AllianceBernstein Discovery Value Fund
(formerly Small/Mid Cap Value Fund)

Semi-Annual Report

May 31, 2013

SEMI-ANNUAL REPORT

AllianceBernstein

Investment Products Offered

- **Are Not FDIC Insured**
- **May Lose Value**
- **Are Not Bank Guaranteed**

Investors should consider the investment objectives, risks, charges and expenses of the Fund 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.

This shareholder report must be preceded or accompanied by the Fund's prospectus for individuals who are not current shareholders of the Fund.

You may obtain a description of the Fund's proxy voting policies and procedures, and information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, without charge. Simply visit AllianceBernstein's website at www.alliancebernstein.com, or go to the Securities and Exchange Commission's (the "Commission") website at www.sec.gov, or call AllianceBernstein at (800) 227-4618.

The Fund files its complete schedule of portfolio holdings with the Commission for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the Commission's website at www.sec.gov. The Fund's Forms N-Q may also be reviewed and copied at the Commission's Public Reference Room in Washington, DC; information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. AllianceBernstein publishes full portfolio holdings for the Fund monthly at www.alliancebernstein.com.

AllianceBernstein Investments, Inc. (ABI) is the distributor of the AllianceBernstein family of mutual funds. ABI is a member of FINRA and is an affiliate of AllianceBernstein L.P., the manager of the funds.

July 23, 2013

Semi-Annual Report

This report provides management's discussion of fund performance for AllianceBernstein Discovery Value Fund (the "Fund") for the semi-annual reporting period ended May 31, 2013. Prior to November 1, 2012, the Fund was named AllianceBernstein Small/Mid Cap Value Fund.

Investment Objectives and Policies

The Fund's investment objective is long-term growth of capital. The Fund invests primarily in a diversified portfolio of equity securities of small- to mid-capitalization U.S. companies, generally representing 60 to 125 companies. Under normal circumstances, the Fund invests at least 80% of its net assets in securities of small- to mid-capitalization companies. For purposes of this policy, small- to mid-capitalization companies are those that, at the time of investment, fall within the capitalization range between the smallest company in the Russell 2500 Value Index and the greater of $5 billion or the market capitalization of the largest company in the Russell 2500 Value Index. Because the Fund's definition of small- to mid-capitalization companies is dynamic, the lower and upper limits on market capitalization will change with the markets.

The Fund may enter into derivatives transactions, such as options, futures contracts, forwards, and swap agreements. The Fund may use options strategies involving the purchase and/or writing of various combinations of call and/or put options, including on individual securities and stock indexes, futures contracts (including futures contracts on individual securities and stock indexes) or shares of exchange-traded funds ("ETFs"). These transactions may be used, for example, in an effort to earn extra income, to adjust exposure to individual securities or markets, or to protect all or a portion of the Fund's portfolio from a decline in value, sometimes within certain ranges. The Fund may, at times, invest in shares of ETFs in lieu of making direct investments in equity securities. ETFs may provide more efficient and economical exposure to the type of companies and geographic locations in which the Fund seeks to invest than direct investments.

Investment Results

The table on page 4 shows the Fund's performance compared to its benchmark, the Russell 2500 Value Index, in addition to the broad small/mid-cap universe, as measured by the Russell 2500 Index, for the six- and 12-month periods ended May 31, 2013.

During both periods, all share classes of the Fund increased in absolute terms and outperformed the benchmark and the Russell 2500 Index. For the six-month period, cyclical stocks outpaced defensive stocks. Stock selection in the financials, technology and energy sectors was a main driver of the outperformance; an underweight in the consumer growth sector detracted and slightly offset the positive results. For the 12-month period, holdings within the consumer growth, energy and financials sectors contributed most to the gain, while an overweight to the technology sector and underweights in the consumer growth and capital equipment sectors offset relative performance.

The Fund did not employ derivatives during either period.

Market Review and Investment Strategy

U.S. and global equity markets surged in 2012 as investors gained confidence that challenges to economic growth and market stability would be contained, and the actions of the U.S. Federal Reserve (the "Fed") drove market actions. Small- and mid-cap value stocks achieved solid double-digit returns for the six-month period ended May 31, 2013, as measured by the benchmark, and beat the broad market, as represented by the S&P 500 Index.

Most recently, the Fed was under intense scrutiny as investors grew increasingly concerned that it might retreat sooner than expected on its monetary support stance, which has been one of the main engines of the current rally in U.S. equity markets. Given the possibility that the Fed could begin to slow its purchase of government bonds, the yields on benchmark 10-year Treasury notes hovered near a 13-month high at one point in May.

The economic recovery continued to be stubbornly slow. On the plus side, the housing market, which has been one of the biggest beneficiaries of the Fed's purchases of government and mortgage-backed bonds, continued to rebound. Sales of previously owned homes reached their highest level in three years, and the percentage of foreclosure purchases declined. Also, consumer confidence in May surged to its highest level since July 2007, as measured by the Consumer Confidence Index. The downbeat notes included disappointing industrial production in April and a drop in consumer spending, which accounts for 70% of U.S. economic activity.

The current economic climate has allowed the Discovery Value Senior Investment Management Team (the "Team") to invest opportunistically in undervalued companies with solid fundamentals, without sacrificing the Fund's deep-value discipline. As the economy continues its growth, the Fund's emphasis continues to be at the stock-specific level, where the trend is focused on what the Team considers to be attractively-valued companies with solid balance sheets and strong free cash flow.

DISCLOSURES AND RISKS

Benchmark Disclosure

The unmanaged Russell 2500™ Value Index and the unmanaged Russell 2500™ Index do not reflect fees and expenses associated with the active management of a mutual fund portfolio. The Russell 2500 Value Index represents the performance of 2,500 small- to mid-cap value companies within the U.S.; the Russell 2500 Index represents the performance of 2,500 small- to mid-cap companies within the U.S. An investor cannot invest directly in an index, and its results are not indicative of the performance for any specific investment, including the Fund.

A Word About Risk

Market Risk: The value of the Fund's investments will fluctuate as the stock or bond market fluctuates. The value of its investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market. It includes the risk that a particular style of investing, such as the Fund's value approach, may be underperforming the market generally.

Capitalization Risk: Investments in small- and mid-capitalization companies may be more volatile than investments in large-capitalization companies. Investments in small-capitalization companies may have additional risks because these companies have limited product lines, markets or financial resources.

Foreign (Non-U.S.) Risk: Investments in securities of non-U.S. issuers may involve more risk than those of U.S. issuers. These securities may fluctuate more widely in price and may be less liquid due to adverse market, economic, political, regulatory or other factors.

Currency Risk: Fluctuations in currency exchange rates may negatively affect the value of the Fund's investments or reduce its returns.

Derivatives Risk: Investments in derivatives may be illiquid, difficult to price, and leveraged so that small changes may produce disproportionate losses for the Fund, and may be subject to counterparty risk to a greater degree than more traditional investments.

Management Risk: The Fund is subject to management risk because it is an actively managed investment fund. AllianceBernstein L.P. (the "Adviser") will apply its investment techniques and risk analyses in making investment decisions for the Fund, but there is no guarantee that its techniques will produce the intended results. These risks are fully discussed in the Fund's prospectus.

An Important Note About Historical Performance

The investment return and principal value of an investment in the Fund will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Performance shown on the following pages 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.

All fees and expenses related to the operation of the Fund have been deducted. Net asset value ("NAV") returns do not reflect sales charges; if sales charges were reflected, the Fund's quoted performance would be lower. SEC returns reflect the applicable sales charges for each share class: a 4.25% maximum front-end sales charge for Class A shares; the applicable contingent deferred sales charge for Class B shares (4% year 1, 3% year 2, 2% year 3, 1% year 4); a 1%, 1-year contingent deferred sales charge for Class C shares. Returns for the different share classes will vary due to different expenses associated with each class. Performance assumes reinvestment of distributions and does not account for taxes.

HISTORICAL PERFORMANCE

THE FUND VS. ITS BENCHMARK PERIODS ENDED MAY 31, 2013	NAV Returns 6 Months	12 Months
AllianceBernstein Discovery Value Fund		
Class A	23.03%	35.92%
Class B*	22.98%	35.86%
Class C	22.59%	34.98%
Advisor Class**	23.16%	36.33%
Class R**	22.82%	35.53%
Class K**	22.95%	35.94%
Class I**	23.20%	36.40%
Russell 2500 Value Index	19.93%	33.31%
Russell 2500 Index	19.74%	31.63%

* *Effective January 31, 2009, Class B shares are no longer available for purchase to new investors. See Note A for additional information.*

** *Please note that these share classes are for investors purchasing shares through accounts established under certain fee-based programs sponsored and maintained by certain broker-dealers and financial intermediaries, institutional pension plans and/or investment advisory clients of, and certain other persons associated with, the Adviser and its affiliates or the Fund.*

Please keep in mind that high, double-digit returns are highly unusual and cannot be sustained. Investors should also be aware that these returns were primarily achieved during favorable market conditions.

See Disclosures, Risks and Note about Historical Performance on page 3.

(Historical Performance continued on next page)

HISTORICAL PERFORMANCE

(continued from previous page)

AVERAGE ANNUAL RETURNS AS OF MAY 31, 2013

	NAV Returns	SEC Returns (reflects applicable sales charges)
Class A Shares		
1 Year	35.92%	30.14%
5 Years	7.88%	6.94%
10 Years	11.01%	10.53%
Class B Shares		
1 Year	35.86%	31.86%
5 Years	7.70%	7.70%
10 Years[(a)]	10.63%	10.63%
Class C Shares		
1 Year	34.98%	33.98%
5 Years	7.11%	7.11%
10 Years	10.23%	10.23%
Advisor Class Shares†		
1 Year	36.33%	36.33%
5 Years	8.19%	8.19%
10 Years	11.34%	11.34%
Class R Shares†		
1 Year	35.53%	35.53%
5 Years	7.64%	7.64%
Since Inception*	9.50%	9.50%
Class K Shares†		
1 Year	35.94%	35.94%
5 Years	7.90%	7.90%
Since Inception*	7.89%	7.89%
Class I Shares†		
1 Year	36.40%	36.40%
5 Years	8.21%	8.21%
Since Inception*	8.17%	8.17%

The Fund's prospectus fee table shows the Fund's total annual operating expense ratios as 1.28%, 2.04%, 2.00%, 0.98%, 1.56%, 1.25% and 0.90% for Class A, Class B, Class C, Advisor Class, Class R, Class K and Class I shares, respectively, gross of any fee waivers or expense reimbursements. The Financial Highlights section of this report sets forth expense ratio data for the current reporting period; the expense ratios shown above may differ from the expense ratios in the Financial Highlights section since they are based on different time periods.

(a) *Assumes conversion of Class B shares into Class A shares after eight years.*

† *These share classes are offered at NAV to eligible investors and their SEC returns are the same as their NAV returns. Please note that these share classes are for investors purchasing shares through accounts established under certain fee-based programs sponsored and maintained by certain broker-dealers and financial intermediaries, institutional pension plans and/or investment advisory clients of, and certain other persons associated with, the Adviser and its affiliates or the Fund. The inception dates for these share classes are listed below.*

* *Inception dates: 11/3/2003 for Class R shares; 3/1/2005 for Class K and Class I shares.*

See Disclosures, Risks and Note about Historical Performance on page 3.

(Historical Performance continued on next page)

HISTORICAL PERFORMANCE

(continued from previous page)

SEC AVERAGE ANNUAL RETURNS AS OF THE MOST RECENT CALENDAR QUARTER-END (JUNE 30, 2013)

	SEC Returns (reflects applicable sales charges)
Class A Shares	
1 Year	24.38%
5 Years	8.99%
10 Years	10.35%
Class B Shares	
1 Year	25.81%
5 Years	9.76%
10 Years(a)	10.47%
Class C Shares	
1 Year	28.03%
5 Years	9.16%
10 Years	10.05%
Advisor Class Shares†	
1 Year	30.29%
5 Years	10.26%
10 Years	11.16%
Class R Shares†	
1 Year	29.53%
5 Years	9.69%
Since Inception*	9.24%
Class K Shares†	
1 Year	29.92%
5 Years	9.98%
Since Inception*	7.61%
Class I Shares†	
1 Year	30.39%
5 Years	10.29%
Since Inception*	7.89%

(a) *Assumes conversion of Class B shares into Class A shares after eight years.*

† *Please note that these share classes are for investors purchasing shares through accounts established under certain fee-based programs sponsored and maintained by certain broker-dealers and financial intermediaries, institutional pension plans and investment advisory clients of, and certain other persons associated with, the Adviser and its affiliates or the Fund. The inception dates for these share classes are listed below.*

* *Inception dates: 11/3/2003 for Class R shares; 3/1/2005 for Class K and Class I shares.*

See Disclosures, Risks and Note about Historical Performance on page 3.

EXPENSE EXAMPLES

(unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments, contingent deferred sales charges on redemptions and (2) ongoing costs, including management fees; distribution (12b-1) fees; and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period as indicated below.

