

April 27, 2017



FIRST QUARTER 2017 REVIEW

Peter S. Kraus Chairman & 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, 2016 and Form 10-Q for the quarter ended March 31, 2017. 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 fluctuation of our effective tax rate:** Our effective tax rate fluctuates based on the mix of our earnings across our tax filing group, which includes our U.S. partnership, our U.S. corporate subsidiaries and our corporate subsidiaries operating in various non-U.S. jurisdictions, and the differences between the tax rates in the U.S and the other jurisdictions where we conduct business.

Peter S. Kraus

Chairman & Chief Executive Officer

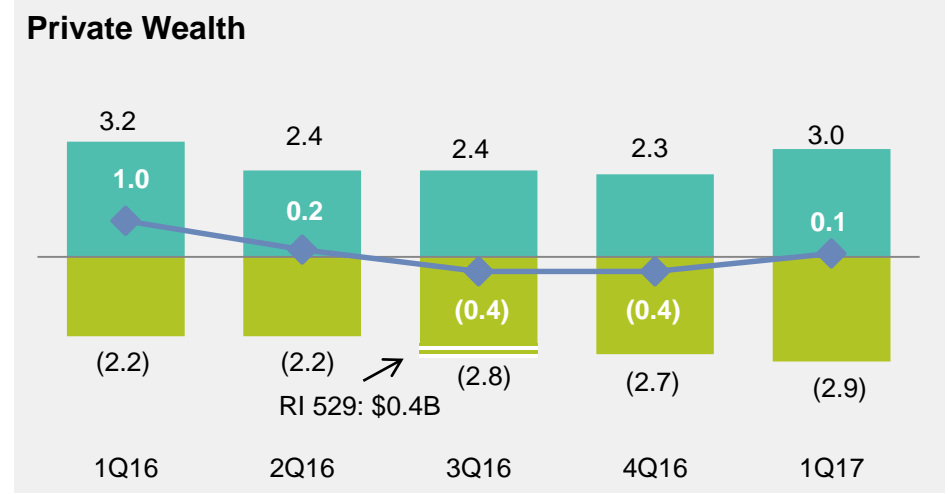
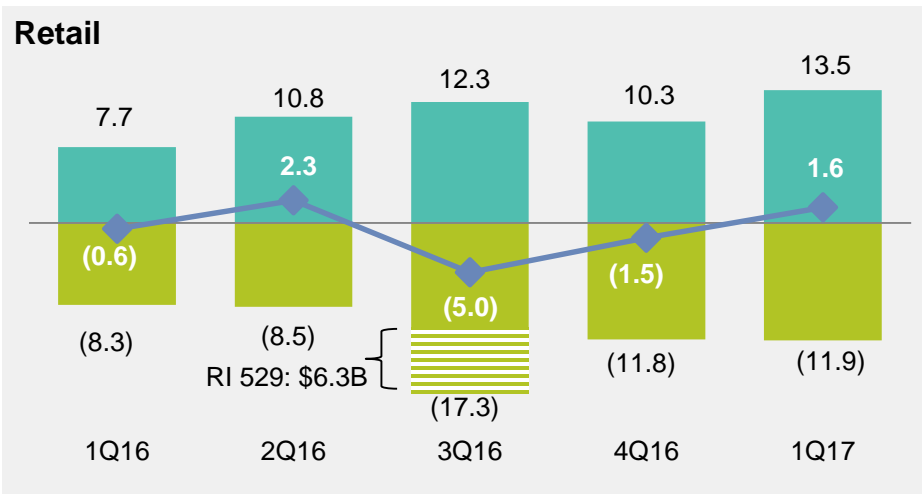
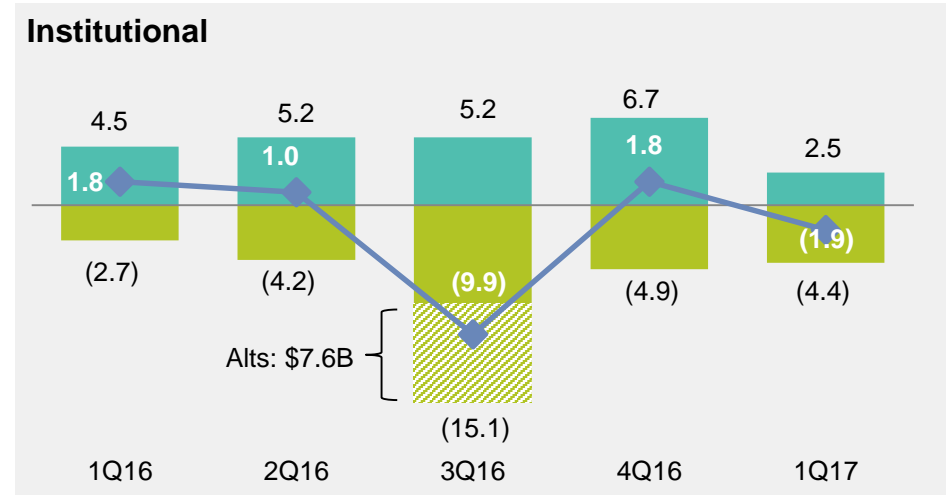
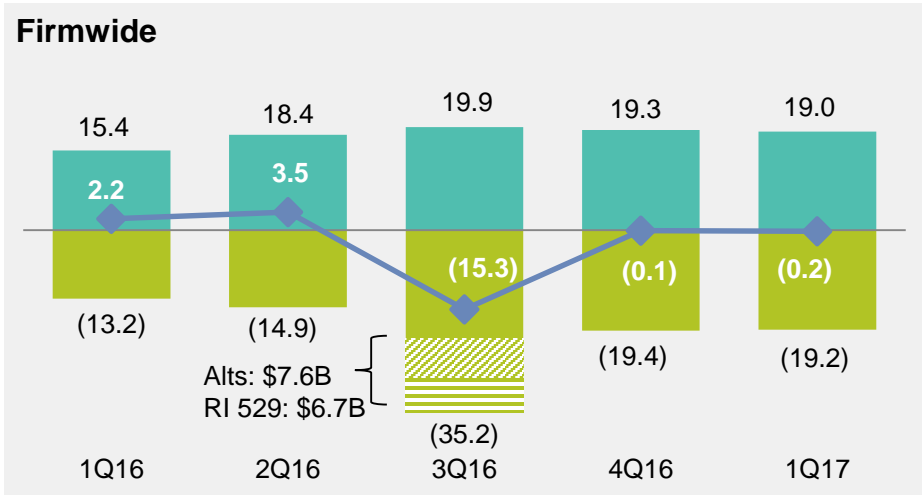
Firmwide Overview: First Quarter 2017



US \$ Billions; scales differ by chart



Asset Flows by Distribution Channel: Quarterly Trend



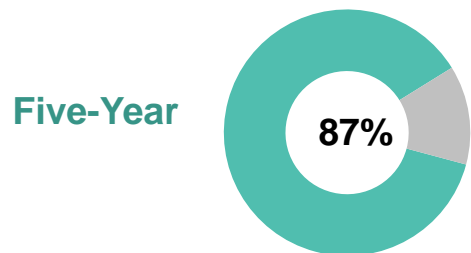
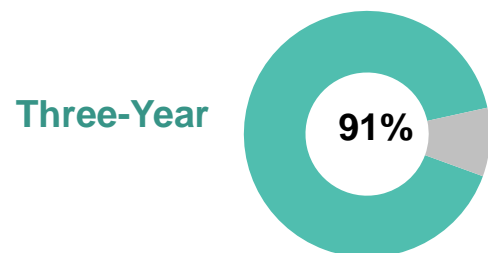
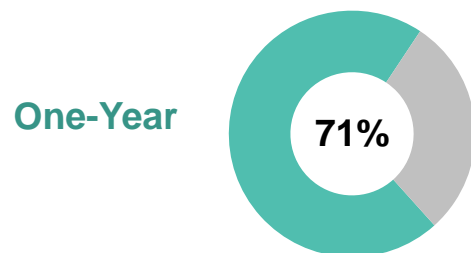
■ Gross Sales ■ Gross Redemptions ◆ Net Flows

