



ALLIANCEBERNSTEIN®

April 26, 2018

FIRST QUARTER 2018 REVIEW

Seth P. Bernstein President & Chief Executive Officer

John C. Weisenseel Chief Financial Officer

Cautions Regarding Forward-Looking Statements

Certain statements provided by management in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. The most significant of these factors include, but are not limited to, the following: the performance of financial markets, the investment performance of sponsored investment products and separately-managed accounts, general economic conditions, industry trends, future acquisitions, competitive conditions, and current and proposed government regulations, including changes in tax regulations and rates and the manner in which the earnings of publicly-traded partnerships are taxed. AB cautions readers to carefully consider such factors. Further, such forward-looking statements speak only as of the date on which such statements are made; AB undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements. For further information regarding these forward-looking statements and the factors that could cause actual results to differ, see “Risk Factors” and “Cautions Regarding Forward-Looking Statements” in AB’s Form 10-K for the year ended December 31, 2017 and Form 10-Q for the quarter ended March 31, 2018. Any or all of the forward-looking statements made in this presentation, Form 10-K, Form 10-Q, other documents AB files with or furnishes to the SEC, and any other public statements issued by AB, may turn out to be wrong. It is important to remember that other factors besides those listed in “Risk Factors” and “Cautions Regarding Forward-Looking Statements,” and those listed below, could also adversely affect AB’s financial condition, results of operations and business prospects.

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

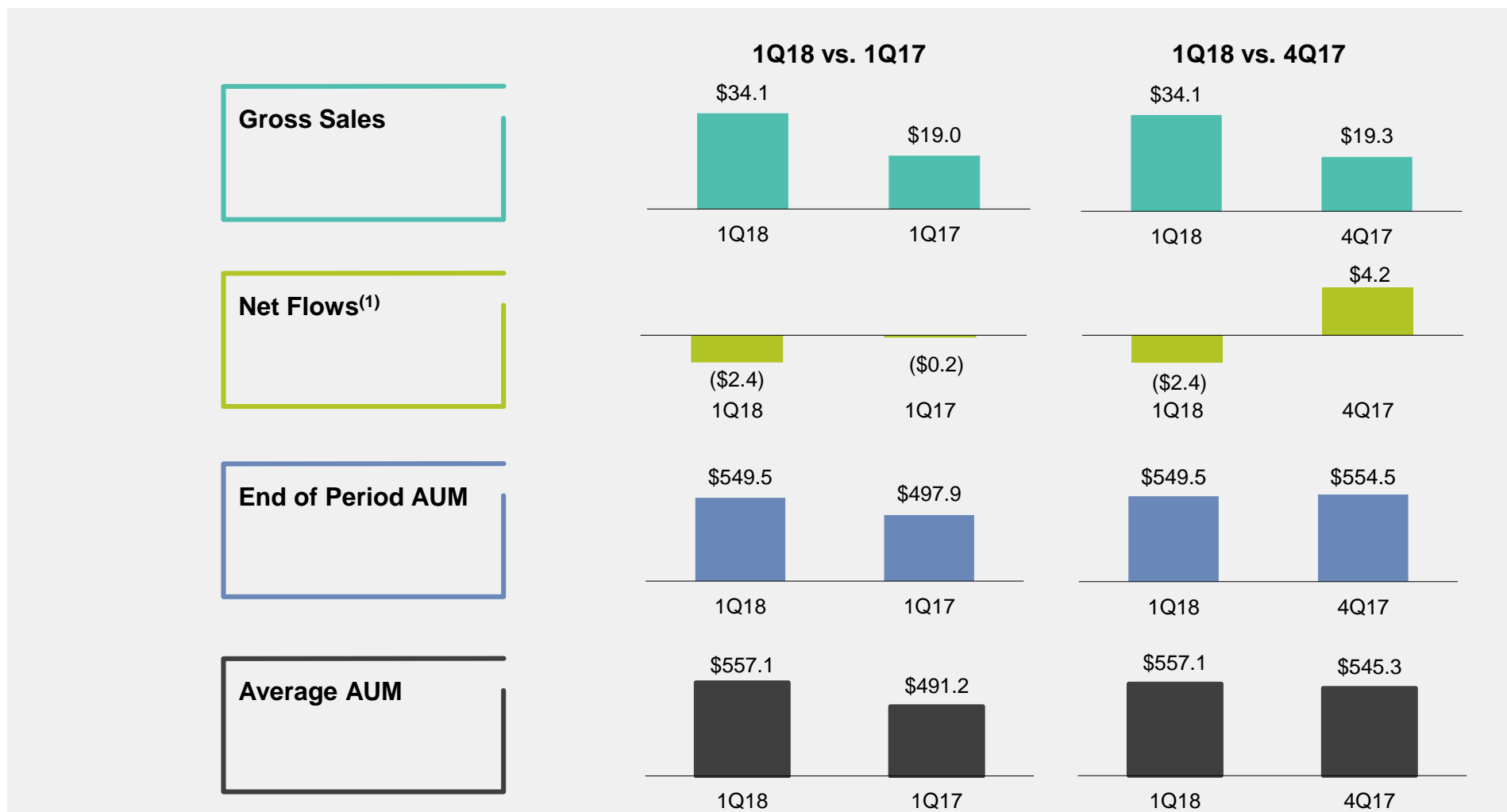
- + **The pipeline of new institutional mandates not yet funded:** Before they are funded, institutional mandates do not represent legally binding commitments to fund and, accordingly, the possibility exists that not all mandates will be funded in the amounts and at the times currently anticipated, or that mandates ultimately will not be funded.
- + **The possibility that AB will engage in open market purchases of Holding Units to help fund anticipated obligations under our incentive compensation award program:** The number of Holding Units AB may decide to buy in future periods, if any, to help fund incentive compensation awards is dependent upon various factors, some of which are beyond our control, including the fluctuation in the price of a Holding Unit and the availability of cash to make these purchases.
- + **The possibility that, based on the below factors, we will not be able to meet our stated 2020 margin target:** We have adopted a goal of increasing our adjusted operating margin from 27.7% (which we achieved for 2017) to a target of 30% by 2020. In setting our this target, we have made significant assumptions with respect to, among other things:
 - + the levels of positive net flows into our investment services;
 - + the level of growth (in terms of additional AUM) in our alternatives product business;
 - + the rate of increase in our fixed costs due to inflation and similar factors, the transitional costs related to our relocation strategy and the timing of such costs, the success we have in achieving planned new cost reductions (including those relating to our relocation strategy) and the timing of such cost reductions, and the investments we make in our business;
 - + general conditions of the markets in which our business operates, including modest continued appreciation in both equity and fixed income total investment returns.

While our 2020 margin target is presented with numerical specificity, and we believe the target to be reasonable as of the date of this report, the uncertainties surrounding the assumptions we discuss above create a significant risk that these assumptions may not be realized. Accordingly, our 2020 margin target may not be achieved, particularly if actual events adversely differ from one or more of our key assumptions.