Actual Expenses
The table below provides information about actual account values and actual expenses. You may use the information, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes
The table below also provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed annual rate of return of 5% before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds by comparing this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), or contingent deferred sales charges on redemptions. Therefore, the hypothetical example is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value December 1, 2012	Ending Account Value May 31, 2013	Expenses Paid During Period*	Annualized Expense Ratio*
Class A				
Actual	$ 1,000	$ 1,230.30	$ 6.89	1.24%
Hypothetical**	$ 1,000	$ 1,018.75	$ 6.24	1.24%
Class B				
Actual	$ 1,000	$ 1,229.80	$ 7.28	1.31%
Hypothetical**	$ 1,000	$ 1,018.40	$ 6.59	1.31%
Class C				
Actual	$ 1,000	$ 1,225.90	$ 10.82	1.95%
Hypothetical**	$ 1,000	$ 1,015.21	$ 9.80	1.95%
Advisor Class				
Actual	$ 1,000	$ 1,231.60	$ 5.23	0.94%
Hypothetical**	$ 1,000	$ 1,020.24	$ 4.73	0.94%
Class R				
Actual	$ 1,000	$ 1,228.20	$ 8.61	1.55%
Hypothetical**	$ 1,000	$ 1,017.20	$ 7.80	1.55%
Class K				
Actual	$ 1,000	$ 1,229.50	$ 6.89	1.24%
Hypothetical**	$ 1,000	$ 1,018.75	$ 6.24	1.24%
Class I				
Actual	$ 1,000	$ 1,232.00	$ 5.06	0.91%
Hypothetical**	$ 1,000	$ 1,020.39	$ 4.58	0.91%

* *Expenses are equal to the classes' annualized expense ratios multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half year period).*

** *Assumes 5% annual return before expenses.*

PORTFOLIO SUMMARY

May 31, 2013 (unaudited)

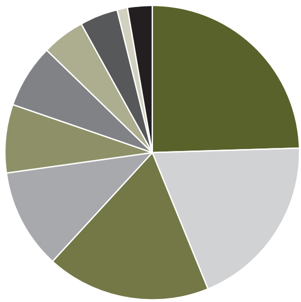
PORTFOLIO STATISTICS

Net Assets ($mil): $2,071.2

SECTOR BREAKDOWN*

- 24.5% Financials
- 19.3% Information Technology
- 18.0% Consumer Discretionary
- 11.0% Industrials
- 7.5% Materials
- 7.0% Energy
- 4.7% Utilities
- 4.2% Health Care
- 1.1% Consumer Staples

- 2.7% Short-Term



TEN LARGEST HOLDINGS**

May 31, 2013 (unaudited)

Company	U.S. $ Value	Percent of Net Assets
Terex Corp.	$ 31,766,113	1.5%
Men's Wearhouse, Inc. (The)	31,344,132	1.5
Health Net, Inc./CA	30,033,332	1.5
Zions Bancorporation	29,939,420	1.4
NV Energy, Inc.	29,200,849	1.4
Huntington Bancshares, Inc./OH	29,187,895	1.4
Universal Health Services, Inc. – Class B	29,144,584	1.4
TRW Automotive Holdings Corp.	28,957,919	1.4
PulteGroup, Inc.	28,720,098	1.4
Fidelity National Financial, Inc. – Class A	28,705,262	1.4
	$ 296,999,604	14.3%

* *All data are as of May 31, 2013. The Fund's sector breakdown is expressed as a percentage of total investments (excluding security lending collateral) and may vary over time.*

** *Long-term investments.*

Please note: The sector classifications presented herein are based on the Global Industry Classification Standard (GICS) which was developed by Morgan Stanley Capital International and Standard & Poor's. The components are divided into sector, industry group, and industry sub-indices as classified by the GICS for each of the market capitalization indices in the broad market. These sector classifications are broadly defined. The "Portfolio of Investments" section of the report reflects more specific industry information and is consistent with the investment restrictions discussed in the Fund's prospectus.

PORTFOLIO OF INVESTMENTS

May 31, 2013 (unaudited)

Company	Shares	U.S. $ Value
COMMON STOCKS – 98.3%		
Financials – 24.8%		
Capital Markets – 1.0%		
E*Trade Financial Corp.[a]	1,738,170	$ 20,214,917
Commercial Banks – 9.8%		
Associated Banc-Corp	1,161,595	17,900,179
CapitalSource, Inc.	2,085,270	19,622,391
Comerica, Inc.	671,950	26,535,305
First Niagara Financial Group, Inc.	2,714,620	26,521,837
Huntington Bancshares, Inc./OH	3,766,180	29,187,895
Popular, Inc.[a]	933,929	28,017,870
Susquehanna Bancshares, Inc.	1,189,023	14,280,166
Webster Financial Corp.	450,690	10,523,612
Zions Bancorporation	1,067,359	29,939,420
		202,528,675
Insurance – 7.9%		
Aspen Insurance Holdings Ltd.	759,070	27,888,232
Fidelity National Financial, Inc. – Class A	1,091,040	28,705,262
Genworth Financial, Inc. – Class A[a]	1,247,900	13,489,799
Reinsurance Group of America, Inc. – Class A	286,820	18,898,570
Torchmark Corp.	389,170	25,105,357
Unum Group	807,280	22,991,334
Validus Holdings Ltd.	719,000	25,963,090
		163,041,644
Real Estate Investment Trusts (REITs) – 6.1%		
American Realty Capital Properties, Inc.	1,267,410	19,289,980
BioMed Realty Trust, Inc.	765,931	16,030,936
Camden Property Trust	173,410	12,008,643
LTC Properties, Inc.	509,290	21,191,557
Mid-America Apartment Communities, Inc.	175,600	11,935,532
Plum Creek Timber Co., Inc.	388,660	18,539,082
RLJ Lodging Trust	1,222,570	28,314,721
		127,310,451
		513,095,687
Information Technology – 19.5%		
Communications Equipment – 0.7%		
Harris Corp.	300,270	15,052,535
Electronic Equipment, Instruments & Components – 9.0%		
Anixter International, Inc.[a]	259,080	19,879,208
Arrow Electronics, Inc.[a]	682,419	27,132,979
AU Optronics Corp. (Sponsored ADR)[a]	3,269,299	14,581,074
Avnet, Inc.[a]	809,550	27,654,228
Flextronics International Ltd.[a]	1,671,950	12,472,747
Insight Enterprises, Inc.[a]	1,065,773	20,516,130
Jabil Circuit, Inc.	1,123,920	22,545,835

Company	Shares	U.S. $ Value
TTM Technologies, Inc.[a]	1,600,670	$ 12,933,414
Vishay Intertechnology, Inc.[a]	1,906,030	27,751,797
		185,467,412
IT Services – 2.8%		
Amdocs Ltd.	750,290	26,785,353
Convergys Corp.	1,033,452	18,777,823
VeriFone Systems, Inc.[a]	569,700	13,291,101
		58,854,277
Semiconductors & Semiconductor Equipment – 5.7%		
Amkor Technology, Inc.[a][b]	1,916,610	8,701,409
Entegris, Inc.[a]	2,334,910	24,329,762
Lam Research Corp.[a]	548,970	25,680,817
Micron Technology, Inc.[a]	1,681,875	19,644,300
MKS Instruments, Inc.	521,306	14,674,764
SunEdison, Inc.[a]	3,205,840	25,871,129
		118,902,181
Software – 1.3%		
Electronic Arts, Inc.[a]	1,133,404	26,056,958
		404,333,363
Consumer Discretionary – 18.2%		
Auto Components – 4.1%		
Dana Holding Corp.	1,003,070	18,978,084
Lear Corp.	421,390	25,274,972
Tenneco, Inc.[a]	242,423	10,753,884
TRW Automotive Holdings Corp.[a]	457,110	28,957,919
		83,964,859
Automobiles – 1.1%		
Thor Industries, Inc.	534,450	22,826,360
Hotels, Restaurants & Leisure – 2.4%		
MGM Resorts International[a]	1,864,479	28,284,146
Royal Caribbean Cruises Ltd.	627,960	21,984,880
		50,269,026
Household Durables – 4.3%		
Meritage Homes Corp.[a]	588,398	27,866,529
Newell Rubbermaid, Inc.	452,210	12,227,758
NVR, Inc.[a]	21,510	21,150,998
PulteGroup, Inc.[a]	1,330,250	28,720,098
		89,965,383
Media – 1.9%		
Gannett Co., Inc.	574,900	12,360,350
Regal Entertainment Group – Class A	1,487,840	26,334,768
		38,695,118
Specialty Retail – 3.1%		
GameStop Corp. – Class A[b]	324,870	10,772,689
Men’s Wearhouse, Inc. (The)	865,860	31,344,132
Office Depot, Inc.[a][b]	5,009,690	22,092,733
		64,209,554

Company	Shares	U.S. $ Value
Textiles, Apparel & Luxury Goods – 1.3%		
Jones Group, Inc. (The)	1,840,680	$ 26,818,708
		376,749,008
Industrials – 11.2%		
Commercial Services & Supplies – 2.2%		
Avery Dennison Corp.	544,910	23,703,585
Steelcase, Inc.	1,530,340	21,179,906
		44,883,491
Construction & Engineering – 1.6%		
Granite Construction, Inc.	648,670	20,017,956
Tutor Perini Corp.[a]	765,310	14,173,541
		34,191,497
Electrical Equipment – 2.0%		
EnerSys, Inc.[a]	302,706	15,083,840
General Cable Corp.[a]	733,550	25,938,328
		41,022,168
Machinery – 2.9%		
Terex Corp.[a]	885,590	31,766,113
Timken Co.	493,840	28,030,359
		59,796,472
Road & Rail – 1.3%		
Con-way, Inc.	698,451	26,555,107
Trading Companies & Distributors – 1.2%		
Aircastle Ltd.	1,540,560	24,371,659
		230,820,394
Materials – 7.5%		
Chemicals – 3.3%		
Axiall Corp.	389,330	16,799,590
Chemtura Corp.[a]	1,139,040	26,118,187
Huntsman Corp.	1,285,490	25,002,780
		67,920,557
Containers & Packaging – 0.6%		
Graphic Packaging Holding Co.[a]	1,574,060	12,104,522
Metals & Mining – 3.6%		
Cliffs Natural Resources, Inc.[b]	373,380	6,735,775
Commercial Metals Co.	1,555,300	23,982,726
Reliance Steel & Aluminum Co.	323,285	21,262,454
Steel Dynamics, Inc.	1,577,740	24,202,532
		76,183,487
		156,208,566
Energy – 7.0%		
Energy Equipment & Services – 3.2%		
Bristow Group, Inc.	282,280	17,741,298
Helix Energy Solutions Group, Inc.[a]	1,109,720	26,477,919

Company	Shares	U.S. $ Value
Helmerich & Payne, Inc.	348,860	$ 21,538,617
		65,757,834
Oil, Gas & Consumable Fuels – 3.8%		
Bill Barrett Corp.[(a)(b)]	907,310	20,477,986
Cimarex Energy Co.	388,730	27,265,522
Stone Energy Corp.[(a)]	530,480	11,941,105
Western Refining, Inc.	598,270	19,964,270
		79,648,883
		145,406,717
Utilities – 4.7%		
Electric Utilities – 2.5%		
NV Energy, Inc.	1,245,770	29,200,849
PNM Resources, Inc.	1,059,493	23,753,833
		52,954,682
Gas Utilities – 2.2%		
Atmos Energy Corp.	463,470	19,567,703
UGI Corp.	668,415	25,526,769
		45,094,472
		98,049,154
Health Care – 4.2%		
Health Care Providers & Services – 4.2%		
Health Net, Inc./CA[(a)]	942,370	30,033,332
LifePoint Hospitals, Inc.[(a)]	576,907	28,689,585
Universal Health Services, Inc. – Class B	421,530	29,144,584
		87,867,501
Consumer Staples – 1.2%		
Beverages – 0.5%		
Constellation Brands, Inc. – Class A[(a)]	193,265	10,244,978
Food Products – 0.7%		
Dole Food Co., Inc.[(a)]	1,443,052	13,665,702
		23,910,680
Total Common Stocks (cost $1,643,397,605)		2,036,441,070
SHORT-TERM INVESTMENTS – 2.8%		
Investment Companies – 2.8%		
AllianceBernstein Fixed-Income Shares, Inc. – Government STIF Portfolio, 0.09%[(c)] (cost $56,893,103)	56,893,103	56,893,103
Total Investments Before Security Lending Collateral for Securities Loaned – 101.1% (cost $1,700,290,708)		2,093,334,173

Company	Shares	U.S. $ Value
INVESTMENTS OF CASH COLLATERAL FOR SECURITIES LOANED – 1.7%		
Investment Companies – 1.7%		
AllianceBernstein Exchange Reserves – Class I, 0.07%[c] (cost $36,453,914)	36,453,914	$ 36,453,914
Total Investments – 102.8% (cost $1,736,744,622)		2,129,788,087
Other assets less liabilities – (2.8)%		(58,579,289)
Net Assets – 100.0%		**$ 2,071,208,798**

(a) Non-income producing security.

(b) Represents entire or partial securities out on loan. See Note E for securities lending information.

(c) Investment in affiliated money market mutual fund. The rate shown represents the 7-day yield as of period end.

Glossary:

ADR – American Depositary Receipt

See notes to financial statements.

STATEMENT OF ASSETS & LIABILITIES

May 31, 2013 (unaudited)

Assets	
Investments in securities, at value	
Unaffiliated issuers (cost $1,643,397,605)	$ 2,036,441,070(a)
Affiliated issuers (cost $93,347,017 – including investment of cash collateral for securities loaned of $36,453,914)	93,347,017
Receivable for investment securities sold	6,252,005
Receivable for shares of beneficial interest sold	3,545,231
Dividends and interest receivable	2,117,764
Total assets	2,141,703,087
Liabilities	
Payable for collateral received on securities loaned	36,453,914
Payable for investment securities purchased	27,095,496
Payable for shares of beneficial interest redeemed	4,640,453
Advisory fee payable	1,387,923
Distribution fee payable	400,965
Transfer Agent fee payable	92,510
Administrative fee payable	1,766
Accrued expenses	421,262
Total liabilities	70,494,289
Net Assets	**$ 2,071,208,798**
Composition of Net Assets	
Paid-in capital	$ 1,587,206,976
Undistributed net investment income	2,480,122
Accumulated net realized gain on investment transactions	88,478,235
Net unrealized appreciation on investments	393,043,465
	$ 2,071,208,798

Net Asset Value Per Share—unlimited shares authorized, without par value

Class	Net Assets	Shares Outstanding	Net Asset Value
A	$ 678,365,038	33,320,787	$ 20.36*
B	$ 19,809,981	1,017,321	$ 19.47
C	$ 152,322,812	7,987,510	$ 19.07
Advisor	$ 784,051,080	37,911,682	$ 20.68
R	$ 134,975,266	6,720,641	$ 20.08
K	$ 60,436,711	2,995,642	$ 20.17
I	$ 241,247,910	11,905,340	$ 20.26

(a) Includes securities on loan with a value of $34,673,561 (see Note E).

