



ALLIANCEBERNSTEIN®

# Second Quarter 2025 Review

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July 24, 2025

**Seth P. Bernstein**, President & Chief Executive Officer  
**Tom Simeone**, 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, integration of acquired companies, competitive conditions, and government regulations, including changes in tax regulations and rates and the manner in which the earnings of publicly-traded partnerships are taxed. We caution readers to carefully consider such factors. Further, these forward-looking statements speak only as of the date on which such statements are made; we undertake 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, 2024 and subsequent forms 10-Q. Any or all of the forward-looking statements made in this presentation, Form 10-K, Forms 10-Q, other documents we file with or furnish to the SEC, and any other public statements we issue, 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 our revenues, 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 achievement of our Private Markets AUM target:** Our ability to achieve our private markets AUM target is subject to the current market environment and our understanding of potential client interest for the types of products managed by the Private Alternatives investment teams.
- **The realization of Public and Private Market performance fees:** Our ability to realize future performance fees is subject to several general economic, political, and market factors; which could deviate from our current expectations.

# Key Business Highlights Second Quarter 2025

1

## **Record Quarter-End AUM of \$829bn AUM 17% in Private Wealth and 83% Asset Management**

- EQH GA assets account for nearly 10% of our \$685 billion asset management business
- \$21.9 billion in pipeline AUM, reflecting strong client engagement across insurance and retirement

2

## **\$4.8bn Active Outflows, Skewed in April, with Demand Rebounding in June and Pipeline Building**

- Active inflows driven +\$1.5bn Alts/MAS and +\$1.2bn Tax-Exempt with sentiment improving as macro stabilized
- Outflows of \$6bn in active equity & \$1.5bn taxable FI; divergent taxable demand dynamics between retail & institutions

3

## **Markets, Scale and Robust Fee Rate Drive Long-Term Revenue and Earnings Growth**

- 2Q blended base fee rate of 38.7bps down -2% q/q & y/y, reflecting mix shift
- 33% 1H25 adj. op margin, despite volatile markets and mix shift; 6-month avg. AUM in-line with 4Q24 avg. AUM

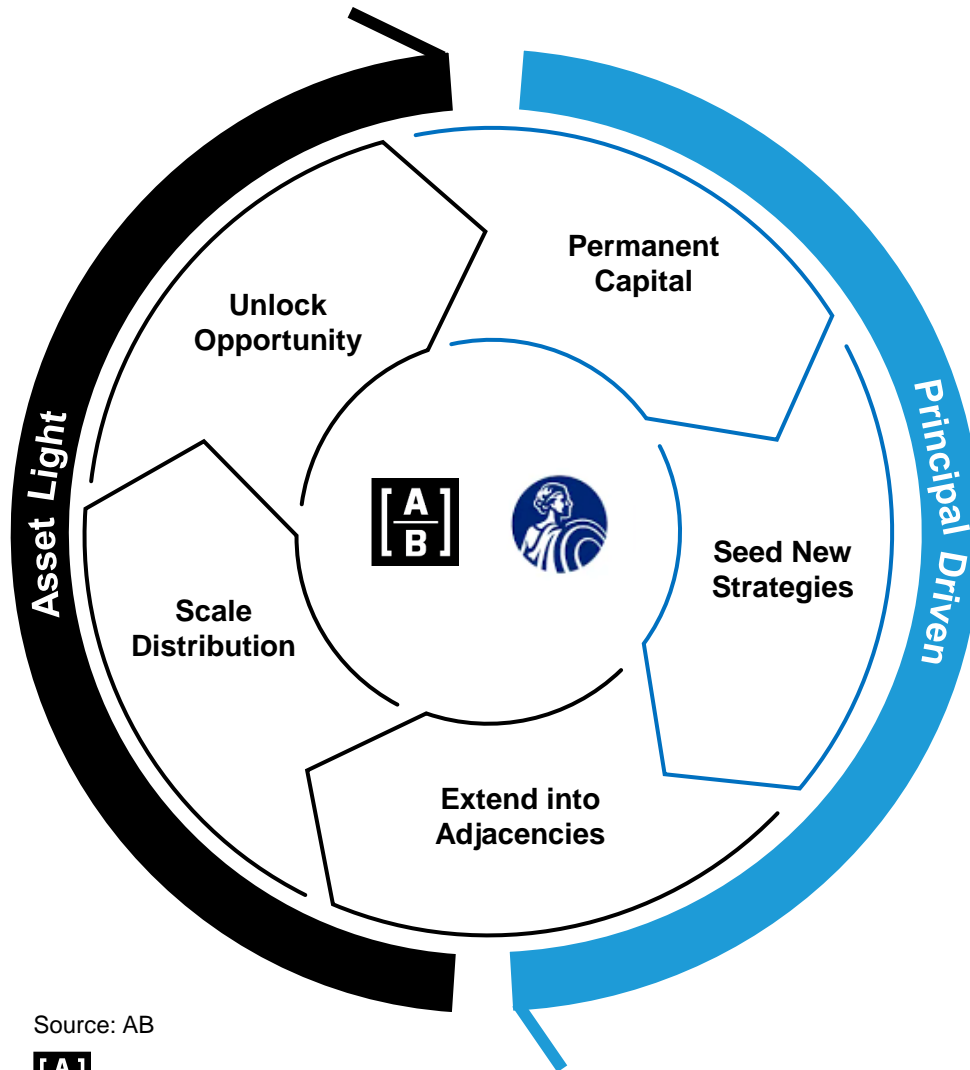
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## **Expanding Distribution Reach via Targeted Partnerships and Vehicle Flexibility**

- Added 4 new insurance GA relationships across 6 strategies YTD; >80 third-party insurance clients ~\$48bn AUM
- Extend TAM for our differentiated investment strategies; ~\$54bn AUM in SMAs & ~\$8bn AUM across 18 Active ETFs

# Permanent Capital Flywheel: Strengthening our Partnership with EQH

EQH's long-duration capital matched to AB's differentiated capabilities unlocks combined opportunity



## Growth Avenues for AB

1

Expand private assets and grow EQH GA

2

Scale insurance solutions via new partnerships

3

Third-party retail wealth

4

Bernstein private wealth

5

Defined contribution

## Target

**Private Markets AUM**  
**\$90-\$100 Billion by 2027E**

Source: AB



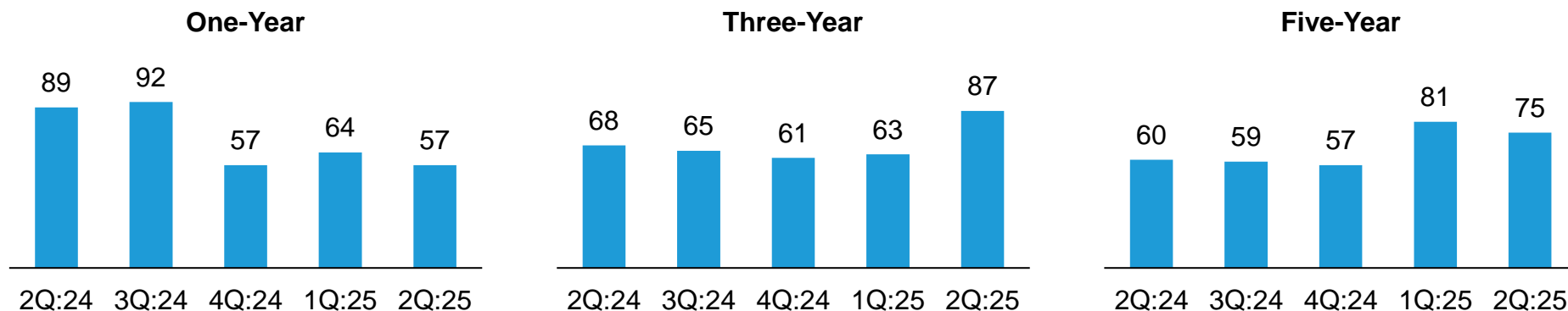
# Key Financial Highlights Second Quarter 2025

