80–120 securities versus its current range of 45–70 securities.
- The Fund's benchmark will change from the Russell 3000 Growth to the Russell 1000 Growth Index.

What are the changes to the portfolio management team?

The U.S. Growth Team currently manages the Fund. Effective November 3, 2008, Jack E. Plym, William D. Baird and Robert H. Ginsberg will no longer be members of the Team. Alan Levi will continue to be a member of the Team but is expected to retire on December 31, 2008.

Members with responsibility for day-to-day management of the Fund

Name	Title/Responsibilities	Years of Experience	Years with Firm
Lisa A. Shalett	Executive Vice President of AllianceBernstein and Global Head of Alliance Growth Equities	23	13
Vadim Zlotnikov	Executive Vice President, Chief Investment Officer	25	15
Frank Caruso	Senior Vice President and US Relative Value Team Leader	27	15
Scott Wallace	Senior Vice President and US Large Cap Growth Portfolio Manager	22	7
Alan Levi	Senior Vice President and Team Leader, US Growth	35	35
Average:		26	17

Will these changes alter the way we manage the Fund?

The Fund's research-driven investment process will remain the same, but the sector analysts will have a stronger role in the stock selection process.

As part of the enhanced investment process, the Fund will typically hold a greater number of securities, increasing its diversification and potentially lowering the volatility of the portfolio.

What will be the Fund's new benchmark?

The Fund's benchmark will change from the Russell 3000 Growth Index to the Russell 1000 Growth Index. We believe that the Russell 1000 Growth Index represents a more accurate reflection of the Growth Fund's anticipated risk and return patterns and is more consistent with the Fund's portfolio construction process.

Will the Fund's Lipper and/or Morningstar category classification also change?

We anticipate that Lipper and Morningstar will retain the Fund's category classifications and will continue to classify it in their Multi-Cap Growth Funds and Large Growth categories, respectively.

What are the Fund's CUSIPs/ticker symbols?

AllianceBernstein Growth Fund		
Class	CUSIP	Ticker Symbol
A	01877F401	AGRFX
B	01877F500	AGBBX
C	01877F609	AGRCX
R	01877F484	AGFRX
K	01877F476	AGFKX
I	01877F468	AGFIX
Advisor	01877F757	AGRYX

Timing

When will the changes take effect?

Changes to the portfolio management team and process will be effective in late October or early November.

How will shareholders be notified?

- We'll issue a prospectus supplement to shareholders on or about August 15, 2008.
- The annual prospectus distribution in early November will reflect all changes communicated within this document.
- You can find further Fund information on our website: www.alliancebernstein.com.

August 2008

For Shareholders of AllianceBernstein Global Research Growth Fund

We're shortening the name of the AllianceBernstein Global Research Growth Fund to the AllianceBernstein Global Growth Fund to provide additional clarity and consistency across our Growth platform.

The word "Research" in the Fund's name initially represented a unique approach to portfolio management, indicating the explicit combination of analyst and portfolio-manager insights. All of our Growth portfolios employ a similar research-based investment process, so using "Research" in the name is no longer necessary.

Will the Fund's CUSIP numbers and ticker symbols change?

No. The Fund's CUSIPs and ticker symbols will remain the same.

AllianceBernstein Global Growth Fund		
Class	CUSIP	Ticker Symbol
A	01860G101	ABZAX
B	01860G200	ABZBX
C	01860G309	ABZCX
R	01860G507	ABZRX
K	01860G606	ABZKX
I	01860G705	ABZIX
Advisor	01860G408	ABZYX

Timing

When will the name change take effect?

The name change will take place in late October or early November.

How will shareholders be notified?

- In addition to this FAQ, we'll issue a prospectus supplement on or about August 15, 2008
- The annual prospectus distribution in early November will reflect all changes communicated within this document.
- You can find further Fund information on our website: www.alliancebernstein.com.

August 2008

Growth Funds to Implement Currency Management

Why is managing currency important?

If an investment strategy includes international stocks denominated in foreign currencies, it has exposure to these currencies. This exposure—called “currency risk”—can have a substantial impact on returns. Sometimes currency exposure helps returns, sometimes it hurts them.

If exposure to foreign currencies isn’t actively managed, it ends up as a side effect of stock selection for the portfolio.

How do investors protect against currency risk?

Investors can control currency exposure through “hedging back to the U.S. dollar”—the greater the hedge, the smaller the impact of currency movements on the portfolio.

How has AllianceBernstein previously managed currency exposure in its equity funds?

AllianceBernstein already had the flexibility to reduce foreign currency exposure in its funds through hedging. The dollar has been extremely weak over the past six years, so we’ve consciously chosen not to hedge the funds, maximizing their exposure to foreign currencies.

How will AllianceBernstein manage currency in its equity funds going forward?

We’ll use various currency tools (see the prospectus for details) to reduce the funds’ exposures to unattractive currencies and increase exposures to attractive currencies. This flexible approach will allow us to use our proprietary quantitative and fundamental currency research to take full advantage of our insights into potential movements in exchange rates. It will also allow us to make decisions about currency exposure separately from our security selection process.

What are the benefits and risks associated with this strategy?

At AllianceBernstein, we believe that active currency management provides an opportunity to add value for our clients.

This active approach will rely on our skill at managing currency, just as picking stocks does—and, similar to stock picking, if an active currency decision doesn’t work out, the funds could underperform. Active currency management also exposes the funds to short-term currency fluctuations.

Just as we limit our funds’ exposures to different sectors and individual securities, we’ll limit the amount of currency risk a fund will be allowed to take on. This will allow us to maintain an appropriate balance of risk and return based on each fund’s guidelines.

How does AllianceBernstein determine which currencies are attractive?

Our proprietary research process brings together quantitative and fundamental analysis to make currency investment decisions. The quantitative model evaluates a currency’s risk and return potential, while fundamental research provides insight into qualitative factors, such as political and regulatory climates. We use the combined analysis to determine which currencies are getting stronger and which are getting weaker.

Timing

We’ll begin implementing active currency management in September 2008.

The investment return and principal value of an investment in the Portfolios will fluctuate as the prices of the individual securities in which they invest fluctuate so that shares, when redeemed, may be worth more or less than their original costs. Diversification does not guarantee a profit or protect against a loss. Risks of the funds are more fully discussed in the prospectus. Please see the prospectus for risks associated with investing in the funds.

An investor should consider the investment objectives, risks and charges and expenses of a Portfolio carefully before investing. For a free copy of a Portfolio's prospectus, which contains this and other information, visit our website at www.alliancebernstein.com or call AllianceBernstein Investments at 800.227.4618. Investors should read the prospectus carefully before investing.

Copies of additional communications, including prospectus supplements, will be posted on our website, www.alliancebernstein.com, as they become available. If you have any questions, please contact us at 800.221.5672.

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