* *The maximum offering price per share for Class A shares was $21.26 which reflects a sales charge of 4.25%.*

See notes to financial statements.

STATEMENT OF OPERATIONS

Six Months Ended May 31, 2013 (unaudited)

Investment Income		
Dividends		
Unaffiliated issuers	$ 16,318,731	
Affiliated issuers	46,506	
Securities lending income	357,992	$ 16,723,229
Expenses		
Advisory fee (see Note B)	6,996,905	
Distribution fee—Class A	899,072	
Distribution fee—Class B	106,663	
Distribution fee—Class C	714,450	
Distribution fee—Class R	365,807	
Distribution fee—Class K	70,598	
Transfer agency—Class A	458,276	
Transfer agency—Class B	18,284	
Transfer agency—Class C	112,121	
Transfer agency—Advisor Class	541,531	
Transfer agency—Class R	190,220	
Transfer agency—Class K	56,479	
Transfer agency—Class I	115,097	
Custodian	108,828	
Printing	80,412	
Registration fees	62,415	
Trustees' fees	28,849	
Legal	25,288	
Audit	22,115	
Administrative	17,453	
Miscellaneous	22,660	
Total expenses	11,013,523	
Less: expenses waived and reimbursed by the Distributor (see Note C)	(69,331)	
Net expenses		10,944,192
Net investment income		5,779,037
Realized and Unrealized Gain on Investment Transactions		
Net realized gain on investment transactions		101,135,462
Net change in unrealized appreciation/depreciation of investments		269,440,072
Net gain on investment transactions		370,575,534
Net Increase in Net Assets from Operations		**$ 376,354,571**

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS

	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012
Increase in Net Assets from Operations		
Net investment income	$ 5,779,037	$ 5,828,440
Net realized gain on investment transactions	101,135,462	83,540,864
Net change in unrealized appreciation/ depreciation of investments	269,440,072	124,960,592
Net increase in net assets from operations	376,354,571	214,329,896
Dividends and Distributions to Shareholders from		
Net investment income		
Class A	(1,777,694)	(841,942)
Class B	(44,694)	(23,744)
Advisor Class	(4,124,876)	(1,262,322)
Class R	(217,613)	– 0 –
Class K	(212,814)	(80,372)
Class I	(1,145,018)	(1,020,772)
Net realized gain on investment transactions		
Class A	(24,591,405)	(30,949,801)
Class B	(1,059,878)	(1,818,641)
Class C	(6,560,673)	(8,129,604)
Advisor Class	(28,770,253)	(16,572,487)
Class R	(6,450,670)	(6,368,791)
Class K	(2,419,668)	(2,238,246)
Class I	(7,542,577)	(11,874,543)
Transactions in Shares of Beneficial Interest		
Net increase	137,851,598	134,262,681
Total increase	429,288,336	267,411,312
Net Assets		
Beginning of period	1,641,920,462	1,374,509,150
End of period (including undistributed net investment income of $2,480,122 and $4,223,794, respectively)	**$ 2,071,208,798**	**$ 1,641,920,462**

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

May 31, 2013 (unaudited)

NOTE A
Significant Accounting Policies

AllianceBernstein Trust (the "Trust") was organized as a Massachusetts business trust on December 12, 2000 and is registered under the Investment Company Act of 1940 as a diversified, open end management investment company. The Trust operates as a series company currently comprised of the following four funds: the AllianceBernstein Global Value Fund, the AllianceBernstein International Value Fund, the AllianceBernstein Discovery Value Fund (formerly AllianceBernstein Small/Mid Cap Value Fund) and the AllianceBernstein Value Fund. Each Fund is considered to be a separate entity for financial reporting and tax purposes. This report relates only to the AllianceBernstein Discovery Value Fund (the "Fund"). The Fund offers Class A, Class B, Class C, Advisor Class, Class R, Class K and Class I shares. Class A shares are sold with a front-end sales charge of up to 4.25% for purchases not exceeding $1,000,000. With respect to purchases of $1,000,000 or more, Class A shares redeemed within one year of purchase may be subject to a contingent deferred sales charge of 1%. Class B shares are currently sold with a contingent deferred sales charge which declines from 4% to zero depending on the period of time the shares are held. Effective January 31, 2009, sales of Class B shares of the Fund to new investors were suspended. Class B shares will only be issued (i) upon the exchange of Class B shares from another AllianceBernstein Mutual Fund, (ii) for purposes of dividend reinvestment, (iii) through the Fund's Automatic Investment Program (the "Program") for accounts that established the Program prior to January 31, 2009, and (iv) for purchases of additional shares by Class B shareholders as of January 31, 2009. The ability to establish a new Program for accounts containing Class B shares was suspended as of January 31, 2009. Class B shares will automatically convert to Class A shares eight years after the end of the calendar month of purchase. Class C shares are subject to a contingent deferred sales charge of 1% on redemptions made within the first year after purchase. Class R and Class K shares are sold without an initial or contingent deferred sales charge. Advisor Class and Class I shares are sold without an initial or contingent deferred sales charge and are not subject to ongoing distribution expenses. All seven classes of shares have identical voting, dividend, liquidation and other rights, except that the classes bear different distribution and transfer agency expenses. Each class has exclusive voting rights with respect to its distribution plan. The financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") which require management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and amounts of income and expenses during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund.

1. Security Valuation

Portfolio securities are valued at their current market value determined on the basis of market quotations or, if market quotations are not readily available or are deemed unreliable, at "fair value" as determined in accordance with procedures established by and under the general supervision of the Trust's Board of Trustees (the "Board").

In general, the market value of securities which are readily available and deemed reliable are determined as follows: Securities listed on a national securities exchange (other than securities listed on the NASDAQ Stock Market, Inc. ("NASDAQ")) or on a foreign securities exchange are valued at the last sale price at the close of the exchange or foreign securities exchange. If there has been no sale on such day, the securities are valued at the last traded price from the previous day. Securities listed on more than one exchange are valued by reference to the principal exchange on which the securities are traded; securities listed only on NASDAQ are valued in accordance with the NASDAQ Official Closing Price; listed or over the counter ("OTC") market put or call options are valued at the mid level between the current bid and ask prices. If either a current bid or current ask price is unavailable, AllianceBernstein L.P. (the "Adviser") will have discretion to determine the best valuation (e.g. last trade price in the case of listed options); open futures are valued using the closing settlement price or, in the absence of such a price, the most recent quoted bid price. If there are no quotations available for the day of valuation, the last available closing settlement price is used; U.S. government securities and other debt instruments having 60 days or less remaining until maturity are valued at amortized cost if their original maturity was 60 days or less; or by amortizing their fair value as of the 61st day prior to maturity if their original term to maturity exceeded 60 days; fixed-income securities, including mortgage backed and asset backed securities, may be valued on the basis of prices provided by a pricing service or at a price obtained from one or more of the major broker/dealers. In cases where broker/dealer quotes are obtained, the Adviser may establish procedures whereby changes in market yields or spreads are used to adjust, on a daily basis, a recently obtained quoted price on a security. Swaps and other derivatives are valued daily, primarily using independent pricing services, independent pricing models using market inputs, as well as third party broker-dealers or counterparties. Investments in money market funds are valued at their net asset value each day.

Securities for which market quotations are not readily available (including restricted securities) or are deemed unreliable are valued at fair value. Factors considered in making this determination may include, but are not limited to, information obtained by contacting the issuer, analysts, analysis of the issuer's financial statements or other available documents. In addition, the Fund may use fair value pricing for securities primarily traded in non-U.S. markets because most foreign markets close well before the Fund values its securities at 4:00 p.m., Eastern Time. The earlier close of these foreign markets gives rise to the possibility that significant events, including broad market moves, may have occurred in the interim and may materially affect the value of those securities. To account for this, the Fund may frequently value many of its foreign equity securities using fair value prices based on third party vendor modeling tools to the extent available.

2. Fair Value Measurements

In accordance with U.S. GAAP regarding fair value measurements, fair value is defined as the price that the Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. U.S. GAAP establishes a framework for measuring fair value, and a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability (including those valued based on their market values as described in Note 1 above). Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's own assumptions about the assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. Each investment is assigned a level based upon the observability of the inputs which are significant to the overall valuation. The three-tier hierarchy of inputs is summarized below.

- Level 1—quoted prices in active markets for identical investments
- Level 2—other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3—significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

Where readily available market prices or relevant bid prices are not available for certain equity investments, such investments may be valued based on similar publicly traded investments, movements in relevant indices since last available prices or based upon underlying company fundamentals and comparable company data (such as multiples to earnings or other multiples to equity). Where an investment is valued using an observable input, such as another publicly traded security, the investment will be classified as Level 2. If management determines that an adjustment is appropriate based on restrictions on resale, illiquidity or uncertainty, and such adjustment is a significant component of the valuation, the investment will be classified as Level 3. An investment will also be classified as Level 3 where management uses company fundamentals and other significant inputs to determine the valuation.

The following table summarizes the valuation of the Fund's investments by the above fair value hierarchy levels as of May 31, 2013:

Investments in Securities:	Level 1	Level 2	Level 3	Total
Assets:				
Common Stocks*	$ 2,036,441,070	$ – 0 –	$ – 0 –	$ 2,036,441,070
Short-Term Investments	56,893,103	– 0 –	– 0 –	56,893,103
Investments of Cash Collateral for Securities Loaned in Affiliated Money Market Fund	36,453,914	– 0 –	– 0 –	36,453,914
Total Investments in Securities	2,129,788,087	– 0 –	– 0 –	2,129,788,087
Other Financial Instruments**	– 0 –	– 0 –	– 0 –	– 0 –
Total^	**$ 2,129,788,087**	**$ – 0 –**	**$ – 0 –**	**$ 2,129,788,087**

* *See Portfolio of Investments for sector classifications.*

** *Other financial instruments are derivative instruments, such as futures, forwards and swaps, which are valued at the unrealized appreciation/depreciation on the instrument.*

^ *There were no transfers between Level 1 and Level 2 during the reporting period.*

The Fund recognizes all transfers between levels of the fair value hierarchy assuming the financial instruments were transferred at the beginning of the reporting period.

The Adviser has established a Valuation Committee (the "Committee") which is responsible for overseeing the pricing and valuation of all securities held in the Fund. The Committee operates under pricing and valuation policies and procedures established by the Adviser and approved by the Board, including pricing policies which set forth the mechanisms and processes to be employed on a daily basis to implement these policies and procedures. In particular, the pricing policies describe how to determine market quotations for securities and other instruments. The Committee's responsibilities include: 1) fair value and liquidity determinations (and oversight of any third parties to whom any responsibility for fair value and liquidity determinations is delegated), and 2) regular monitoring of the Adviser's pricing and valuation policies and procedures and modification or enhancement of these policies and procedures (or recommendation of the modification of these policies and procedures) as the Committee believes appropriate.

The Committee is also responsible for monitoring the implementation of the pricing policies by the Adviser's Pricing Group (the "Pricing Group") and a third party which performs certain pricing functions in accordance with the pricing policies. The Pricing Group is responsible for the oversight of the third party on a day-to-day basis. The Committee and the Pricing Group perform a series of activities to provide reasonable assurance of the accuracy of prices including: 1) periodic vendor due diligence meetings, review of methodologies, new developments and process at vendors, 2) daily compare of security valuation versus prior day for all securities that exceeded established thresholds, and 3) daily review of unpriced, stale, and variance reports with exceptions reviewed by senior management and the Committee.

In addition, several processes outside of the pricing process are used to monitor valuation issues including: 1) performance and performance attribution reports are monitored for anomalous impacts based upon benchmark performance, and 2) portfolio managers review all portfolios for performance and analytics (which are generated using the Adviser's prices).

3. Currency Translation

Assets and liabilities denominated in foreign currencies and commitments under forward currency exchange contracts are translated into U.S. dollars at the mean of the quoted bid and ask prices of such currencies against the U.S. dollar. Purchases and sales of portfolio securities are translated into U.S. dollars at the rates of exchange prevailing when such securities were acquired or sold. Income and expenses are translated into U.S. dollars at rates of exchange prevailing when accrued.

Net realized gain or loss on foreign currency transactions represents foreign exchange gains and losses from sales and maturities of foreign fixed income investments, foreign currency exchange contracts, holding of foreign currencies, currency gains or losses realized between the trade and settlement dates on foreign investment transactions, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent amounts actually received or paid. Net unrealized currency gains and losses from valuing foreign currency denominated assets and liabilities at period end exchange rates are reflected as a component of net unrealized appreciation or depreciation of foreign currency denominated assets and liabilities.

4. Taxes

It is the Fund's policy to meet the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its investment company taxable income and net realized gains, if any, to shareholders. Therefore, no provisions for federal income or excise taxes are required. The Fund may be subject to taxes imposed by countries in which it invests. Such taxes are generally based on income and/or capital gains earned or repatriated. Taxes are accrued and applied to net investment income, net realized gains and net unrealized appreciation/depreciation as such income and/or gains are earned.

In accordance with U.S. GAAP requirements regarding accounting for uncertainties in income taxes, management has analyzed the Fund's tax positions taken or expected to be taken on federal and state income tax returns for all open tax years (the current and the prior three tax years) and has concluded that no provision for income tax is required in the Fund's financial statements.

5. Investment Income and Investment Transactions

Dividend income is recorded on the ex-dividend date or as soon as the Fund is informed of the dividend. Interest income is accrued daily. Investment transactions are accounted for on the date the securities are purchased or sold. Investment gains or losses are determined on the identified cost basis. The Fund amortizes premiums and accretes discounts as adjustments to interest income.

6. Class Allocations

All income earned and expenses incurred by the Fund are borne on a pro-rata basis by each outstanding class of shares, based on the proportionate interest in the Fund represented by the net assets of such class, except for class specific expenses which are allocated to the respective class. Realized and unrealized gains and losses are allocated among the various share classes based on respective net assets.