Seth P. Bernstein

President & Chief Executive Officer

Firmwide Overview: First Quarter 2018

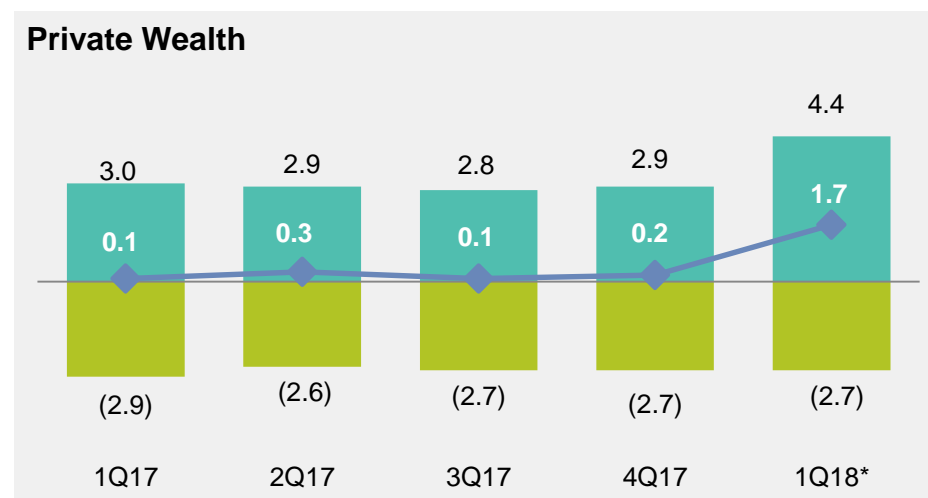
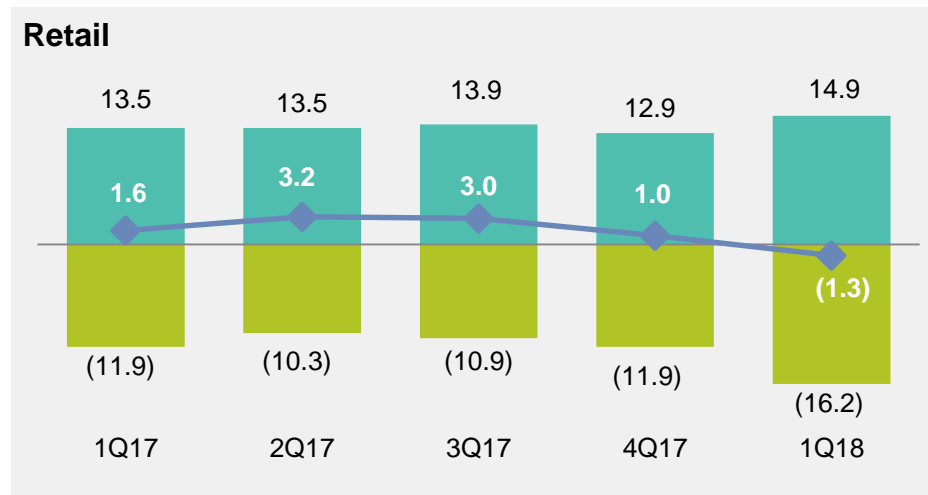
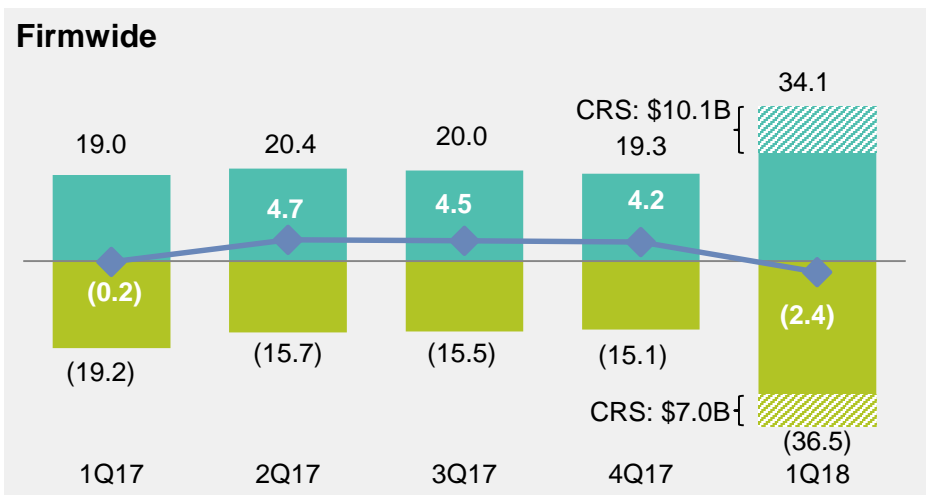


US \$ Billions; scales differ by chart

(1) 1Q18: \$1.1B active net outflows and \$1.3B passive net outflows. 1Q17: \$2.0B active net inflows and \$2.2B passive net outflows. 4Q17: \$5.5B active net inflows and \$1.3B passive net outflows.



Asset Flows by Distribution Channel: Quarterly Trend



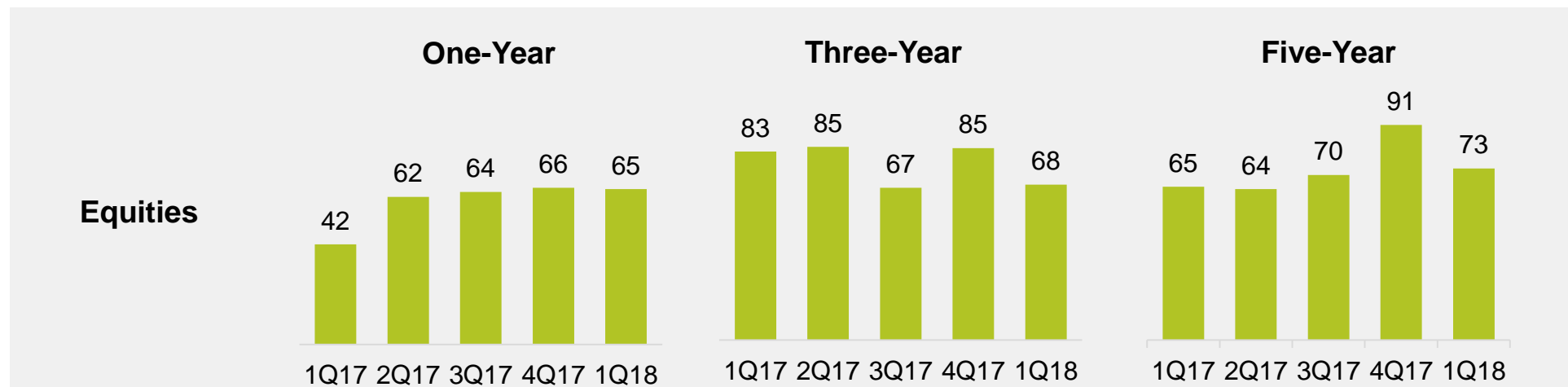
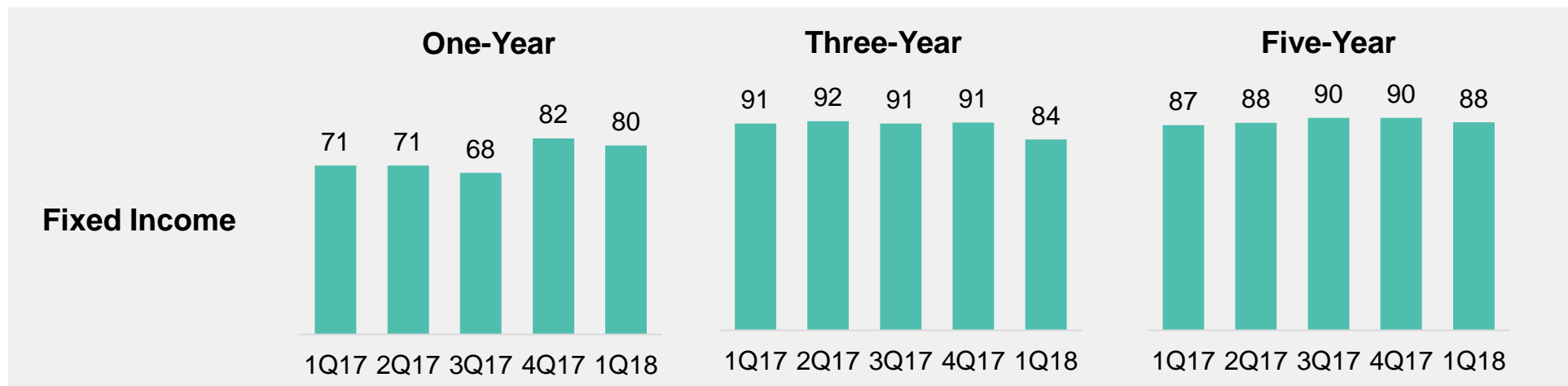
US \$ Billions; scales differ by chart

*Private Wealth net inflows include \$1.3B of net inflows into Option Advantage overlay strategy.

■ Gross Sales ■ Gross Redemptions ◆ Net Flows



Percentage of Assets Outperforming at Quarter-End



Percentage of active fixed income and equity assets in institutional services that outperformed their benchmark gross of fees and percentage of active fixed income and equity assets in retail Advisor and I share class funds ranked in the top half of their Morningstar category. Where no Advisor class exists, A share class used. As of March 31, 2018.



Fixed Income Investment Performance

Retail Service	Performance vs. Morningstar Category Average Through 3/31/18					
	1 Year		3 Year		5 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
Offshore						
American Income Portfolio	(0.6)	42	0.3	37	0.7	25
Emerging Markets Debt Portfolio	(2.6)	68	0.1	44	1.2	25
Emerging Markets Local Currency Debt	1.6	18	1.4	18	0.9	20
European Income Portfolio	2.4	13	1.7	15	1.6	18
Global High Yield Portfolio	0.1	33	1.1	20	0.6	28
Mortgage Income Portfolio	2.5	12	1.7	18	N/A	N/A
Euro High Yield Portfolio	2.2	9	1.1	20	1.5	14
US Taxable						
Global Bond Fund	(3.8)	83	(0.3)	56	1.3	17
High Income Fund	0.4	36	1.6	10	1.3	12
Income Fund	1.1	9	1.6	3	1.6	2
Municipals						
High Income Municipal Portfolio	1.6	11	0.8	26	0.8	21
Intermediate Diversified Muni	(0.1)	59	0.1	32	0.3	22
Municipal Income National Portfolio	1.1	16	0.9	11	0.7	15

Past performance does not guarantee future results.

Relative Performance is calculated against the Fund's Morningstar Category and Percentile Ranking is determined by Morningstar Ranking Methodology. Advisor and I share class; A share class used when Advisor and I class not available. Morningstar Categories: American Income – USD Flexible Bond; Emerging Markets Debt – Global Emerging Markets Bond; Emerging Markets Local Currency Debt – Global Emerging Markets Bond – Local Currency; European Income – EUR Flexible Bond; Global High Yield – Global High Yield Bond; Mortgage Income – USD Flexible Bond; Euro High Yield – EUR High Yield Bond; Global Bond – World Bond; High Income – High Yield Bond; AB Income – Intermediate-Term Bond; High Income Municipal – High Yield Muni; Intermediate Diversified Muni – Muni National Short; Municipal Income National – Muni National Intern. As of 3/31/18. Source: AB and Morningstar.



