



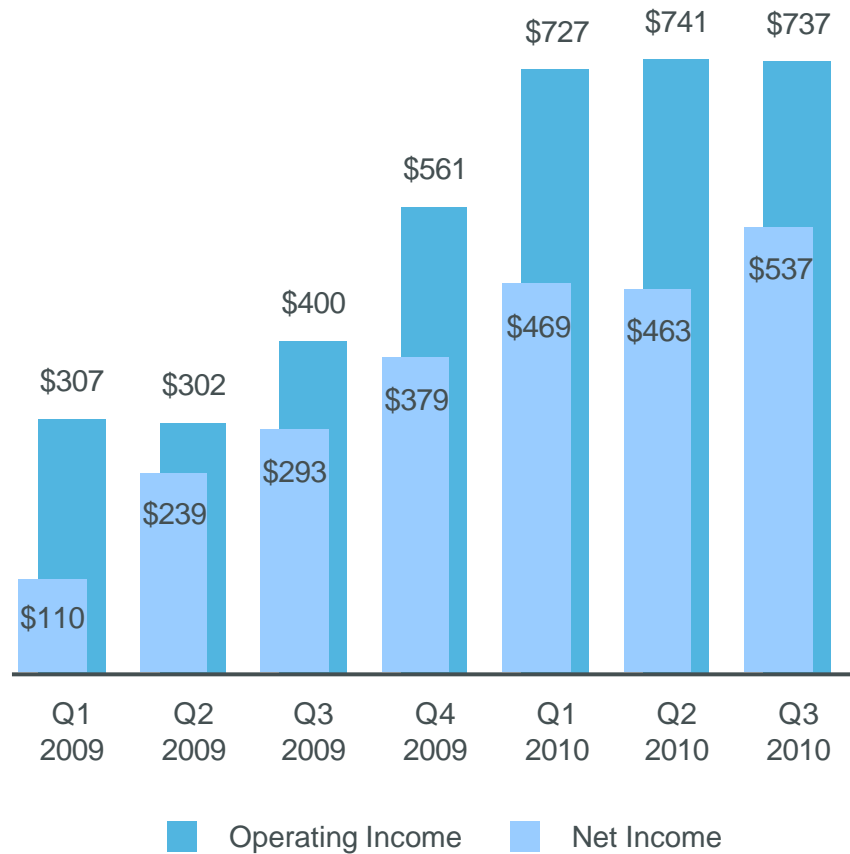
## **Q3 2010 Earnings**

### **Press Release Supplement**

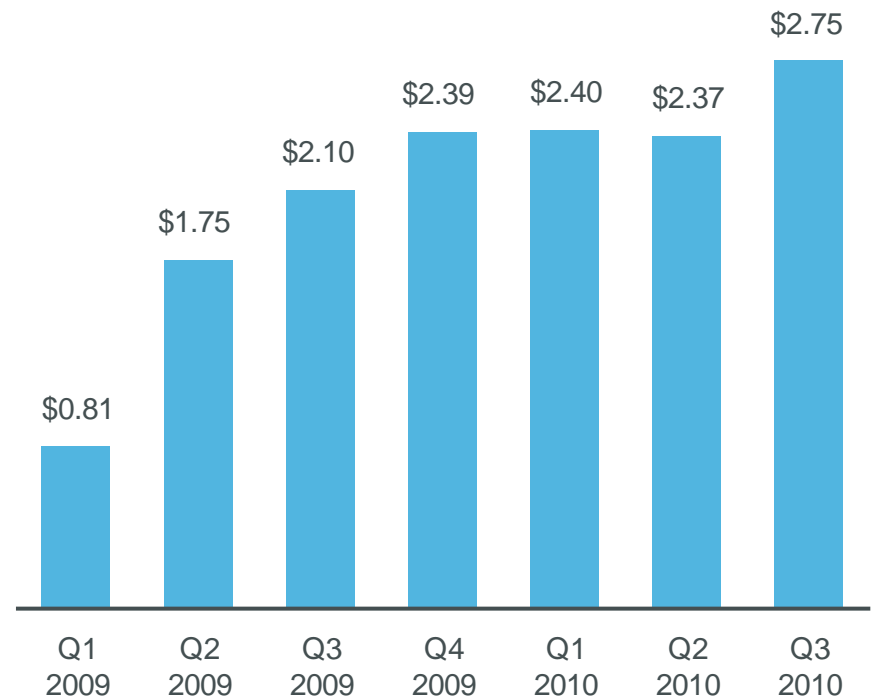
20 October 2010

# Strong financial performance marked by record EPS

Operating and Net Income, as Adjusted



Diluted Earnings Per Share, as Adjusted

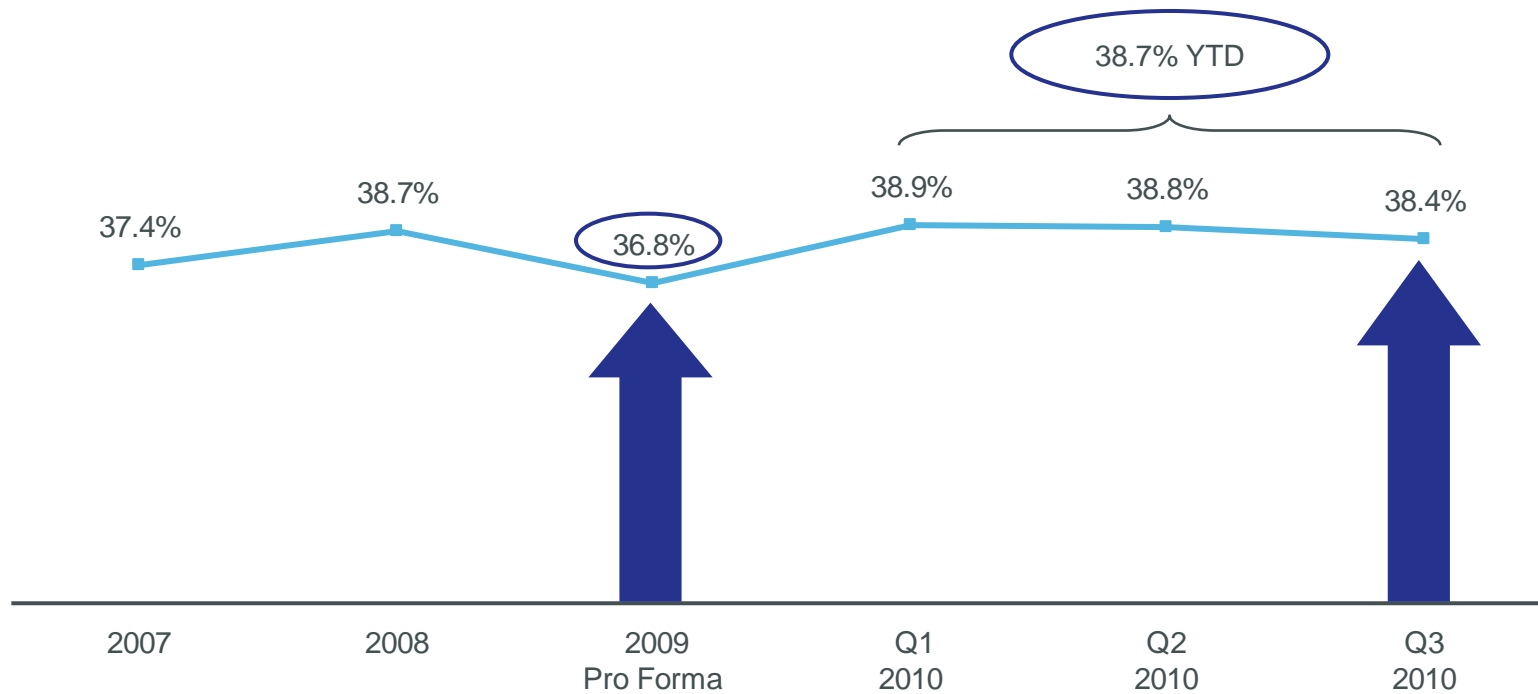


Reconciliation between GAAP and as Adjusted is provided in the appendix

# We have expanded margins while investing in the business

While operating margins appear flat to reported BLK standalone results, margins actually have expanded by approximately 1.9 points YTD versus 2009 BLK/BGI ProForma