7. Dividends and Distributions

Dividends and distributions to shareholders, if any, are recorded on the ex-dividend date. Income dividends and capital gains distributions are determined in accordance with federal tax regulations and may differ from those determined in accordance with U.S. GAAP. To the extent these differences are permanent, such amounts are reclassified within the capital accounts based on their federal tax basis treatment; temporary differences do not require such reclassification.

NOTE B
Advisory Fee and Other Transactions with Affiliates

Under the terms of the investment advisory agreement, the Fund pays the Adviser an advisory fee at an annual rate of .75% of the first $2.5 billion, .65% of the next $2.5 billion and .60% in excess of $5 billion of the Fund's average daily net assets. The fee is accrued daily and paid monthly. The Adviser had agreed to waive its fees and bear certain expenses to the extent necessary to limit total fund operating expenses on an annual basis to 1.15%, 1.85%, 1.85%, .85%, 1.35%, 1.10% and .85% of the average daily net assets for Class A, Class B, Class C, Advisor Class, Class R, Class K and Class I shares, respectively (the "Expense Caps"). The Expense Caps expired on February 29, 2012.

Pursuant to the investment advisory agreement, the Fund may reimburse the Adviser for certain legal and accounting services provided to the Fund by the Adviser. For the six months ended May 31, 2013, the reimbursement for such services amounted to $17,453.

The Fund compensates AllianceBernstein Investor Services, Inc. ("ABIS"), a wholly-owned subsidiary of the Adviser, under a Transfer Agency Agreement for providing personnel and facilities to perform transfer agency services for the Fund. ABIS may make payments to intermediaries that provide omnibus account services, sub-accounting services and/or networking services. Such compensation retained by ABIS amounted to $496,668 for the six months ended May 31, 2013.

AllianceBernstein Investments, Inc. (the "Distributor"), a wholly-owned subsidiary of the Adviser, serves as the distributor of the Fund's shares. The Distributor has advised the Fund that it has retained front-end sales charges of $8,773 from the sale of Class A shares and received $5,428, $1,829 and $2,251 in contingent deferred sales charges imposed upon redemptions by shareholders of Class A, Class B and Class C shares, respectively, for the six months ended May 31, 2013.

The Fund may invest in the AllianceBernstein Fixed-Income Shares, Inc. – Government STIF Portfolio ("Government STIF Portfolio"), an open-end management investment company managed by the Adviser. The Government STIF Portfolio is offered as a cash management option to mutual funds and other institutional accounts of the Adviser, and is not available for direct purchase by members of the public. The Government STIF Portfolio pays no investment management fees but does bear its own expenses. A summary of the Fund's transactions in shares of the Government STIF Portfolio for the six months ended May 31, 2013 is as follows:

Market Value November 30, 2012 (000)	Purchases at Cost (000)	Sales Proceeds (000)	Market Value May 31, 2013 (000)	Dividend Income (000)
$ 14,079	$ 310,099	$ 267,285	$ 56,893	$ 21

Brokerage commissions paid on investment transactions for the six months ended May 31, 2013 amounted to $1,691,960, of which $0 and $0, respectively, was paid to Sanford C. Bernstein & Co. LLC and Sanford C. Bernstein Limited, affiliates of the Adviser.

NOTE C
Distribution Services Agreement

The Fund has adopted a Distribution Services Agreement (the "Agreement") pursuant to Rule 12b-1 under the Investment Company Act of 1940. Under the Agreement, the Fund pays distribution and servicing fees to the Distributor at an annual rate of up to .30% of the Fund's average daily net assets attributable to Class A shares, 1% of the Fund's average daily net assets attributable to both Class B and Class C shares, .50% of the Fund's average daily net assets attributable to Class R shares and .25% of the Fund's average daily net assets attributable to Class K shares. There are no distribution and servicing fees on the Advisor Class and Class I shares. For the period November 1, 2006 through October 31, 2007, with respect to Class B shares, payments made to the Distributor were voluntarily limited to .40% of the average daily net assets attributable to Class B shares. For the period November 1, 2007 through April 30, 2008, with respect to Class B shares, payments to the distributor were voluntarily limited to .35% of the average daily net assets attributable to Class B shares. For the period May 1, 2008 through May 31, 2010, payments made to the Distributor were voluntarily limited to .20% of average daily net assets attributable to Class B shares. For the period June 1, 2010 through May 31, 2011, with respect to Class B shares, payments made to the Distributor were voluntarily limited to .25% of the average daily net assets attributable to Class B shares. For the period June 1, 2011 through July 31, 2012, with respect to Class B shares, payments to the distributor were voluntarily limited to .30% of average daily net assets attributable to Class B shares. As of August 1, 2012, with respect to Class B shares, payments made to the Distributor are voluntarily being limited to .35% of the average daily net assets attributable to Class B shares. The fees are accrued daily and paid monthly. For the six months ended May 31, 2013, such waiver amounted to $69,331. The Agreement provides that the Distributor will use such payments in their entirety for distribution assistance and promotional activities. Since the commencement of the Fund's operations, the Distributor has incurred expenses in excess of the distribution costs reimbursed by the Fund in the amounts of $146,204, $2,663,876, $1,378,190 and $433,115 for Class B, Class C, Class R and Class K shares, respectively. While such costs may be recovered from the Fund in future periods so long as the Agreement is in effect, the rate of the distribution and servicing fees payable under the Agreement may not be increased without a shareholder vote. In accordance with the Agreement, there is no provision for recovery of unreimbursed distribution costs incurred by the Distributor beyond the current fiscal year for Class A shares. The Agreement also provides that the Adviser may use its own resources to finance the distribution of the Fund's shares.

NOTE D
Investment Transactions

Purchases and sales of investment securities (excluding short-term investments) for the six months ended May 31, 2013 were as follows:

	Purchases	Sales
Investment securities (excluding U.S. government securities)	$ 565,914,095	$ 535,443,965
U.S. government securities	– 0 –	– 0 –

The cost of investments for federal income tax purposes was substantially the same as the cost for financial reporting purposes. Accordingly, gross unrealized appreciation and unrealized depreciation are as follows:

Gross unrealized appreciation	$ 419,528,366
Gross unrealized depreciation	(26,484,901)
Net unrealized appreciation	$ 393,043,465

1. Derivative Financial Instruments

The Fund may use derivatives in an effort to earn income and enhance returns, to replace more traditional direct investments, to obtain exposure to otherwise inaccessible markets (collectively, "investment purposes"), or to hedge or adjust the risk profile of its portfolio.

The Fund did not engage in derivatives transactions for the six months ended May 31, 2013.

2. Currency Transactions

The Fund may invest in non-U.S. Dollar securities on a currency hedged or unhedged basis. The Fund may seek investment opportunities by taking long or short positions in currencies through the use of currency-related derivatives, including forward currency exchange contracts, futures and options on futures, swaps, and other options. The Fund may enter into transactions for investment opportunities when it anticipates that a foreign currency will appreciate or depreciate in value but securities denominated in that currency are not held by the Fund and do not present attractive investment opportunities. Such transactions may also be used when the Adviser believes that it may be more efficient than a direct investment in a foreign currency-denominated security. The Fund may also conduct currency exchange contracts on a spot basis (i.e., for cash at the spot rate prevailing in the currency exchange market for buying or selling currencies).

NOTE E
Securities Lending

The Fund may enter into securities lending transactions. Under the Fund's securities lending program, all loans of securities will be collateralized continually by cash. The Fund will be compensated for the loan from a portion of the net return from the income earned on cash collateral after a rebate is paid to the borrower (in some cases, this rebate may be a "negative rebate" or fee paid by the borrower to the Fund in connection with the loan), and payments are made for fees of the securities lending agent and for certain other administrative expenses. It is the policy of the Fund to receive collateral consisting of cash in an amount exceeding the value of the securities loaned. The Fund will have the right to call a loan and obtain the securities loaned at any time on notice to the borrower within the normal and customary settlement time for the securities. While the securities are on loan, the borrower is obligated to pay the Fund amounts equal to any income or other distributions from the securities. The Fund will not have the right to vote any securities during the existence of a loan, but will have the right to regain ownership of loaned securities in order to exercise voting or other ownership rights. The lending agent has agreed to indemnify the Fund in the case of default of any securities borrower. Collateral received and securities loaned are marked to market daily to ensure that the securities loaned are secured by collateral. The lending agent will invest the cash collateral received in AllianceBernstein Exchange Reserves, an eligible money market vehicle, in accordance with the investment restrictions of the Fund, and as approved by the Trust's Board. The collateral received on securities loaned is recorded as an asset as well as a corresponding liability in the statement of assets and liabilities. When the Fund lends securities, its investment performance will continue to reflect changes in the value of the securities loaned. At May 31, 2013, the Fund had securities on loan with a value of $34,673,561 and had received cash collateral which has been invested into AllianceBernstein Exchange Reserves of $36,453,914. The cash collateral will be adjusted on the next business day to maintain the required collateral amount. The Fund earned securities lending income of $357,992 and $25,731 from the borrowers and AllianceBernstein Exchange Reserves, respectively, for the six months ended May 31, 2013; these amounts are reflected in the statement of operations. A principal risk of lending portfolio securities is that the borrower will fail to return the loaned securities upon termination of the loan and that the collateral will not be sufficient to replace the loaned securities. A summary of the Fund's transactions in shares of AllianceBernstein Exchange Reserves for the six months ended May 31, 2013 is as follows:

Market Value November 30, 2012 (000)	Purchases at Cost (000)	Sales Proceeds (000)	Market Value May 31, 2013 (000)	Dividend Income (000)
$ 31,483	$ 218,667	$ 213,696	$ 36,454	$ 26

NOTE F
Shares of Beneficial Interest

Transactions in shares of beneficial interest for each class were as follows:

	Shares		Amount	
	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012
Class A				
Shares sold	6,759,897	6,158,777	$ 128,614,857	$ 101,597,945
Shares issued in reinvestment of dividends and distributions	1,416,728	1,943,010	24,495,229	29,533,737
Shares converted from Class B	237,406	520,571	4,404,956	8,628,515
Shares redeemed	(5,154,086)	(12,938,399)	(95,952,061)	(213,025,647)
Net increase (decrease)	**3,259,945**	**(4,316,041)**	**$ 61,562,981**	**$ (73,265,450)**
Class B				
Shares sold	19,079	36,453	$ 343,547	$ 574,612
Shares issued in reinvestment of dividends and distributions	63,240	118,761	1,045,983	1,730,351
Shares converted to Class A	(248,194)	(543,555)	(4,404,956)	(8,628,515)
Shares redeemed	(109,825)	(320,557)	(1,961,708)	(5,081,808)
Net decrease	**(275,700)**	**(708,898)**	**$ (4,977,134)**	**$ (11,405,360)**

	Shares		Amount	
	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012
Class C				
Shares sold	508,817	1,014,019	$ 8,993,711	$ 15,777,777
Shares issued in reinvestment of distributions	369,381	513,461	6,002,438	7,383,568
Shares redeemed	(924,303)	(2,494,328)	(16,021,821)	(38,756,311)
Net decrease	**(46,105)**	**(966,848)**	**$ (1,025,672)**	**$ (15,594,966)**
Advisor Class				
Shares sold	5,581,597	23,815,824	$ 106,577,262	$ 386,795,220
Shares issued in reinvestment of dividends and distributions	1,739,833	1,053,283	30,516,680	16,241,626
Shares redeemed	(4,477,488)	(7,900,640)	(84,276,428)	(132,570,341)
Net increase	**2,843,942**	**16,968,467**	**$ 52,817,514**	**$ 270,466,505**
Class R				
Shares sold	1,149,371	2,829,385	$ 21,329,093	$ 46,327,290
Shares issued in reinvestment of dividends and distributions	390,394	423,435	6,667,933	6,368,461
Shares redeemed	(2,668,596)	(2,188,788)	(50,782,581)	(35,630,180)
Net increase (decrease)	**(1,128,831)**	**1,064,032**	**$ (22,785,555)**	**$ 17,065,571**
Class K				
Shares sold	454,144	1,302,081	$ 8,492,271	$ 21,547,135
Shares issued in reinvestment of dividends and distributions	153,677	153,754	2,632,479	2,318,615
Shares redeemed	(557,486)	(945,354)	(10,354,573)	(15,546,540)
Net increase	**50,335**	**510,481**	**$ 770,177**	**$ 8,319,210**
Class I				
Shares sold	5,751,060	2,083,013	$ 105,165,740	$ 34,406,650
Shares issued in reinvestment of dividends and distributions	503,222	849,895	8,643,801	12,850,406
Shares redeemed	(3,546,832)	(6,725,590)	(62,320,254)	(108,579,885)
Net increase (decrease)	**2,707,450**	**(3,792,682)**	**$ 51,489,287**	**$ (61,322,829)**

NOTE G
Risks Involved in Investing in the Fund

Foreign Securities Risk—Investing in securities of foreign companies or foreign governments involves special risks which include changes in foreign currency exchange rates and the possibility of future political and economic developments which could adversely affect the value of such securities. Moreover, securities of many foreign companies or foreign governments and their markets may be less liquid and their prices more volatile than those of comparable U.S. companies or of the U.S. government.

Currency Risk—This is the risk that changes in foreign currency exchange rates may negatively affect the value of the Fund's investments or reduce the returns of the Fund. For example, the value of the Fund's investments in foreign currency-denominated securities or currencies may decrease if the U.S. Dollar is strong (*i.e.*, gaining value relative to other currencies) and other currencies are weak (*i.e.*, losing value relative to the U.S. Dollar). Currency markets are generally not as regulated as securities markets. Independent of the Fund's investments denominated in foreign currencies, the Fund's positions in various foreign currencies may cause the Fund to experience investment losses due to the changes in exchange rates and interest rates.