Equities Investment Performance

Retail Service	Performance vs. Morningstar Category Average Through 3/31/18					
	1 Year		3 Year		5 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
Offshore						
Select US	4.6	10	1.3	32	1.4	29
US Thematic	9.8	4	3.4	4	4.7	1
Concentrated Global	5.1	19	2.5	19	N/A	N/A
Global Low Vol ⁽¹⁾	(0.8)	58	2.1	13	3.3	6
Global Core	3.0	16	3.1	6	2.4	13
Global Thematic	2.8	27	2.2	21	3.1	14
European Equity	5.6	3	5.3	1	4.7	1
Emerging Markets Growth	4.9	16	1.8	19	4.0	4
Emerging Markets Low Vol ⁽¹⁾	(2.9)	73	1.4	25	N/A	N/A
US						
Large Cap Growth	2.0	33	2.6	18	3.3	8
Discovery Growth	10.6	7	3.2	10	1.6	20
Discovery Value	1.0	31	1.1	35	1.1	25
Concentrated Growth	(4.9)	82	(1.0)	69	(0.7)	66
Relative Value	4.5	9	1.9	14	1.7	12
International Value	2.0	33	1.8	18	1.8	14

Past performance does not guarantee future results.

Relative Performance is calculated against the Fund's Morningstar Category and Percentile Ranking is determined by Morningstar Ranking Methodology. Advisor and I share class; A share class used when Advisor and I class not available. Select US – US Large-Cap Blend; US Thematic – US Large-Cap Blend – representative of US Thematic and Strategic Research SMAs; Concentrated Global – Large Cap Growth; Global Low Vol – Global Large-Cap Blend; Global Core – Europe Large-Cap Value; Global Thematic – Global Large-Cap Growth; European Equity – Europe Large-Cap Value; Emerging Markets Growth – Global Emerging Markets; Emerging Markets Low Vol – Global Emerging Markets Equity; Large Cap Growth – Large Growth; Discovery Growth – Mid-Cap Growth; Discovery Value – Mid-Cap Value; Concentrated Growth – Large Growth; Relative Value – Large Value; International Value – Foreign Large Value. As of 3/31/18. Source: AB and Morningstar.

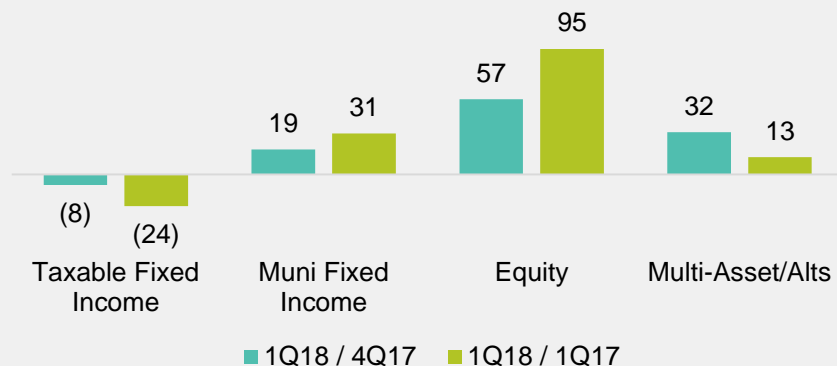
(1) Given the lower volatility targets of the Low Vol strategies, a proper universe comparison does not currently exist in Morningstar.



Retail Highlights

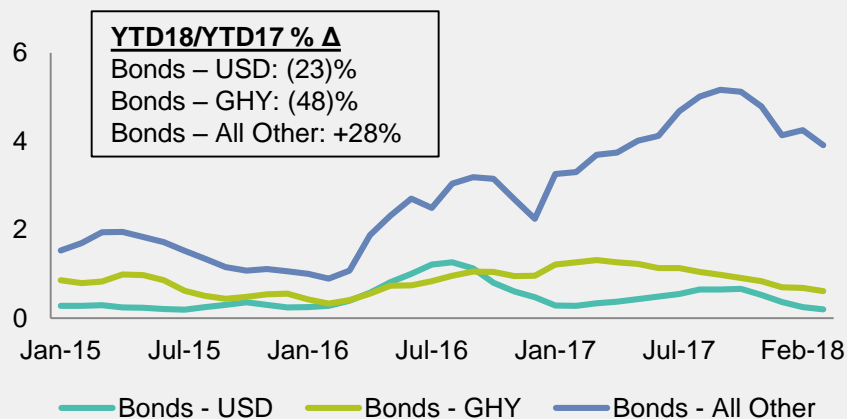
Sales Momentum for Equity, Munis and Multi-Asset/Alts

% change



Asia ex Japan Industrywide Retail Bond Fund Sales⁽¹⁾

Trailing 3-Month Average January 2015 – February 2018 (\$B)



First Quarter 2018 Highlights

Sales and Flows

- + \$14.9B gross sales up +10% Y/Y and +16% Q/Q; highest since 4Q12
- + Y/Y increases in Asia ex Japan, US Retail⁽²⁾, EMEA, Japan and LatAm
- + Diverse Asia ex Japan mix: 44% FI, 37% MAS/Alts, 19% Equity
- + US Retail⁽²⁾ gross sales of \$5B best since 3Q07
- + Redemptions up 36% vs. both prior periods
- + Increases in all regions; Asia ex Japan and US Sub-Advisory highest
- + Net outflows of \$1.3B followed 4 straight positive quarters
- + Taxable fixed income outflows exceeded active equity and muni inflows
- + US Retail⁽²⁾ net flow positive with +\$0.5B

Strength Beyond Taxable Fixed Income

- + Equity gross sales of \$6.3B highest since 2007
- + Equity and multi-asset were 7 of AB's top 10 Retail products by net flows
- + 5 of the 7 products had \$100M+ of net inflows

Milestones

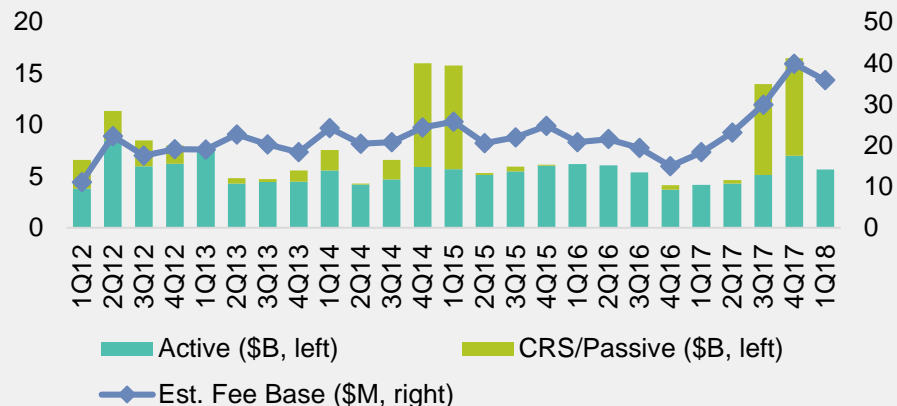
- + Four FlexFee Funds now available on Merrill Lynch, Morgan Stanley, Charles Schwab, TD Ameritrade, Pershing and LPL Financial platforms
- + EMMA 1Q18 gross sales 59% of full year 2017 total
- + Largest fund in Global EM Allocation category with \$2.8B in AUM
- + Gross sales of Multi-Asset Fund of Funds in Taiwan up 4x+ Y/Y
- + Diverse AB Lux funds top ranked by net flows in 1Q18
- + Mortgage Income #1, EMMA #2, LC Growth #3, Low Vol #6

(1) Source: SalesWatch. As of February 28, 2018. (2) US Retail excludes Sub-Advisory.



Institutional Highlights

\$5.7B Total Pipeline⁽¹⁾ At Quarter-End



First Quarter 2018 Highlights

Sales and Flows

- + \$14.8B gross sales highest since 2Q08 (includes \$10.1B in CRS)
- + \$3.3B equity gross sales best quarter since 3Q08
- + Elevated redemptions of \$17.6B include \$7.0B from CRS and \$4.0B from US Investment Grade Corporates
- + Net outflows of -\$2.8B, but annualized fee base (AFB) up on mix shift

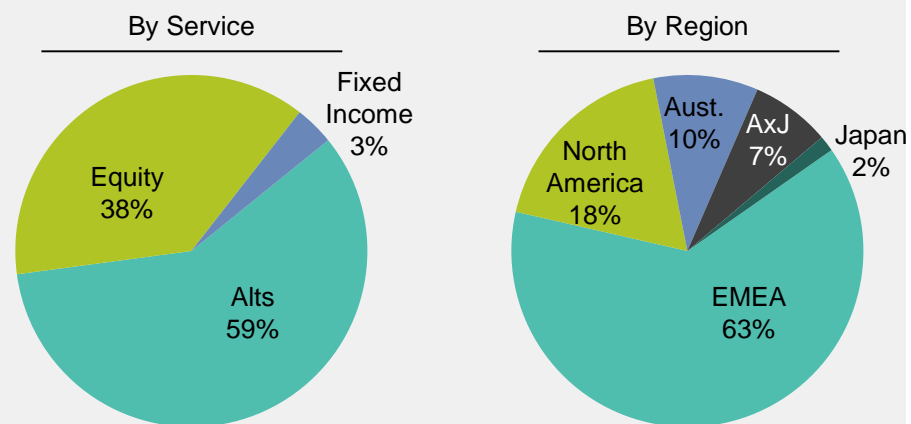
Strength in Equities and Alternatives

- + \$2.2B equity net inflows highest since 4Q07
- + Notable 1Q pipeline adds predominantly equity and alts:
 - + Emerging Markets Strategic Core: \$700M
 - + Eurozone Equity: \$350M
 - + Commercial Real Estate Debt: \$295M
 - + Arya Partners: \$275M
 - + Managed Volatility Equity: \$260M
 - + US Large Cap Growth: \$100M
- + Two-thirds of total equity in current pipeline added during 1Q