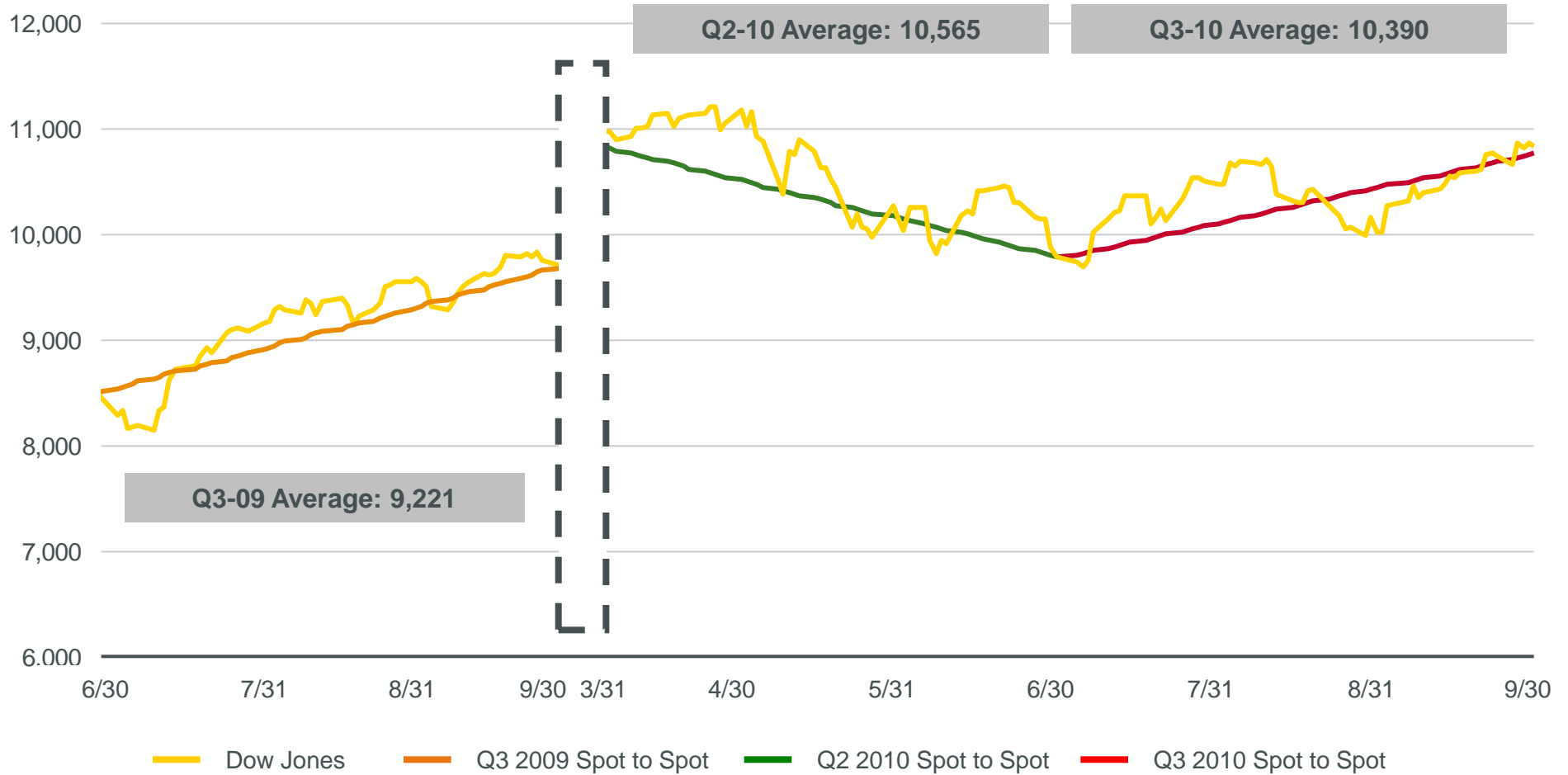
## Operating Margins, as Adjusted



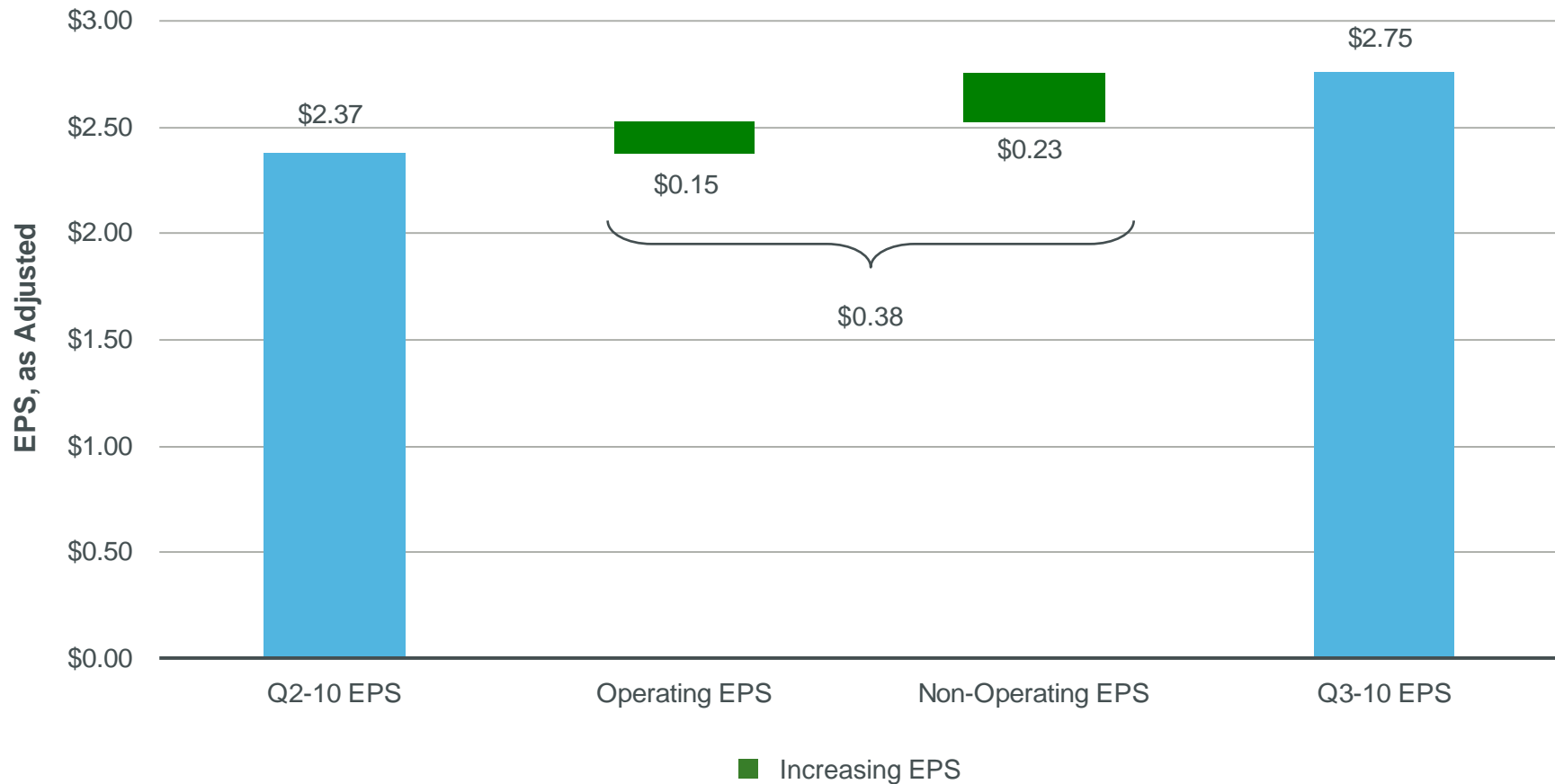
For further information and reconciliation between GAAP and as Adjusted, see note (a) in the current earnings release as well as previously filed Forms 10-K, 10-Q and 8-K's