US \$ Billions; scales differ by chart



Fixed Income Investment Performance

% of Assets in Outperforming Services*



Institutional Service	Performance vs. Benchmark Through 3/31/17 (%)		
	1 Year	3 Year	5 Year
Risk Reducing			
Global Aggregate	1.2	0.5	0.2
Global Plus	2.6	0.8	0.8
Global Fixed Income	(0.1)	0.0	0.1
US Strategic Core Plus	2.1	1.1	1.1
US Core Fixed Income	0.5	0.2	0.4
US Investment Grade Corporates	0.9	0.7	0.7
TIPS Plus	2.9	1.3	1.4
Canada Core Plus	1.7	0.7	0.7
UK Core Plus	1.3	0.7	0.8
Return Seeking			
Global High Income	1.4	(0.3)	0.0
US High Yield	(1.1)	0.0	0.7
European Income	1.9	0.2	0.9
European High Yield	0.5	0.4	0.9
Emerging Markets Debt	4.3	0.1	0.5
Absolute Return			
Diversified Yield Plus	4.3	2.6	3.0
Unconstrained Bond	7.6	2.8	3.2

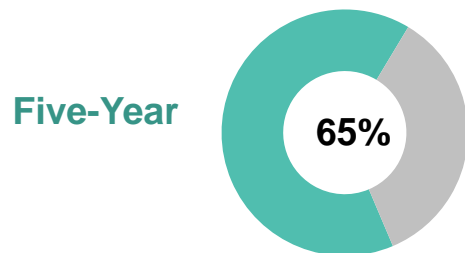
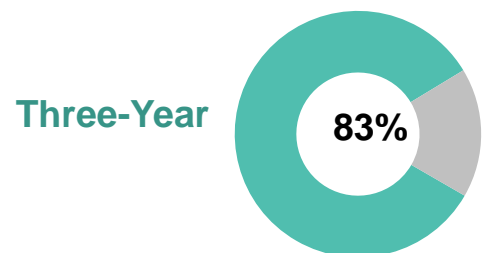
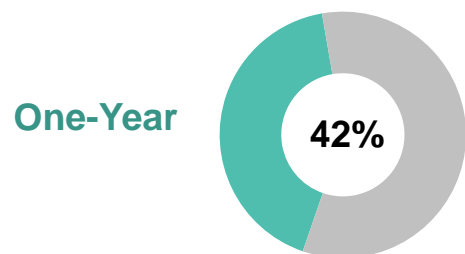
*Percentage of active fixed income assets in institutional services that outperformed their benchmark gross of fees and percentage of active fixed income assets in retail Advisor share class funds ranked in the top half of their Morningstar category. Where no Advisor class exists, A share class used. Corresponding percentages as of 12/31/16 were: 81% for 1-yr, 89% for 3-yr and 88% for 5-yr.

Benchmarks: Global Aggregate (hedged to USD) – Bloomberg Barclays Global Aggregate Hedged; Global Plus (hedged to USD) – Bloomberg Barclays Global Aggregate Hedged; Global Fixed Income (hedged to USD) – JP Morgan Govt Bond Global Hedged; US Strategic Core Plus – Bloomberg Barclays US Aggregate; US Core Fixed Income – Bloomberg Barclays US Aggregate; US Investment Grade Corporate – Bloomberg Barclays US Credit; TIPS Plus – Bloomberg Barclays US Treasury Inflation Notes 1-10 Yr; Canada Core Plus – FTSE TMX Canada Universal Bond; UK Core Plus – BofA ML Sterling Non Gilts; US High Yield – Bloomberg Barclays US Corporate High Yield; Global High Income (hedged to USD) – Bloomberg Barclays Global High Yield Hedged; European Income (hedged to EUR) – 65% Bloomberg Euro Aggregate/35% Bloomberg Pan-Euro HY 2% Constraint; European High Yield – Bloomberg Barclays Euro HY 2% Cap; Emerging Markets Debt – JPM EMBI Global; Diversified Yield Plus – 3-Month GBP LIBOR; Unconstrained Bond – BAML 3 Month US T Bills. As of 3/31/17 and gross of fees.



Equities Investment Performance

% of Assets in Outperforming Services*



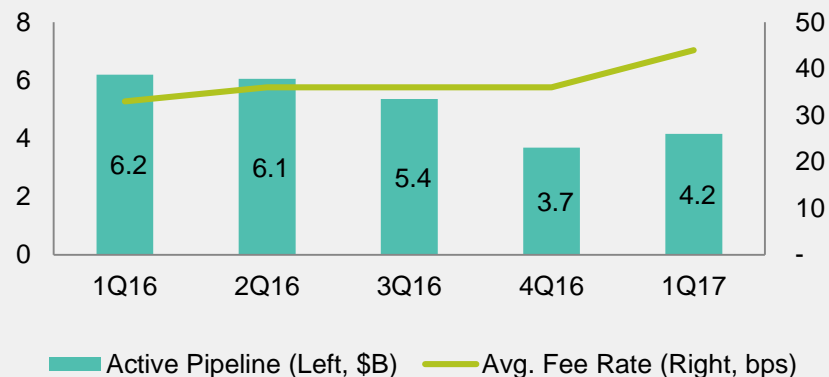
Institutional Service	Performance vs. Benchmark Through 3/31/17 (%)		
	1 Year	3 Year	5 Year
Unique Alpha			
Concentrated US Growth	2.0	1.3	0.5
Concentrated Global Growth	2.7	4.0	0.4
US Thematic Research	1.1	0.2	0.5
Global Thematic Research	0.2	1.8	0.9
Stable & Consistent Alpha			
Core Opportunities	0.3	1.5	1.5
Select US Equity	(1.4)	(0.4)	(0.1)
Global Core Equity	1.0	0.6	2.0
Style Diversification			
US SMID Cap Value	(0.1)	1.8	1.5
US SMID Cap Growth	1.4	(1.3)	(1.1)
US Large Cap Growth	(0.3)	2.7	1.8
Global Strategic Value	0.9	0.2	2.1
Emerging Markets Growth	3.1	4.1	4.0
Limiting Downside Risk			
US Strategic Core	(8.0)	2.8	2.3
Global Strategic Core	(5.4)	3.4	2.8
International Strategic Core	(4.8)	4.4	3.6
Emerging Markets Strategic Core	(0.6)	6.0	N/A

*Percentage of equity assets in institutional services that outperformed their benchmark gross of fees and percentage of active equity assets in retail Advisor share class funds ranked in the top half of their Morningstar category. Where no Advisor class exists, A share class used. Corresponding percentages as of 12/31/16 were: 27% for 1-yr, 80% for 3-yr and 64% for 5-yr. Benchmarks: Concentrated US Growth – S&P 500; Concentrated Global Growth – MSCI World; US Thematic Research – S&P 500; Global Thematic Research – MSCI ACWI; Core Opportunities – S&P 500; Select US Equity – S&P 500; Global Core Equity – MSCI ACWI; US SMID Cap Value – Russell 2500 Value; US SMID Cap Growth – Russell 2500 Growth; US Large Cap Growth – Russell 1000 Growth; Global Strategic Value – MSCI ACWI; Emerging Markets Growth – MSCI Emerging Markets; US Strategic Core Equity – S&P 500; Global Strategic Core Equity – MSCI World; International Strategic Core Equity – MSCI EAFE; Emerging Markets Strategic Core Equity – MSCI Emerging Markets. As of 3/31/17 and gross of fees.



Institutional Highlights

\$4.2B Active Pipeline⁽¹⁾ At End-1Q; Rising Average Fee Rate



First Quarter 2017 Highlights

Two anomalies in the quarter

- + \$2.5B in gross sales less than half the 2016 quarterly average
- + Two large outflows totaling \$3.6B – \$2.8B from Investment Grade Credit (low fee) and \$800M from passive equity
 - + Excluding these two outflows, net flows would have been +\$1.7B

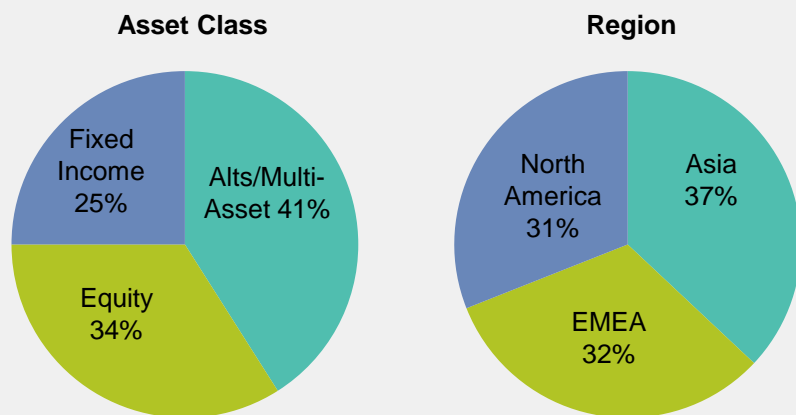
Notable 1Q17 pipeline adds across asset classes

