



A Balanced Approach to Bond Investing

American Income Portfolio

- Portfolio's barbell approach seeks to provide higher returns with lower risk
- Dynamic, multi-sector approach aims to provide stable, long-term returns
- Experienced and research-driven team has delivered consistent results

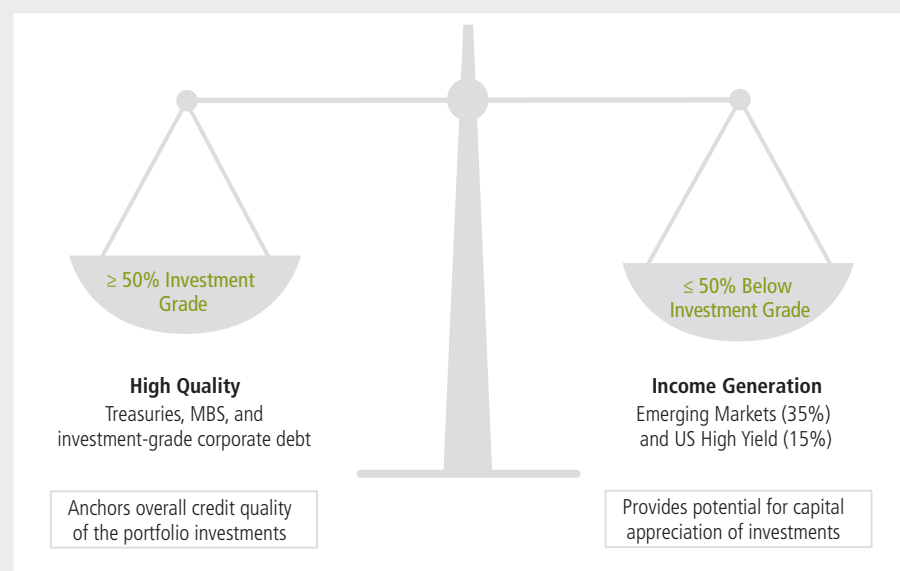
The **American Income Portfolio** uses a barbell approach (Display) that combines two different types of bonds that have historically worked well together. Investment-grade bonds have lower risk—they help provide stable returns for investors, while high-yield bonds have more risk, but also provide more income and potential for capital growth. By combining the two, the Portfolio seeks to give investors the best of both worlds: higher returns with lower risk.

The Portfolio's diversity across different geographies and credit risks aims to help provide investors stable long-term returns, because no bond sector can lead in performance all the time. During economic downturns, investment-grade bonds have historically outperformed. During growth periods, high-yield and emerging-market bonds have led.

We've built a substantial research presence across the globe, because we believe geography shouldn't define opportunities. We can invest up to 35% of the Portfolio in securities from outside the US—US dollar-denominated securities identified by our researchers in the Americas, Europe, Asia and Australia. These bond experts bring global perspective and local expertise.

Since its inception, this bellwether US bond portfolio has delivered consistent results, including impressive capital appreciation and income—its time-tested strategy has weathered a wide range of market conditions. We believe this performance record demonstrates the effectiveness of our fixed-income philosophy.

American Income Portfolio's Barbell Approach



Our Experience

More than 20 years of managing multi-sector fixed-income investments

US\$250 billion in assets under management in fixed-income strategies

As of 31 March 2013

For illustrative purposes only. Sector weightings will vary over time.

Source: AB

Key Features of the American Income Portfolio

Balanced Bond Investing A combination of high-yield and investment-grade bonds...	➔	...seeks to provide competitive returns with reduced risk for investors who seek income and capital appreciation
Diversified Stable Portfolio Diversification across different geographies and credit risks...	➔	...offers investors stable long-term return potential, because no bond sector wins all the time
A Proven Track Record Our deep and experienced global investment team's research-driven approach...	➔	...has produced a proven historical track record of consistent results

Fund Managers: Douglas J. Peebles, Paul J. DeNoon, Gershon M. Distenfeld

Domicile: Luxembourg

Portfolio Inception Date (Class A):
1 July 1993

Subscription/Redemption: Daily

ISIN (Class A): LU0044957727

Base Currency: US dollar

Currency-Hedged Share Classes: Australian dollar, British pound, Canadian dollar, euro, Singapore dollar

Order Placement Cutoff Time: 4:00 p.m. US Eastern Time, 6:00 p.m. Central European Time (for hedged share classes)

Recognition for the American Income Portfolio

Europe

- Euro Fund Awards 2012 Germany: Bonds USD over 3 and 10 years

Gulf Countries

- Lipper Fund Awards Gulf: Bond USD over 10 years (2011) and Bond USD over 3 years (2012)

Asia

- Lipper Fund Awards Hong Kong: Bond USD: 3 years (2012) and 10 years (2011, 2012)
- The Edge-Lipper Fund Awards 2011 and 2012: Singapore: Bond USD over 3, 5 and 10 years (2011, 2012)

Lipper Global Bond USD Rankings

	1 Year	3 Years	5 Years	Life of Fund
Category Rank	15/116	7/101	5/95	1/21
Quartile	1st	1st	1st	1st

As of 31 December 2012

Past performance does not guarantee future results. The fund is ranked in a Lipper universe that includes funds that have generally similar investment objectives. Rankings shown are for Class A shares only.

Source: Lipper and AB

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A WORD ABOUT RISK

Market Risk: The market values of the investments may rise and fall from day to day, so investments may lose value. **Interest Rate Risk:** Bonds may lose value if interest rates rise or fall—long-duration bonds tend to rise and fall more than short-duration bonds. **Credit Risk:** A bond's credit rating reflects the issuer's ability to make timely payments of interest or capital—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. **Allocation Risk:** Allocating to different types of assets may have a large impact on returns if one of these asset classes significantly underperforms the others. **Foreign Risk:** Investing in overseas assets may be more volatile because of political, regulatory, market and economic uncertainties associated with them. These risks are magnified in assets of emerging or developing markets. **Currency Risk:** Currency fluctuations may have a large impact on returns and the value of an investment may be negatively affected when translated into the currency in which the initial investment was made. **Capitalization Size Risk:** Holdings in smaller companies are often more volatile than holdings in larger ones.

Any references to specific securities are presented to illustrate the application of our investment philosophy only and are not to be considered recommendations. The specific securities identified and described in this presentation do not represent all of the securities purchased, sold or recommended for a portfolio, and it should not be assumed that investments in the securities identified were or will be profitable.

The American Income Portfolio (the "Fund") is a portfolio of ACMBernstein, a mutual investment fund (fonds commun de placement) organized under the laws of Luxembourg, which conducts business in Germany and Austria under the brand AB.

The value of an investment in the Fund can go down as well as up and investors may not get back the full amount invested. **The sale of the Fund may be restricted or subject to adverse tax consequences in certain jurisdictions.** This information is directed solely at persons in jurisdictions where the funds and relevant share class are registered or who may otherwise lawfully receive it. Before investing, investors should review the Fund's full prospectus, together with the Fund's Key Investor Information Document (KIID) and the most recent financial statements. Copies of these documents, including the latest annual report and, if issued thereafter, the latest semi-annual report, may be obtained free of charge by visiting www.abfunds.com or in printed form by contacting the local paying and information agents:

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