# Equity markets have been volatile

Equity markets in Q3 2010 were lower on average than Q2 2010, but higher than a year ago



# Improving operating & non-operating results



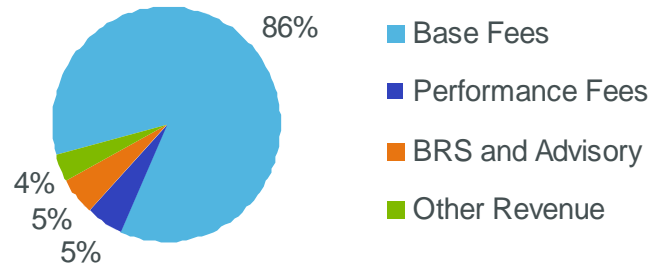
**Favorable tax rulings and the resolution of certain tax matters resulted in a YTD tax rate of 33.5% on an as adjusted basis. The Q3 EPS impact of the lower tax rate related to the first 6 months was \$0.11.**

For further information and reconciliation between GAAP and as Adjusted, see notes (a) through (f) in the current earnings release

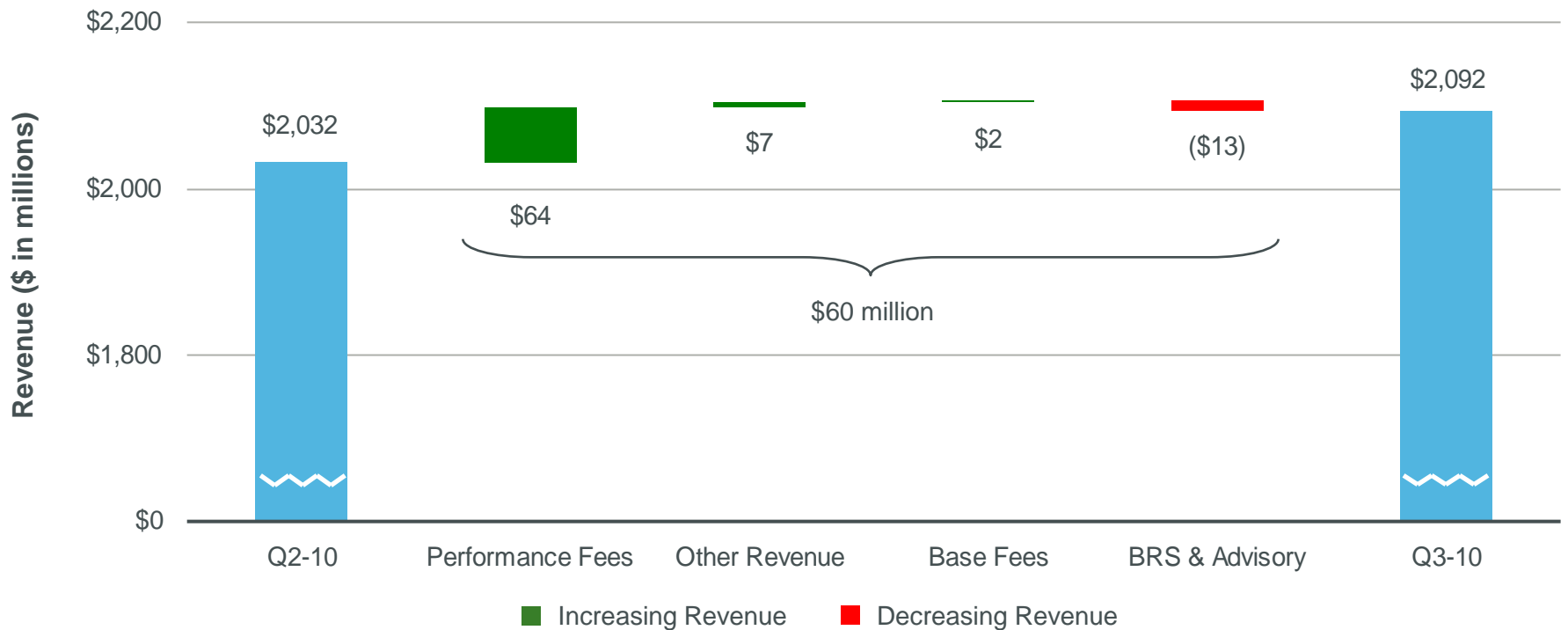
# Strong investment performance drives revenue growth