Positive Pipeline Fee Trends Continue

- + Current \$5.7B pipeline is composed entirely of active assets
- + Higher fee equity and alts 97% of total
- + Active pipeline average fee rate highest in 6 years

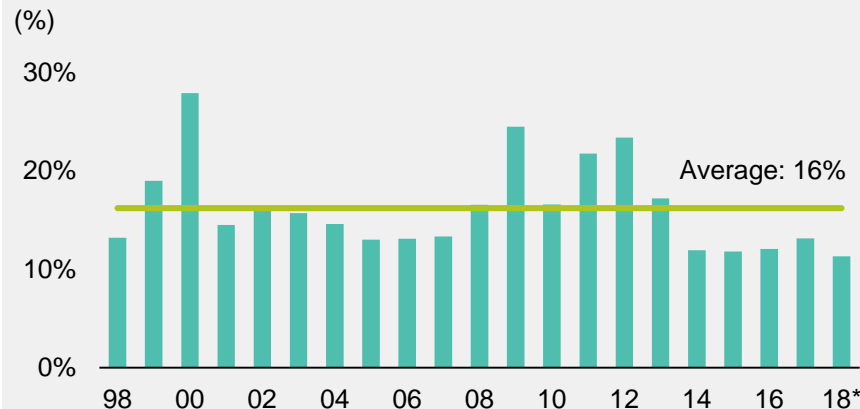
\$5.7B Active Pipeline Composition (ex CRS/Passive)



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

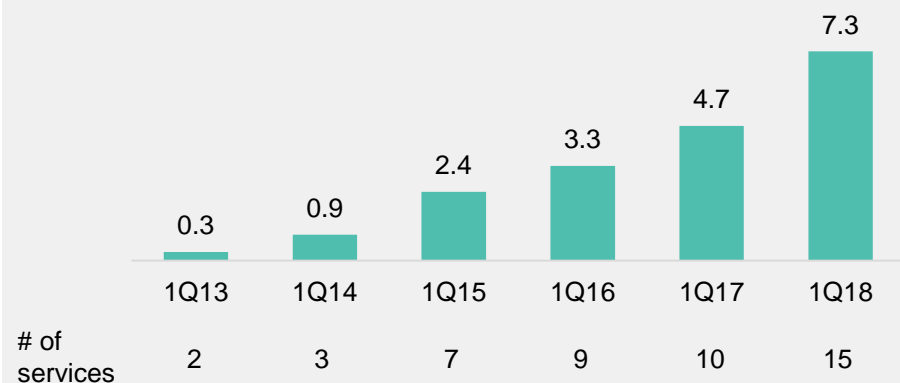
Private Wealth Management Highlights

Annualized Outflow Rate at 20-Year Low



Growth Accelerating in Targeted Services Assets

Deployed and Committed Assets (\$B)



*2018 is 1Q18 annualized.

First Quarter 2018 Highlights

Sales and Flow Momentum

- + Gross sales of \$4.4B due to strength in core equity and fixed income, new Option Advantage options overlay strategy and Targeted Services
- + Annualized outflow rate at 20-year low despite turbulent markets
 - + Clients reassured by Bernstein volatility management tools and advice
- + 1Q18 net inflows of \$1.7B highest since 1Q07
 - + Fifth straight net flow positive quarter
 - + \$1.3B of net inflows from Option Advantage

Appealing to a broader and more affluent client base

- + Targeted Services total deployed and committed assets of \$7.3B at quarter-end
 - + \$400M in new commitments during quarter
- + Strong take-up of Option Advantage to add long-term incremental return

Advisor productivity continues to rise

- + Average production per advisor up 9% (ex Option Advantage) vs. 1Q17 – best in 10 years

Improving the overall client experience

- + Client Service Associates assigned to Financial Advisors to boost client focus and productivity
- + Ongoing focus on more customized client events

Bernstein Research Highlights

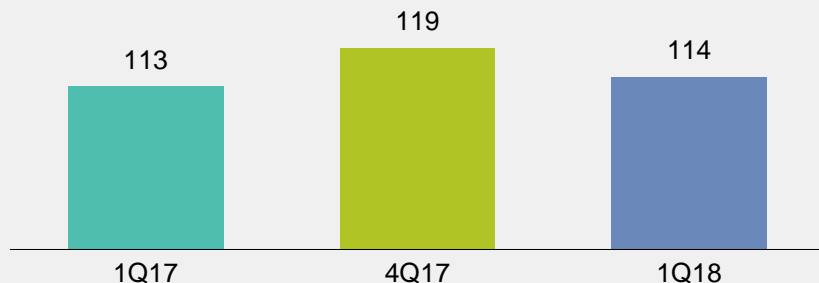
Bernstein Research Quarterly Revenues

\$M

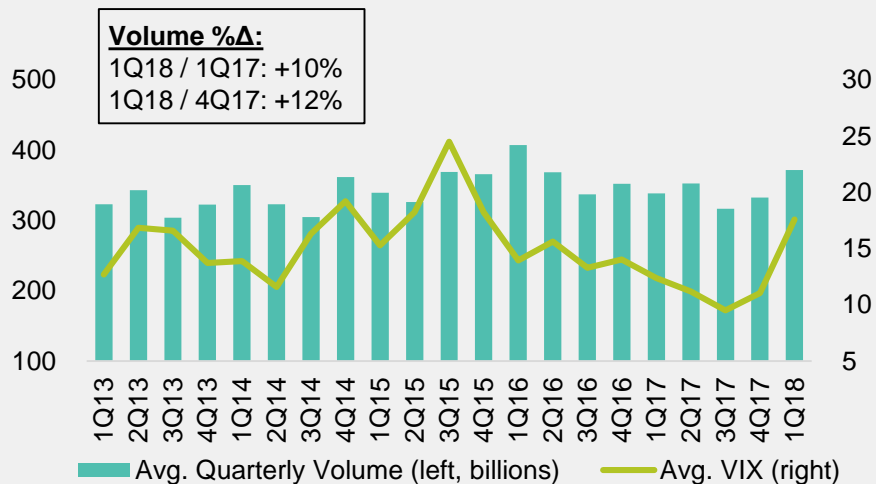
% Change

1Q18/1Q17: +1%

1Q18/4Q17: (4)%



US Market Volumes and VIX Rebounded in 1Q⁽¹⁾



(1) Source: VIX – Bloomberg; US Market Volumes Tape A and C – Bats; (2) Value of consideration traded in USD

Progress on Bernstein Research Strategy in 1Q18

Investing to remain the industry's research quality leader

- + Client research votes continue to move up
- + New analyst launches in payments and capital markets
- + Doubled number of thematic research conferences in 1Q18 to 12

Growing our industry-leading agency trading platform

- + Global trading volume⁽²⁾ up 23% from 1Q17
- + Favorable leverage to continued industry shift to electronic trading
 - + ~50/50 high-touch/electronic revenue mix in 1Q18 compared to industry at ~70/30

Globalizing our research and trading capabilities

- + 42% of revenue outside North America, up from 37% in 1Q17
- + Asia revenue up +50% vs. 1Q17

MiFID II Update

- + Agreements in place with ~2/3 of European clients
- + 47% of revenues from unbundled clients in 1Q18
- + Negative revenue impact in 1Q18 from clients switching to execution rates with research paid in arrears
- + Unbundled clients' trading volume up double-digits in 1Q18

Progress on Our Strategy in 1Q18

Firmwide Initiative

Deliver differentiated return streams to clients

Progress

- + Fixed Income: 84% of assets in outperforming services for 3-yr period; 80% for 1-yr and 88% for 5-yr
 - + Top quartile⁽¹⁾ 3-yr: AB Income, High Income, Muni Income, Mortgage Income, EM Debt (Local Currency)
- + Active equity: 68% of assets in outperforming services for 3-yr period; 65% for 1-yr and 73% for 5-yr
 - + Top quartile⁽¹⁾ 3-yr: European Equity, US Thematic, Gbl Core, Discovery Growth, Gbl Low Vol, Rel. Value
- + 76% of US-rated assets and 89% of Lux-rated assets rated 4- or 5-stars by Morningstar

Commercialize and scale our suite of services

- + Seven of AB's top 10 Retail products by net flows were equity and multi-asset
 - + Five of the seven had \$100M+ of net inflows
 - + EMMA 1Q18 sales 59% of FY 2017 total; largest fund in Global EM Allocation category with \$2.8B in AUM
 - + Diverse AB Lux funds top ranked by net flows: Mortgage Income #1, EMMA #2, LC Growth #3, Low Vol #6
- + Institutional momentum greatest in higher fee equity and alternatives offerings
 - + Equity gross sales of \$3.3B best since 3Q08; \$2.2B of net inflows
 - + \$5.7B pipeline entirely active and 97% equity and alternatives; fee rate highest in 6 years
- + Private Wealth net inflows best since 1Q07; success with Option Advantage overlay strategy