- + Commercial Real Estate Debt Fund III: \$380M
- + Canada Core Plus: \$220M
- + Customized Multi-Asset: \$200M
- + Global Fixed Income: \$200M
- + Institutional Target-Date Funds: \$160M
- + Emerging Markets Strategic Core: \$130M
- + Small Cap Equity: \$100M

Consultant advocacy gaining momentum

- + Highest rating upgrades for Global Concentrated and Global Core Equity
- + Near 5-year mark, Emerging Markets Strategic Core Equity (top decile for the 3-year) is getting a closer look
- + Robust consultant-led search activity for SMID/Small Cap Value
- + Early support for new AB Custom Alternative Solutions (CAS) team

Pipeline Diverse by Asset Class and Region at End-1Q17

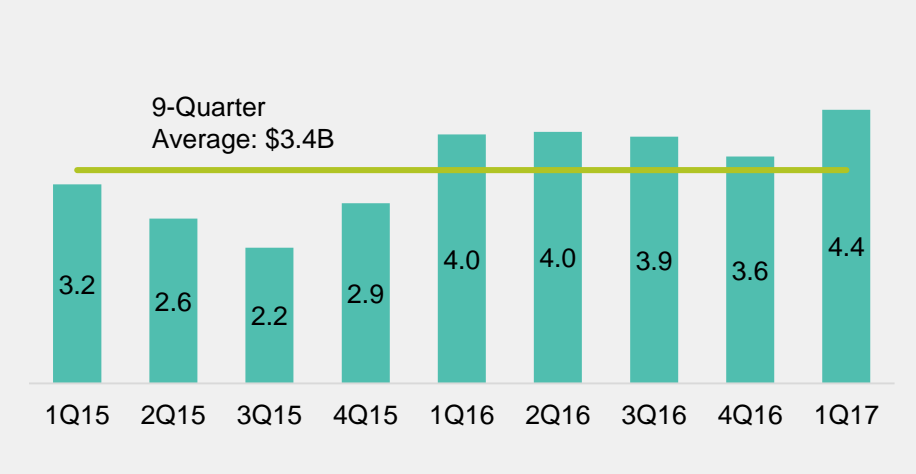


1. Assets awarded and pending funding as of quarter-end; excludes CRS/passive.

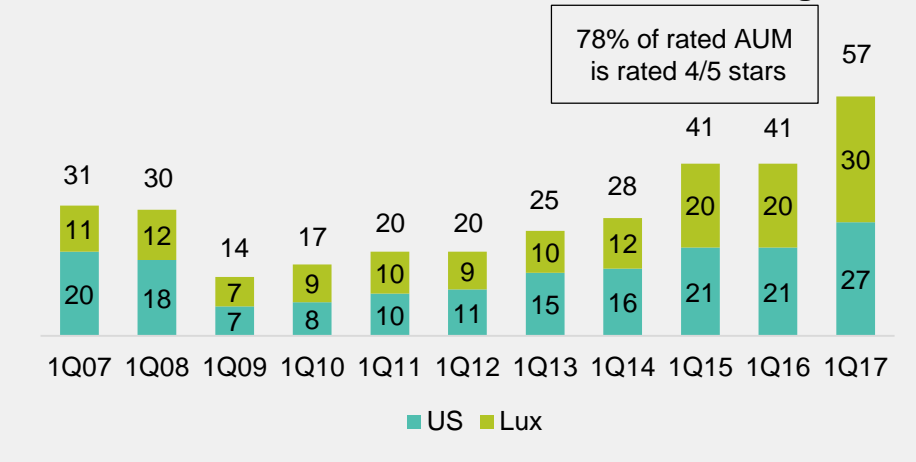
Retail Highlights

\$4.4B AB US Retail Gross Sales Highest Since 1Q08

\$B



Number of 4/5-Star Ranked AB Funds at All-Time High



First Quarter 2017 Retail Highlights

Gross Sales & Net Flows

- + 1Q17 gross sales of \$13.5B highest since 2Q13, driven by Taxable FI and Equities
 - + Taxable FI: +135% Y/Y and +34% Q/Q
 - + Equity: +45% Y/Y and +39% Q/Q
- + Sales momentum from diverse areas during the quarter
 - + Equity and Multi-Asset were four of the top 10 selling products
 - + Triple digit Q/Q sales increase for Global Plus Fixed Income, Global Multi-Asset, US SMID Cap Value
 - + Strength in Taiwan, Hong Kong, Germany, Spain and Switzerland
- + Net inflows of \$1.6B following two straight net outflow quarters
 - + Net flow positive 8 of last 12 months – including Jan, Feb and March
 - + Net flow positive in Asia ex Japan, US Retail and Latin America
 - + Return to muni flow momentum after post-election hiccup

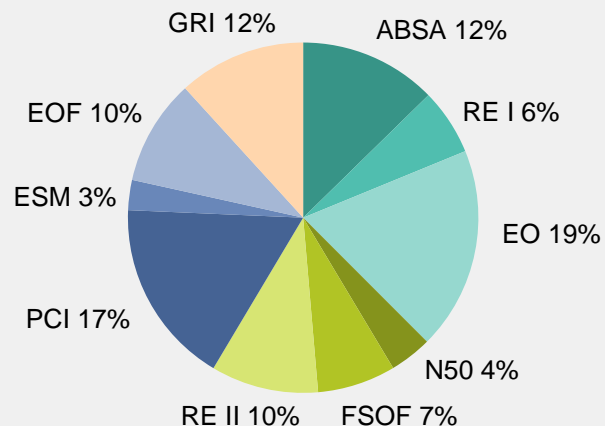
Milestones

- + New AB Performance Fee Fund Series effective with SEC in March
 - + ETF-like management fee and performance fee only if funds outperform benchmarks
- + 57 AB Morningstar 4/5-star funds nearly double pre-Crisis peak
- + 6th straight 10-Year US Lipper Performance Award for AB High Income
 - + 15% increase in Morningstar category market share since 1Q16
- + Discretionary Investment Management (DIM) multi-asset funds in Taiwan grew to \$4B in assets within 3.5 years

Private Wealth Management Highlights

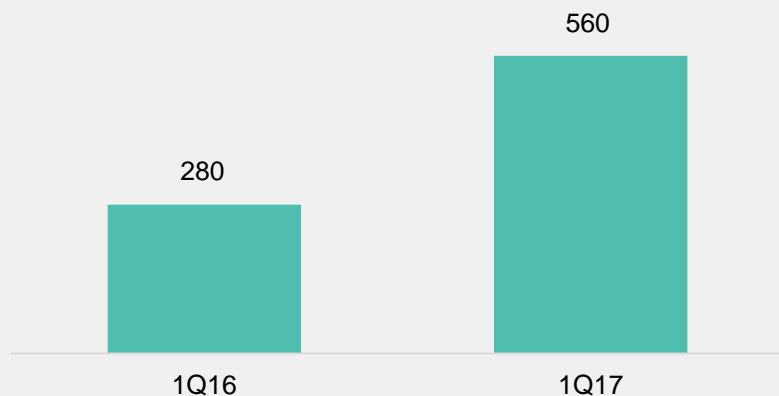
\$4.7B in Targeted Services Assets Raised Since 2010

% of Total



Targeted Services Commitments Doubled Year-Over-Year

\$M



First Quarter 2017 Private Wealth Highlights

Positive flow momentum

- + \$3.0B gross sales in 1Q17 vs. \$2.3B in 4Q16 and \$3.2B in 1Q16
- + Return to net flow positive with +\$100M
 - + Net flow positive in three of the past five quarters
- + Underlying trends stronger than flows suggest
 - + Two large outflows totalling \$230M during the quarter that were not performance related

Continued success with Targeted Services

- + Accounts that include Targeted Services grow and onboard faster and have significantly higher retention rates
- + 1Q17 commitments of \$560M a record for a quarter without a service launch; second highest ever
- + Global Research Insights at \$560M in commitments since 2Q16 launch
 - + 800+ bps above benchmark just shy of 1 year mark

The Bernstein Model: Designed to weather diverse market conditions

- + *Core Customized Allocation* keeps clients properly invested, balanced among factors and diversified
- + *Satellite Services* augment client portfolio returns, diversify return sources, provide stability and add income
- + *Dynamic Asset Allocation (DAA)* tactically adjusts asset allocations to reduce volatility in client portfolios without sacrificing returns

ABSA – AB Securitized Assets; RE I – Real Estate I; EO – European Opportunities; N50 – Next 50; FSOF – Financial Services Opportunities Fund; RE II – Real Estate II; PCI – Private Credit Investors; ESM – Early Stage Managers; EOF – Energy Opportunities Fund; GRI – Global Research Insights.



