



Enhancing Global Equity Allocation

The Dynamic Diversified Portfolio*: An Equity Replacement With Lower Volatility

- Equity-like returns with lower risk
- Multiple and diversified sources of return
- Dynamic asset allocation targets stability

Equity Returns—Volatile by Nature

Equities offer attractive investment opportunities but returns are volatile (*Display 1*). Exposing a significant portion of your managed assets to equity risk, whether actively or passively managed, gives uncertain results in the short to medium term.

So, many investors seek returns but not the volatility of equities. Replacing a portion of equity allocation with a flexible solution able to move away from equities can reduce the drag on money-weighted returns caused by volatility.

Our Dynamic Diversified Portfolio (DDP) gives you the opportunity to participate in the return potential of a full spectrum of asset classes with reduced risk. It targets equity-like returns with volatility expectations between a half and two-thirds that of the MSCI World Index (*Display 2*).

Display 1
Over 40 Years Equity Returns Have Been Volatile



Trailing 12-month volatility and growth of \$100 invested in MSCI World Index from January 1, 1970 to September 30, 2012.
Source: MSCI and AllianceBernstein

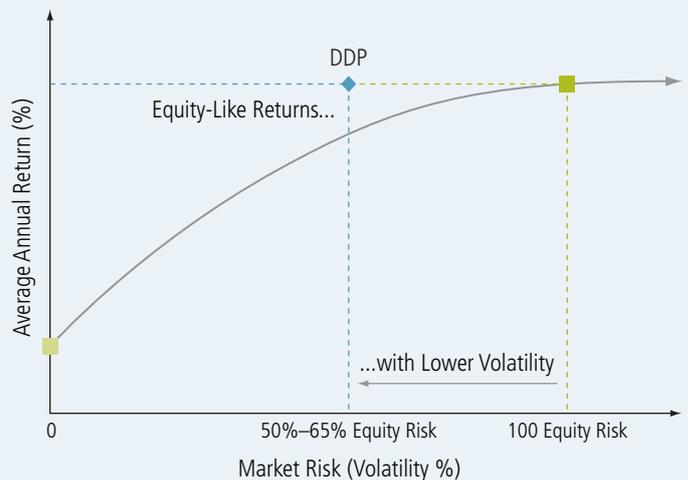
Seeking Equity-Like Returns with Significantly Lower Volatility

Market conditions fluctuate—the Greek debt crisis, Japanese earthquake, US sovereign downgrade—did your portfolio react?

DDP manages risk and return by actively tilting towards either return-oriented or stabilising assets. The Portfolio comprises multiple asset classes - from a variety of sources of return to a range of defensive diversifiers. The portfolio manager uses our Dynamic Asset Allocation toolkit to help determine the allocation to each asset class appropriate for the prevailing market conditions.

DDP encompasses several investment types, styles, instruments and exposures to generate equity-like returns, while also providing the benefits of diversification. And with an active tilt in place, equity exposure can be ratcheted down when it isn't being rewarded.

Display 2
The Efficient Frontier: How Risk Rises with Expected Return



As of October 2012
Source: AllianceBernstein

Dynamic Diversified Portfolio: A Diversified Mix of Assets, Dynamically Adjusted to Exploit Return Potential

Diversified Exposures diversified across a wide variety of assets classes including: global equities, real estate securities, commodities, bonds and alternatives	➔	Helps to achieve smoother, more consistent returns in a simple fund solution
Unconstrained Tilts allocations across asset classes depending on market conditions	➔	Better navigates the downside of unfavorable capital markets, while capturing their return opportunity in good markets
Integrated Security selection driven by experienced, global, specialist research teams	➔	Identifies the best securities to own in each asset class to enhance overall returns
Active Draws on AllianceBernstein's 40 plus years of experience constructing multi-asset strategies	➔	Ensures that the portfolio evolves with best thinking, providing investors with optimal wealth accumulation

Target Performance: Generate absolute returns in the long run of more than cash¹ plus 4% (before fees) with volatility of between half to two-thirds of that of the MSCI World Index