	2Q25	2Q24	1Q25
<b>AUM and Flows</b> (USD Billions, Except Fee Rate)	End of Period AUM	\$829.1	\$769.5
	Average AUM	\$799.5	\$755.5
	Equitable ("EQH") AUM	\$137.8	\$127.1
	Private Markets AUM*	\$77.1	\$64.1
	Gross Sales	\$27.9	\$31.9
	Net Flows	(\$6.7)	\$0.9
	Active Net Flows	(\$4.8)	\$1.3
	Annualized Effective Base Fee Rate	38.7bps	39.4bps
<b>GAAP Financials</b> (USD Millions, Except EPU)	Net Revenues	\$1,089	\$1,028
	Operating Expenses	\$867	\$829
	Operating Income	\$222	\$199
	Operating Margin	20.7%	19.0%
	ABH GAAP EPU	0.64	\$0.99
<b>Adjusted Financials</b> (USD Millions, Except EPU)	Net Revenues	\$844	\$826
	Operating Income	\$273	\$254
	Compensation Ratio	48.5%	49.0%
	Operating Margin	32.3%	30.8%
	ABH Adjusted EPU	\$0.76	\$0.71
<b>Capital Returns and Debt Metrics</b>	ABH Distributions Per Unit	\$0.76	\$0.71
	ABH Distribution Ratio	100%	100%
	Consolidated Debt/LTM EBITDA	0.4x	0.5x
	ABH Weighted Avg. Units	110.5mln	115.0mln

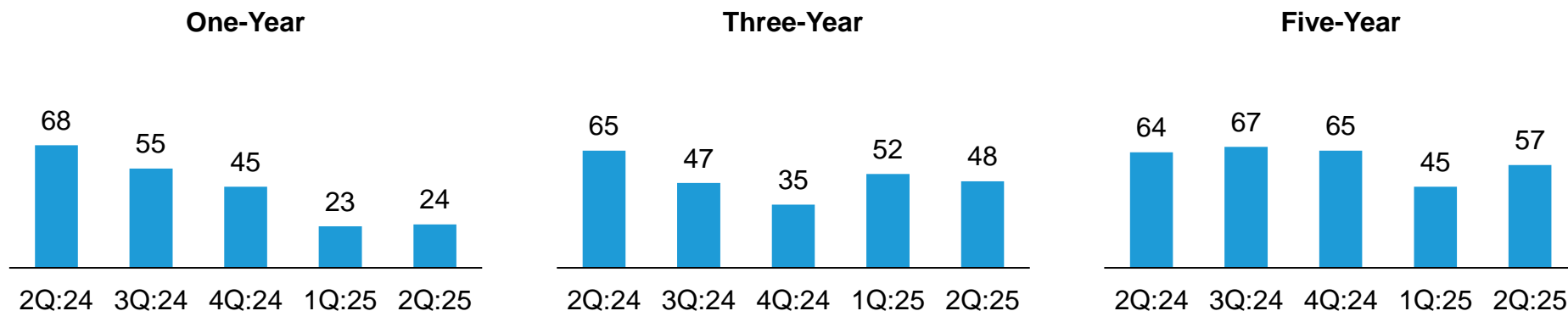
As of 6/30/2025. Source: AB. \*Includes Fee-Paying AUM of \$61.2 billion and \$15.9 billion in fee-eligible AUM ("dry powder"). Fee-earning AUM includes those assets currently qualified to generate management fees. Fee-eligible AUM includes committed capital that is currently uncalled or recallable.

# Percentage of Assets Outperforming at Quarter-End

## Fixed Income



## Equities



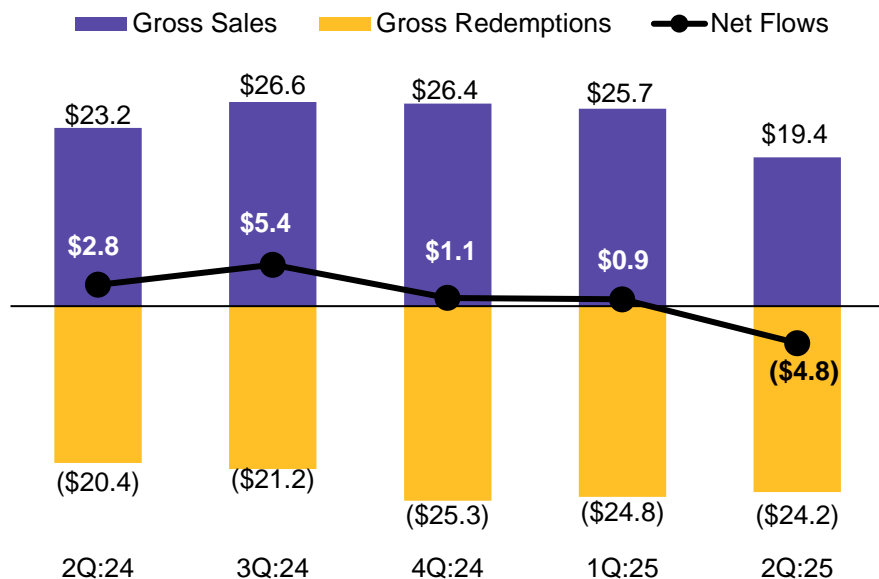
Percentage of active fixed income and equity assets in institutional services that outperformed their benchmark gross of fees and percentage of active fixed income and equity assets in retail Advisor and I share class funds ranked in the top half of their Morningstar category. Where no Advisor class exists, A share class used. Performance for private client services included as available. Reflects ITM funds compared to Morningstar peer groups.

As of June 30, 2025. Source: AB

# Retail Highlights

## Macro Turbulence Halts Seven-Quarter Inflowing Streak

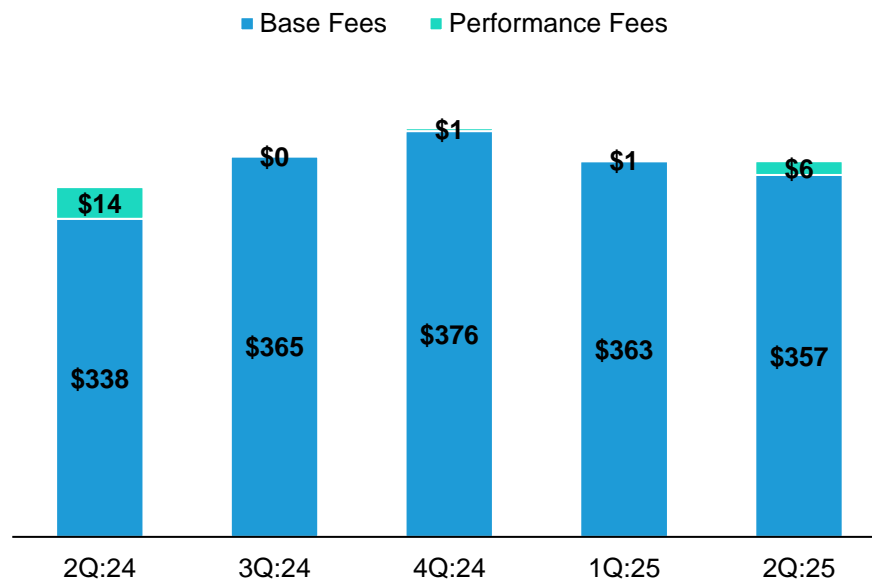
USD Billions



- After seven quarters of organic gains, Retail posted its first outflowing quarter as overseas demand steps back from turbulent macro
- Continued market share gains in retail tax-exempt for 10 straight quarters, generating +\$1.6bn inflows/ 14% AOG; +\$0.3bn MAS inflows
- Taxable FI reversed to outflows driven by APAC redemptions while US demand extended slight organic gains driven by ETFs

## Management Fees Trending In-Line With AUM Mix Shift

USD millions



- 2Q25 adjusted base management fees were up +6% y/y & down -2% q/q, compared to channel avg AUM levels up +8% y/y & down -1% q/q
- Channel base fee rate of 43.2bps in 2Q25, down -2% sequentially reflective of a mix shift, lower daily avg. AUM for active equities
- Organic base fee decay of -2.4% in 2Q25 and -0.9% LTM