Bernstein Research Highlights

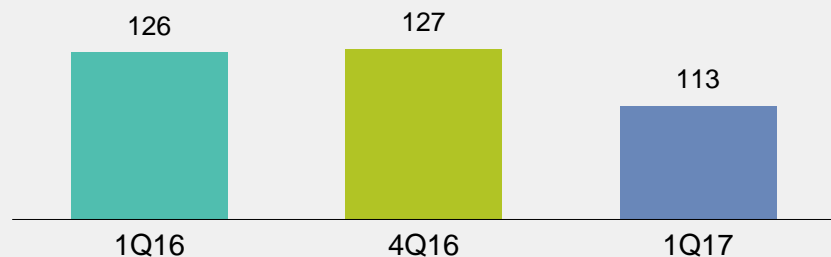
Bernstein Quarterly Revenues

\$M

% Change

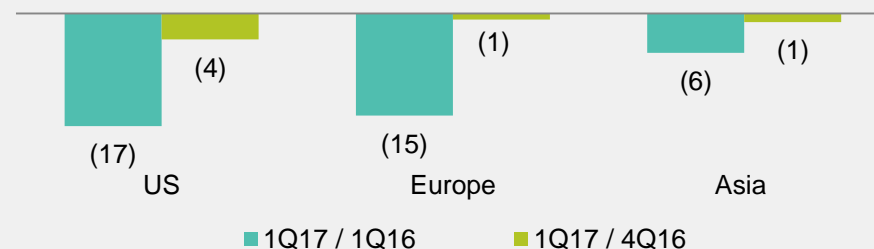
1Q17/1Q16: (10)%

1Q17/4Q16: (11)%



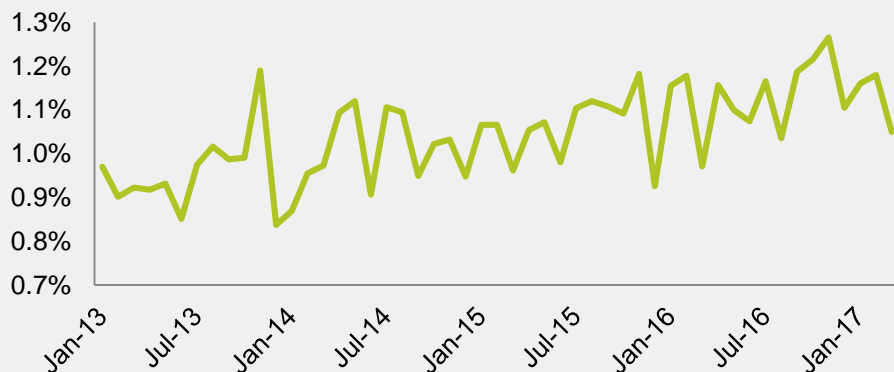
Total Regional Volumes

Industry Trading Volumes¹ (% Change)



Positive Trend Line for US Market Share⁽²⁾

Bernstein US Volume Share (%)



Bernstein Research 1Q17 Highlights

Differentiated Research

- + New US Retail analyst launched coverage in 1Q17
- + Filed Bernstein US Research and Global Research ETFs with SEC
 - + Unique fundamental research core and pricing structure

Well positioned in MiFID II transition

- + Unique research offering an advantage as clients cull research providers
- + Best-in-class trading platform and ability to leverage research insights
- + New trading operations in Zurich, Frankfurt and Scandinavia to sell our full suite of execution services locally
- + Encouraging early conversations with clients

1. US: NYSE and Nasdaq shares traded; Europe: FESE - Federation of European Stock Exchanges on-exchange volumes. Value traded and in USD. Represents consideration in local currency at the time translated at that month's FX rates; Asia: Combined value traded for Hong Kong and Japan.

2. Source: Bloomberg and Bernstein Research.



Progress on Our Strategy in 1Q17

Firmwide Initiative

Deliver for our clients with our investment performance

Progress

- + Fixed Income: 91% of assets in outperforming services for 3-yr period
 - + Top quartile: Global Plus, TIPS Plus, Global FI, Global Agg., Global High Income, US Strategic Core Plus
 - + Top half: UK Core Plus, US High Yield, EM Debt, Canada Core Plus, Euro Income, US IGC
- + Active equity: 83% of assets in outperforming services for 3-yr period
 - + Top quartile: US LC Growth, EM Growth, Concentrated Global and US Growth, Strategic Core Suite
 - + Top half: US SMID Value, Select US, US and Global Thematic Research, Global Strat. Value, Global Core

Build a broader and more balanced global business

- + \$4.2B Institutional active pipeline at quarter-end diverse by region and asset class
 - + By region: Asia: 37%, EMEA: 32%, N. America: 31%; by assets: Alts/MAS: 41%, Equity: 34%, FI: 25%
- + \$13.5B Retail gross sales highest since 2Q13; all regions contributed to Y/Y and Q/Q increases
 - + US Retail gross sales of \$4.4B highest since 1Q08
- + New Bernstein Research trading operations in Zurich, Frankfurt and Scandinavia to serve local clients

Constantly innovate for clients with our products and services

- + Launched industry-first series of six retail performance fee-based funds in the US
 - + ETF-like management fee and capped performance fee only if the funds outperform benchmarks
- + \$560M in commitments to Private Wealth Targeted Services in 1Q17 double 1Q16's \$280M
- + Filed Bernstein US and Global Research ETFs with the SEC
 - + Unique fundamental research core and pricing structure

Achieve greater operating leverage and better financial results

- + Adjusted revenues up +6% Y/Y, well outpacing +3% adjusted expense increase
 - + Adjusted operating income up +14% Y/Y for incremental margin of 55%
- + 24.1% adjusted operating margin in 1Q17 up 170 basis points vs. 1Q16
- + Total net outflows of -\$0.2B came from -\$2.8B low-fee Institutional outflow and -\$2.2B out of passive

John C. Weisenseel

Chief Financial Officer

First Quarter 2017 GAAP Income Statement

Income Statement (in US \$ Millions)	1Q17	1Q16	% Δ	4Q16	% Δ
Base Fees	\$ 492	\$ 451	9%	\$ 486	1%
Performance Fees	6	-	n/m	29	(79%)
Bernstein Research Services	113	126	(10%)	127	(11%)
Distribution Revenues	97	93	4%	97	0%
Dividends & Interest	14	10	40%	17	(18%)
Investment Gains (Losses)	25	66	(62%)	8	213%
Other Revenues	22	25	(12%)	25	(12%)
Total Revenues	769	771	(0%)	789	(3%)
Less: Interest Expense	4	2	100%	3	33%
Net Revenues	\$ 765	\$ 769	(1%)	\$ 786	(3%)
Compensation & Benefits					
Compensation & Fringes	\$ 315	\$ 295	7%	\$ 295	7%
Other Employment Costs	7	7	0%	7	0%
Total Compensation & Benefits	322	302	7%	302	7%
Promotion & Servicing	154	153	1%	157	(2%)
General & Administrative	114	134	(15%)	97	18%
Other	9	7	29%	8	13%
Total Operating Expenses	\$ 599	\$ 596	1%	\$ 564	6%
Operating Income	\$ 166	\$ 173	(4%)	\$ 222	(25%)
Operating Margin	19.6%	23.2%		27.4%	
AB Holding GAAP Diluted Net Income Per Unit ¹	\$ 0.46	\$ 0.55	(16%)	\$ 0.77	(40%)

Percentages are calculated using amounts rounded in millions.

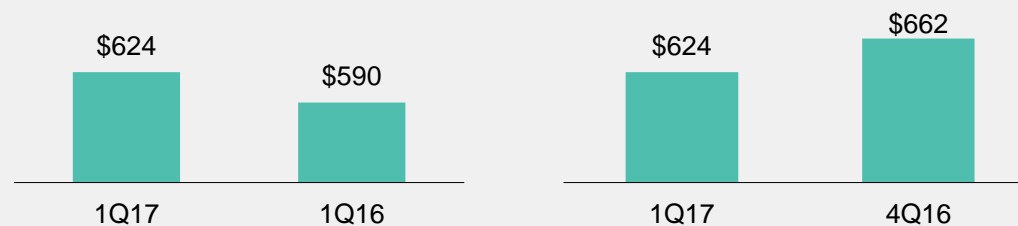
(1) The 1Q16 GAAP Diluted Net Income per Unit has been revised.



