

AllianceBernstein Municipal Income Fund National Portfolio



Objective

Earn the highest available level of current income exempt from Federal taxation, without assuming what the Adviser considers to be undue risk.

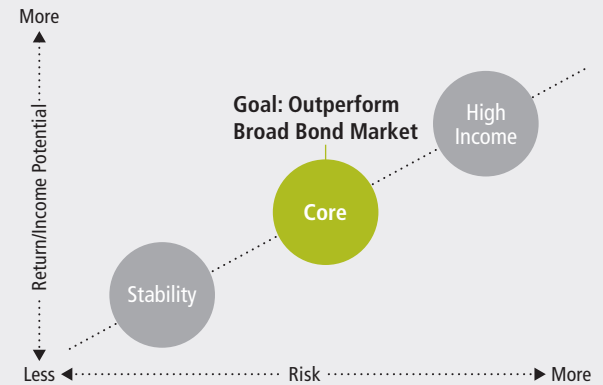
Investment Strategy

- A nationally diversified municipal bond portfolio with a focus on after-tax income and total return.
- A core-plus approach leverages the firm's in-depth research to build a portfolio with what we believe to be the best combination of risk and return.
- The portfolio's risk level is adjusted depending on how well investors are being compensated—we seek extra income during favorable markets, while we seek to reduce risk in times of caution.
- A consistent and repeatable investment process that combines quantitative and fundamental research to build what we believe are effective bond portfolios.

Primary Investments

- At least 80% of the Fund's holdings consist of municipal bonds and other securities that generate income exempt from Federal income tax (a portion of which may be subject to the alternative minimum tax).
- Invests principally in investment grade municipal bonds.
- Invests selectively in high yield municipals.
- May invest 25% or more of the Fund's net assets in municipal securities from issuers located in any single state.

Needs-Based Fixed Income Strategies



Portfolio Management

Municipal Bond Investment Group: Managing bond portfolios requires commitment and skill—qualities embodied by our entire global fixed income investment team. We boast 108 investment professionals all exclusively devoted to our fixed income services.

	Total	Avg. Years Experience	Avg. Years with AB
Portfolio Management	50	21	11
Fixed Income Fundamental Analysts	41	16	5
Fixed Income Quantitative Analysts	10	9	2
Economists	7	22	7

As of September 2012

Word About Risk

Market Risk: The market values of the portfolio's holdings rise and fall from day to day, so investments may lose value.

Municipal Market Risk: Debt securities issued by state or local governments may be subject to special political, legal, economic and market factors that can have a significant effect on the portfolio's yield or value.

Interest Rate Risk: As interest rates rise, bond prices fall and vice versa—long-term securities tend to rise and fall more than short-term securities.

Credit Risk: A bond's credit rating reflects the issuer's ability to make timely payments of interest or principal—the lower the rating, the higher the risk of default. If the issuer's financial strength deteriorates, the issuer's rating may be lowered and the bond's value may decline.

Inflation Risk: Prices for goods and services tend to rise over time, which may erode the purchasing power of investments.

Derivatives Risk: Investing in derivative instruments such as options, futures, forwards or swaps can be riskier than traditional investments, and may be more volatile, especially in a down market.

Liquidity Risk: The difficulty of purchasing or selling a security at an advantageous time or price.

Investors should consider the investment objectives, risks, charges and expenses of the Fund/Portfolio carefully before investing. For copies of our prospectus or summary prospectus, which contain this and other information, visit us online at www.alliancebernstein.com or contact your AllianceBernstein Investments representative. Please read the prospectus and/or summary prospectus carefully before investing.