Derivatives Risk—The Fund may enter into derivative transactions such as forwards, options, futures and swaps. Derivatives may be illiquid, difficult to price, and leveraged so that small changes may produce disproportionate losses for the Fund, and subject to counterparty risk to a greater degree than more traditional investments. Derivatives may result in significant losses, including losses that are far greater than the value of the derivatives reflected in the statement of assets and liabilities.

Indemnification Risk—In the ordinary course of business, the Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these indemnification provisions and expects the risk of loss thereunder to be remote. Therefore, the Fund has not accrued any liability in connection with these indemnification provisions.

NOTE H
Joint Credit Facility

A number of open-end mutual funds managed by the Adviser, including the Fund, participate in a $140 million revolving credit facility (the "Facility") intended to provide short-term financing, if necessary, subject to certain restrictions in connection with abnormal redemption activity. Commitment fees related to the Facility are paid by the participating funds and are included in miscellaneous expenses in the statement of operations. The Fund did not utilize the Facility during the six months ended May 31, 2013.

NOTE I
Distributions to Shareholders

The tax character of distributions to be paid for the year ending November 30, 2013 will be determined at the end of the current fiscal year. The tax character of distributions paid during the fiscal years ended November 30, 2012 and November 30, 2011 were as follows:

	2012	2011
Distributions paid from:		
Ordinary income	$ 3,229,152	$ 2,409,265
Net long-term capital gains	77,952,113	– 0 –
Total taxable distributions paid	$ 81,181,265	$ 2,409,265

As of November 30, 2012, the components of accumulated earnings/(deficit) on a tax basis were as follows:

Undistributed ordinary income	$ 34,128,656
Undistributed capital gain	47,203,192
Unrealized appreciation/(depreciation)	111,233,237[(a)]
Total accumulated earnings/(deficit)	$ 192,565,085

(a) *The differences between book-basis and tax-basis unrealized appreciation/(depreciation) are attributable primarily to the tax deferral of losses on wash sales and return of capital distributions received from underlying securities.*

For tax purposes, net capital losses may be carried over to offset future capital gains, if any. Under the Regulated Investment Company Modernization Act of 2010, funds are permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010 for an indefinite period. These post-enactment capital losses must be utilized prior to the pre-enactment capital losses, which are subject to expiration. Post-enactment capital loss carryforwards will retain their character as either short-term or long-term capital losses rather than being considered short-term as under previous regulation. As of November 30, 2012, the Fund did not have any capital loss carryforwards.

NOTE J
Recent Accounting Pronouncements

In December 2011, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU") related to disclosures about offsetting assets and liabilities in financial statements. The amendments in this update require an entity to disclose both gross and net information for derivatives and other financial instruments that are either offset in the statement of assets and liabilities or subject to an enforceable master netting arrangement or similar agreement. In January 2013, the FASB issued an ASU to clarify the scope of disclosures about offsetting assets and liabilities. The ASU limits the scope of the new balance sheet offsetting disclosures to derivatives, repurchase agreements and securities lending transactions. The ASU is effective during interim or annual reporting periods beginning on or after January 1, 2013. At this time, management is evaluating the implication of this ASU and its impact on the financial statements has not been determined.

NOTE K
Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure in the financial statements through the date the financial statements are issued. Management has determined that there are no material events that would require disclosure in the Fund's financial statements through this date.

FINANCIAL HIGHLIGHTS

Selected Data For A Share Of Beneficial Interest Outstanding Throughout Each Period

	Class A					
	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012	2011	2010	2009	2008
Net asset value, beginning of period	$ 17.40	$ 16.11	$ 16.38	$ 13.13	$ 9.18	$ 16.77
Income From Investment Operations						
Net investment income[a]	.05	.06[b]	.03[b]	.02[b]	.05[b]	.09[b]
Net realized and unrealized gain (loss) on investment transactions	3.80	2.18	(.29)	3.27	3.99	(6.29)
Net increase (decrease) in net asset value from operations	3.85	2.24	(.26)	3.29	4.04	(6.20)
Less: Dividends and Distributions						
Dividends from net investment income	(.06)	(.03)	(.01)	(.04)	(.09)	(.03)
Distributions from net realized gain on investment transactions	(.83)	(.92)	– 0 –	– 0 –	– 0 –	(1.36)
Total dividends and distributions	(.89)	(.95)	(.01)	(.04)	(.09)	(1.39)
Net asset value, end of period	**$ 20.36**	**$ 17.40**	**$ 16.11**	**$ 16.38**	**$ 13.13**	**$ 9.18**
Total Return						
Total investment return based on net asset value[c]	23.03 %	14.71 %	(1.57)%	25.11 %	44.38 %*	(40.35)%*
Ratios/Supplemental Data						
Net assets, end of period (000's omitted)	$678,365	$523,130	$553,923	$555,971	$411,472	$300,760
Ratio to average net assets of:						
Expenses, net of waivers/reimbursements	1.24 %[d]	1.25 %	1.15 %	1.15 %[e]	1.15 %	1.15 %
Expenses, before waivers/reimbursements	1.24 %[d]	1.28 %	1.27 %	1.33 %[e]	1.37 %	1.34 %
Net investment income	.54 %[d]	.35 %[b]	.15 %[b]	.17 %[b][e]	.50 %[b]	.62 %[b]
Portfolio turnover rate	29 %	63 %	72 %	57 %	64 %	48 %

See footnote summary on page 38.

Selected Data For A Share Of Beneficial Interest Outstanding Throughout Each Period

	Class B					
	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012	2011	2010	2009	2008
Net asset value, beginning of period	$ 16.66	$ 15.47	$ 15.75	$ 12.65	$ 8.86	$ 16.24
Income From Investment Operations						
Net investment income (loss)[a][f]	.05	.04	.00[g]	(.01)	.03	.06[b]
Net realized and unrealized gain (loss) on investment transactions	3.63	2.08	(.27)	3.15	3.84	(6.08)
Net increase (decrease) in net asset value from operations	3.68	2.12	(.27)	3.14	3.87	(6.02)
Less: Dividends and Distributions						
Dividends from net investment income	(.04)	(.01)	(.01)	(.04)	(.08)	– 0 –
Distributions from net realized gain on investment transactions	(.83)	(.92)	– 0 –	– 0 –	– 0 –	(1.36)
Total dividends and distributions	(.87)	(.93)	(.01)	(.04)	(.08)	(1.36)
Net asset value, end of period	**$ 19.47**	**$ 16.66**	**$ 15.47**	**$ 15.75**	**$ 12.65**	**$ 8.86**
Total Return						
Total investment return based on net asset value[c]	22.98 %	14.57 %	(1.71)%	24.90 %	44.11 %*	(40.49)%*
Ratios/Supplemental Data						
Net assets, end of period (000's omitted)	$19,810	$21,546	$30,972	$47,532	$68,527	$70,770
Ratio to average net assets of:						
Expenses, net of waivers/reimbursements	1.31 %[d]	1.36 %	1.30 %	1.31 %[e]	1.36 %	1.33 %
Expenses, before waivers/reimbursements	1.96 %[d]	2.04 %	2.03 %	2.09 %[e]	2.16 %	2.06 %
Net investment income (loss)[f]	.51 %[d]	.24 %	(.01)%	(.03)%[e]	.33 %	.42 %[b]
Portfolio turnover rate	29 %	63 %	72 %	57 %	64 %	48 %

See footnote summary on page 38.

Selected Data For A Share Of Beneficial Interest Outstanding Throughout Each Period

	Class C					
	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012	2011	2010	2009	2008
Net asset value, beginning of period	$ 16.35	$ 15.28	$ 15.63	$ 12.58	$ 8.77	$ 16.17
Income From Investment Operations						
Net investment loss[a]	(.01)	(.06)[b]	(.09)[b]	(.08)[b]	(.02)[b]	(.01)[b]
Net realized and unrealized gain (loss) on investment transactions	3.56	2.05	(.26)	3.13	3.83	(6.03)
Net increase (decrease) in net asset value from operations	3.55	1.99	(.35)	3.05	3.81	(6.04)
Less: Distributions						
Distributions from net realized gain on investment transactions	(.83)	(.92)	– 0 –	– 0 –	– 0 –	(1.36)
Net asset value, end of period	**$ 19.07**	**$ 16.35**	**$ 15.28**	**$ 15.63**	**$ 12.58**	**$ 8.77**
Total Return						
Total investment return based on net asset value[c]	22.59 %	13.84 %	(2.24)%	24.24 %	43.44 %*	(40.81)%*
Ratios/Supplemental Data						
Net assets, end of period (000's omitted)	$152,323	$131,370	$137,491	$145,004	$115,634	$95,201
Ratio to average net assets of:						
Expenses, net of waivers/reimbursements	1.95 %[d]	1.96 %	1.85 %	1.85 %[e]	1.85 %	1.85 %
Expenses, before waivers/reimbursements	1.95 %[d]	2.00 %	1.99 %	2.05 %[e]	2.11 %	2.05 %
Net investment loss	(.14)%[d]	(.36)%[b]	(.56)%[b]	(.53)%[b][e]	(.19)%[b]	(.09)%[b]
Portfolio turnover rate	29 %	63 %	72 %	57 %	64 %	48 %

See footnote summary on page 38.

Selected Data For A Share Of Beneficial Interest Outstanding Throughout Each Period

	Advisor Class					
	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012	2011	2010	2009	2008
Net asset value, beginning of period	$ 17.70	$ 16.37	$ 16.63	$ 13.32	$ 9.33	$ 17.03
Income From Investment Operations						
Net investment income[a]	.08	.11[b]	.08[b]	.07[b]	.08[b]	.13[b]
Net realized and unrealized gain (loss) on investment transactions	3.85	2.21	(.28)	3.31	4.04	(6.39)
Net increase (decrease) in net asset value from operations	3.93	2.32	(.20)	3.38	4.12	(6.26)
Less: Dividends and Distributions						
Dividends from net investment income	(.12)	(.07)	(.06)	(.07)	(.13)	(.08)
Distributions from net realized gain on investment transactions	(.83)	(.92)	– 0 –	– 0 –	– 0 –	(1.36)
Total dividends and distributions	(.95)	(.99)	(.06)	(.07)	(.13)	(1.44)
Net asset value, end of period	**$ 20.68**	**$ 17.70**	**$ 16.37**	**$ 16.63**	**$ 13.32**	**$ 9.33**
Total Return						
Total investment return based on net asset value[c]	23.16 %	15.06 %	(1.23)%	25.50 %	44.78 %*	(40.18)%*
Ratios/Supplemental Data						
Net assets, end of period (000's omitted)	$784,051	$620,539	$296,244	$238,840	$182,777	$111,814
Ratio to average net assets of:						
Expenses, net of waivers/reimbursements	.94 %[d]	.96 %	.85 %	.85 %[e]	.85 %	.85 %
Expenses, before waivers/reimbursements	.94 %[d]	.98 %	.97 %	1.03 %[e]	1.06 %	1.04 %
Net investment income	.85 %[d]	.63 %[b]	.46 %[b]	.46 %[b][e]	.77 %[b]	.94 %[b]
Portfolio turnover rate	29 %	63 %	72 %	57 %	64 %	48 %

See footnote summary on page 38.

Selected Data For A Share Of Beneficial Interest Outstanding Throughout Each Period

	Class R					
	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012	2011	2010	2009	2008
Net asset value, beginning of period	$ 17.17	$ 15.93	$ 16.21	$ 13.01	$ 9.10	$ 16.66
Income From Investment Operations						
Net investment income (loss)[a]	.02	.02[b]	(.01)[b]	.00[b][g]	.03[b]	.06[b]
Net realized and unrealized gain (loss) on investment transactions	3.75	2.14	(.27)	3.23	3.96	(6.24)
Net increase (decrease) in net asset value from operations	3.77	2.16	(.28)	3.23	3.99	(6.18)
Less: Dividends and Distributions						
Dividends from net investment income	(.03)	– 0 –	– 0 –	(.03)	(.08)	(.02)
Distributions from net realized gain on investment transactions	(.83)	(.92)	– 0 –	– 0 –	– 0 –	(1.36)
Total dividends and distributions	(.86)	(.92)	– 0 –	(.03)	(.08)	(1.38)
Net asset value, end of period	**$ 20.08**	**$ 17.17**	**$ 15.93**	**$ 16.21**	**$ 13.01**	**$ 9.10**
Total Return						
Total investment return based on net asset value[c]	22.82 %	14.37 %	(1.73)%	24.85 %	44.19 %*	(40.50)%*
Ratios/Supplemental Data						
Net assets, end of period (000's omitted)	$134,975	$134,801	$108,078	$91,714	$55,290	$30,639
Ratio to average net assets of:						
Expenses, net of waivers/reimbursements	1.55 %[d]	1.51 %	1.35 %	1.35 %[e]	1.35 %	1.35 %
Expenses, before waivers/reimbursements	1.55 %[d]	1.56 %	1.56 %	1.60 %[e]	1.58 %	1.54 %
Net investment income (loss)	.25 %[d]	.10 %[b]	(.04)%[b]	(.02)%[b][e]	.27 %[b]	.44 %[b]
Portfolio turnover rate	29 %	63 %	72 %	57 %	64 %	48 %

See footnote summary on page 38.