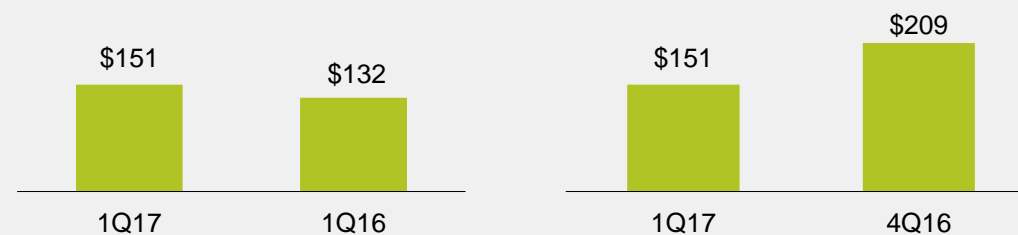
Adjusted Financial Highlights: First Quarter 2017

In US \$ Millions; scales may differ

Adjusted Revenues



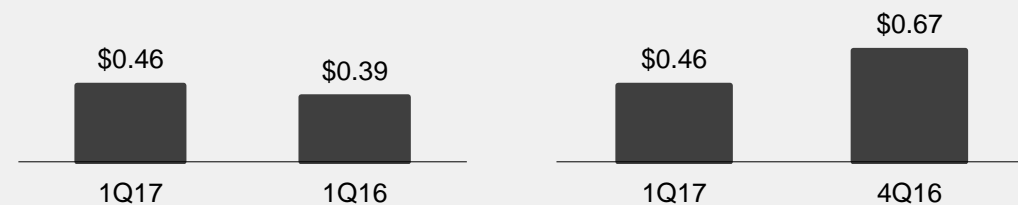
Adjusted Operating Income



Adjusted Operating Margin



Adjusted EPU¹



Please refer to pages 30-33 for additional information on the reconciliation of GAAP financial results to adjusted financial results.

(1) The 1Q16 Adjusted Diluted Net Income per Unit has been revised.

First Quarter 2017 Adjusted Income Statement

Adjusted Income Statement (in US \$ Millions)	1Q17	1Q16	% Δ	4Q16	% Δ
Base Fees	\$ 490	\$ 448	9%	\$ 484	1%
Performance Fees	6	1	500%	29	(79%)
Bernstein Research Services	113	126	(10%)	127	(11%)
Net Distribution Revenues (Expenses)	(9)	(5)	80%	(8)	13%
Investment Gains (Losses)	5	-	n/m	4	25%
Other Revenues	23	22	5%	29	(21%)
Total Revenues	628	592	6%	665	(6%)
Less: Interest Expense	4	2	100%	3	33%
Adjusted Net Revenues	\$ 624	\$ 590	6%	\$ 662	(6%)
Compensation & Benefits					
Compensation & Fringes	\$ 312	\$ 295	6%	\$ 295	6%
Other Employment Costs	6	7	(14%)	6	0%
Total Compensation & Benefits	318	302	5%	301	6%
Promotion & Servicing	40	45	(11%)	43	(7%)
General & Administrative	106	103	3%	100	6%
Other	9	8	13%	9	0%
Total Adjusted Operating Expenses	\$ 473	\$ 458	3%	\$ 453	4%
Adjusted Operating Income	\$ 151	\$ 132	14%	\$ 209	(28%)
Adjusted Operating Margin	24.1%	22.4%		31.6%	
AB Holding Adjusted Diluted Net Income Per Unit ¹	\$ 0.46	\$ 0.39	18%	\$ 0.67	(31%)

Please refer to pages 30-33 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Percentages are calculated using amounts rounded in millions.

(1) The 1Q16 Adjusted Diluted Net Income per Unit has been revised.

First Quarter 2017 Adjusted Income Statement Highlights

Revenues

- + Base Fees increased versus both prior periods primarily due to higher average AUM across all three distribution channels.
- + Performance Fees were up versus 1Q16 due primarily to higher fees earned on our Select US Equity L/S, CLO High Yield Bank Loans, Global Plus FI and Middle Market Lending services. The sequential decline resulted from a greater number of investment strategies having annual calculation periods ending in 4Q16.
- + Declining client trading activity in the US drove declines in Bernstein Research revenues versus both 1Q16 and 4Q16. A stronger US dollar also contributed to the declines in Europe versus 1Q16.
- + Net Distribution expenses increased versus 1Q16 as the increase in distribution related payments outpaced the increase in distribution revenues and decline in amortization of deferred sales commissions. Sequentially, higher promotional payments in Asia pushed Net Distribution expenses slightly higher.
- + Investment gains in the current quarter were attributed primarily to seed investment gains, as compared to smaller seed gains in both 1Q16 and 4Q16.
- + 4Q16 Other Revenues reflects the distribution of capital gains for funds in the seed portfolio and a \$2M refund of custodian fees.

Expenses

- + The adjusted compensation ratio was 50.0% in 1Q17, compared to 50.0% 1Q16 and 44.6% in 4Q16.
- + Total Compensation & Benefits increased 5% versus 1Q16 due to higher incentive compensation accruals partially offset by lower base comp. The 6% sequential increase was due predominantly to a higher comp ratio in the current period.
- + Promotion & Servicing expenses declined 11% versus the prior year quarter due mainly to lower Marketing, Transfer Fee, and Trade & Execution costs. The 7% sequential decline was due to lower Marketing and T&E expenses.
- + G&A expenses increased 3% versus prior year period due to higher professional fees and FX related charges. The 6% sequential increase is due to higher professional fees and other miscellaneous expenses. 4Q16 included a \$3M benefit from the reduction of legal reserves.
- + The increase in Other expenses versus 1Q16 was driven by higher interest related charges in the current quarter.

Operating Results

- + Adjusted Operating Income increased 14% versus the prior year quarter due to the growth in revenue outpacing expense growth.
- + The 28% sequential decline was attributed to lower revenue, driven by lower performance fees and BRS revenues, paired with higher Operating Expenses driven by a higher comp ratio in the current quarter.
- + Adjusted Margin was 24.1% in 1Q17, as compared to 22.4% in 1Q16 and 31.6% in 4Q16.

Please refer to pages 30-33 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, 2017

Service	1Q17	1-Yr	3-Yr	5-Yr	10-Yr	Benchmark
Equity						
Emerging Markets Value	0.2	3.1	2.0	(0.4)	(0.7)	MSCI EM
Global Strategic Value	(0.7)	0.9	0.2	2.1	(2.9)	MSCI ACWI
US Small & Mid Cap Value	0.3	(0.1)	1.8	1.5	2.2	Russell 2500 Value
US Strategic Value	(0.8)	(4.9)	(3.2)	(1.7)	(2.5)	Russell 1000 Value
US Small Cap Growth	4.6	5.2	(1.6)	(0.8)	1.9	Russell 2000 Growth
US Large Cap Growth	1.3	(0.3)	2.7	1.8	0.2	Russell 1000 Growth
US Small and Mid Cap Growth	3.1	1.4	(1.3)	(1.1)	2.2	Russell 2500 Growth
Concentrated US Growth	2.7	2.0	1.3	0.5	2.2	S&P 500
Select US Equity	(1.6)	(1.4)	(0.4)	(0.1)	2.8	S&P 500
Global Core Equity	1.2	1.0	0.6	2.0	N/A	MSCI ACWI
Fixed Income						
Global High Income	0.9	1.4	(0.3)	(0.0)	0.4	Bloomberg Barclays Global High Yield - Hedged
Global Fixed Income	0.5	(0.1)	0.0	0.1	1.2	JPM Government Bond Global - Hedged
US Strategic Core Plus	0.3	2.1	1.1	1.1	0.9	Bloomberg Barclays US Aggregate
Emerging Market Debt	1.0	4.3	0.1	0.5	1.1	JPM EMBI Global
Global Plus	0.6	2.6	0.8	0.8	1.2	Bloomberg Barclays Global Aggregate - Hedged

Performance is preliminary and as of March 31, 2017. 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, Global Fixed Income and Global Plus are hedged to USD.