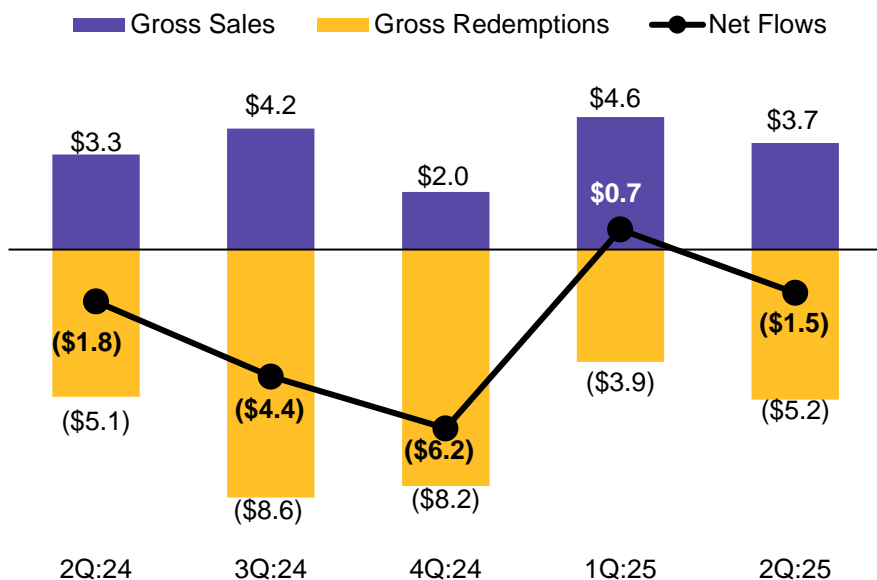
As of 6/30/2025. Source: AB



# Institutional Highlights

## Robust Channel Demand for Liquid & Private Credit

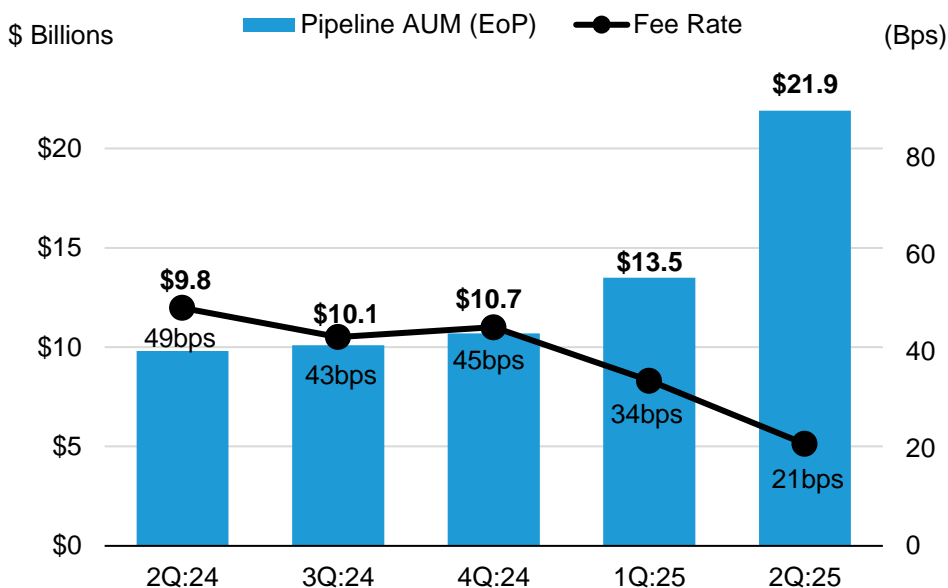
USD Billions



- **Positive active net channel flows in 2Q**, >\$300mln, driven by taxable FI and alts; outflows concentrated in equities, ~60% passive
- ~\$1bn inflows in taxable FI driven by systematic IG/insurance
- Healthy pace of deployments into private alts; ~\$900mn *net channel deployments* across private placements, CRE debt, resi loans & CLOs

## Client Connectivity Drives Pipeline Growth

\$ Billions



- Channel base fee rate of 17.6 bps in 2Q, down -1% sequentially
- ~\$22bn pipeline AUM, highest since 3Q22, net of >\$2bn fundings in 2Q25 mostly driven by Systematic IG Fixed Income and CRE debt
- Nearly \$9bn in pipeline additions driven by low-fee mandates, \$5bn insurance FI and \$3bn in customized retirement

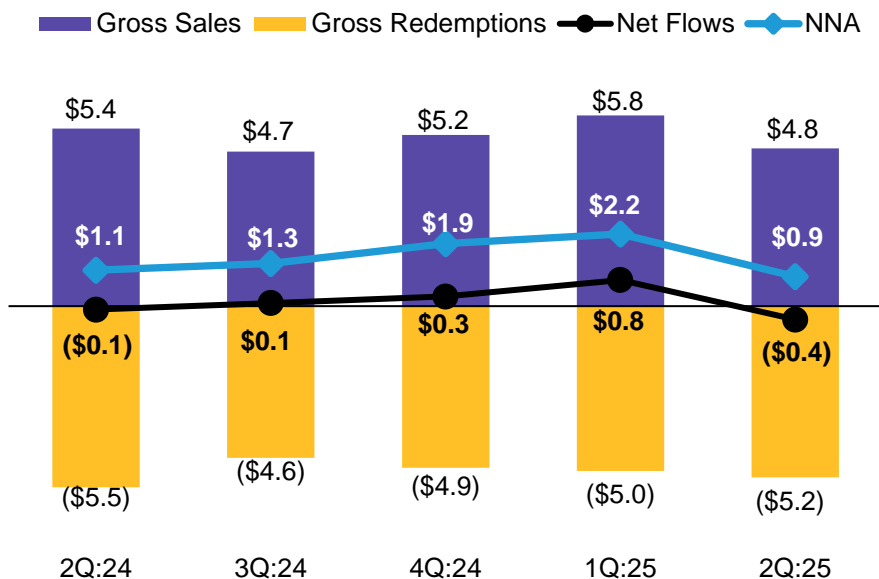
As of 6/30/2025. Source: AB.





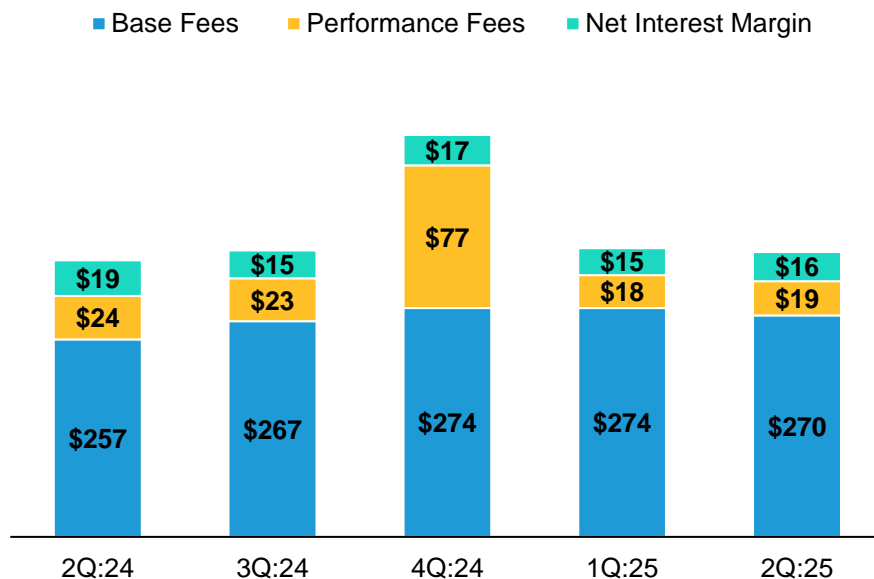
# Private Wealth Highlights

## Net New Asset Growth Despite Seasonal Flows Slowdown USD Billions



- Net new client assets (“NNA”) include reinvested dividends & interest; LTM avg NNA growth ~400bps above LTM organic flows growth
- Seasonally slower 2Q net flows reflect tax-related selling; client flows primarily driven by passive equities & alternatives
- Private alts fundraising ~\$0.6bn in 2Q, broad-based across franchises

## Diversified Revenue Streams, Uncaptured in Base Fee Rate USD millions



- 2Q adj. base fees grew +5% y/y and declined -1% q/q; total revs were up +2% y/y and down -1% q/q
- 2Q recurring performance fees, driven by private credit
- Channel base fee rate of 77.7bps, down -2% q/q reflecting mix

As of 6/30/2025. Source: AB. Note: Net interest margin is defined as: dividends, interest and other minus the interest expense on client cash