## Q3-10 Total Revenue

\$2.09 billion

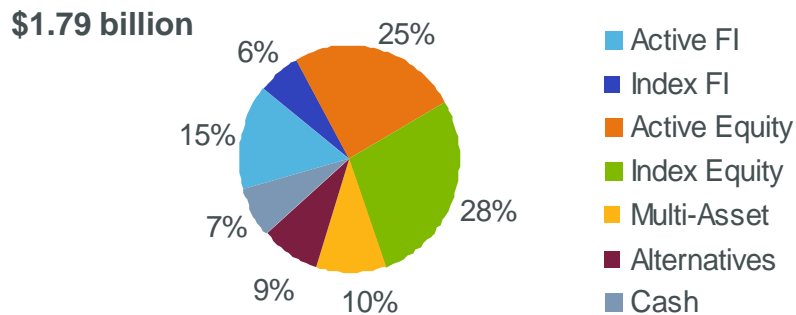


## Q3-10 Compared to Q2-10

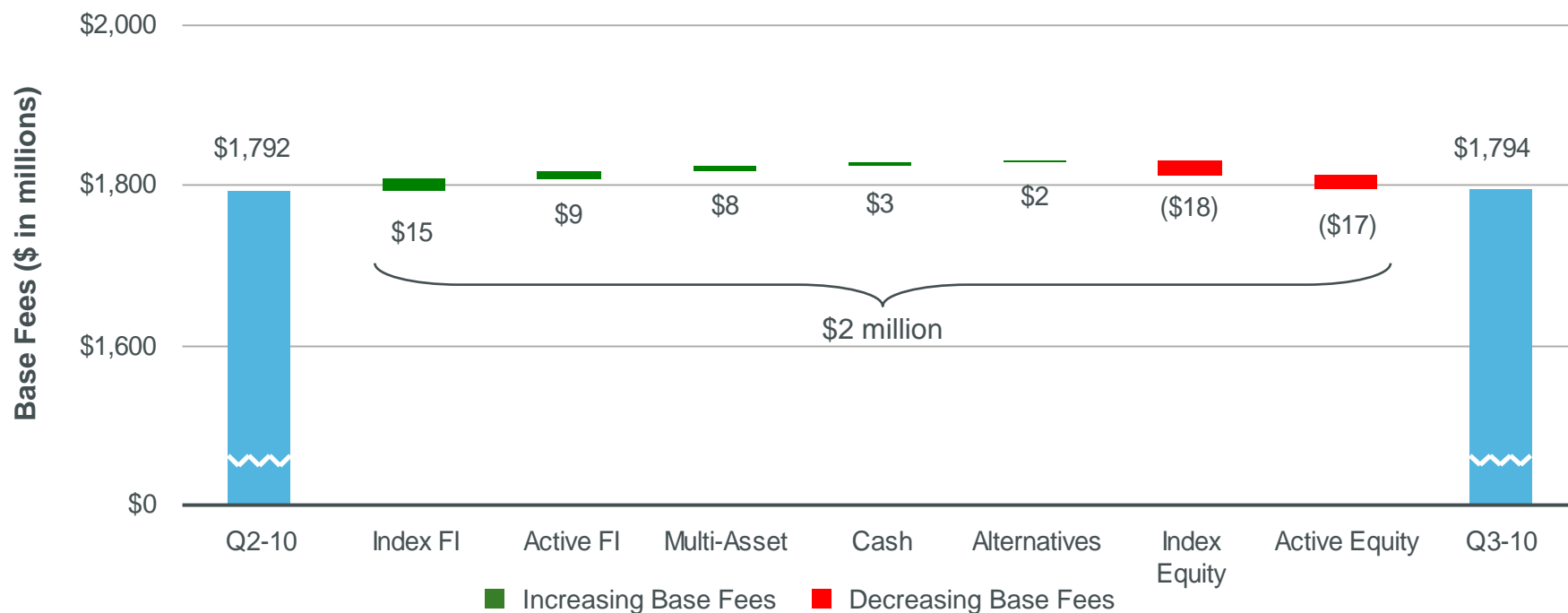


# Base fees stable despite lower average markets

## Q3-10 Base Fees

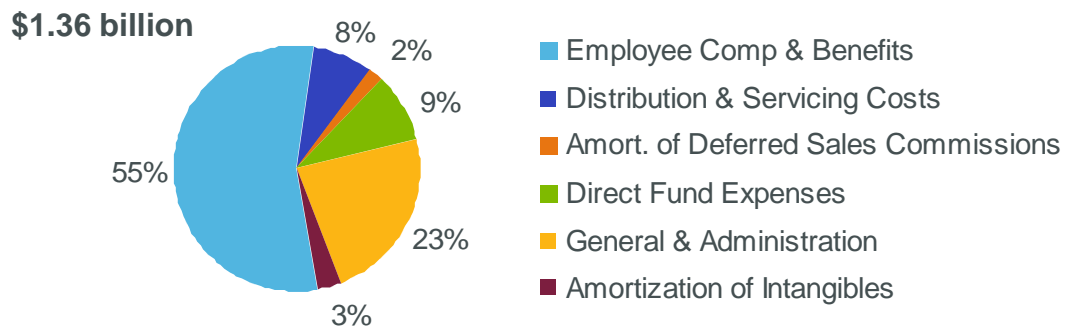


## Q3-10 Compared to Q2-10

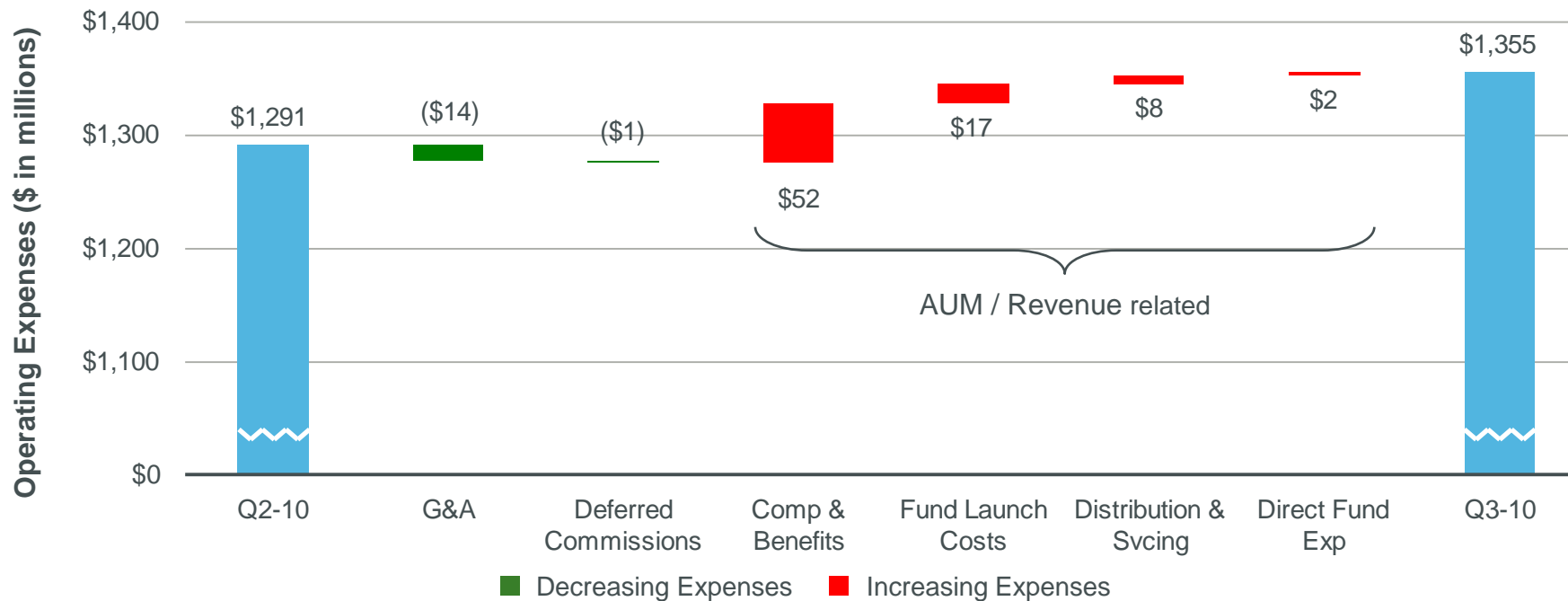