Retail Mutual Funds Relative Performance vs. Morningstar Average

Service	Periods Ended March 31, 2017					Morningstar Average
	1Q17	1-Yr	3-Yr	5-Yr	10-Yr	
Equity						
International Value	2.4	(1.2)	1.8	0.7	(2.4)	Foreign Large Value
Relative Value	(0.5)	(2.3)	0.7	0.9	0.6	Large Value
Discovery Value	(1.8)	3.1	1.2	1.3	1.6	Mid-Cap Value
US Value	(1.4)	(4.1)	(2.5)	(1.0)	(2.8)	Large Value
Sustainable Global Thematic	5.4	5.3	3.0	0.1	0.9	World Stock
International Growth	3.3	(1.5)	(0.4)	(2.0)	(1.8)	Foreign Large Growth
Large Cap Growth ⁽¹⁾	1.3	(0.2)	4.5	3.1	3.0	Large Growth
Emerging Markets Growth	0.1	2.0	2.4	1.9	(0.6)	Global Emerging Markets Equity
Growth ⁽¹⁾	1.9	(1.3)	3.2	1.3	0.1	Large Growth
Discovery Growth	1.7	4.7	(0.9)	(0.1)	1.4	Mid-Cap Growth
Fixed Income						
Global High Yield	0.8	2.7	1.3	0.6	1.0	Global High Yield Bond
American Income Portfolio	(0.3)	(1.0)	1.0	0.5	0.9	USD Flexible Bond
Global Bond	(1.5)	1.7	3.6	2.2	N/A	World Bond
High Income	1.3	2.0	1.8	1.7	N/A	Multisector Bond

(1) Performance figures other than 1Q17, One Year and Three Year positively affected by class action settlement proceeds.

As of March 31, 2017. Fund returns are based on Advisor Class shares. Where Advisor Class doesn't exist, Class A 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: 1Q17

(US \$ Billions)

	At March 31, 2017				At Dec. 31, 2016
	Institutions	Retail	Private Wealth	Total	Total
Equity					
Actively Managed	\$ 29	\$ 47	\$ 43	\$ 119	\$ 112
Passive ⁽¹⁾	20	29	-	49	48
Total Equity	<u>49</u>	<u>76</u>	<u>43</u>	<u>168</u>	<u>160</u>
Fixed Income					
Taxable	152	65	11	228	221
Tax-Exempt	2	14	22	38	37
Passive ⁽¹⁾	1	10	-	11	11
Total Fixed Income	<u>155</u>	<u>89</u>	<u>33</u>	<u>277</u>	<u>269</u>
Other ⁽²⁾	41	4	8	53	51
Total	<u>\$ 245</u>	<u>\$ 169</u>	<u>\$ 84</u>	<u>\$ 498</u>	<u>\$ 480</u>
<hr/>					
At Dec. 31, 2016					
Total	<u>\$ 239</u>	<u>\$ 160</u>	<u>\$ 81</u>	<u>\$ 480</u>	

(1) Includes index and enhanced index services.

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

Three Months Ended 3/31/17: 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	129.5	1.0	(3.8)	0.5	(2.3)	2.8	0.5	130.0
Global and Non-US	109.8	1.5	(1.6)	0.5	0.4	4.7	5.1	114.9
Total Institutions	239.3	2.5	(5.4)	1.0	(1.9)	7.5	5.6	244.9
Retail								
US	80.9	4.7	(3.7)	(1.5)	(0.5)	3.3	2.8	83.7
Global and Non-US	79.3	8.8	(6.5)	(0.2)	2.1	3.8	5.9	85.2
Total Retail	160.2	13.5	(10.2)	(1.7)	1.6	7.1	8.7	168.9
Private Wealth Management								
US	54.9	2.1	(2.0)	(0.2)	(0.1)	1.8	1.7	56.6
Global and Non-US	25.8	0.9	(0.8)	0.1	0.2	1.5	1.7	27.5
Total Private Wealth	80.7	3.0	(2.8)	(0.1)	0.1	3.3	3.4	84.1
Firmwide								
US	265.3	7.8	(9.5)	(1.2)	(2.9)	7.9	5.0	270.3
Global and Non-US	214.9	11.2	(8.9)	0.4	2.7	10.0	12.7	227.6
Total Firmwide	480.2	19.0	(18.4)	(0.8)	(0.2)	17.9	17.7	497.9

Three Months Ended 3/31/17: AUM Roll-Forward by Investment Service

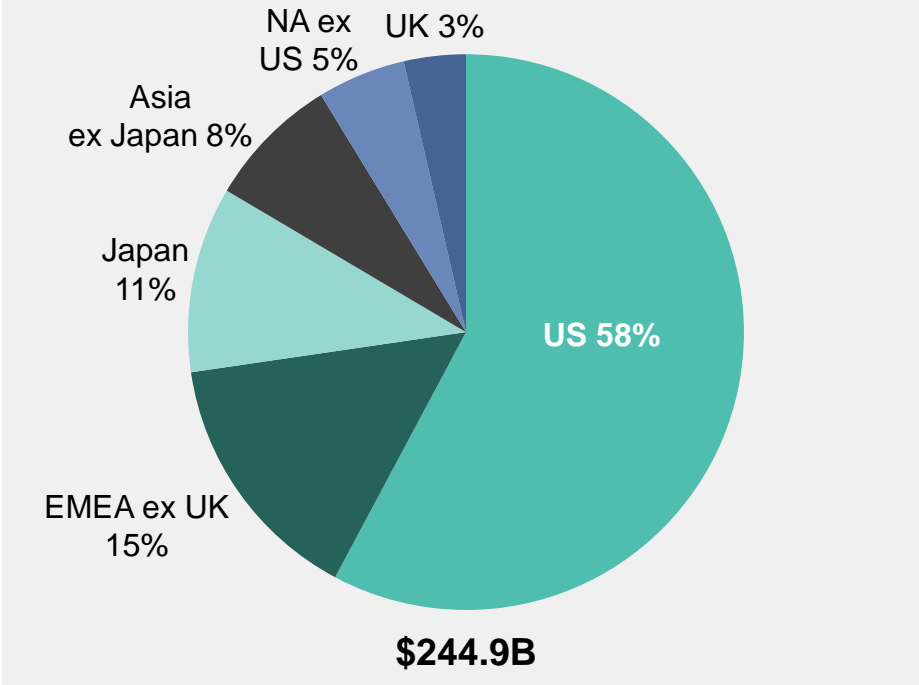
In US \$ Billions Investment Service:	Beginning of Period	Sales/New Accounts	Redemptions/ Terminations	Net Cash Flows	Net Flows	Investment Performance	Net Change	End of Period
Equity Active								
US	64.3	3.1	(3.4)	(0.7)	(1.0)	3.6	2.6	66.9
Global and Non-US	47.6	1.8	(1.4)	(0.1)	0.3	4.0	4.3	51.9
Total Equity Active	111.9	4.9	(4.8)	(0.8)	(0.7)	7.6	6.9	118.8
Equity Passive ⁽¹⁾								
US	37.3	0.4	-	(1.3)	(0.9)	2.1	1.2	38.5
Global and Non-US	10.8	-	(1.0)	(0.1)	(1.1)	0.7	(0.4)	10.4
Total Equity Passive⁽¹⁾	48.1	0.4	(1.0)	(1.4)	(2.0)	2.8	0.8	48.9
Total Equity	160.0	5.3	(5.8)	(2.2)	(2.7)	10.4	7.7	167.7
Fixed Income - Taxable								
US	110.5	2.0	(4.0)	1.1	(0.9)	1.4	0.5	111.0
Global and Non-US	110.4	9.2	(5.9)	0.3	3.6	3.1	6.7	117.1
Total Fixed Income - Taxable	220.9	11.2	(9.9)	1.4	2.7	4.5	7.2	228.1
Fixed Income - Tax-Exempt								
US	36.9	2.0	(1.7)	-	0.3	0.6	0.9	37.8
Global and Non-US	-	-	-	-	-	-	-	-
Total Fixed Income - Tax-Exempt	36.9	2.0	(1.7)	-	0.3	0.6	0.9	37.8
Fixed Income Passive ⁽¹⁾								
US	6.6	-	-	(0.2)	(0.2)	-	(0.2)	6.4
Global and Non-US	4.5	-	(0.1)	0.1	-	0.2	0.2	4.7
Total Fixed Income Passive⁽¹⁾	11.1	-	(0.1)	(0.1)	(0.2)	0.2	-	11.1
Total Fixed Income	268.9	13.2	(11.7)	1.3	2.8	5.3	8.1	277.0
Other ⁽²⁾								
US	9.7	0.3	(0.4)	(0.1)	(0.2)	0.2	-	9.7
Global and Non-US	41.6	0.2	(0.5)	0.2	(0.1)	2.0	1.9	43.5
Total Other⁽²⁾	51.3	0.5	(0.9)	0.1	(0.3)	2.2	1.9	53.2
Firmwide								
US	265.3	7.8	(9.5)	(1.2)	(2.9)	7.9	5.0	270.3
Global and Non-US	214.9	11.2	(8.9)	0.4	2.7	10.0	12.7	227.6
Total Firmwide	480.2	19.0	(18.4)	(0.8)	(0.2)	17.9	17.7	497.9

(1) Includes index and enhanced index services.