Selected Data For A Share Of Beneficial Interest Outstanding Throughout Each Period

	Class K					
	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012	2011	2010	2009	2008
Net asset value, beginning of period	$ 17.27	$ 16.00	$ 16.27	$ 13.05	$ 9.14	$ 16.74
Income From Investment Operations						
Net investment income[a]	.05	.06[b]	.03[b]	.03[b]	.05[b]	.10[b]
Net realized and unrealized gain (loss) on investment transactions	3.75	2.16	(.27)	3.25	3.97	(6.27)
Net increase (decrease) in net asset value from operations	3.80	2.22	(.24)	3.28	4.02	(6.17)
Less: Dividends and Distributions						
Dividends from net investment income	(.07)	(.03)	(.03)	(.06)	(.11)	(.07)
Distributions from net realized gain on investment transactions	(.83)	(.92)	– 0 –	– 0 –	– 0 –	(1.36)
Total dividends and distributions	(.90)	(.95)	(.03)	(.06)	(.11)	(1.43)
Net asset value, end of period	**$ 20.17**	**$ 17.27**	**$ 16.00**	**$ 16.27**	**$ 13.05**	**$ 9.14**
Total Return						
Total investment return based on net asset value[c]	22.95 %	14.75 %	(1.50)%	25.20 %	44.51 %*	(40.36)%*
Ratios/Supplemental Data						
Net assets, end of period (000's omitted)	$60,437	$50,852	$38,947	$41,265	$24,411	$12,447
Ratio to average net assets of:						
Expenses, net of waivers/ reimbursements	1.24 %[d]	1.22 %	1.10 %	1.10 %[e]	1.10 %	1.10 %
Expenses, before waivers/ reimbursements	1.24 %[d]	1.25 %	1.25 %	1.30 %[e]	1.26 %	1.26 %
Net investment income	.56 %[d]	.39 %[b]	.19 %[b]	.23 %[b][e]	.50 %[b]	.69 %[b]
Portfolio turnover rate	29 %	63 %	72 %	57 %	64 %	48 %

See footnote summary on page 38.

Selected Data For A Share Of Beneficial Interest Outstanding Throughout Each Period

	Class I					
	Six Months Ended May 31, 2013 (unaudited)	Year Ended November 30, 2012	2011	2010	2009	2008
Net asset value, beginning of period	$ 17.36	$ 16.08	$ 16.35	$ 13.11	$ 9.20	$ 16.84
Income From Investment Operations						
Net investment income[a]	.08	.12[b]	.08[b]	.07[b]	.08[b]	.13[b]
Net realized and unrealized gain (loss) on investment transactions	3.78	2.16	(.27)	3.26	3.98	(6.30)
Net increase (decrease) in net asset value from operations	3.86	2.28	(.19)	3.33	4.06	(6.17)
Less: Dividends and Distributions						
Dividends from net investment income	(.13)	(.08)	(.08)	(.09)	(.15)	(.11)
Distributions from net realized gain on investment transactions	(.83)	(.92)	– 0 –	– 0 –	– 0 –	(1.36)
Total dividends and distributions	(.96)	(1.00)	(.08)	(.09)	(.15)	(1.47)
Net asset value, end of period	**$ 20.26**	**$ 17.36**	**$ 16.08**	**$ 16.35**	**$ 13.11**	**$ 9.20**
Total Return						
Total investment return based on net asset value[c]	23.20 %	15.09 %	(1.23)%	25.51 %	44.86 %*	(40.20)%*
Ratios/Supplemental Data						
Net assets, end of period (000's omitted)	$241,248	$159,682	$208,854	$203,784	$117,002	$75,045
Ratio to average net assets of:						
Expenses, net of waivers/reimbursements	.91 %[d]	.89 %	.85 %	.85 %[e]	.85 %	.85 %
Expenses, before waivers/reimbursements	.91 %[d]	.90 %	.91 %	.96 %[e]	.94 %	.92 %
Net investment income	.88 %[d]	.73 %[b]	.45 %[b]	.48 %[b][e]	.78 %[b]	.93 %[b]
Portfolio turnover rate	29 %	63 %	72 %	57 %	64 %	48 %

See footnote summary on page 38.

(a) Based on average shares outstanding.

(b) Net of fees and expenses waived/reimbursed by the Adviser.

(c) Total investment return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption on the last day of the period. Initial sales charges or contingent deferred sales charges are not reflected in the calculation of total investment return. Total return does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. Total investment return calculated for a period of less than one year is not annualized.

(d) Annualized.

(e) The ratio includes expenses attributable to costs of proxy solicitation.

(f) Net of fees and expenses waived by Distributor.

(g) Amount is less than $.005.

* *Includes the impact of proceeds received and credited to the Fund resulting from class action settlements, which enhanced the Fund's performance for the years ended November 30, 2009 and November 30, 2008 by 0.01% and 0.01%, respectively.*

See notes to financial statements.

BOARD OF TRUSTEES

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(1) Member of the Audit Committee, the Governance and Nominating Committee and the Independent Directors Committee. Mr. Foulk is the sole member of the Fair Value Pricing Committee.

(2) The day-to-day management of, and investment decisions for, the Fund's portfolio are made by the Discovery Value Senior Investment Management Team. Messrs. MacGregor, Paul and Weiner are the investment professionals with the most significant responsibility for the day-to-day management of the Fund's portfolio.

Information Regarding the Review and Approval of the Fund's Advisory Agreement

The disinterested trustees (the "trustees") of AllianceBernstein Trust (the "Trust") unanimously approved the continuance of the Advisory Agreement with the Adviser in respect of AllianceBernstein Discovery Value Fund (formerly AllianceBernstein Small/Mid Cap Value Fund) (the "Fund") at a meeting held on April 30-May 2, 2013 (the "May 2013 meeting").

Prior to approval of the continuance of the Advisory Agreement, the trustees had requested from the Adviser, and received and evaluated, extensive materials. They reviewed the proposed continuance of the Advisory Agreement with the Adviser and with experienced counsel who are independent of the Adviser, who advised on the relevant legal standards. The trustees also reviewed an independent evaluation prepared by the Trust's Senior Officer (who is also the Trust's Independent Compliance Officer) of the reasonableness of the advisory fee, in which the Senior Officer concluded that the contractual fee for the Fund was reasonable. The trustees also discussed the proposed continuance in private sessions with counsel and the Trust's Senior Officer.

The trustees considered their knowledge of the nature and quality of the services provided by the Adviser to the Fund gained from their experience as trustees or directors of most of the registered investment companies advised by the Adviser, their overall confidence in the Adviser's integrity and competence they have gained from that experience, the Adviser's initiative in identifying and raising potential issues with the trustees and its responsiveness, frankness and attention to concerns raised by the trustees in the past, including the Adviser's willingness to consider and implement organizational and operational changes designed to improve investment results and the services provided to the AllianceBernstein Funds. The trustees noted that they have four regular meetings each year, at each of which they receive presentations from the Adviser on the investment results of the Fund and review extensive materials and information presented by the Adviser.

The trustees also considered all other factors they believed relevant, including the specific matters discussed below. In their deliberations, the trustees did not identify any particular information that was all-important or controlling, and different trustees may have attributed different weights to the various factors. The trustees determined that the selection of the Adviser to manage the Fund and the overall arrangements between the Fund and the Adviser, as provided in the Advisory Agreement, including the advisory fee, were fair and reasonable in light of the services performed, expenses incurred and such other matters as the trustees considered relevant in the exercise of their business judgment. The material factors and conclusions that formed the basis for the trustees' determinations included the following:

Nature, Extent and Quality of Services Provided

The trustees considered the scope and quality of services provided by the Adviser under the Advisory Agreement, including the quality of the investment research capabilities of the Adviser and the other resources it has dedicated to performing services for the Fund. They also noted the professional experience and qualifications of the Fund's portfolio management team and other senior personnel of the Adviser. The trustees also considered that the Advisory Agreement provides that the Fund will reimburse the Adviser for the cost to it of providing certain clerical, accounting, administrative and other services to the Fund by employees of the Adviser or its affiliates. Requests for these reimbursements are made on a quarterly basis and subject to approval by the trustees and, to the extent requested and paid, will result in a higher rate of total compensation from the Fund to the Adviser than the fee rate stated in the Fund's Advisory Agreement. The trustees noted that the methodology used to determine the reimbursement amounts had been reviewed by an independent consultant retained by the Trust's Senior Officer. The quality of administrative and other services, including the Adviser's role in coordinating the activities of the Trust's other service providers, also were considered. The trustees concluded that, overall, they were satisfied with the nature, extent and quality of services provided to the Fund under the Advisory Agreement.

Costs of Services Provided and Profitability

The trustees reviewed a schedule of the revenues, expenses and related notes indicating the profitability of the Fund to the Adviser for calendar years 2010 and 2011 that had been prepared with an expense allocation methodology arrived at in consultation with an independent consultant retained by the Trust's Senior Officer. The trustees reviewed the assumptions and methods of allocation used by the Adviser in preparing fund-specific profitability data and noted that there are a number of potentially acceptable allocation methodologies for information of this type. The trustees noted that the profitability information reflected all revenues and expenses of the Adviser's relationship with the Fund, including those relating to its subsidiaries that provide transfer agency, distribution and brokerage services to the Fund. The trustees recognized that it is difficult to make comparisons of the profitability of the Advisory Agreement with the profitability of advisory contracts for unaffiliated funds because comparative information is not generally publicly available and is affected by numerous factors. The trustees focused on the profitability of the Adviser's relationship with the Fund before taxes and distribution expenses. The trustees were satisfied that the Adviser's level of profitability from its relationship with the Fund was not unreasonable.

Fall-Out Benefits

The trustees considered the other benefits to the Adviser and its affiliates from their relationships with the Fund, including but not limited to benefits relating to soft dollar arrangements (whereby the Adviser receives brokerage and research services from brokers that execute transactions for certain clients, including the Fund); 12b-1 fees and sales charges received by the Fund's principal underwriter (which is a wholly owned subsidiary of the Adviser) in respect of certain classes of the Fund's shares; transfer agency fees paid by the Fund to a wholly owned subsidiary of the Adviser; and brokerage commissions paid by the Fund to brokers affiliated with the Adviser. The trustees recognized that the Adviser's profitability would be somewhat lower without these benefits. The trustees understood that the Adviser also might derive reputational and other benefits from its association with the Fund.

Investment Results

In addition to the information reviewed by the trustees in connection with the meeting, the trustees receive detailed performance information for the Fund at each regular Board meeting during the year. At the May 2013 meeting, the trustees reviewed information prepared by Lipper showing the performance of the Class A Shares of the Fund as compared with that of a group of similar funds selected by Lipper (the "Performance Group") and as compared with that of a broader array of funds selected by Lipper (the "Performance Universe"), and information prepared by the Adviser showing performance of the Class A Shares as compared with the Russell 2500 Value Index and the Russell 2500 Index, in each case for the 1-, 3-, 5- and 10-year periods ended February 28, 2013 and (in the case of comparisons with the indices) the period since inception (March 2001 inception). The trustees noted that the Fund was in the 2nd quintile of the Performance Group and the Performance Universe for the 1-year period, in the 3rd quintile of the Performance Group and the Performance Universe for the 3- and 5-year periods, and 2nd out of 4 of the Performance Group and in the 2nd quintile of the Performance Universe for the 10-year period. The trustees noted the small number of other funds in the Performance Group. The Fund lagged the Russell 2500 Value Index in the 1- and 3-year periods, essentially matched it in the 5-year period, and outperformed it in the 10-year period and in the period since inception. It outperformed the Russell 2500 Index in the 1-year period and in the period since inception, lagged it in the 3-year period and essentially matched it in the 5- and 10-year periods. The trustees also reviewed performance information for periods ended March 31, 2013 (for which the data was not limited to Class A Shares), and noted that in the 3-month period the Fund had outperformed the Lipper Small Cap Value Funds Average and the indices. The trustees noted that at their August 2012 meetings they approved a name change to AllianceBernstein Discovery Value Fund from AllianceBernstein Small/Mid Cap Value Fund effective November 1, 2012. Based on their review, the trustees concluded that the Fund's relative performance over time had been satisfactory.

Advisory Fees and Other Expenses

The trustees considered the advisory fee rate paid by the Fund to the Adviser and information prepared by Lipper concerning advisory fee rates paid by other funds in the same Lipper category as the Fund at a common asset level. The trustees recognized that it is difficult to make comparisons of advisory fees because there are variations in the services that are included in the fees paid by other funds.

The trustees also considered the advisory fees the Adviser charges non-fund clients pursuing a substantially similar investment style. For this purpose, they reviewed the relevant advisory fee information from the Adviser's Form ADV and the evaluation from the Trust's Senior Officer. The trustees noted that although the institutional fee schedule started at a rate different from the Fund's starting fee rate, it had more breakpoints at lower asset levels than the fee schedule applicable to the Fund. The application of the institutional fee schedule to the level of assets of the Fund would result in a fee rate lower than the rate being paid by the Fund. The trustees noted that the Adviser may, in some cases, agree to fee rates with large institutional clients that are lower than those reviewed by the trustees and that they had previously discussed with the Adviser its policies in respect of such arrangements. The trustees also reviewed information that indicated that the Fund's fee rate is higher than the sub-advisory fee rate earned by the Adviser for sub-advising other registered investment companies with a similar investment style. The trustees also noted that the Adviser advises a portfolio of another AllianceBernstein fund with a substantially similar investment style for the same fee schedule as the Fund.

The Adviser reviewed with the trustees the significantly greater scope of the services it provides to the Fund relative to institutional clients and sub-advised funds. The Adviser also noted that because mutual funds are constantly issuing and redeeming shares, they are more difficult to manage than an institutional account, where the assets tend to be relatively stable. In light of the substantial differences in services rendered by the Adviser to institutional clients as compared to funds such as the Fund, the trustees considered these comparisons inapt and did not place significant weight on them in their deliberations.

The trustees also considered the total expense ratio of the Class A shares of the Fund in comparison to the fees and expenses of funds within two comparison groups created by Lipper: an Expense Group and an Expense Universe. Lipper described an Expense Group as a representative sample of funds similar to the Fund and an Expense Universe as a broader group, consisting of all funds in the investment classification/objective with a similar load type as the Fund. The Class A expense ratio of the Fund was based on the Fund's latest fiscal year. The trustees noted that it was likely that the expense ratios of some of the other funds in the Fund's Lipper category were lowered by waivers or reimbursements by those funds' investment advisers, which in some cases might be voluntary or temporary. The trustees view the expense ratio information as relevant to their evaluation of the Adviser's services because the Adviser is responsible for coordinating services provided to the Fund by others.