# Select Adjusted Financials and Ratios

Revenues	2Q25	2Q24	Percent Δ	1Q25	Percent Δ
Base Fees*	\$772	\$742	4%	\$782	(1)%
Performance Fees:					
Private Markets†	22	25	(10)%	20	10%
Public Markets	8	17	(53)%	19	(58)%
Investment Gains (Losses)	8	4	104%	(11)	n.m.
Dividend & Interest Revenue	31	41	(24)%	32	(2)%
Other Revenues	19	19	—	14	30%
<b>Total Revenues</b>	<b>860</b>	<b>848</b>	<b>1%</b>	<b>856</b>	<b>1%</b>
Less: Broker-Dealer Related Interest Expense	16	22	(28)%	18	(11)%
<b>Adjusted Net Revenues</b>	<b>\$844</b>	<b>\$826</b>	<b>2%</b>	<b>\$838</b>	<b>1%</b>

Expenses	2Q25	2Q24	Percent Δ	1Q25	Percent Δ
Compensation and Fringes	\$409	404	1%	\$406	1%
Other Employment Costs	10	9	2%	8	22%
<b>Total Compensation and Benefits</b>	<b>419</b>	<b>413</b>	<b>1%</b>	<b>414</b>	<b>1%</b>
Promotion and Servicing	34	33	4%	30	15%
General and Administrative	118	126	(6)%	111	6%
<b>Total Adjusted Operating Expenses</b>	<b>\$571</b>	<b>\$572</b>	<b>—</b>	<b>\$555</b>	<b>3%</b>

<b>Adjusted Operating Income</b>	<b>\$273</b>	<b>\$254</b>	<b>7%</b>	<b>\$283</b>	<b>(3)%</b>
<b>Adjusted Operating Margin</b>	<b>32.3%</b>	<b>30.8%</b>	<b>150 bps</b>	<b>33.7%</b>	<b>(140) bps</b>
<b>AB Holding Adjusted Diluted Net Income Per Unit</b>	<b>\$0.76</b>	<b>\$0.71</b>	<b>7%</b>	<b>\$0.80</b>	<b>(5)%</b>
<b>Compensation Ratio</b>	<b>48.5%</b>	<b>49.0%</b>		<b>48.5%</b>	

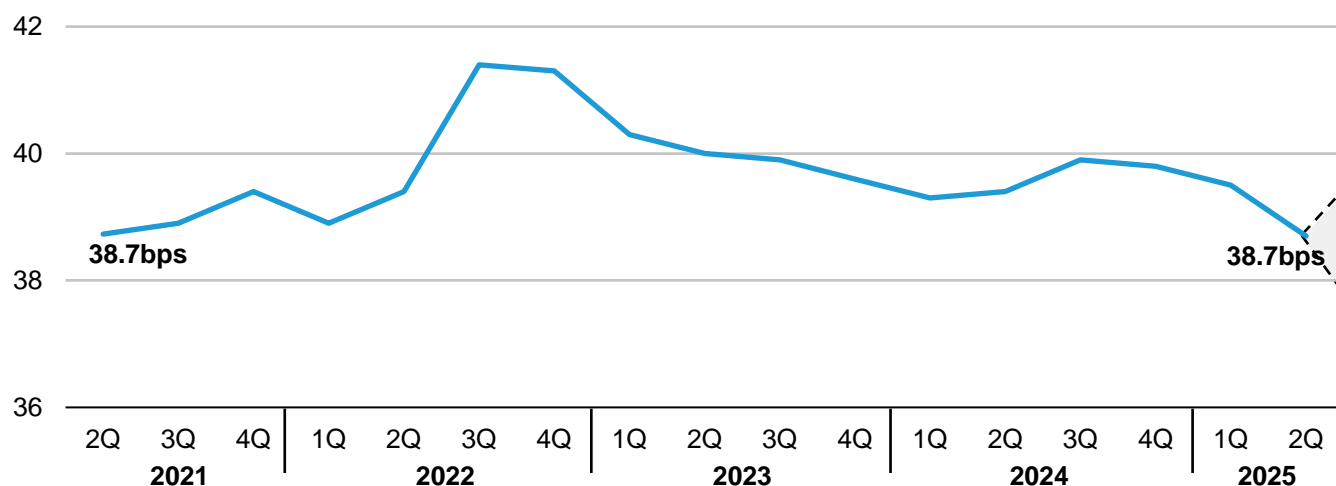
\*Net of both sub-advisory and fees paid to distributors from investment management fees.

†Private Market strategies eligible for performance fees include: AB-Private Credit Investors ("AB-PCI"), US and EU Commercial Real Estate Debt, and AB CarVal. Dollars rounded in millions, however percentages calculated using amounts rounded in thousands. As such, amounts may not foot.

# Base Fee Rate Relatively Stable Through Recent Cycle

## Firmwide Base Fee Rate—Last Five Years

Basis points, net of distribution costs



### Long-Term Supportive Trends

#### Idiosyncratic to AB:

- Institutional deployments into alts
- Organic growth in offshore equity MFs, offshore fixed income
- Organic, NNA and market growth in private wealth risk assets

#### Industry & Markets:

- Market/AUM growth: equities, high-yield fixed income
- Industry rotation from money markets/cash to risk assets

### Short-Term/ Mixed Trends

- FX dynamics
- Volatility

### Long-Term Detractors

- Growth in low-fee products/ wrappers such as SMAs/ETFs
- Increased revenue sharing and distribution fees
- Secular pressures driven by competitive dynamics