# Expense increases linked to higher AUM and revenue

## Q3-10 Expense, as Adjusted, by Category



## Q3-10 Compared to Q2-10

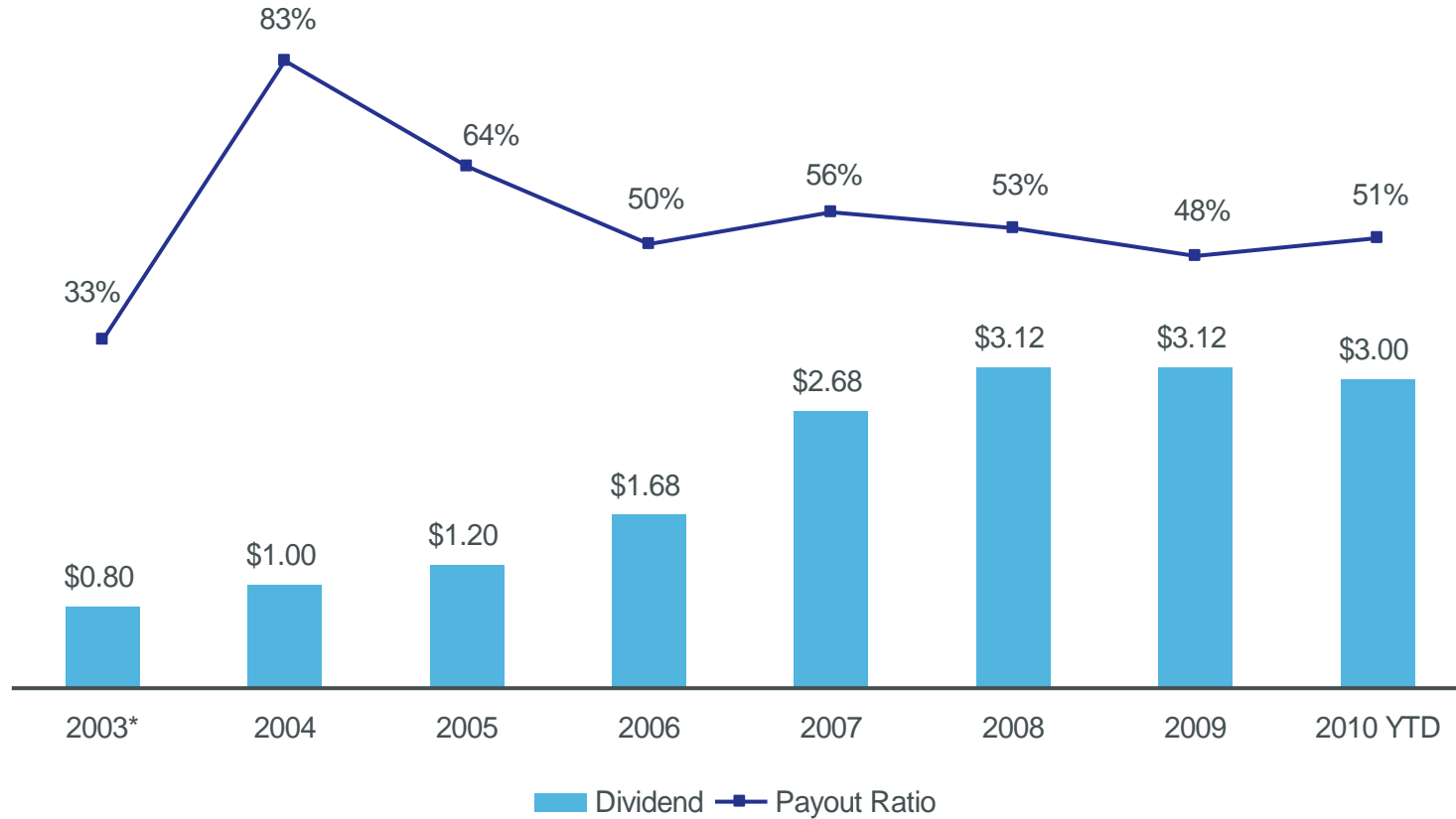


For further information and reconciliation between GAAP and as Adjusted, see note (a) in the current earnings release