The trustees noted that, at the Fund's current size, its contractual effective advisory fee rate of 75 basis points, plus the less than 1 basis point impact of the administrative expense reimbursement in the latest fiscal year, was lower than the Expense Group median. The trustees noted that the Fund's total expense ratio was lower than the Expense Group and the Expense Universe medians. The trustees concluded that the Fund's expense ratio was satisfactory.

Economies of Scale

The trustees noted that the advisory fee schedule for the Fund contains breakpoints that reduce the fee rates on assets above specified levels. The trustees took into consideration prior presentations by an independent consultant on economies of scale in the mutual fund industry and for the AllianceBernstein Funds, and by the Adviser concerning certain of its views on economies of scale. The trustees also had requested and received from the Adviser certain updates on economies of scale at the May 2013 meeting. The trustees believe that economies of scale may be realized (if at all) by the Adviser across a variety of products and services, and not only in respect of a single fund. The trustees noted that there is no established methodology for setting breakpoints that give effect to fund-specific services provided by a fund's adviser and to the economies of scale that an adviser may realize in its overall mutual fund business or those components of it which directly or indirectly affect a fund's operations. The trustees observed that in the mutual fund industry as a whole, as well as among funds similar to the Fund, there is no uniformity or pattern in the fees and asset levels at which breakpoints (if any) apply. The trustees also noted that the advisory agreements for many funds do not have breakpoints at all. Having taken these factors into account, the trustees concluded that the Fund's shareholders would benefit from a sharing of economies of scale in the event the Fund's net assets exceed a breakpoint in the future.

THE FOLLOWING IS NOT PART OF THE SHAREHOLDER REPORT OR THE FINANCIAL STATEMENTS

SUMMARY OF SENIOR OFFICER'S EVALUATION OF INVESTMENT ADVISORY AGREEMENT[1]

The following is a summary of the evaluation of the Investment Advisory Agreement between AllianceBernstein L.P. (the "Adviser") and the AllianceBernstein Trust (the "Trust") in respect of AllianceBernstein Discovery Value Fund (the "Fund").[2,3] The evaluation of the Investment Advisory Agreement was prepared by Philip L. Kirstein, the Senior Officer of the Fund, for the Trustees of the Fund, as required by a September 2004 agreement between the Adviser and the New York State Attorney General (the "NYAG"). The Senior Officer's evaluation of the Investment Advisory Agreement is not meant to diminish the responsibility or authority of the Board of Trustees of the Fund to perform its duties pursuant to Section 15 of the Investment Company Act of 1940 (the "40 Act") and applicable state law. The purpose of the summary is to provide shareholders with a synopsis of the independent evaluation of the reasonableness of the advisory fees proposed to be paid by the Fund which was provided to the Trustees in connection with their review of the proposed approval of the continuance of the Investment Advisory Agreement. The Senior Officer's evaluation considered the following factors:

1. Advisory fees charged to institutional and other clients of the Adviser for like services;
2. Advisory fees charged by other mutual fund companies for like services;
3. Costs to the Adviser and its affiliates of supplying services pursuant to the advisory agreement, excluding any intra-corporate profit;
4. Profit margins of the Adviser and its affiliates from supplying such services;
5. Possible economies of scale as the Fund grows larger; and
6. Nature and quality of the Adviser's services including the performance of the Fund.

These factors, with the exception of the first factor, are generally referred to as the "*Gartenberg* factors," which were articulated by the United States Court of Appeals for the Second Circuit in 1982. *Gartenberg v. Merrill Lynch Asset Management, Inc.*, 694 F. 2d 923 (2d Cir. 1982). The first factor is an additional factor required to be considered by the AoD. On March 30, 2010, the Supreme

1 *The information in the fee summary was completed on April 22, 2013 and discussed with the Board of Trustees on April 30-May 2, 2013.*

2 *Future references to the Fund do not include "AllianceBernstein." References in the fee summary pertaining to performance and expense ratio rankings refer to the Class A shares of the Fund.*

3 *On November 1, 2012, the Fund changed its name from AllianceBernstein Small-Mid Cap Value Fund to AllianceBernstein Discovery Value Fund.*

Court held the *Gartenberg* decision was correct in its basic formulation of what §36(b) requires: to face liability under §36(b), "an investment adviser must charge a fee that is so disproportionately large that it bears no reasonable relationship to the services rendered and could not have been the product of arm's length bargaining." *Jones v. Harris Associates L.P.,* 130 S. Ct. 1418 (2010). In the *Jones* decision, the Court stated the *Gartenberg* approach fully incorporates the correct understanding of fiduciary duty within the context of section 36(b) and noted with approval that "*Gartenberg* insists that all relevant circumstances be taken into account" and "uses the range of fees that might result from arm's-length bargaining as the benchmark for reviewing challenged fees."[4]

FUND ADVISORY FEES, NET ASSETS, EXPENSE CAPS & RATIOS

The Adviser proposed that the Fund pays the advisory fee set forth in the table below for receiving the services to be provided pursuant to the Investment Advisory Agreement. The fee schedule below, implemented in January 2004 in consideration of the Adviser's settlement with the NYAG in December 2003, is based on a master schedule that contemplates eight categories of funds with almost all funds in each category having the same advisory fee schedule.[5]

Category	Advisory Fee[6]	Net Assets 3/31/13 ($MIL)	Fund
Specialty	0.75% on 1st $2.5 billion 0.65% on next $2.5 billion 0.60% on the balance	$1,961.4	Discovery Value Fund

The Adviser is reimbursed as specified in the Investment Advisory Agreement for certain clerical, legal, accounting, administrative and other services provided to the Fund. During the Fund's most recently completed fiscal year, the Adviser received $46,798 (0.003% of the Fund's average daily net assets) for such services.

Set forth below are the Fund's total expense ratios for the most recently completed fiscal year:

Fund	Total Expense Ratio		Fiscal Year End
Discovery Value Fund	Advisor	0.98%	November 30
	Class A	1.28%	
	Class B	2.04%	
	Class C	2.00%	
	Class R	1.56%	
	Class K	1.25%	
	Class I	0.90%	

4 Jones v. Harris *at 1427.*

5 *Most of the AllianceBernstein Mutual Funds, which the Adviser manages, were affected by the Adviser's settlement with the NYAG.*

6 *The advisory fee of the Fund is based on the percentage of the Fund's average daily net assets and is paid on a monthly basis.*

I. MANAGEMENT FEES CHARGED TO INSTITUTIONAL AND OTHER CLIENTS

The advisory fees charged to investment companies which the Adviser manages and sponsors are normally higher than those charged to similar sized institutional accounts, including pension plans and sub-advised investment companies. The fee differential reflects, among other things, different services provided to such clients, and different liabilities assumed. Services provided by the Adviser to the Fund that are not provided to non-investment company clients and sub-advised investment companies include providing office space and personnel to serve as Fund Officers, who among other responsibilities make the certifications required under the Sarbanes-Oxley Act of 2002, and coordinating with and monitoring the Fund's third party service providers such as Fund counsel, auditors, custodians, transfer agents and pricing services. The accounting, administrative, legal and compliance requirements for the Fund are more costly than those for institutional assets due to the greater complexities and time required for investment companies, although as previously noted, the Adviser is reimbursed for providing such services. Also, retail mutual funds managed by the Adviser are widely held. Servicing the Fund's investors is more time consuming and labor intensive compared to institutional clients since the Adviser needs to communicate with a more extensive network of financial intermediaries and shareholders. The Adviser also believes that it incurs substantial entrepreneurial risk when offering a new mutual fund since establishing a new mutual fund requires a large upfront investment and it may take a long time for the fund to achieve profitability since the fund must be priced to scale from inception in order to be competitive and assets are acquired one account at a time. In addition, managing the cash flow of an investment company may be more difficult than managing that of a stable pool of assets, such as an institutional account with little cash movement in either direction, particularly, if a fund is in net redemption and the Adviser is frequently forced to sell securities to raise cash for redemptions. However, managing a fund with positive cash flow may be easier at times than managing a stable pool of assets. Finally, in recent years, investment advisers have been sued by institutional clients and have suffered reputational damage both by the attendant publicity and outcomes other than complete victories. Accordingly, the legal and reputational risks associated with institutional accounts are greater than previously thought, although still not equal to those related to the mutual fund industry.

Notwithstanding the Adviser's view that managing an investment company is not comparable to managing other institutional accounts because the services provided are different, the Supreme Court has indicated consideration should be given to the advisory fees charged to institutional accounts with a similar investment style as the Fund.[7] In addition to the AllianceBernstein institutional fee schedule, set forth below is what would have been the effective advisory fee

7 *The Supreme Court stated that "courts may give such comparisons the weight that they merit in light of the similarities and differences between the services that the clients in question require, but the courts must be wary of inapt comparisons." Among the significant differences the Supreme Court noted that may exist between services provided to mutual funds and institutional accounts are "higher marketing costs."* Jones v. Harris *at 1428.*

of the Fund had the AllianceBernstein institutional fee schedule been applicable to the Fund based on March 31, 2013 net assets:[8]

Fund	Net Assets 3/31/13 ($MIL)	AllianceBernstein Institutional Fee Schedule	Effective AB Inst. Adv. Fee	Fund Advisory Fee
Discovery Value Fund	$1,961.4	Small & Mid Cap Value 95% on 1st $25 million 75% on next $25 million 65% on next $50 million 55% on the balance *Minimum Account Size: $25 m*	0.560%	0.750%

The adviser also manages the AllianceBernstein Variable Products Series Fund, Inc. ("AVPS"), which is available through variable annuity and variable life contracts offered by other financial institutions and offers policyholders the option to utilize certain AVPS portfolios as the investment option underlying their insurance contracts. Set forth below is the fee schedule of the AVPS portfolio that has a substantially similar investment style as the Fund.[9] Also shown is the Fund's advisory fee and what would have been the effective advisory fee of the Fund had the AVPS fee schedule been applicable to the Fund based on March 31, 2013 net assets:

Fund	AVPS Portfolio	Fee Schedule	Effective AVPS Adv. Fee	Fund Advisory Fee
Discovery Value Fund	Small/Mid Cap Value Portfolio	0.75% on first $2.5 billion 0.65% on next $2.5 billion 0.60% on the balance	0.750%	0.750%

The Adviser provides sub-advisory services to certain other investment companies managed by other fund families. The Adviser charges the fees set forth below for the sub-advisory relationships that have a somewhat similar investment style as the Fund. Also shown are the Fund's advisory fees and what would have been the effective advisory fees of the Fund had the fee schedules of the sub-advisory relationships been applicable to the Fund based on March 31, 2013 net assets:

Fund		Fee Schedule	Effective Sub-Adv. Fee	Fund Advisory Fee
Discovery Value Fund	Client #1	0.50% on 1st $250 million 0.45% on the balance	0.456%	0.750%
	Client #2	0.95% on 1st $10 million 0.75% on next $40 million 0.65% on next $50 million 0.55% on the balance	0.559%	0.750%
	Client #3	0.61% on 1st $150 million 0.50% on the balance	0.508%	0.750%

8 *The Adviser has indicated that with respect to institutional accounts with assets greater than $300 million, it will negotiate a fee schedule. Discounts that are negotiated vary based upon each client relationship.*

9 *The AVPS portfolio was also affected by the settlement between the Adviser and the NYAG.*

It is fair to note that the services the Adviser provides pursuant to sub-advisory agreements are generally confined to the services related to the investment process; in other words, they are not as comprehensive as the services provided to the Fund by the Adviser.

While it appears that the sub-advisory relationships are paying a lower fee than the Fund, it is difficult to evaluate the relevance of such lower fees due to differences in terms of the services provided, risks involved and other competitive factors between the Fund and sub-advisory relationships. There could be various business reasons why an investment adviser would be willing to provide a sub-advisory relationship investment related services at a different fee level than an investment company it is sponsoring where the investment adviser is providing all the services, not just investment management, generally required by a registered investment company.

II. MANAGEMENT FEES CHARGED BY OTHER MUTUAL FUND COMPANIES FOR LIKE SERVICES.

Lipper, Inc. ("Lipper"), an analytical service that is not affiliated with the Adviser, compared the fees charged to the Fund with fees charged to other investment companies for similar services offered by other investment advisers.[10] Lipper's analysis included the comparison of the Fund's contractual management fee, estimated at the approximate current asset level of the Fund, to the median of the Fund's Lipper Expense Group ("EG")[11] and the Fund's contractual management fee ranking.[12]

Lipper describes an EG as a representative sample of comparable funds. Lipper's standard methodology for screening funds to be included in an EG entails the consideration of several fund criteria, including fund type, investment classification/objective, load type and similar 12b-1/non-12b-1 service fees, asset (size) comparability, expense components and attributes. An EG will typically consist of seven to twenty funds.

10 *The Supreme Court cautioned against accepting mutual fund fee comparisons without careful scrutiny since "these comparisons are problematic because these fees, like those challenged, may not be the product of negotiations conducted at arm's length."* Jones v. Harris *at 1429.*

11 *Lipper does not consider average account size when constructing EGs. Funds with relatively small average account sizes tend to have higher transfer agent expense ratio than comparable sized funds that have relatively large average account sizes. Note that there are limitations on Lipper expense category data because different funds categorize expenses differently.*

12 *The contractual management fee is calculated by Lipper using the Fund's contractual management fee rate at a hypothetical asset level. The hypothetical asset level is based on the combined net assets of all classes of the Fund, rounded up to the next $25 million. Lipper's total expense ratio information is based on the most recent annual report except as otherwise noted. A ranking of "1" would mean that the Fund had the lowest effective fee rate in the Lipper peer group.*

The Fund's original EG had an insufficient number of peers in Lipper's view. Consequently, Lipper expanded the Fund's EG to include peers that have similar but not the same Lipper investment classification/objective.

