

AllianceBernstein—
Thematic Research Portfolio*

Market Overview

Global equity markets were flat in December, as the holiday season offered a brief respite from the market turmoil that has roiled the financial markets during the second half of 2011. Worries about the euro crisis were muted to some degree when the European Central Bank injected significant amounts of liquidity in the form of cheap, long-term credit into the undercapitalized European banking system. Investors were also heartened by encouraging US data for November in the areas of job growth, consumer sentiment and home sales, suggesting that the recovery of the world's largest economy may be gaining momentum. The MSCI ACWI Index fell 0.2% for the month, adding to the year-to-date decline of 7.4%. (All returns are in US-dollar terms.)

The continuing global economic uncertainty played a leading role in sector performance in December. The slowdown in the world economy proved detrimental to the share-price performance of stocks in the materials sector, which tends to be more highly geared toward global gross domestic product growth. The technology sector depreciated because of fears that government agencies and major companies might cut back in spending. Meanwhile, healthcare and consumer staples appreciated the most, as investors de-risked into defensive sectors.

Portfolio Performance

The Portfolio declined and underperformed its benchmark, the MSCI ACWI, in December and for the year to date. Security selection, particularly in technology and consumer discretion drove the deficit. Sector positioning also detracted, although currency selection was positive. Underweight and overweight exposures to the euro and dollar, respectively, bolstered performance.

The continuing global economic uncertainty adversely impacted several of the Portfolio's cyclically sensitive holdings in December. In the materials sector, shares of Canadian miners Goldcorp and Barrick Gold both traded lower due in part to downward pressure on gold prices. Our investment thesis is that as central banks continue to fend off deflation by injecting liquidity into the financial system, gold will appreciate in response to the anticipated higher inflation.

Silicon Graphics International underperformed on the news that the US-based supercomputer-maker's CEO had resigned to head another technology company. Our view remains that the company's underlying technological strengths will be enough to sustain outperformance. Shares have begun to recover since the announcement.

The Portfolio's top contributors were

derived from diverse sectors. In the US, Illumina, a maker of tools for genetic analysis, rebounded from lows, lifted by speculation of a takeover. The company's shares turned upward after the US House Appropriations Committee released details of its final budget package for fiscal year 2012, which allotted better-than-expected funding to the National Institutes of Health, America's national medical research agency. Meanwhile, shares of forest products company Weyerhaeuser gained on signs of an uptick in the US housing space, supporting higher expectations for building materials companies.

Ciputra Development gained after the Indonesian property developer reported a significant increase in November marketing sales year over year, which we believe will likely allow the firm to exceed its annual target. Shares also benefited from the strong performance of the Indonesian financial markets in December.

Outlook

Although 2011 was a tumultuous year, strong fourth-quarter returns showed how quickly sentiment can shift. Even in this environment, longer-duration stocks continued to be punished, with the focus still on short-term earnings and dividends over long-term growth.

As disappointing as recent

performance has been, it is not uncharacteristic of historical patterns. We invest in broad changes early, before the potential is widely recognized, which often results in interim setbacks.

Global markets have been gripped by fears of decelerating growth in China, potential global recession stemming from European austerity, and economic and political uncertainty in the US, all of which have overshadowed solid corporate fundamentals. But we believe investors have been placated by some progress on these fronts. In the US, for example, there are a number of catalysts for sustained recovery, including improvements in housing and employment numbers. With inventories at extreme lows, we believe even moderate upticks in demand should spark meaningful production increases. From our standpoint, businesses have underinvested in production, despite recovering capacity utilization and abundant cash.

Within our themes, we're seeing new opportunities in Web 2.0, as rapid growth of "big data" applications—involving huge volumes of unstructured images, and interaction or social data—should support years of innovation and new investment. Our "big data" holdings span the full lifecycle of content, from creation to transmission, processing and final delivery.

Within the Financial Reformation

theme, we're seeing new opportunities as European banks give up market share because of financial constraints stemming from the region's debt crisis. European Union banks are planning another €1.2 trillion in deleveraging and business sales in both Europe and the US. This will create a unique opportunity for the US banks and/or "shadow banks" we hold to acquire prime assets. US institutions have been building capital to pounce on these opportunities, which would allow them to build market share.

Rather than steering the Portfolio toward defensive stocks, we have maintained our exposure to the more cyclical expression of our themes. We remain confident in our six overarching themes: Genomic Age, Web 2.0, (re)Emerging Middle Class, Energy Transformation, Financial Reformation and Heightened Cyclicity.

*** Prior to 30 April 2011, the Portfolio was named AllianceBernstein—Global Thematic Research Portfolio.**

AllianceBernstein (Luxembourg) S.à.r.l. is the management company of the Portfolio and has appointed AllianceBernstein (Singapore) Ltd. (Company Registration No. 199703364C) as its agent for service of process and as its Singapore representative.

Past performance is no guarantee of future results. There is no guarantee that any forecasts or opinions in these materials will be realized. This information should not be construed as an offer to sell, or solicitation of an offer to buy, or a recommendation for the securities of the fund. The sale of shares in AllianceBernstein funds may not be offered or sold, directly or indirectly in the United States or to U.S. Persons, as is more fully described in the fund's prospectus. Shares of the fund are offered only pursuant to the fund's current prospectus together with the most recent financial statements. Further details may be obtained from the fund's distributor. For additional information, or to obtain a copy of the fund's prospectus and Product Highlight Sheet, please contact your financial advisor.

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

A portfolio of ACMBernstein SICAV, an open-ended investment company with variable capital (*société de investissement à capital variable*) incorporated under the laws of Luxembourg, which conducts business outside of Germany and Austria under the name AllianceBernstein.

References to specific securities are presented for the purpose of providing information regarding a particular investment sector, or to illustrate the application of AllianceBernstein's investment philosophy, and are not to be considered recommendations by AllianceBernstein. The specific securities identified and described above may or may not be held by the Portfolio at any given time.

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

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

©2012 AllianceBernstein L.P.

www.alliancebernstein.com/investments