Universe: The Portfolio may include equity securities and fixed income instruments, including high-yield securities, real estate-related securities, derivatives, currencies, commodity-related securities and alternatives, within the limits prescribed by UCITS regulations

Domicile: Luxembourg

Vehicle: UCITS compliant *Fonds Commun de Placement (FCP)*

Fiscal Year End: August 31

Subscription/Redemption: Daily

Base Currency: US dollars

Hedged Share Classes: GBP sterling and euros

Management Charges: See Prospectus

Portfolio Inception Date: As of April 15, 2011 the Portfolio was enhanced to incorporate broader asset classes as well as the Dynamic Asset Allocation strategy and its name was changed from Global Balanced to Dynamic Diversified Portfolio

ISIN: LU0592678923 (Class A, USD)

Ticker: ABDYDAU (Class A, USD)

Fiscal Year End: August 31

© 2012 AllianceBernstein L.P.

The sale of shares in AllianceBernstein funds may be restricted in certain jurisdictions. In particular shares may not be offered or sold, directly or indirectly, in the United States or to U.S. Persons, as described in the Fund's prospectus. Further details may be obtained from the Distributor.

Before investing in shares of any AllianceBernstein fund, investors should review the fund's current simplified and/or full prospectus, together with the fund's most recent financial statements. Copies of these documents, including the latest annual report and, if issued thereafter, the latest semi-annual report, may be obtained free-of-charge from AllianceBernstein (Luxembourg) S.A., by visiting www.acmbernstein.com. Fund documents may not be available to prospective investors in some jurisdictions where certain Funds are prohibited for sale.

AllianceBernstein—Dynamic Diversified Portfolio* is a portfolio of AcM Bernstein a mutual investment fund (Fonds commun de placement) incorporated under the laws of the Grand Duchy Luxembourg, which conducts business outside of Germany and Austria under the name AllianceBernstein.

Effective 11 April 2011, AllianceBernstein (Luxembourg) S.A. changed its corporate form and name from AllianceBernstein (Luxembourg) S.A. to AllianceBernstein (Luxembourg) S.à.r.l. The Management Company will constitute the same legal entity and will continue to operate as a Management Company of the Funds.

Investment Risks—Investment in the portfolio entails certain risks. Investment returns and principal value of the portfolio will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The portfolio is meant as a vehicle for diversification and does not represent a complete investment program. Some of the principal risks of investing in the portfolio include country risk, emerging markets risk, currency risk, currency hedged share class risk, illiquid assets risk, focused portfolio risk, allocation risk, portfolio turnover risk, management risk, industry/sector risk, derivatives risk, taxation risk, equity securities risk, real estate industry risk, and real estate investment trust risk. These and other risks are described in the Portfolio's prospectus. Prospective investors should read the prospectus carefully and discuss risk and the Portfolio's fees and charges with their financial advisor to determine if the investment is appropriate for them.

AllianceBernstein® and the AB Logo are registered trademarks and service marks used by permission of the owner, AllianceBernstein L.P.

This information is issued by AllianceBernstein Limited, 50 Berkeley Street, London W1J 8HA. Registered number 2551144. AllianceBernstein Limited is authorised and regulated in the UK by the Financial Services Authority (FSA – Reference Number 147956). This information is directed at Professional Clients only. It is provided for informational purposes only and is not intended to be an offer or solicitation, or the basis for any contract to purchase or sell any security, product or other instrument, or for AllianceBernstein to enter into or arrange any type of transaction as a consequence of any information contained herein. The views and opinions expressed in this document are based on AllianceBernstein's internal forecasts and should not be relied upon as an indication of future market performance. The value of investments can go down as well as up and investors may not get back the full amount invested.

Note to UK readers: The Fund is categorized as a Recognised Collective Investment Scheme by the FSA. However, because the position may differ compared to a UK authorized scheme, potential investors considering investment in this scheme may wish to ask for further information from its operator, AllianceBernstein (Luxembourg), about complaints and compensation arrangements.

MSCI Note: MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed or produced by MSCI.

¹Defined as three-month USD LIBOR. Long run means typically 5 years or more.

*Prior to April 15, 2011 the Portfolio was named AllianceBernstein—Global Balanced Portfolio