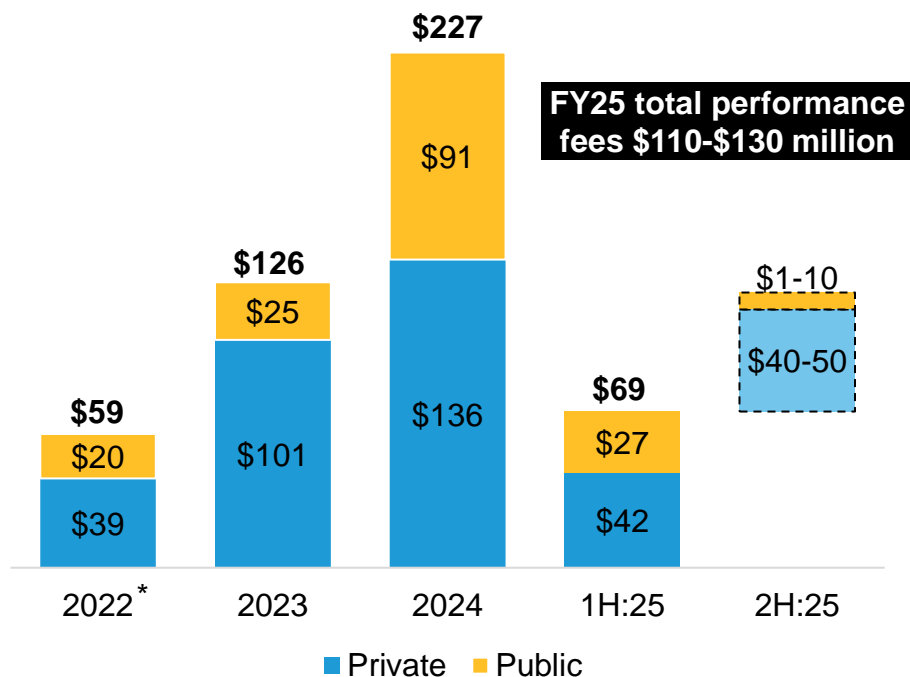
As of 6/30/2025  
Source: AB



# Large Portion of Recurring Performance-Related Fees, Driven by Privates

## Annual Performance Fees—Private and Public Markets

USD Millions



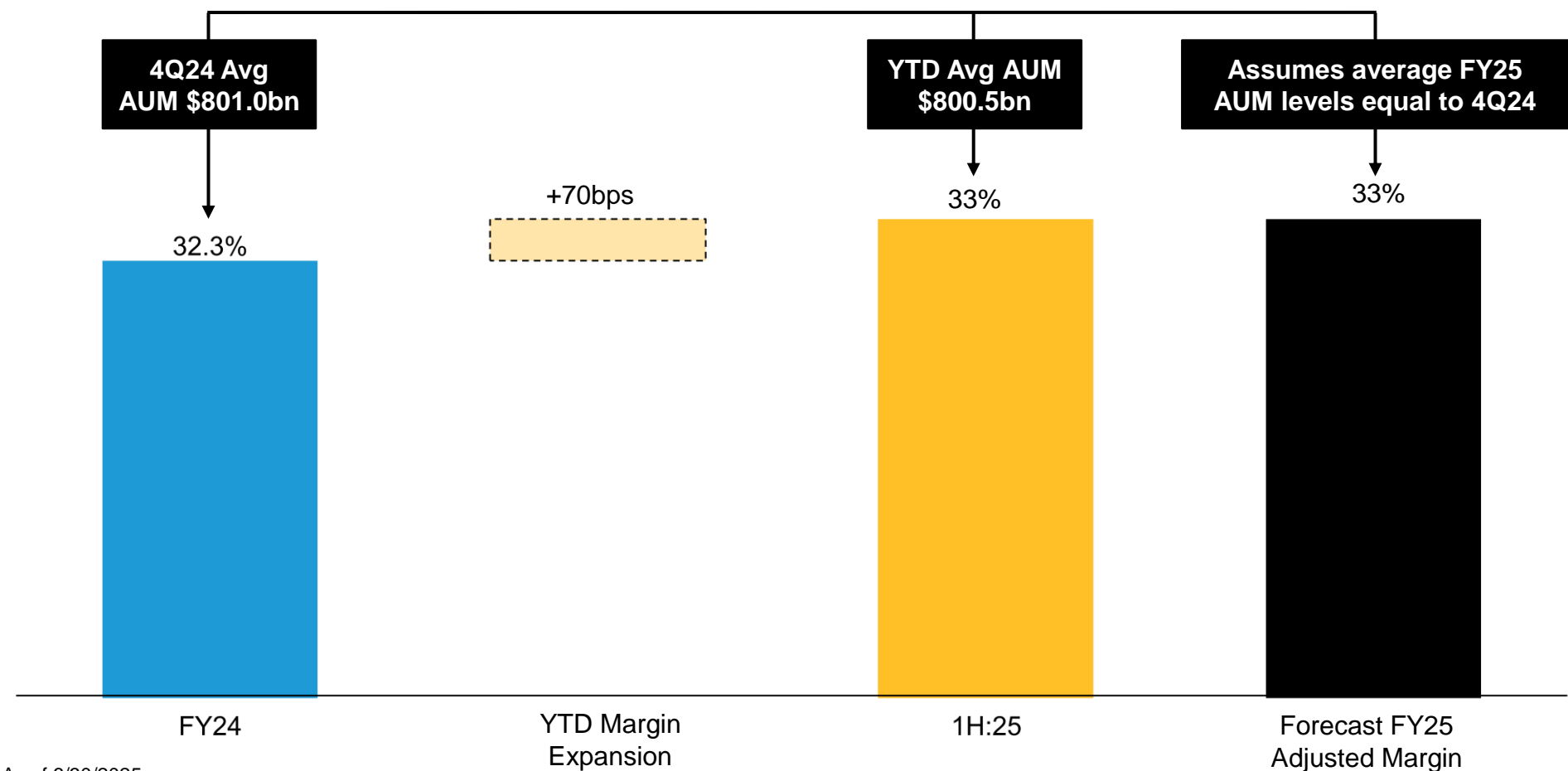
- We now expect total FY25 performance fees of \$110–\$130 million, up from \$90–\$105 million across private and public strategies
- Our Private Markets platform, has accounted for ~2/3 of AB’s annual performance fees, on average, since FY22
- Private Markets platforms generating performance fees:
  - Middle Market Lending, or “AB-PCI”
  - AB CarVal
  - Commercial Real Estate Debt
- AB-PCI accounts for majority of performance fees—these are recurring, hurdle-based revenues that typically trade at a premium valuation over public alpha

As of 6/30/2025. Source: AB

\*FY22 performance fees exclude \$32 million from Commercial Real Estate Equity

# On Track for 33% FY25 Margins Assuming Flat Markets

Adjusted Operating Margin Path and FY25 Outlook



As of 6/30/2025  
Source: AB



# AB's Unique Value Proposition

Integrated asset and wealth manager with differentiated capabilities, partnerships and structure



# Appendix

# Retail Mutual Funds Relative Performance vs. Morningstar Averages

Retail Service	1 Year		3 Year		5 Year		10 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
<b>Equity</b>								
Large Cap Growth	(4.4)	75	(1.5)	68	0.3	53	1.4	25
Concentrated Growth	(7.1)	90	(10.4)	98	(3.3)	87	(2.6)	90
Small Cap Growth	1.4	33	0.5	42	(2.8)	80	1.2	24
Equity Income	1.4	35	4.5	8	1.8	21	1.1	21
Select US Equity	3.7	8	1.6	36	2.2	9	1.2	19
International Tech	(3.0)	48	7.2	23	3.2	29	3.6	18
Low Vol	(0.2)	54	0.7	45	1.5	34	2.2	20
Eurozone Equity	1.4	36	(2.6)	79	(1.1)	69	0.5	43
Relative Value	(3.7)	88	0.1	48	0.6	42	0.7	31
<b>Multi-Asset/Alternative</b>								
Emerging Markets Multi-Asset	0.2	53	2.6	20	(0.2)	51	0.1	46
All Market Income	1.9	26	2.2	18	0.9	31	0.1	48
Select US Long/Short	2.2	43	(0.3)	45	(0.6)	47	1.0	30

■ Top Quartile

■ 2nd Quartile

## 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: Large Cap Growth - Large Growth; Concentrated Growth (US) - Large Growth; Small Cap Growth - Small Growth; Equity Income - US Large-Cap Value; Select US - Large-Cap Blend; International Tech - Sector Equity Technology; Low Vol - Global Large-Cap Blend; Eurozone Equity - Eurozone Large-Cap Equity; Relative Value - Large Value; Emerging Markets Multi-Asset - Global Emerging Markets; All Market Real Return - Tactical Allocation; Select US Long/Short - Long-Short Equity.

As of June 30, 2025

Source: AB and Morningstar





# Retail Mutual Funds Relative Performance vs. Morningstar Averages

Service	1 Year		3 Year		5 Year		10 Year	
	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile	Relative (%)	Percentile
<b>Fixed Income</b>								
American Income	1.1	28	0.5	37	(0.3)	58	0.3	37
European Income	0.8	28	1.5	26	0.1	48	1.0	19
Asia Income	(0.5)	49	0.5	35	(0.1)	57	N/A	--
Global High Yield	(0.7)	57	0.7	34	0.5	33	0.2	49
Short Duration High Yield	(1.5)	75	(0.4)	66	0.2	39	0.4	41
Emerging Markets Debt	1.3	28	1.3	30	0.7	33	0.7	30
High Income Advisor	0.7	26	1.2	10	0.9	20	0.2	41
Global Bond Advisor	(0.5)	73	(0.4)	67	(0.1)	60	0.1	52
Income Advisor	0.7	22	0.3	36	0.1	36	0.2	35
Intermediate Diversified Muni	(0.9)	91	0.2	36	0.0	49	0.5	9
High Income Muni	0.7	59	0.3	59	0.4	47	0.4	27

■ Top Quartile

■ 2nd Quartile

## 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; European Income - EUR Flexible Bond; Asia Income - Asia Bond; Global High Yield - Global High Yield Bond; Short Duration High Yield - Global High Yield Bond; Emerging Markets Debt - Global Emerging Markets Bond; High Income - High Yield Bond; Global Bond - World Bond; Income Advisor - Intermediate Core-Plus Bond; Intermediate Diversified Muni - Muni National Short; High Income Municipal - High Yield Muni. As of June 30, 2025