Fund	Contractual Management Fee (%)[13]	Lipper EG Median (%)	Lipper EG Rank
Discovery Value Fund[14]	0.750	0.789	5/14

However, because Lipper had expanded the EG of the Fund, under Lipper's standard guidelines, the Lipper Expense Universe ("EU") was also expanded to include the universes of those peers that had a similar but not the same Lipper investment classification/objective. A "normal" EU will include funds that have the same investment classification/objective as the subject Fund.[15]

Fund	Total Expense Ratio (%)[16]	Lipper EG Median (%)	Lipper EG Rank	Lipper EU Median (%)	Lipper EU Rank
Discovery Value Fund[17]	1.247	1.348	3/14	1.374	19/128

Based on this analysis, the Fund has a more favorable ranking on a total expense ratio basis than on a contractual management fee basis.

III. COSTS TO THE ADVISER AND ITS AFFILIATES OF SUPPLYING SERVICES PURSUANT TO THE MANAGEMENT FEE ARRANGEMENT, EXCLUDING ANY INTRA-CORPORATE PROFIT.

The Adviser utilizes two profitability reporting systems, which operate independently but are aligned with each other, to estimate the Adviser's profitability in connection with investment advisory services provided to the Fund. The Senior Officer has retained a consultant to provide independent advice regarding the alignment of the two profitability systems as well as the methodologies and allocations utilized by both profitability systems. See Section IV for additional discussion.

13 *The contractual management fee would not reflect any expense reimbursements made by the Fund to the Adviser for certain clerical, legal, accounting, administrative and other services. In addition, the contractual management fee does not reflect any advisory fee waivers or expense reimbursements for expense caps that would effectively reduce the actual management fee.*

14 *The Fund's EG includes the Fund, four other Small-Cap Value Funds ("SCVE") and nine Small-Cap Core Funds ("SCCE").*

15 *Except for asset (size) comparability, Lipper uses the same criteria for selecting an EG peer when selecting an EU peer. Unlike the EG, the EU allows for the same adviser to be represented by more than just one fund.*

16 *Most recently completed fiscal year end Class A total expense ratio.*

17 *The Fund's EU includes the Fund, EG and all other SCVE and SCCE, excluding outliers.*

IV. PROFIT MARGINS OF THE ADVISER AND ITS AFFILIATES FOR SUPPLYING SUCH SERVICES.

The Fund's profitability information, prepared by the Adviser for the Board of Trustees, was reviewed by the Senior Officer and the consultant. The Adviser's profitability from providing investment advisory services to the Fund increased during calendar year 2012, relative to 2011.

In addition to the Adviser's direct profits from managing the Fund, certain of the Adviser's affiliates have business relationships with the Fund and may earn a profit from providing other services to the Fund. The courts have referred to this type of business opportunity as "fall-out benefits" to the Adviser and indicated that such benefits should be factored into the evaluation of the total relationship between the Fund and the Adviser. Neither case law nor common business practice precludes the Adviser's affiliates from earning a reasonable profit on this type of relationship provided the affiliates' charges and services are competitive and the relationship otherwise complies with the 40 Act restrictions. These affiliates provide transfer agent, distribution and brokerage related services to the Fund and receive transfer agent fees, Rule 12b-1 payments, front-end sales loads, contingent deferred sales charges ("CDSC") and brokerage commissions. In addition, the Adviser benefits from soft dollar arrangements which offset expenses the Adviser would otherwise incur.

AllianceBernstein Investments, Inc. ("ABI"), an affiliate of the Adviser, is the Fund's principal underwriter. ABI and the Adviser have disclosed in the Fund's prospectus that they may make revenue sharing payments from their own resources, in addition to resources derived from sales loads and Rule 12b-1 fees, to firms that sell shares of the Fund. In 2012, ABI paid approximately 0.05% of the average monthly assets of the AllianceBernstein Mutual Funds or approximately $19 million for distribution services and educational support (revenue sharing payments).

During the Fund's most recently completed fiscal year, ABI received from the Fund $8,656, $3,998,638 and $24,116 in front-end sales charges, Rule 12b-1 and CDSC fees, respectively.

Fees and reimbursements for out of pocket expenses charged by AllianceBernstein Investor Services, Inc. ("ABIS"), the affiliated transfer agent for the Fund, are charged on a per account basis, based on the level of service provided and the class of share held by the account. ABIS also receives a fee per shareholder sub-account for each account maintained by an intermediary on an omnibus basis. During the Fund's most recently completed fiscal year, ABIS received $909,961 in fees from the Fund.

The Fund did not effect brokerage transactions and pay commissions to the Adviser's affiliate, Sanford C. Bernstein & Co., LLC ("SCB & Co.") nor its

U.K. affiliate, Sanford C. Bernstein Limited ("SCB Ltd."), collectively "SCB," during the Fund's most recently completed fiscal year. The Adviser represented that SCB's profitability from any future business conducted in the future with the Fund would be comparable to the profitability of SCB's dealings with other similar third party clients. In the ordinary course of business, SCB receives and pays liquidity rebates from electronic communications networks ("ECNs") derived from trading for its clients. These credits and charges are not being passed onto any SCB client. The Adviser also receives certain soft dollar benefits from brokers that execute agency trades for its clients. These soft dollar benefits reduce the Adviser's cost of doing business and increase its profitability.

V. POSSIBLE ECONOMIES OF SCALE

The Adviser has indicated that economies of scale are being shared with shareholders through pricing to scale, breakpoints, fee reductions/waivers and enhancement to services.

In May 2012, an independent consultant, retained by the Senior Officer, provided the Board of Trustees information on the Adviser's firm-wide average costs from 2005 through 2011 and the potential economies of scale. The independent consultant noted that from 2005 through 2007 the Adviser experienced significant growth in assets under management ("AUM"). During this period, operating expenses increased, in part to keep up with growth, and in part reflecting market returns. However, from 2008 through the first quarter of 2009, AUM rapidly and significantly decreased due to declines in market value and client withdrawals. When AUM rapidly decreased, some operating expenses categories, including base compensation and office space, adjusted more slowly during this period, resulting in an increase in average costs. Since 2009, AUM has experienced less significant changes. The independent consultant noted that changes in operating expenses reflect changes in business composition and business practices in response to changes in financial markets. Finally, the independent consultant concluded that the increase in average cost and the decline in net operating margin across the Adviser since late 2008 are inconsistent with the view that there are currently reductions in average costs due to economies of scale that can be shared with the AllianceBernstein Mutual Funds managed by the Adviser through lower fees.

Previously, in February 2008, the independent consultant provided the Board of Trustees an update of the Deli[18] study on advisory fees and various fund characteristics.[19] The independent consultant first reiterated the results of his previous two dimensional comparison analysis (fund size and family size) with the Board

18 *The Deli study, originally published in 2002 based on 1997 data and updated for the February 2008 Presentation, may be of diminished value due to the age of the data used in the presentation and the changes experienced in the industry over the last four years.*

19 *As mentioned previously, the Supreme Court cautioned against accepting mutual fund fee comparisons without careful scrutiny since the fees may not be the product of negotiations conducted at arm's length. See* Jones V. Harris *at 1429.*

of Trustees.[20] The independent consultant then discussed the results of the regression model that was utilized to study the effects of various factors on advisory fees. The regression model output indicated that the bulk of the variation in fees predicted were explained by various factors, but substantially by fund AUM, family AUM, index fund indicator and investment style. The independent consultant also compared the advisory fees of the AllianceBernstein Mutual Funds to similar funds managed by 19 other large asset managers, regardless of the fund size and each Adviser's proportion of mutual fund assets to non-mutual fund assets.

VI. NATURE AND QUALITY OF THE ADVISER'S SERVICES, INCLUDING THE PERFORMANCE OF THE FUND

With assets under management of approximately $443 billion as of March 31, 2013, the Adviser has the investment experience to manage and provide non-investment services (described in Section I) to the Fund.

The information prepared by Lipper shows the 1, 3, 5 and 10 year performance returns and rankings of the Fund[21] relative to its Lipper Performance Group ("PG") and Lipper Performance Universe ("PU")[22] for the periods ended February 28, 2013.[23]

Discovery Value Fund	Fund (%)	PG Median (%)	PU Median (%)	PG Rank	PU Rank
1 year	16.44	14.93	13.94	2/5	14/43
3 year	12.80	12.80	13.68	3/5	24/40
5 year	7.87	7.87	7.66	3/5	16/36
10 year	11.98	11.88	11.53	2/4	7/22

20 *The two dimensional analysis showed patterns of lower advisory fees for funds with larger asset sizes and funds from larger family sizes compared to funds with smaller asset sizes and funds from smaller family sizes, which according to the independent consultant is indicative of a sharing of economies of scale and scope. However, in less liquid and active markets, such is not the case, as the empirical analysis showed potential for diseconomies of scale in those markets. The empirical analysis also showed diminishing economies of scale and scope as funds surpassed a certain high level of assets.*

21 *The performance rankings are for the Class A shares of the Fund. The Fund's performance returns shown were provided by Lipper.*

22 *The Fund's PG/PU is not identical to the Fund's EG/EU as the criteria for including or excluding a fund in a PG/PU is somewhat different from that of an EG/EU.*

23 *Lipper investment classification/objective dictates the PG and PU throughout the life of the fund even if a fund had a different investment classification/objective at a different point in time.*

Set forth below are the 1, 3, 5, 10 year and since inception performance returns of the Fund (in bold)[24] versus its benchmark.[25] Fund and benchmark volatility and reward-to-variability ratio ("Sharpe Ratio") information is also shown.[26]

Periods Ending February 28, 2013
Annualized Performance

	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)	Annualized Volatility (%)	Annualized Sharpe (%)	Risk Period (Year)
Discovery Value Fund	16.44	12.80	7.87	11.98	10.35	20.29	0.57	10
Russell 2500 Value Index	18.92	15.19	7.82	11.72	9.41	18.73	0.59	10
Russell 2500 Index	15.17	15.75	7.92	11.92	8.69	N/A	N/A	N/A

Inception Date: March 29, 2001

CONCLUSION:

Based on the factors discussed above the Senior Officer's conclusion is that the proposed advisory fee for the Fund is reasonable and within the range of what would have been negotiated at arm's-length in light of all the surrounding circumstances. This conclusion in respect of the Fund is based on an evaluation of all of these factors and no single factor was dispositive.

Dated: May 29, 2013

24 *The performance returns and risk measures shown in the table are for the Class A shares of the Fund.*

25 *The Adviser provided Fund and benchmark performance return information for periods through February 28, 2013.*

26 *Fund and benchmark volatility and Sharpe Ratio information was obtained through Lipper LANA, a database maintained by Lipper. Volatility is a statistical measure of the tendency of a market price or yield to vary over time. The Sharpe Ratio is a risk adjusted measure of return that divides a fund's return in excess of the riskless return by the fund's standard deviation. A fund with a greater volatility would be viewed as more risky than a fund with equivalent performance but lower volatility; for that reason, a greater return would be demanded for the more risky fund. A fund with a higher Sharpe Ratio would be viewed as better performing than a fund with a lower Sharpe Ratio.*

THIS PAGE IS NOT PART OF THE SHAREHOLDER REPORT OR THE FINANCIAL STATEMENTS

ALLIANCEBERNSTEIN FAMILY OF FUNDS

Wealth Strategies

Balanced Wealth Strategy
Conservative Wealth Strategy
Wealth Appreciation Strategy
Tax-Managed Balanced Wealth Strategy
Tax-Managed Conservative Wealth Strategy
Tax-Managed Wealth Appreciation Strategy

Asset Allocation/Multi-Asset Funds

Emerging Markets Multi-Asset Portfolio
International Portfolio
Tax-Managed International Portfolio

Growth Funds

Domestic

Discovery Growth Fund**
Growth Fund
Large Cap Growth Fund
Select US Equity Portfolio
Small Cap Growth Portfolio

Global & International

Global Thematic Growth Fund
International Discovery Equity Portfolio
International Growth Fund

Value Funds

Domestic

Core Opportunities Fund
Discovery Value Fund**
Equity Income Fund
Growth & Income Fund
Value Fund

Global & International

Emerging Markets Equity Portfolio
Global Value Fund
International Value Fund

Taxable Bond Funds

Bond Inflation Strategy
Global Bond Fund
High Income Fund
Intermediate Bond Portfolio
Limited Duration High Income Portfolio
Short Duration Portfolio

Municipal Bond Funds

Arizona Portfolio
California Portfolio
High Income Portfolio
Massachusetts Portfolio
Michigan Portfolio
Minnesota Portfolio
Municipal Bond Inflation Strategy
National Portfolio
New Jersey Portfolio
New York Portfolio
Ohio Portfolio
Pennsylvania Portfolio
Virginia Portfolio

Intermediate Municipal Bond Funds

Intermediate California Portfolio
Intermediate Diversified Portfolio
Intermediate New York Portfolio

Closed-End Funds

Alliance California Municipal Income Fund
Alliance New York Municipal Income Fund
AllianceBernstein Global High Income Fund
AllianceBernstein Income Fund
AllianceBernstein National Municipal Income Fund

Alternatives

Dynamic All Market Fund
Global Real Estate Investment Fund
Global Risk Allocation Fund**
Market Neutral Strategy-Global
Market Neutral Strategy-U.S.
Real Asset Strategy
Select US Long/Short Portfolio
Unconstrained Bond Fund

Retirement Strategies

2000 Retirement Strategy
2005 Retirement Strategy
2010 Retirement Strategy
2015 Retirement Strategy
2020 Retirement Strategy
2025 Retirement Strategy
2030 Retirement Strategy
2035 Retirement Strategy
2040 Retirement Strategy
2045 Retirement Strategy
2050 Retirement Strategy
2055 Retirement Strategy

We also offer Exchange Reserves,* which serves as the money market fund exchange vehicle for the AllianceBernstein mutual funds.

Investors should consider the investment objectives, risks, charges and expenses of the Fund 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.

* An investment in Exchange Reserves is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the Fund.

**** Prior to October 8, 2012, Global Risk Allocation Fund was named Balanced Shares. Prior to November 1, 2012, Discovery Growth Fund was named Small/Mid Cap Growth Fund and Discovery Value Fund was named Small/Mid Cap Value Fund.**

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DV-0152-0513

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