Continuous and rigorous focus on expense management

- + Another quarter of improved operating leverage
 - + 1Q18 adjusted operating margin of 30.1% up 600 bps Y/Y
 - + Adjusted net revenue growth of +25% outpaced expense growth of 15%; incremental margin of 54%
- + \$78 million in realized performance fees added approximately 12 cents to adjusted EPU
 - + 1Q18 EPU of \$0.73 up 59% Y/Y; up 33% ex-one timer

(1) Source: Morningstar



John C. Weisenseel

Chief Financial Officer

First Quarter 2018 GAAP Income Statement

Income Statement (in US \$ Millions)	1Q18	1Q17	% Δ	4Q17	% Δ
Base Fees	\$ 568	\$ 492	15%	\$ 558	2%
Performance Fees	6	6	0%	70	(91%)
Bernstein Research Services	114	113	1%	119	(4%)
Distribution Revenues	108	97	11%	109	(1%)
Dividends & Interest	28	14	100%	20	40%
Investment Gains (Losses)	26	25	4%	24	8%
Other Revenues	27	22	23%	27	0%
Total Revenues	877	769	14%	927	(5%)
Less: Interest Expense	9	4	125%	8	13%
Net Revenues	\$ 868	\$ 765	13%	\$ 919	(6%)
Compensation & Benefits					
Compensation & Fringes	\$ 337	\$ 315	7%	\$ 326	3%
Other Employment Costs	7	7	0%	8	(13%)
Total Compensation & Benefits	344	322	7%	334	3%
Promotion & Servicing	171	154	11%	175	(2%)
General & Administrative	121	114	6%	118	3%
Other	9	9	0%	9	0%
Total Operating Expenses	\$ 645	\$ 599	8%	\$ 636	1%
Operating Income	\$ 223	\$ 166	34%	\$ 283	(21%)
Operating Margin	23.0%	19.6%		29.9%	
AB Holding GAAP Diluted Net Income Per Unit	\$ 0.60	\$ 0.46	30%	\$ 0.84	(29%)

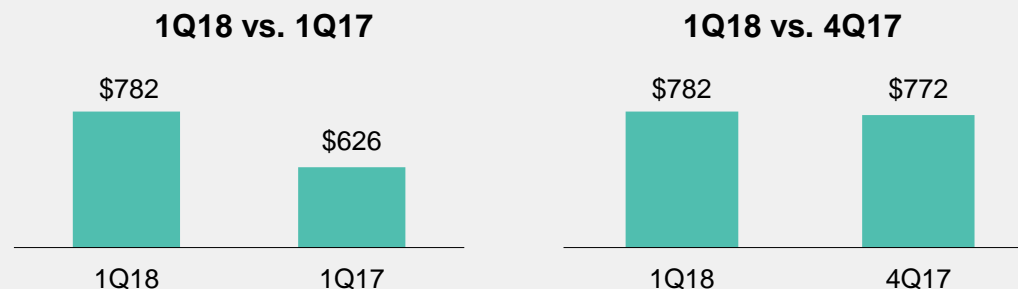
Percentages are calculated using amounts rounded in millions.



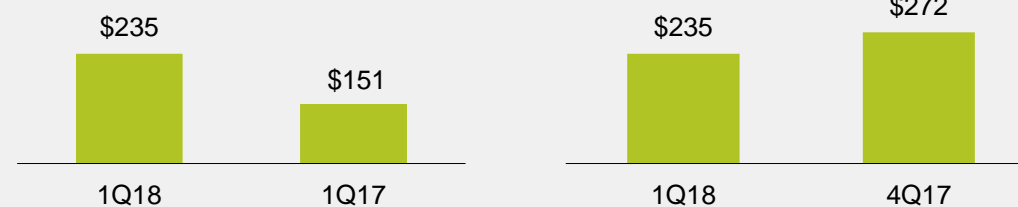
Adjusted Financial Highlights: First Quarter 2018

In US \$ Millions; scales may differ

Adjusted Revenues



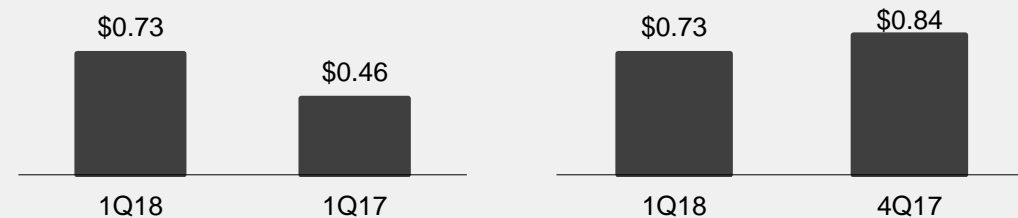
Adjusted Operating Income



Adjusted Operating Margin



Adjusted EPU



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

First Quarter 2018 Adjusted Income Statement

Adjusted Income Statement ⁽¹⁾ (in US \$ Millions)	1Q18	1Q17	% Δ	4Q17	% Δ
Base Fees	\$ 568	\$ 490	16%	\$ 558	2%
Performance Fees	84	6	1300%	80	5%
Bernstein Research Services	114	113	1%	119	(4%)
Net Distribution Revenues (Expenses)	(9)	(7)	29%	(8)	13%
Investment Gains (Losses)	3	5	(40%)	-	100%
Other Revenues	31	23	35%	31	0%
Total Revenues	791	630	26%	780	1%
Less: Interest Expense	9	4	125%	8	13%
Adjusted Net Revenues	\$ 782	\$ 626	25%	\$ 772	1%
Compensation & Benefits					
Compensation & Fringes	\$ 379	\$ 312	21%	\$ 324	17%
Other Employment Costs	7	6	17%	8	(13%)
Total Compensation & Benefits	386	318	21%	332	16%
Promotion & Servicing	45	42	7%	47	(4%)
General & Administrative	107	106	1%	112	(4%)
Other	9	9	0%	9	0%
Total Adjusted Operating Expenses	\$ 547	\$ 475	15%	\$ 500	9%
Adjusted Operating Income	\$ 235	\$ 151	56%	\$ 272	(14%)
Adjusted Operating Margin	30.1%	24.1%		35.2%	
AB Holding Adjusted Diluted Net Income Per Unit	\$ 0.73	\$ 0.46	59%	\$ 0.84	(13%)
Compensation Ratio	48.5%	50.0%		42.0%	

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

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

First Quarter 2018 Adjusted Income Statement Highlights

Revenues

- + Base Fees increased both Y/Y and Q/Q due primarily to higher average AUM in all three distribution channels and higher portfolio fee rate realization.
- + 1Q18 Performance Fees reflect \$78M in deferred revenue related to the Real Estate Equity Investment Fund, which drove the increase vs. both prior periods. Additionally for 4Q17, a large number of investment strategies have annual calculation periods ending in 4Q, which partially offset that amount.
- + Bernstein Research revenues increased Y/Y due to higher revenues from Asia and Europe, which benefitted from a weaker USD, offsetting lower US revenues. Global revenues were adversely affected from the timing of revenue recognition due to research payment unbundling and shift to lower fee electronic trading. Revenue declined Q/Q driven by lower US revenues, partially offset by higher revenues in Asia and Europe.
- + Net Distribution Expenses increased Y/Y as the increase in distribution related payments outpaced the increase in distribution revenues, and increased Q/Q as distribution revenues declined at a faster rate than distribution payments. Lower amortization of deferred sales commissions partially offset the net increase vs. both prior periods.
- + Investment gains in all periods were driven primarily by seed investment gains.
- + An increase in Dividend & Interest Revenue related to Broker Dealer investments, paired with higher shareholder servicing revenues, contributed to the gains in Other Revenues vs. 1Q17.

Expenses

- + The Adjusted Compensation Ratio was 48.5% in 1Q18 vs. 50.0% in 1Q17, and 42.0% for 4Q17.
- + Total Compensation & Benefits increased 21% Y/Y and 16% Q/Q due primarily to higher incentive compensation and commission accruals resulting from higher revenues and a higher comp ratio on a sequential basis.
- + The increase in Promotion & Servicing expenses Y/Y was driven by higher trade execution costs related to higher trading volumes. The decrease Q/Q was due primarily to lower seasonal T&E combined with lower Marketing and Firm Meeting charges.
- + G&A expenses were flat Y/Y. The Q/Q decline was due to lower Error related charges, paired with lower Occupancy and Professional fees.

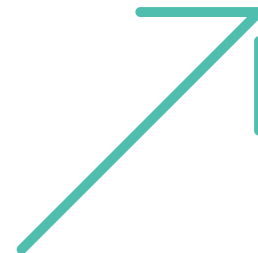
Operating Results

- + Adjusted Operating Income increased 56% Y/Y due to an increase in revenues outpacing the growth in operating expenses. The 14% decline Q/Q was due primarily to the higher effective comp ratio in the current period.
- + Adjusted Margin was 30.1% in 1Q18, vs. 24.1% in 1Q17 and 35.2% in 4Q17.