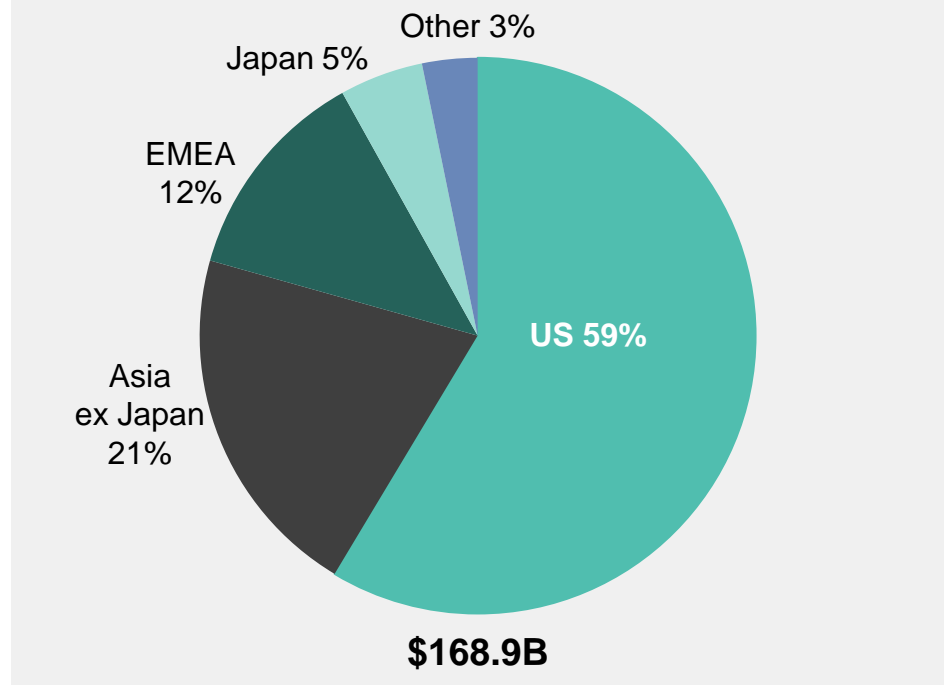
(2) Includes certain multi-asset solutions and services and certain alternative investments.

AUM by Region

Institutional



Retail



As of March 31, 2017
By client domicile



First Quarter 2017 Adjusted Advisory Fees

	1Q17	1Q16	% Δ	4Q16	% Δ
Ending AUM (\$ Billions)	\$498	\$479	4%	\$480	4%
Average AUM (\$ Billions)	\$491	\$465	6%	\$483	2%

By Fee Type (\$ Millions):

Adjusted Base Fees	\$490	\$448	9%	\$484	1%
Adjusted Performance Fees	6	1	500%	29	(79%)
Total	\$496	\$449	10%	\$513	(3%)

Adjusted Base Fees By Channel (\$ Millions):

Institutions	\$102	\$97	5%	\$102	0%
Retail	208	187	11%	205	1%
Private Wealth	180	164	10%	177	2%
Total	\$490	\$448	9%	\$484	1%

First Quarter 2017 GAAP Income Statement

In US \$ Millions (except EPU)	1Q17	1Q16	% Δ	4Q16	% Δ
Net Revenues	\$ 765	\$ 769	(1%)	\$ 786	(3%)
Operating Expenses	599	596	1%	564	6%
Operating Income	166	173	(4%)	222	(25%)
Net Income Attributable to AB Unitholders ¹	140	166	(16%)	225	(38%)
AB Holding GAAP Diluted Net Income per Unit ¹	\$0.46	\$0.55	(16%)	\$0.77	(40%)
AB Holding Distribution Per Unit	\$0.46	\$0.40	15%	\$0.67	(31%)

Percentages are calculated using amounts rounded to the nearest million.

(1) The 1Q16 Net Income Attributable to AB Unitholders and GAAP Diluted Net Income per Unit has been revised.

Consolidated Balance Sheet

In US \$ Millions

Assets	March 31, 2017	December 31, 2016
Cash and cash equivalents	\$ 738	\$ 657
Cash and securities, segregated	1,256	946
Receivables, net	2,322	2,120
Investments:		
Long-term incentive compensation-related	62	68
Other	375	373
Assets of consolidated company-sponsored investment funds	1,095	956
Goodwill	3,067	3,067
Intangible assets, net	127	135
Deferred sales commissions, net	54	64
Other (incl. furniture & equipment, net)	386	354
Total Assets	\$ 9,482	\$ 8,740
Liabilities and Capital		
Liabilities:		
Payables	\$ 3,291	\$ 2,792
Accounts payable and accrued expenses	451	430
Liabilities of consolidated company-sponsored investment funds	398	293
Accrued compensation and benefits	331	251
Debt	608	513
Total Liabilities	5,079	4,279
Redeemable non-controlling interest	404	393
Partners' capital attributable to AllianceBernstein Unitholders	3,964	4,032
Non-controlling interests in consolidated entities	35	36
Total Capital	3,999	4,068
Total Liabilities and Capital	\$ 9,482	\$ 8,740

Consolidated Statement of Cash Flows

In US \$ Millions

	Three Months Ended	
	March 31, 2017	March 31, 2016
Net Income	\$ 156	\$ 161
Non-cash items:		
Amortization of deferred sales commissions	9	11
Non-cash long-term incentive compensation expense	8	1
Depreciation and other amortization	16	15
Unrealized (gains) on investments	(16)	(11)
Unrealized (gains) of consolidated company-sponsored investment funds	(27)	8
Other, net	3	12
Changes in assets and liabilities	8	479
Net cash provided by operating activities	157	676
Purchases of furniture, equipment, and leasehold improvements, net	(7)	(11)
Net cash used in investing activities	(7)	(11)
Issuance/(repayment) of commercial paper, net	94	(97)
Increase/(decrease) in overdrafts payable	50	(91)
Distributions to General Partner and Unitholders	(198)	(153)
Capital contributions (to) non-controlling interests of consolidated company-sponsored investment funds	(3)	-
Redemptions of non-controlling interests of consolidated company-sponsored investment funds, net	(4)	(47)
Capital contributions from affiliates	-	6
Additional investments by Holding with proceeds from exercise of compensatory options to buy Holding Units	4	1
Purchases of AB Holding Units to fund long-term incentive compensation plan awards, net	(31)	(40)
Net cash used in financing activities	(88)	(421)
Effect of exchange rate changes on cash and cash equivalents	8	8
Net increase in cash and cash equivalents	70	252
Cash and cash equivalents at the beginning of period	995	577
Cash and cash equivalents at the end of period	\$ 1,065	\$ 829

AB Holding Financial Results

In US \$ Millions (exclucing per Unit amounts)	1Q17	Revised 1Q16	% Δ	4Q16	% Δ
AB					
Net Income Attributable to AllianceBernstein	\$140	\$166	(16%)	\$225	(38%)
Weighted Average Equity Ownership Interest	35.5%	36.2%		35.0%	
AB Holding					
Equity in Net Income Attributable to AB	\$50	\$60	(17%)	\$79	(37%)
Income Taxes	6	5	20%	6	0%
Net Income	\$44	\$55	(20%)	\$73	(40%)
Diluted Net Income Per Unit, GAAP basis	\$0.46	\$0.55	(16%)	\$0.77	(40%)
Distributions Per Unit	\$0.46	\$0.40	15%	\$0.67	(31%)
Adjusted Diluted Net Income Per Unit	\$0.46	\$0.39	18%	\$0.67	(31%)

Please refer to pages 30-33 for additional information on the reconciliation of GAAP financial results to adjusted financial results. Percentages are calculated using amounts rounded in millions.