# Substantial free cash flow

To be reinvested in the business and available for dividends



**2010 YTD Share Repurchase = 0.9 million shares**

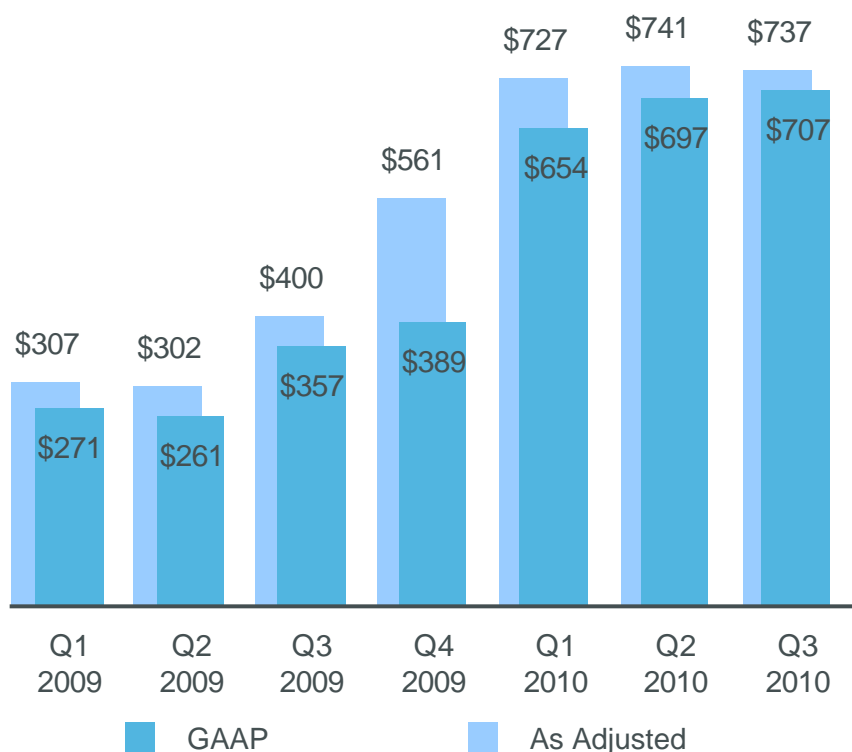
\* 2003 dividend has been annualized  
Payout ratio = (dividends + share repurchases) / GAAP net income