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



Q & A



APPENDIX

Institutional Composite Relative Performance vs. Benchmarks

Periods Ended March 31, 2018

Service	1Q18	1-Yr	3-Yr	5-Yr	10-Yr	Benchmark
Equity						
Emerging Markets Value	0.8	(6.1)	(0.8)	(0.2)	(0.9)	MSCI EM
Global Strategic Value	(1.5)	(2.4)	(1.6)	1.8	(2.6)	MSCI ACWI
US Small & Mid Cap Value	0.3	3.6	1.7	2.4	1.6	Russell 2500 Value
US Strategic Value	(1.1)	0.6	(3.4)	(0.7)	(2.2)	Russell 1000 Value
US Small Cap Growth	3.1	11.7	4.6	2.3	2.9	Russell 2000 Growth
US Large Cap Growth	0.9	2.2	1.2	2.6	0.6	Russell 1000 Growth
US Small & Mid Cap Growth	3.7	9.7	3.1	0.9	2.7	Russell 2500 Growth
Concentrated US Growth	2.9	2.9	0.0	1.2	2.4	S&P 500
Select US Equity	0.8	4.2	0.1	0.3	2.3	S&P 500
Global Core Equity	2.5	3.8	2.3	1.6	N/A	MSCI ACWI
Fixed Income						
Global High Income	0.7	0.7	0.1	0.0	(0.1)	Bloomberg Barclays Global High Yield - Hedged
US High Yield	0.3	(0.1)	(0.3)	0.4	0.7	Bloomberg Barclays US Corporate High Yield
US Strategic Core Plus	0.4	0.9	1.1	1.0	1.3	Bloomberg Barclays US Aggregate
Emerging Market Debt	0.6	1.3	0.7	0.4	1.1	JPM EMBI Global
Global Plus	0.2	0.2	0.9	0.5	1.3	Bloomberg Barclays Global Aggregate - Hedged

Performance is preliminary and as of March 31, 2018. Investment performance of composites is presented before investment management fees. Periods of more than one year are annualized. The information in this table is provided solely for use in connection with this presentation and is not directed toward existing or potential investment advisory clients of AB. Global High Income and Global Plus are hedged to USD.

Retail Mutual Funds Relative Performance vs. Morningstar Average

Service	Periods Ended March 31, 2018					Morningstar Average
	1Q18	1-Yr	3-Yr	5-Yr	10-Yr	
Equity						
International Value	1.6	2.0	1.8	1.8	(2.5)	Foreign Large Value
Relative Value	1.1	4.5	1.9	1.7	1.0	Large Value
Discovery Value	(0.3)	1.0	1.1	1.1	1.2	Mid-Cap Value
US Value	(1.6)	(2.2)	(3.5)	(1.6)	(2.6)	Large Value
Sustainable Global Thematic	0.1	6.7	3.4	3.5	1.3	World Large Stock
International Global Thematic	(1.0)	(1.1)	(2.0)	(1.9)	(2.2)	Foreign Large Growth
Large Cap Growth ⁽¹⁾	(0.2)	2.0	2.6	3.3	3.4	Large Growth
Emerging Markets Growth	2.5	4.9	1.8	4.0	0.9	Global Emerging Markets Equity
Growth ⁽¹⁾	1.6	5.8	3.1	3.0	1.2	Large Growth
Discovery Growth	2.1	10.6	3.2	1.6	2.4	Mid-Cap Growth
Fixed Income						
Global High Yield	0.9	0.1	1.1	0.6	1.3	Global High Yield Bond
American Income Portfolio	(0.3)	(0.6)	0.3	0.7	1.7	USD Flexible Bond
Global Bond	(1.3)	(3.8)	(0.3)	1.3	1.5	World Bond
High Income	0.3	0.4	1.6	1.3	2.0	High Yield Bond

(1) Performance figures other than 1Q18, One Year and Three Year positively affected by class action settlement proceeds.

As of March 31, 2018. Fund returns are based on Advisor Class shares. Where Advisor Class doesn't exist, Class I is used. All fees and expenses related to the operation of the Fund have been deducted, but returns do not reflect sales charges. The information in this table is provided solely for use in connection with this presentation, and is not directed toward existing or potential investment advisory clients of AB.

Assets Under Management: 1Q18

(US \$ Billions)

	At March 31, 2018				At Dec. 31, 2017
	Institutions	Retail	Private Wealth	Total	Total
Equity					
Actively Managed	\$ 35	\$ 59	\$ 48	\$ 142	\$ 139
Passive ⁽¹⁾	21	31	-	52	54
Total Equity	56	90	48	194	193
Fixed Income					
Taxable	155	71	11	237	248
Tax-Exempt	1	16	24	41	40
Passive ⁽¹⁾	-	10	-	10	10
Total Fixed Income	156	97	35	288	298
Other ⁽²⁾	53	4	10	67	63
Total	\$ 265	\$ 191	\$ 93	\$ 549	\$ 554

At Dec. 31, 2017

Total	\$ 269	\$ 193	\$ 92	\$ 554
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(1) Includes index and enhanced index services.

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



Three Months Ended 3/31/18: AUM Roll-Forward by Distribution Channel

In US \$ Billions	Beginning	Sales/New	Redemptions/	Net Cash	Net	Investment	Net	End
Investment Service:	of Period	Accounts	Terminations	Flows	Flows	Performance	Change	of Period
Institutions								
US	138.5	0.3	(3.4)	(2.5)	(5.6)	(1.2)	(6.8)	131.7
Global and Non-US	130.8	14.5	(11.1)	(0.6)	2.8	(0.3)	2.5	133.3
Total Institutions	269.3	14.8	(14.5)	(3.1)	(2.8)	(1.5)	(4.3)	265.0
Retail								
US	92.3	5.9	(4.4)	(1.3)	0.2	(0.3)	(0.1)	92.2
Global and Non-US	100.6	9.0	(9.7)	(0.8)	(1.5)	(0.3)	(1.8)	98.8
Total Retail	192.9	14.9	(14.1)	(2.1)	(1.3)	(0.6)	(1.9)	191.0
Private Wealth Management								
US	60.7	3.2	(1.9)	(0.5)	0.8	(0.6)	0.2	60.9
Global and Non-US	31.6	1.2	(0.7)	0.4	0.9	0.1	1.0	32.6
Total Private Wealth	92.3	4.4	(2.6)	(0.1)	1.7	(0.5)	1.2	93.5
Firmwide								
US	291.5	9.4	(9.7)	(4.3)	(4.6)	(2.1)	(6.7)	284.8
Global and Non-US	263.0	24.7	(21.5)	(1.0)	2.2	(0.5)	1.7	264.7
Total Firmwide	554.5	34.1	(31.2)	(5.3)	(2.4)	(2.6)	(5.0)	549.5

Three Months Ended 3/31/18: AUM Roll-Forward by Investment Service

In US \$ Billions Investment Service:	Beginning of Period	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Investment Performance	Net Change	End of Period
Equity Active								
US	74.8	3.6	(3.9)	(1.2)	(1.5)	0.2	(1.3)	73.5
Global and Non-US	64.6	7.3	(2.8)	(0.1)	4.4	-	4.4	69.0
Total Equity Active	139.4	10.9	(6.7)	(1.3)	2.9	0.2	3.1	142.5
Equity Passive ⁽¹⁾								
US	41.9	-	-	(1.1)	(1.1)	(0.3)	(1.4)	40.5
Global and Non-US	12.4	-	(0.1)	(0.3)	(0.4)	(0.3)	(0.7)	11.7
Total Equity Passive ⁽¹⁾	54.3	-	(0.1)	(1.4)	(1.5)	(0.6)	(2.1)	52.2
Total Equity	193.7	10.9	(6.8)	(2.7)	1.4	(0.4)	1.0	194.7
Fixed Income - Taxable								
US	117.5	1.6	(4.0)	(2.0)	(4.4)	(1.4)	(5.8)	111.7
Global and Non-US	130.4	6.9	(11.2)	(0.9)	(5.2)	0.1	(5.1)	125.3
Total Fixed Income - Taxable	247.9	8.5	(15.2)	(2.9)	(9.6)	(1.3)	(10.9)	237.0
Fixed Income - Tax-Exempt								
US	40.4	2.3	(1.5)	-	0.8	(0.3)	0.5	40.9
Global and Non-US	-	-	-	-	-	-	-	-
Total Fixed Income - Tax-Exempt	40.4	2.3	(1.5)	-	0.8	(0.3)	0.5	40.9
Fixed Income Passive ⁽¹⁾								
US	5.2	-	-	0.1	0.1	(0.1)	-	5.2
Global and Non-US	4.7	-	(0.1)	0.1	-	0.1	0.1	4.8
Total Fixed Income Passive ⁽¹⁾	9.9	-	(0.1)	0.2	0.1	-	0.1	10.0
Total Fixed Income	298.2	10.8	(16.8)	(2.7)	(8.7)	(1.6)	(10.3)	287.9
Other ⁽²⁾								
US	11.7	1.9	(0.3)	(0.1)	1.5	(0.2)	1.3	13.0
Global and Non-US	50.9	10.5	(7.3)	0.2	3.4	(0.4)	3.0	53.9
Total Other⁽²⁾	62.6	12.4	(7.6)	0.1	4.9	(0.6)	4.3	66.9
Firmwide								
US	291.5	9.4	(9.7)	(4.3)	(4.6)	(2.1)	(6.7)	284.8
Global and Non-US	263.0	24.7	(21.5)	(1.0)	2.2	(0.5)	1.7	264.7
Total Firmwide	554.5	34.1	(31.2)	(5.3)	(2.4)	(2.6)	(5.0)	549.5

(1) Includes index and enhanced index services.