Average Annual Total Returns: Class A Share Performance

	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception [†]	Expense Ratios as of 1/31/13	
								Gross	Net [‡]
National Portfolio (without sales charge)	-3.74%	-3.59%	-0.09%	4.82%	4.98%	4.45%	5.95%	0.86%	0.81%
National Portfolio (with max 3.00% sales charge)	-6.67	-6.50	-3.06	3.77	4.34	4.13	5.83		
Barclays Municipal Bond Index	-2.97	-2.69	0.24	4.46	5.33	4.42	6.24		
Lipper General & Insured Municipal Debt Funds Avg	-3.84	-3.54	0.03	4.58	4.74	3.68	5.59		
SEC Taxable-Equivalent Yield at 35% (30-day)*	4.09%	SEC Current Yield (30-day)*: Gross		2.61%	Net [‡]		2.66%		
SEC Taxable-Equivalent Yield at 39.6% (30-day)*	4.40%								

*Yields for other share classes will vary due to different expenses.

[†]The Fund's Class A share inception date is 12/29/86 and is the date used to calculate since inception annualized performance.

***If applicable, this reflects the Adviser's contractual waiver of a portion of its advisory fee and/or reimbursement of a portion of the Fund's operating expenses. This waiver extends through January 31, 2014 and may be extended by the Adviser for additional one-year terms. Absent reimbursements or waivers, performance would have been lower.**

The performance shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance information shown. You may obtain performance information current to the most recent month-end by visiting www.alliancebernstein.com. The investment return and principal value of an investment in the Portfolio will fluctuate, so that your shares, when redeemed, may be worth more or less than their original cost. Returns for other share classes will vary due to different charges and expenses. Performance assumes reinvestment of distributions and does not account for taxes. If applicable, high double-digit returns are highly unusual and cannot be sustained; such returns are primarily achieved during favorable market conditions.

Prior to October 1, 2009 the maximum front-end sales charge for Class A shares of the Fund was 4.25%. If the Class A annualized returns for the Fund reflected the deduction of the former maximum front-end sales charge, its returns would be lower.

Annual Performance for Class A Shares without Sales Charge



General Fund Information

	Inception Date	CUSIP	Ticker Symbol
Class A	12/29/86	018642108	ALTHX
Class C	5/3/93	018642835	ALNCX
Advisor Class	8/6/08	018642819	ALTVX

Quality Breakdown^{1,2}

Highest of S&P/Moody's/Fitch

AAA	11.75%
AA	43.36
A	24.75
BBB	10.49
BB	1.12
B	0.41
Pre-refunded	2.04
Not Rated	6.08

Industry Breakdown¹

Special Tax	14.13%
Water & Sewer	12.44
Local G.O.	11.16
Toll Roads/Transit	6.47
Electric Utility	6.45
Airport	6.38
Revenue	5.50
Assessment District	4.77
Healthcare - Not-for-Profit	4.31
Other	28.39

Portfolio Statistics

Assets (\$mil)	\$1,076.0
Effective Duration ³	5.60 years
Average Effective Maturity ⁴	6.48 years
Total Number of Holdings	243

¹Holdings are expressed as a percentage of total investments and may vary over time.

²A measure of the quality and safety of a bond or portfolio, based on the issuer's financial condition, and not based on the financial condition of the fund itself. AAA is highest (best) and D is lowest (worst). Ratings are subject to change. Investment-grade securities are those rated BBB and above. If applicable, the Pre-Refunded category includes bonds which are secured by US Government Securities and therefore are deemed high-quality investment-grade by the Adviser. If applicable, the Not Applicable category includes non credit-worthy investments; such as equity securities, currency contracts, futures and options. If applicable, the Not Rated category includes bonds that are not rated by a Nationally Recognized Statistical Rating Organization.

³Effective Duration is a measure of the sensitivity of an asset or portfolio's price to interest rate movements.

⁴Average Effective Maturity is a measure of maturity which takes into account the possibility of bonds being called prior to maturity.

Source: FactSet, Lipper Inc. and AllianceBernstein.

Barclays Municipal Bond Index represents the performance of the the long-term tax-exempt bond market consisting of investment grade bonds.

Investors cannot invest directly in indices or averages, and their performance does not reflect fees and expenses or represent the performance of any AllianceBernstein fund.

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