Source: AB and Morningstar

# Institutional Composite Relative Performance vs. Benchmarks

Service	1 Year	3 Year	5 Year	10 Year
<b>Equity</b>				
US Small Cap Growth	0.5	(0.2)	(1.4)	3.3
Global Core	(0.2)	(1.7)	(1.8)	0.1
International Strategic Core	6.8	1.7	0.6	2.2
Sustainable Global Thematic	(8.4)	(5.6)	(3.8)	0.5
US Small Cap Value	0.1	(0.5)	0.7	0.6
Global Strategic Value	1.7	(1.3)	0.2	(3.3)
International Strategic Value	10.8	2.4	2.9	(0.5)
<b>Fixed Income</b>				
Global Income (Hedged to JPY)	1.6	1.7	1.6	N/A
Global Plus (Hedged to USD)	0.1	0.4	0.6	0.4
Emerging Market Debt	2.0	1.5	0.9	0.5
US High Yield	(0.1)	0.2	0.7	0.3
US Strategic Core Plus	1.5	1.2	1.0	0.8
US Investment Grade Corporate	0.5	0.9	0.8	0.7
Intermediate Muni	0.1	0.6	0.7	0.7

## Past performance does not guarantee future results.

Investment Performance of composites is presented before investment management fees. Periods of more than one year are annualized. US Small Cap Growth - Russell 2000 Growth Index GDR; Concentrated Global Growth - MSCI World Index NDR; Global Core - MSCI ACWI NDR; International Strategic Core - MSCI EAFE Index NDR; Sustainable Global Thematic - MSCI ACWI NDR; US Small Cap Value - Russell 2000 Value Index GDR; Global Strategic Value - MSCI ACWI NDR; International Strategic Value - MSCI EAFE Index NDR; Global Income - Bloomberg Barclays US Aggregate Index Hedged to JPY; Global Plus - Bloomberg Barclay Global Aggregate Index Hedged to USD; EM Debt - JPM EMBI Global; Global High Income - Bloomberg Barclays Global HY Index Hedged; US HY - Bloomberg Barclays US Corporate HY Index; US Strategic Core Plus - Bloomberg Barclays US Aggregate Index; US Investment Grade Corporate - Bloomberg Barclays US Credit Index; Intermediate Muni - Lipper Short/Int Blended Muni Fund Avg. Global Plus are hedged to USD. Performance is preliminary and as of June 30, 2025.

# Assets Under Management: 2Q25

(US \$ Billions)

June 30, 2025						March 31, 2025	
	Institutions	Private Wealth	Retail	Total		Total	
<b>Equity</b>							
Actively Managed	\$50	\$57	\$166	\$273		\$249	
Passive <sup>(1)</sup>	25	7	39	71		66	
<b>Total Equity</b>	<b>75</b>	<b>64</b>	<b>205</b>	<b>344</b>		<b>315</b>	
<b>Fixed Income</b>							
Taxable	121	20	73	214		212	
Tax-Exempt	2	30	48	80		78	
Passive <sup>(1)</sup>	—	—	10	10		10	
<b>Total Fixed Income</b>	<b>123</b>	<b>50</b>	<b>131</b>	<b>304</b>		<b>300</b>	
<b>Alternatives/MAS <sup>(2)</sup></b>	<b>142</b>	<b>30</b>	<b>9</b>	<b>181</b>		<b>170</b>	
<b>Total</b>	<b>\$340</b>	<b>\$144</b>	<b>\$345</b>	<b>\$829</b>	<b>\$</b>	<b>785</b>	
<b>March 31, 2025</b>							
<b>Total</b>	<b>\$324</b>	<b>\$137</b>	<b>\$324</b>	<b>\$785</b>			

(1) Includes index and enhanced index services.

(2) Includes certain multi-asset solutions and services not included in equity or fixed income services.

# Three Months Ended 6/30/25: AUM Roll-Forward by Distribution Channel

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
Institutions								
US	\$162.9	\$3.5	\$(0.7)	\$—	\$2.8	\$5.4	\$8.2	\$171.1
Global and Non-US	161.2	0.2	(3.0)	(1.5)	(4.3)	12.0	7.7	168.9
<b>Total Institutions</b>	<b>324.1</b>	<b>3.7</b>	<b>(3.7)</b>	<b>(1.5)</b>	<b>(1.5)</b>	<b>17.4</b>	<b>15.9</b>	<b>340.0</b>
Retail								
US	231.7	14.4	(14.4)	(1.6)	(1.6)	20.5	18.9	250.6
Global and Non-US	92.4	5.0	(7.4)	(0.8)	(3.2)	4.9	1.7	94.1
<b>Total Retail</b>	<b>324.1</b>	<b>19.4</b>	<b>(21.8)</b>	<b>(2.4)</b>	<b>(4.8)</b>	<b>25.4</b>	<b>20.6</b>	<b>344.7</b>
Private Wealth								
US	92.6	3.5	(3.6)	0.2	0.1	4.2	4.3	96.9
Global and Non-US	43.7	1.3	(1.6)	(0.2)	(0.5)	4.3	3.8	47.5
<b>Total Private Wealth</b>	<b>136.3</b>	<b>4.8</b>	<b>(5.2)</b>	<b>—</b>	<b>(0.4)</b>	<b>8.5</b>	<b>8.1</b>	<b>144.4</b>
Firmwide								
US	487.2	21.4	(18.7)	(1.4)	1.3	30.1	31.4	518.6
Global and Non-US	297.3	6.5	(12.0)	(2.5)	(8.0)	21.2	13.2	310.5
<b>Total Firmwide</b>	<b>\$784.5</b>	<b>\$27.9</b>	<b>\$(30.7)</b>	<b>\$(3.9)</b>	<b>\$(6.7)</b>	<b>\$51.3</b>	<b>\$44.6</b>	<b>\$829.1</b>

# Three Months Ended 6/30/25: 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	\$173.3	\$6.4	\$(8.5)	\$(1.2)	\$(3.3)	\$22.0	\$18.7	\$192.0
Global and Non-US	75.7	2.0	(3.7)	(1.0)	(2.7)	8.4	5.7	81.4
Total Equity Active	249.0	8.4	(12.2)	(2.2)	(6.0)	30.4	24.4	273.4
Equity Passive <sup>(1)</sup>								
US	58.7	0.4	(0.1)	(0.3)	—	6.1	6.1	64.8
Global and Non-US	7.1	—	(1.7)	(0.2)	(1.9)	0.8	(1.1)	6.0
Total Equity Passive <sup>(1)</sup>	65.8	0.4	(1.8)	(0.5)	(1.9)	6.9	5.0	70.8
<b>Total Equity</b>	<b>314.8</b>	<b>8.8</b>	<b>(14.0)</b>	<b>(2.7)</b>	<b>(7.9)</b>	<b>37.3</b>	<b>29.4</b>	<b>344.2</b>
Fixed Income - Taxable								
US	121.6	6.2	(5.0)	0.8	2.0	1.2	3.2	124.8
Global and Non-US	90.0	3.2	(5.6)	(1.1)	(3.5)	3.2	(0.3)	89.7
Total Fixed Income - Taxable	211.6	9.4	(10.6)	(0.3)	(1.5)	4.4	2.9	214.5
Fixed Income - Tax-Exempt								
US	78.4	5.9	(4.6)	(0.1)	1.2	(0.1)	1.1	79.5
Global and Non-US	—	—	—	—	—	—	—	—
Total Fixed Income - Tax-Exempt	78.4	5.9	(4.6)	(0.1)	1.2	(0.1)	1.1	79.5
Fixed Income Passive <sup>(1)</sup>								
US	8.3	0.2	—	(0.3)	(0.1)	0.2	0.1	8.4
Global and Non-US	1.8	—	—	—	—	—	—	1.8
Total Fixed Income Passive <sup>(1)</sup>	10.1	0.2	—	(0.3)	(0.1)	0.2	0.1	10.2
<b>Total Fixed Income</b>	<b>300.1</b>	<b>15.5</b>	<b>(15.2)</b>	<b>(0.7)</b>	<b>(0.4)</b>	<b>4.5</b>	<b>4.1</b>	<b>304.2</b>
Alternatives/MAS <sup>(2)</sup>								
US	46.9	2.3	(0.5)	(0.3)	1.5	0.7	2.2	49.1
Global and Non-US	122.7	1.3	(1.0)	(0.2)	0.1	8.8	8.9	131.6
<b>Total Alternatives/MAS<sup>(2)</sup></b>	<b>169.6</b>	<b>3.6</b>	<b>(1.5)</b>	<b>(0.5)</b>	<b>1.6</b>	<b>9.5</b>	<b>11.1</b>	<b>180.7</b>
Firmwide								
US	487.2	21.4	(18.7)	(1.4)	1.3	30.1	31.4	518.6
Global and Non-US	297.3	6.5	(12.0)	(2.5)	(8.0)	21.2	13.2	310.5
<b>Total Firmwide</b>	<b>\$784.5</b>	<b>\$27.9</b>	<b>\$(30.7)</b>	<b>\$(3.9)</b>	<b>\$(6.7)</b>	<b>\$51.3</b>	<b>\$44.6</b>	<b>\$829.1</b>

(1) Includes index and enhanced index services.