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



Active vs. Passive Net Flows

Three Months Ended 3/31/18

	Actively Managed	Passively Managed ⁽¹⁾	Total
Equity	\$2.9	(\$1.5)	\$1.4
Fixed Income	(8.8)	0.1	(8.7)
Other ⁽²⁾	4.8	0.1	4.9
Total	(\$1.1)	(\$1.3)	(\$2.4)

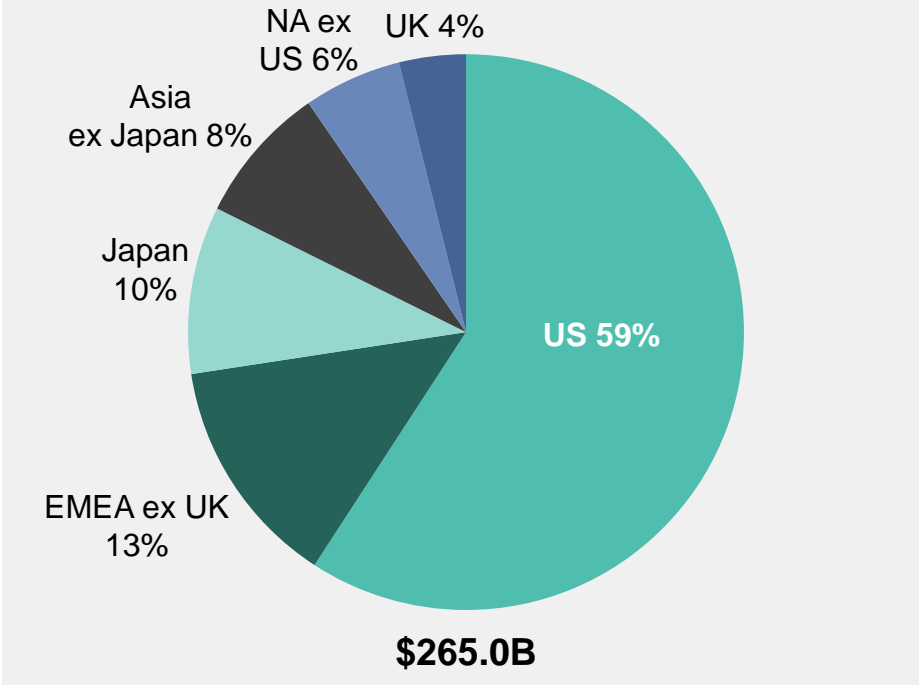
(1) Includes index and enhanced index services.

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

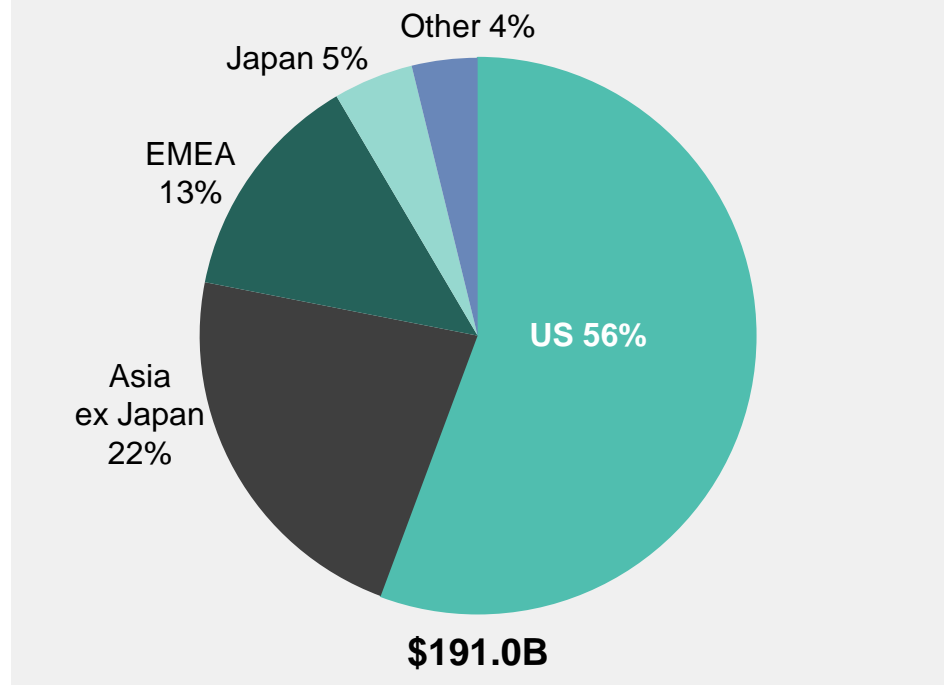


AUM by Region

Institutional



Retail



As of March 31, 2018
By client domicile



First Quarter 2018 Adjusted Advisory Fees

	1Q18	1Q17	% Δ	4Q17	% Δ
Ending AUM (\$ Billions)	\$550	\$498	10%	\$555	(1%)
Average AUM (\$ Billions)	\$557	\$491	13%	\$545	2%

By Fee Type (\$ Millions):

Adjusted Base Fees	\$568	\$490	16%	\$558	2%
Adjusted Performance Fees	84	6	1300%	80	5%
Total	\$652	\$496	31%	\$638	2%

Adjusted Base Fees By Channel (\$ Millions):

Institutions	\$115	\$102	13%	\$111	4%
Retail	249	207	20%	248	0%
Private Wealth	204	181	13%	199	3%
Total	\$568	\$490	16%	\$558	2%

First Quarter 2018 GAAP Income Statement

In US \$ Millions (except EPU)	1Q18	1Q17	% Δ	4Q17	% Δ
Net Revenues	\$ 868	\$ 765	13%	\$ 919	(6%)
Operating Expenses	645	599	8%	636	1%
Operating Income	223	166	34%	283	(21%)
Net Income Attributable to AB Unitholders	184	140	31%	246	(25%)
AB Holding GAAP Diluted Net Income per Unit	\$0.60	\$0.46	30%	\$0.84	(29%)
AB Holding Distribution Per Unit	\$0.73	\$0.46	59%	\$0.84	(13%)

Percentages are calculated using amounts rounded to the nearest million.



Consolidated Balance Sheet

In US \$ Millions

Assets	March 31, 2018	December 31, 2017
Cash and cash equivalents	\$ 640	\$ 672
Cash and securities, segregated	1,025	816
Receivables, net	2,330	2,183
Investments:		
Long-term incentive compensation-related	56	66
Other	349	378
Assets of consolidated company-sponsored investment funds	2,582	1,608
Goodwill	3,067	3,067
Intangible assets, net	99	106
Deferred sales commissions, net	23	30
Other (incl. furniture & equipment, net)	391	369
Total Assets	\$ 10,562	\$ 9,295
Liabilities and Capital		
Liabilities:		
Payables	\$ 3,005	\$ 2,580
Accounts payable and accrued expenses	452	516
Liabilities of consolidated company-sponsored investment funds	1,223	698
Accrued compensation and benefits	337	270
Debt	490	566
Total Liabilities	5,507	4,630
Redeemable non-controlling interest	997	602
Partners' capital attributable to AllianceBernstein Unitholders	4,056	4,061
Non-controlling interests in consolidated entities	2	2
Total Capital	4,058	4,063
Total Liabilities and Capital	\$ 10,562	\$ 9,295

Consolidated Statement of Cash Flows

In US \$ Millions

	Three Months Ended	
	March 31, 2018	March 31, 2017
Net Income	\$ 207	\$ 156
Non-cash items:		
Amortization of deferred sales commissions	7	9
Non-cash long-term incentive compensation expense	12	8
Depreciation and other amortization	18	16
Unrealized losses (gains) on investments	3	(16)
Unrealized (gains) on investments of consolidated company-sponsored investment funds	(23)	(27)
Other, net	(3)	3
Changes in assets and liabilities	(56)	8
Net cash provided by operating activities	165	157
Purchases of furniture, equipment, and leasehold improvements, net	(5)	(7)
Net cash used in investing activities	(5)	(7)
(Repayment) issuance of commercial paper, net	(3)	94
Repayment of bank loans	(75)	-
Increase in overdrafts payable	7	50
Distributions to General Partner and Unitholders	(248)	(198)
Purchases (redemptions) of non-controlling interests of consolidated company-sponsored investment funds, net	373	(4)
Additional investments by Holding with proceeds from exercise of compensatory options to buy Holding Units	4	4
Purchases of AB Holding Units to fund long-term incentive compensation plan awards, net	(2)	(31)
Other, net	(1)	(3)
Net cash used in financing activities	55	(88)
Effect of exchange rate changes on cash and cash equivalents	8	8
Net (decrease) increase in cash and cash equivalents	223	70
Cash and cash equivalents at the beginning of period	998	995
Cash and cash equivalents at the end of period	\$ 1,221	\$ 1,065