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)	Consol Funds (D)	Real Estate Credits (Charges) (E)	Contingent Payment Adjust. (F)	Acquisition-Related Expenses (G)	Other (H)	Income Taxes (I)	
Investment advisory and services fees	\$ 498,290	(1,892)		(377)						\$ 496,021
Bernstein research services	112,741									112,741
Distribution revenues	96,554	(105,446)		69						(8,823)
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	(105,446)	(10,407)	(3,137)	(22,155)	-	-	-	-	628,062
Less: interest expense	4,290									4,290
Net revenues	764,917	(105,446)	(10,407)	(3,137)	(22,155)	-	-	-	-	623,772
Employee compensation and benefits	321,748		(3,205)				(514)			318,029
Promotion and servicing	153,660	(105,446)	(8,373)							39,841
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	(105,446)	(10,407)	(3,205)	(5,984)	2	-	(524)	147	473,188
Operating income	166,312	-	-	68	(16,171)	(2)	-	524	(147)	150,584
Income taxes	10,057			4				32	-	10,093
Net income	156,255			64	(16,171)	(2)		492	(147)	140,491
Net income (loss) of consolidated entities attributable to non-controlling interests	16,318				(16,171)				(147)	-
Net income attributable to AB Unitholders	\$ 139,937	\$ -	\$ -	\$ 64	\$ -	\$ (2)	\$ -	\$ 492	\$ -	\$ 140,491

Please refer to page 33 for notes describing the adjustments.



Fourth Quarter 2016 GAAP to Non-GAAP Reconciliation

Fourth Quarter 2016 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

GAAP	Adjustments									Non-GAAP
	Distribution Related Payments (A)	Pass Through Expenses (B)	Deferred Comp. Inv. (C)	Consol Funds (D)	Real Estate Credits (Charges) (E)	Contingent Payment Adjust. (F)	Acquisition-Related Expenses (G)	Other (H)	Income Taxes (I)	
Investment advisory and services fees	\$ 515,616	(2,107)		51						\$ 513,560
Bernstein research services	127,472									127,472
Distribution revenues	96,766	(104,879)		69						(8,044)
Dividend and interest income	16,812		(1,212)	(3,052)						12,548
Investment gains (losses)	7,883		846	(5,197)						3,532
Other revenues	24,815	(8,575)		(231)						16,009
Total revenues	789,364	(104,879)	(366)	(8,360)	-	-	-	-	-	665,077
Less: interest expense	3,108									3,108
Net revenues	786,256	(104,879)	(366)	(8,360)	-	-	-	-	-	661,969
Employee compensation and benefits	301,723		(114)				(483)			301,126
Promotion and servicing	156,655	(104,879)	(8,433)							43,343
General and administrative	97,022		(2,249)	(1,631)	6,941		(31)			100,052
Contingent payment arrangements	178									178
Interest on borrowings	1,472									1,472
Amortization of intangible assets	6,967									6,967
Net income (loss) of consolidated entities attributable to non-controlling interests								(32)	-	(32)
Total expenses	564,017	(104,879)	(10,682)	(114)	(1,631)	6,941	(514)	(32)	-	453,106
Operating income	222,239	-	(252)	(6,729)	(6,941)	-	514	32	-	208,863
Income taxes	(8,996)		(14)		(392)		29		21,571	12,198
Net income	231,235		(238)	(6,729)	(6,549)		485	32	(21,571)	196,665
Net income (loss) of consolidated entities attributable to non-controlling interests	6,697			(6,729)				32		-
Net income attributable to AB Unitholders	\$ 224,538	\$ -	\$ (238)	\$ -	\$ (6,549)	\$ -	\$ 485	\$ -	\$ (21,571)	\$ 196,665

Please refer to page 33 for notes describing the adjustments.



First Quarter 2016 GAAP to Non-GAAP Reconciliation

First Quarter 2016 GAAP to Non-GAAP Reconciliation

In US \$ Thousands

	GAAP	Adjustments							Non-GAAP	
		Distribution Related Payments (A)	Pass Through Expenses (B)	Deferred Comp. Inv. (C)	Consol Funds (D)	Real Estate Charges (E)	Contingent Payment Adjust. (F)	Acquisition- Related Expenses (G)		Other (H)
Investment advisory and services fees	\$ 451,413		(2,405)		(54)					\$ 448,954
Bernstein research services	126,465									126,465
Distribution revenues	92,692	(98,369)			31					(5,646)
Dividend and interest income	10,073			(151)	(2,703)					7,219
Investment gains (losses)	65,587			1,326	7,986			(75,273)		(374)
Other revenues	24,971		(9,246)		(202)					15,523
Total revenues	771,201	(98,369)	(11,651)	1,175	5,058	-	-	-	(75,273)	592,141
Less: interest expense	2,075									2,075
Net revenues	769,126	(98,369)	(11,651)	1,175	5,058	-	-	-	(75,273)	590,066
Employee compensation and benefits	302,011			212						302,223
Promotion and servicing	152,570	(98,369)	(9,086)							45,115
General and administrative	133,509		(2,565)		(791)	(27,586)				102,567
Contingent payment arrangements	353									353
Interest on borrowings	1,232									1,232
Amortization of intangible assets	6,409									6,409
Net income (loss) of consolidated entities attributable to non-controlling interests	-								101	101
Total expenses	596,084	(98,369)	(11,651)	212	(791)	(27,586)	-	-	101	458,000
Operating income	173,042	-	-	963	5,849	27,586	-	-	(75,374)	132,066
Income taxes ⁽¹⁾	12,506			70		1,994			(5,442)	9,128
Net income ⁽¹⁾	160,536			893	5,849	25,592			(69,932)	122,938
Net income (loss) of consolidated entities attributable to non-controlling interests	(5,748)				5,849				(101)	-
Net income attributable to AB Unitholders ⁽¹⁾	\$ 166,284	\$ -	\$ -	\$ 893	\$ -	\$ 25,592	\$ -	\$ -	\$ (69,831)	\$ 122,938

Please refer to page 33 for notes describing the adjustments.

(1) Income taxes, Net income and Net income attributable to non-controlling interests have been revised.

AB Adjusted Financial Results Reconciliation

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

- A. Adjusted net revenues exclude distribution-related payments to third parties as well as amortization of deferred sales commissions against distribution revenues. We believe excluding distribution-related payments from net revenues is useful for our investors and other users of our financial statements because 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. We exclude amortization of deferred sales commissions from net revenues because such costs, over time, essentially offset our distribution revenues. These adjustments have no impact on operating income, but they do have an impact on our operating margin.
- B. We exclude pass-through expenses we incur (primarily through our transfer agency) that are reimbursed and recorded as fees in revenues from our adjusted net revenues. These fees have no impact on operating income, but they do have an impact on our operating margin.
- C. Prior to 2009, a significant portion of employee compensation was in the form of long-term incentive compensation awards that were notionally invested in AB investment services and generally vested over a period of four years. AB economically hedged the exposure to market movements by purchasing and holding these investments on its balance sheet. All such investments had vested by year-end 2012 and the investments have been distributed to the participants, except for those investments with respect to which the participant elected a long-term deferral. Fluctuation in the value of these investments is recorded within investment gains and losses on the income statement and also impacts compensation expense. Management believes it is useful to reflect the offset achieved from economically hedging the investments' market exposure in the calculation of adjusted operating income and adjusted operating margin. The non-GAAP measures exclude gains and losses and dividends and interest on employee long-term incentive compensation-related investments included in revenues and compensation expense.
- D. We adjust for the revenue impact of consolidating certain company-sponsored investment funds by eliminating the consolidated company-sponsored investment funds revenues and expenses and the inclusion of AB's revenues and expenses from such company-sponsored investment funds and AB's investment gains and losses on its investments in such company-sponsored investment funds that were eliminated in consolidation.
- E. Real estate (credits)/charges 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.
- F. Recording changes in estimates of the contingent consideration associated with our acquisitions have been excluded because they are not considered part of our core operating results.
- G. Acquisition-related expenses incurred as a result of acquisitions have been excluded because they are not considered part of our core operating results when comparing results from period to period and to industry peers.
- H. Net income of joint ventures attributable to non-controlling interests, although not significant, is excluded because it does not reflect the economic interest attributable to AB. In addition, in 2016 we excluded a realized gain on an investment carried at cost due to its' non-recurring nature and it not being part of our core operating results.

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.

Adjusted Income Taxes

The income tax adjustment reflects a reduction of the US GAAP income tax liability for a fourth quarter 2016 change in estimate relating to the third quarter 2016 revision to income taxes (\$13.3 million) and a reversal of a deferred tax liability relating to foreign translation adjustments (\$8.2 million). We excluded these credits due to their non-recurring nature.

$$\left[\begin{array}{c} A \\ \hline B \end{array} \right]$$