(2) Includes certain multi-asset solutions and services not included in equity or fixed income services.

## Three Months Ended 6/30/25: Active vs. Passive Net Flows

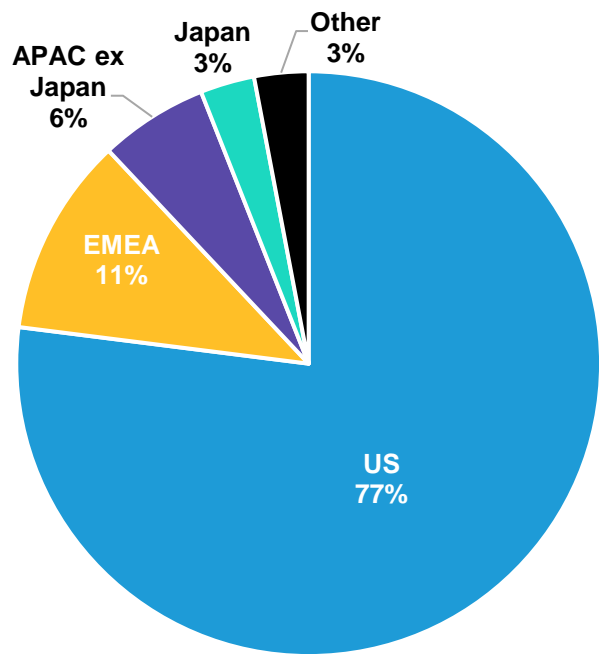
	Actively Managed	Passively Managed <sup>(1)</sup>	Total
Equity	\$(6.0)	\$(1.9)	\$(7.9)
Fixed Income	(0.3)	(0.1)	(0.4)
Alternatives/MAS <sup>(2)</sup>	1.5	0.1	1.6
<b>Total</b>	<b>\$(4.8)</b>	<b>\$(1.9)</b>	<b>\$(6.7)</b>

(1) Includes index and enhanced index services.

(2) Includes certain multi-asset solutions and services not included in equity or fixed income services.

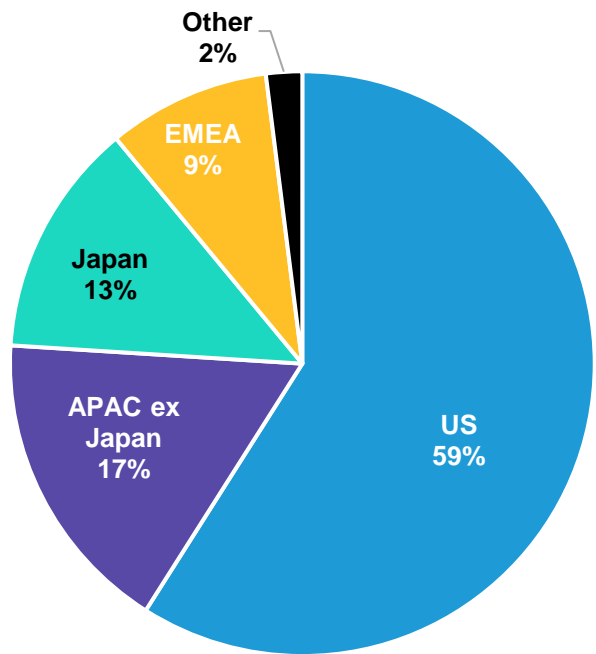
# Assets Under Management By Region

Institutional Geographic Breakdown



\$340.0B

Retail Geographic Breakdown



\$344.7B

As of June 30, 2025  
By Client Domicile  
Percentages may not add up to 100% due to rounding



## Second Quarter 2025 GAAP Income Statement

Income Statement (in US \$ Millions)	2Q25	2Q24	% Δ	1Q25	% Δ
Base Fees	\$805	\$774	4 %	\$818	(2)%
Performance Fees	39	43	(11)%	37	4 %
Distribution Revenues	198	173	15 %	199	— %
Dividends & Interest	36	44	(18)%	34	5 %
Investment (Losses)	(8)	(24)	(67)%	(20)	(62)%
Other Revenues	35	40	(13)%	30	12 %
<b>Total Revenues</b>	<b>1,105</b>	<b>1,050</b>	<b>5 %</b>	<b>1,098</b>	<b>1 %</b>
Less: Broker-Dealer Related Interest Expense	16	22	(28)%	18	(11)%
<b>Net Revenues</b>	<b>\$1,089</b>	<b>\$1,028</b>	<b>6 %</b>	<b>\$1,080</b>	<b>1 %</b>
Compensation & Benefits					
Compensation & Fringes	\$430	\$414	4 %	\$413	4 %
Other Employment Costs	10	9	11 %	8	25 %
<b>Total Compensation &amp; Benefits</b>	<b>440</b>	<b>423</b>	<b>4 %</b>	<b>421</b>	<b>5 %</b>
Promotion & Servicing	259	234	11 %	257	1 %
General & Administrative	148	146	2 %	148	— %
Other	20	26	(22)%	18	7 %
<b>Total Operating Expenses</b>	<b>\$867</b>	<b>\$829</b>	<b>5 %</b>	<b>\$844</b>	<b>3 %</b>
<b>Operating Income</b>	<b>\$222</b>	<b>\$199</b>	<b>11 %</b>	<b>\$236</b>	<b>(6)%</b>
<b>Operating Margin</b>	<b>20.7 %</b>	<b>19.0 %</b>	<b>170 bps</b>	<b>21.8 %</b>	<b>(110)bps</b>
<b>AB Holding GAAP Net Income Per Unit</b>	<b>\$0.64</b>	<b>\$0.99</b>	<b>(35)%</b>	<b>\$0.67</b>	<b>(4)%</b>

(1) Net of both sub-advisory and fees paid to distributors from investment management fees.



## Second Quarter 2025 GAAP Income Statement

In US \$ Millions (except EPU)	2Q25	2Q24	% Δ	1Q25	% Δ
Net Revenues	\$1,089	\$1,028	6 %	\$1,080	1 %
Operating Expenses	867	829	5 %	844	3 %
Operating Income	222	199	11 %	236	(6)%
Net Income Attributable to AB Unitholders	210	310	(32)%	221	(5)%
<b>AB Holding GAAP Net Income per Unit</b>	<b>\$0.64</b>	<b>\$0.99</b>	<b>(35)%</b>	<b>\$0.67</b>	<b>(4)%</b>
<b>AB Holding Distribution per Unit</b>	<b>\$0.76</b>	<b>\$0.71</b>	<b>7 %</b>	<b>\$0.80</b>	<b>(5)%</b>

Dollars rounded in millions, however percentages calculated using amounts rounded in thousands. As such, amounts may not foot.

# Second Quarter 2025 AB Holding Financial Results

In US \$ Millions (excluding per Unit amounts)	2Q25	2Q24	% Δ	1Q25	% Δ
<b>AB</b>					
Net Income Attributable to AllianceBernstein	\$210	\$310	(32)%	\$221	(5)%
Weighted Average Equity Ownership Interest	37.5 %	39.6 %		37.5 %	
<b>AB Holding</b>					
Equity in Net Income Attributable to AB	79	123	(36)%	83	(5)%
Income Taxes	9	9	(7)%	9	(2)%
<b>Net Income</b>	<b>\$70</b>	<b>\$114</b>	<b>(38)%</b>	<b>\$74</b>	<b>(5)%</b>
<b>Diluted Net Income Per Unit, GAAP basis</b>	<b>\$0.64</b>	<b>\$0.99</b>	<b>(35)%</b>	<b>\$0.67</b>	<b>(4)%</b>
<b>Distributions Per Unit</b>	<b>\$0.76</b>	<b>\$0.71</b>	<b>7 %</b>	<b>\$0.80</b>	<b>(5)%</b>
<b>Adjusted Diluted Net Income Per Unit</b>	<b>\$0.76</b>	<b>\$0.71</b>	<b>7 %</b>	<b>\$0.80</b>	<b>(5)%</b>

Please refer to pages 28-29 for additional information on the reconciliation of GAAP financial results to adjusted financial results.  
Dollars rounded in millions, however percentages calculated using amounts rounded in thousands. As such, amounts may not foot.