AB Holding Financial Results

In US \$ Millions (excluding per Unit amounts)	1Q18	1Q17	% Δ	4Q17	% Δ
AB					
Net Income Attributable to AllianceBernstein	\$184	\$140	31%	\$246	(25%)
Weighted Average Equity Ownership Interest	35.7%	35.5%		34.8%	
AB Holding					
Equity in Net Income Attributable to AB	\$66	\$50	32%	\$86	(23%)
Income Taxes	8	6	33%	7	14%
Net Income	\$58	\$44	32%	\$79	(27%)
Diluted Net Income Per Unit, GAAP basis	\$0.60	\$0.46	30%	\$0.84	(29%)
Distributions Per Unit	\$0.73	\$0.46	59%	\$0.84	(13%)
Adjusted Diluted Net Income Per Unit	\$0.73	\$0.46	59%	\$0.84	(13%)

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

First Quarter 2018 GAAP to Non-GAAP Reconciliation

First Quarter 2018 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	GAAP	Adjustments							Non-GAAP	
		Distribution Related Payments (A)	Pass Through Expenses (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	Real Estate Credits (Charges) (E)	Contingent Payment Adjust. (F)	Acquisition-Related Expenses (G)		Other (H)
Investment advisory and services fees	\$ 573,598		(1,058)		1,348				77,844	\$ 651,732
Bernstein research services	114,400									114,400
Distribution revenues	108,004	(116,752)			41					(8,707)
Dividend and interest income	28,215			(93)	(13,382)					14,740
Investment gains (losses)	26,082			209	(23,198)					3,093
Other revenues	27,028		(9,551)		(846)					16,631
Total revenues	877,327	(116,752)	(10,609)	116	(36,037)	-	-	-	77,844	791,889
Less: interest expense	9,540									9,540
Net revenues	867,787	(116,752)	(10,609)	116	(36,037)	-	-	-	77,844	782,349
Employee compensation and benefits	343,825			(301)					42,688	386,212
Promotion and servicing	170,795	(116,752)	(9,412)							44,631
General and administrative	120,970		(1,197)		(13,481)	264				106,556
Contingent payment arrangements	53						-			53
Interest on borrowings	2,612									2,612
Amortization of intangible assets	6,861									6,861
Net income (loss) of consolidated entities attributable to non-controlling interests	-				94					94
Total expenses	645,116	(116,752)	(10,609)	(301)	(13,387)	264	-	-	42,688	547,019
Operating income	222,671	-	-	417	(22,650)	(264)	-	-	35,156	235,330
Income taxes	15,825			30	(1,604)	(19)			2,500	16,732
Net income	206,846			387	(21,046)	(245)			32,656	218,598
Net income (loss) of consolidated entities attributable to non-controlling interests	22,650				(22,650)				-	-
Net income attributable to AB Unitholders	\$ 184,196	\$ -	\$ -	\$ 387	\$ 1,604	\$ (245)	\$ -	\$ -	\$ 32,656	\$ 218,598

Please refer to page 35 for notes describing the adjustments.

First Quarter 2017 GAAP to Non-GAAP Reconciliation

First Quarter 2017 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	GAAP	Adjustments						Non-GAAP	
		Distribution Related Payments (A)	Pass Through Expenses (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	Real Estate Credits (Charges) (E)	Contingent Payment Adjust. (F)		Acquisition-Related Expenses (G)
Investment advisory and services fees	\$ 498,290		(1,892)		(377)			\$ 496,021	
Bernstein research services	112,741							112,741	
Distribution revenues	96,554	(103,292)			69			(6,669)	
Dividend and interest income	14,056			(158)	(4,660)			9,238	
Investment gains (losses)	25,201			(2,979)	(16,934)			5,288	
Other revenues	22,365		(8,515)		(253)			13,597	
Total revenues	769,207	(103,292)	(10,407)	(3,137)	(22,155)	-	-	630,216	
Less: interest expense	4,290							4,290	
Net revenues	764,917	(103,292)	(10,407)	(3,137)	(22,155)	-	-	625,926	
Employee compensation and benefits	321,748			(3,205)			(514)	318,029	
Promotion and servicing	153,660	(103,292)	(8,373)					41,995	
General and administrative	114,219		(2,034)		(5,984)	2	(10)	106,193	
Contingent payment arrangements	177							177	
Interest on borrowings	1,868							1,868	
Amortization of intangible assets	6,933							6,933	
Net income (loss) of consolidated entities attributable to non-controlling interests					147			147	
Total expenses	598,605	(103,292)	(10,407)	(3,205)	(5,837)	2	-	475,342	
Operating income	166,312	-	-	68	(16,318)	(2)	-	150,584	
Income taxes	10,057			4			32	10,093	
Net income	156,255			64	(16,318)	(2)	492	140,491	
Net income (loss) of consolidated entities attributable to non-controlling interests	16,318				(16,318)			-	
Net income attributable to AB Unitholders	\$ 139,937	\$ -	\$ -	\$ 64	\$ -	\$ (2)	\$ -	\$ 492	\$ 140,491

Please refer to page 35 for notes describing the adjustments.



Fourth Quarter 2017 GAAP to Non-GAAP Reconciliation

Fourth Quarter 2017 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	GAAP	Adjustments							Non-GAAP
		Distribution Related Payments (A)	Pass Through Expenses (B)	Deferred Comp. Inv. (C)	NCI/ Consol VIE (D)	Real Estate Credits (Charges) (E)	Contingent Payment Adjust. (F)	Acquisition-Related Expenses (G)	
Investment advisory and services fees	\$ 627,839		(1,095)		10,744				\$ 637,488
Bernstein research services	119,322								119,322
Distribution revenues	109,319	(117,388)			5				(8,064)
Dividend and interest income	20,139			(1,515)	(3,071)				15,553
Investment gains (losses)	23,981			(977)	(22,526)				478
Other revenues	26,508		(9,569)		(1,184)				15,755
Total revenues	927,108	(117,388)	(10,664)	(2,492)	(16,032)	-	-	-	780,532
Less: interest expense	7,967								7,967
Net revenues	919,141	(117,388)	(10,664)	(2,492)	(16,032)	-	-	-	772,565
Employee compensation and benefits	334,082			(2,389)					331,693
Promotion and servicing	174,669	(117,388)	(9,425)						47,856
General and administrative	118,362		(1,239)		(7,692)	2,732			112,163
Contingent payment arrangements	52						-		52
Interest on borrowings	1,966								1,966
Amortization of intangible assets	6,975								6,975
Net income (loss) of consolidated entities attributable to non-controlling interests	-				44				44
Total expenses	636,106	(117,388)	(10,664)	(2,389)	(7,648)	2,732	-	-	500,749
Operating income	283,035	-	-	(103)	(8,384)	(2,732)	-	-	271,816
Income taxes	28,241			(10)	(832)	(272)			27,127
Net income	254,794			(93)	(7,552)	(2,460)			244,689
Net income (loss) of consolidated entities attributable to non-controlling interests	8,384				(8,384)				-
Net income attributable to AB Unitholders	\$ 246,410	\$ -	\$ -	\$ (93)	\$ 832	\$ (2,460)	\$ -	\$ -	\$ 244,689

Please refer to page 35 for notes describing the adjustments.



AB Adjusted Financial Results Reconciliation

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

- A. We offset distribution-related payments to third parties as well as amortization of deferred sales commissions against distribution revenues. Such presentation appropriately reflects the nature of these costs as pass-through payments to third parties who perform functions on behalf of our sponsored mutual funds and/or shareholders of these funds. Amortization of deferred sales commissions is offset against net revenues because such costs, over time, essentially offset distribution revenues earned by the company.
- B. We exclude additional pass-through expenses we incur (primarily through our transfer agency) that are reimbursed and recorded as fees in revenues. These fees have no impact on operating income, but they do have an impact on our operating margin. As such, we exclude these fees from adjusted net revenues.
- C. We exclude the impact on net revenues and compensation expense of the mark-to-market gains and losses (as well as the dividends and interest) associated with employee long-term incentive compensation-related investments.
- D. We adjust for the impact of consolidating certain company-sponsored investment funds by eliminating the consolidated company-sponsored investment funds revenues and expenses and including AB's revenues and expenses that were eliminated in consolidation. In addition, the net income of joint ventures attributable to non-controlling interests is excluded because it does not reflect the economic interest attributable to AB.
- E. Real estate credits and charges are excluded since they are not considered part of our core ongoing operations.
- F. The recording of a change in estimate of the contingent consideration payable relating to our acquisitions is not considered part of our core operating results.
- G. Acquisition-related expenses have been excluded because they are not considered part of our core operating results when comparing financial results from period to period and to industry peers.
- H. Other reflects recognition of deferred revenue and compensation related to the Real Estate Investment Equity Fund I performance fee. The net amount was recorded as a cumulative opening January 1, 2018 equity adjustment for GAAP, but included in adjusted earnings.

Adjusted Operating Margin

Adjusted operating margin allows us to monitor our financial performance and efficiency from period to period without the volatility noted above in our discussion of adjusted operating income and to compare our performance to industry peers on a basis that better reflects our performance in our core business. Adjusted operating margin is derived by dividing adjusted operating income by adjusted net revenues.



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