## Appendix

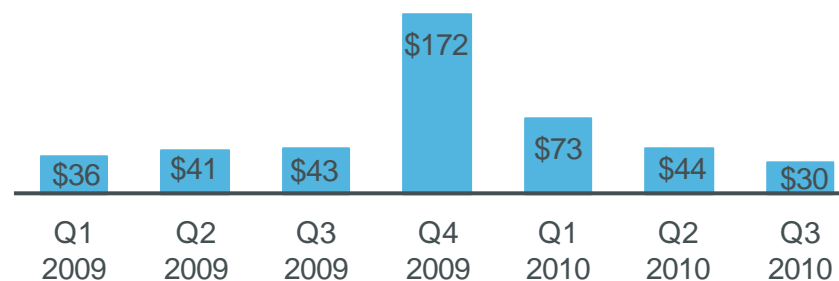
# Operating income – GAAP and As Adjusted

Non-GAAP adjustments include BGI transaction / integration costs, PNC LTIP funding obligation, Merrill Lynch compensation contribution, Restructuring, and Compensation related to appreciation (depreciation) on deferred compensation plans

Operating Income (\$ in millions)



Non-GAAP Adjustments (\$ in millions)

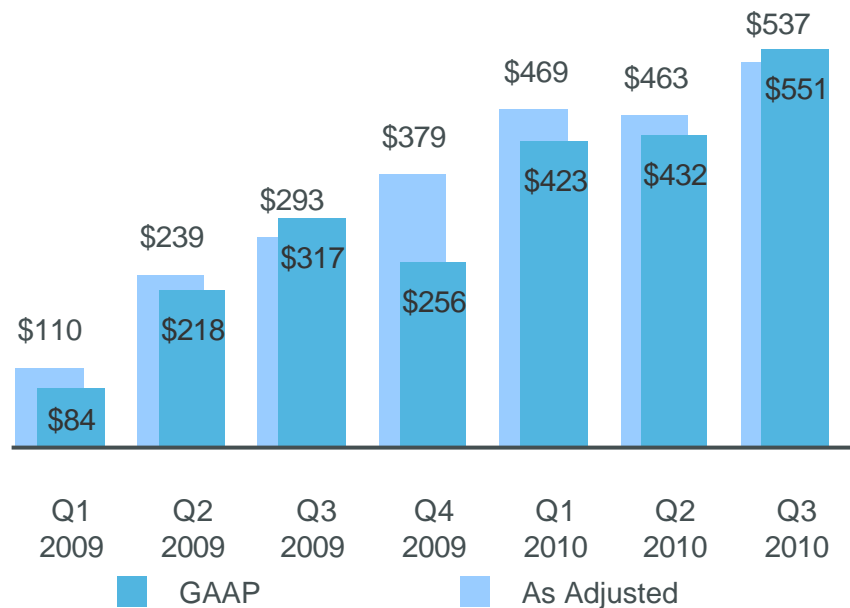


For further information and reconciliation between GAAP and as Adjusted, see note (a) in the current earnings release as well as previously filed Form 10-Q's

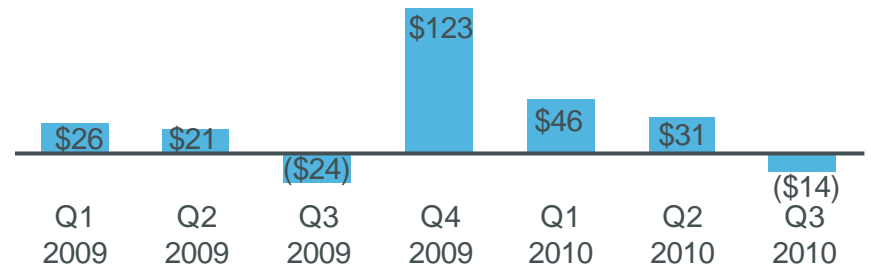
# Net income – GAAP and As Adjusted

Non-GAAP adjustments include BGI transaction / integration costs, PNC LTIP funding obligation, Merrill Lynch compensation contribution, Restructuring, and Tax law changes

Net Income (\$ in millions)



Non-GAAP Adjustments (\$ in millions)



For further information and reconciliation between GAAP and as Adjusted, see notes (c) through (d) in the current earnings release as well as previously filed Form 10-Q's

## Forward looking statements

This presentation, and other statements that BlackRock may make, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act, with respect to BlackRock's future financial or business performance, strategies or expectations. Forward-looking statements are typically identified by words or phrases such as "trend," "potential," "opportunity," "pipeline," "believe," "comfortable," "expect," "anticipate," "current," "intention," "estimate," "position," "assume," "outlook," "continue," "remain," "maintain," "sustain," "seek," "achieve," and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may" or similar expressions.

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## Forward looking statements

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