## Second Quarter 2025 Adjusted Advisory Fees

	2Q25	2Q24	% Δ	1Q25	% Δ
Ending AUM (\$ Billions)	\$829	\$770	8 %	\$785	6 %
Average AUM (\$ Billions)	\$800	\$756	6 %	\$798	— %
<b>By Fee Type (\$ Millions):</b>					
Adjusted Base Fees	\$772	\$742	4 %	\$782	(1)%
Adjusted Performance Fees	30	42	(28)%	39	(23)%
<b>Total</b>	<b>\$802</b>	<b>\$784</b>	<b>2 %</b>	<b>\$821</b>	<b>(2)%</b>
<b>Adjusted Base Fees By Channel (\$ Millions):</b>					
Institutions	\$145	\$147	(1)%	\$145	— %
Retail	357	338	6 %	363	(2)%
Private Wealth	270	257	5 %	274	(1)%
<b>Total</b>	<b>\$772</b>	<b>\$742</b>	<b>4 %</b>	<b>\$782</b>	<b>(1)%</b>

(1) Net of both sub-advisory and fees paid to distributors from investment management fees.

# Second Quarter 2025 GAAP to Non-GAAP Reconciliation

In US \$ Thousands		Adjustments									Non-GAAP
	GAAP	Distribution Related Payments	Pass Through Adjustments	Deferred Comp. Inv.	Pension Obligation Settlement	NCI/ Consol VIE	Acquisition- Related Expenses	Equity Method Investment	AB Funds Reimburs Expense	Interest Expense	
		(A)	(B)	(C)	(D)	(E)	(G)	(H)	(I)	(J)	
Investment advisory and services fees	\$ 843,978	\$ (20,297)	\$ (13,659)	\$ (7,444)		\$ (180)					\$ 802,398
Bernstein research services	—										—
Distribution revenues	198,367	(198,367)									—
Dividend and interest income	36,137			(40)		(4,737)					31,360
Investment (losses) gains	(7,825)			(2,337)		7,261		10,579			7,678
Other revenues	33,912		(15,203)			(49)					18,660
Total revenues	1,104,569	(218,664)	(28,862)	(9,821)	—	2,295	-	10,579			860,096
Less: broker-dealer related interest expense	15,662										15,662
<b>Net revenues</b>	<b>1,088,907</b>	<b>(218,664)</b>	<b>(28,862)</b>	<b>(9,821)</b>	<b>—</b>	<b>2,295</b>	<b>-</b>	<b>10,579</b>			<b>844,434</b>
Employee compensation and benefits	439,554		(7,811)	(12,134)			(411)				419,198
Promotion and servicing	259,490	(218,664)	(6,653)								34,173
General and administrative	148,018		(14,398)		—	(272)	(1,042)		(14,296)		118,010
Contingent payment arrangements	42						(42)				—
Interest on borrowings	8,463									(8,463)	—
Amortization of intangible assets	11,246						(11,148)				98
Net income (loss) of consolidated entities attributable to non-controlling interests	—					(9)					(9)
<b>Total expenses</b>	<b>866,813</b>	<b>(218,664)</b>	<b>(28,862)</b>	<b>(12,134)</b>	<b>—</b>	<b>(281)</b>	<b>(12,643)</b>		<b>(14,296)</b>	<b>(8,463)</b>	<b>571,470</b>
<b>Operating income</b>	<b>222,094</b>	<b>—</b>	<b>—</b>	<b>2,313</b>	<b>—</b>	<b>2,576</b>	<b>12,643</b>	<b>10,579</b>	<b>14,296</b>	<b>8,463</b>	<b>272,964</b>
Interest on borrowings	—									8,463	8,463
Income taxes	14,806	-	-	154	—	172	843	706	961		17,642
<b>Net income</b>	<b>207,288</b>	<b>-</b>	<b>-</b>	<b>2,159</b>	<b>—</b>	<b>2,404</b>	<b>11,800</b>	<b>9,873</b>	<b>13,335</b>		<b>264,859</b>
Net income (loss) of consolidated entities attributable to non-controlling interests	(3,179)			603	—	2,576					-
<b>Net income attributable to AB Unitholders</b>	<b>\$ 210,467</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,556</b>	<b>\$ —</b>	<b>\$ (172)</b>	<b>\$ 11,800</b>	<b>\$ 9,873</b>	<b>\$ 13,335</b>	<b>\$ —</b>	<b>\$ 246,859</b>

Please refer to page 29 for notes describing the adjustments.

# AB Adjusted Financial Results Reconciliation

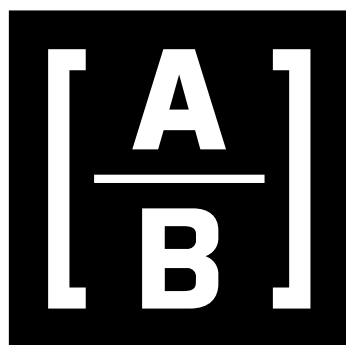
## Notes to Consolidated Statements of Income and Supplemental Information (Unaudited)

- A. We exclude all of the company's distribution revenues, which are recorded as a separate line item on the consolidated statement of income, as well as a portion of investment advisory services fees received that is used to pay distribution and servicing costs. Such presentation appropriately reflects the nature of these costs as pass-through payments to third parties that perform functions on behalf of our sponsored mutual funds and/or shareholders of these funds. Also, we adjust distribution revenues for the amortization of deferred sales commissions as these costs, over time, will offset such revenues.
- B. We exclude additional pass-through expenses we incur (primarily through our transfer agency) that are reimbursed and recorded as fees in revenues. Also, we adjust for certain investment advisory and service fees passed through to our investment advisors. 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. In addition, we exclude any EQH-related equity compensation expense as the awards are non-cash and are based on EQH's and not AB's financial performance. Also, we adjust for certain acquisition related pass through performance-based fees and performance related compensation.
- D. The losses associated with the termination of our defined benefit retirement plan are non-cash, short term in nature and not considered a part of our core operating results when comparing financial results from period to period.
- E. 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.
- F. Real estate credits are excluded because they are not considered part of our core ongoing operations. However, beginning in the fourth quarter of 2019, real estate charges (credits) while excluded in the period in which the charges (credits) are recorded, are included ratably over the remaining applicable lease term.
- 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. Acquisition-related expenses include professional fees and the recording of changes in estimates to contingent payment arrangements associated with our acquisitions. Beginning in the first quarter of 2022, acquisition-related expenses also include certain compensation-related expenses, amortization of intangible assets for contracts acquired and accretion expense with respect to contingent payment arrangements.
- H. We adjust net revenues to exclude our portion of the equity income or loss associated with our equity method investments, including our investment in the JVs and reinsurance sidecar as we don't consider this activity part of our core business operations. Effective April 1, 2024, following the close of the transaction with SocGen, we record all income or loss associated with the JVs as an equity method investment income (loss). As we no longer consider this activity part of our core business operations and our intent is to fully divest from both joint ventures, we consider these amounts temporary and as such, we exclude these amounts from our adjusted operating income.
- I. Fund reimbursement: During the first quarter of 2025, we identified an error in the billing practices of a third-party service provider, who had over billed certain AB mutual funds for omnibus account services, sub-accounting services, and related transfer agency expenses in prior years. The matter remains in dispute with the service provider. In the second quarter, at the request of the mutual fund Board, AB agreed to reimburse the affected funds for the entirety of the overpayment plus interest. We have adjusted operating income to exclude these reimbursements. We believe adjusting for these costs is useful for our investors and other users of our financial statements because such presentation appropriately reflects the non-core nature of this expenditure.
- J. Interest on borrowings has been excluded from operating income in order to align with our industry peers.

### Adjusted Operating Margin

Adjusted operating margin allows us to monitor our financial performance and efficiency from period to period without the volatility 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.

**For illustrative purposes only;** The information should not be construed as sales or marketing material or an offer or solicitation for the purchase or sale of any financial instrument, product or service sponsored by AllianceBernstein or its affiliates.



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