

BLACKROCK®

Q3 2015 Earnings

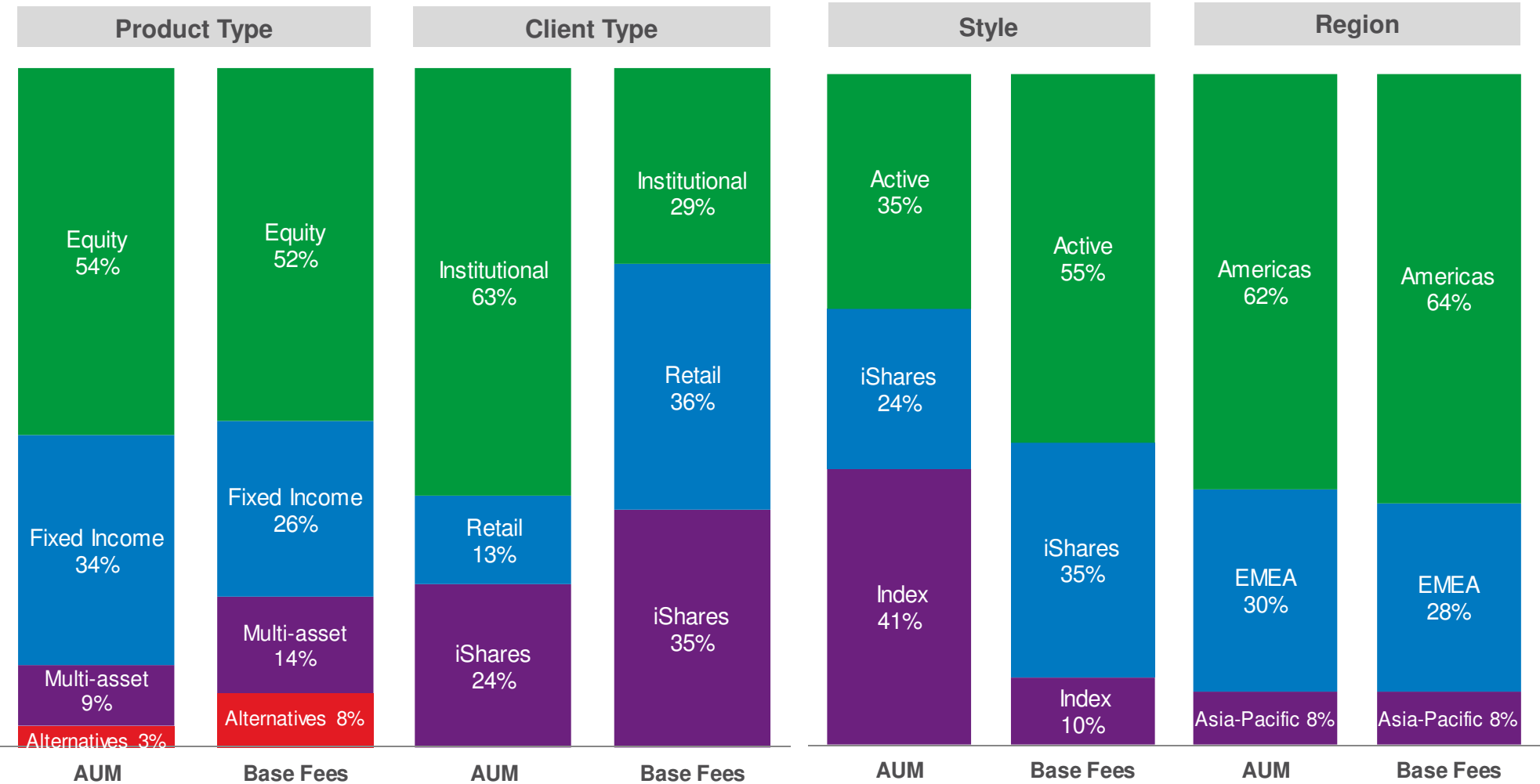
Earnings Release Supplement:

Results presented on an “as adjusted” basis, unless otherwise noted

October 14, 2015

A broadly diversified business across clients, products and geographies

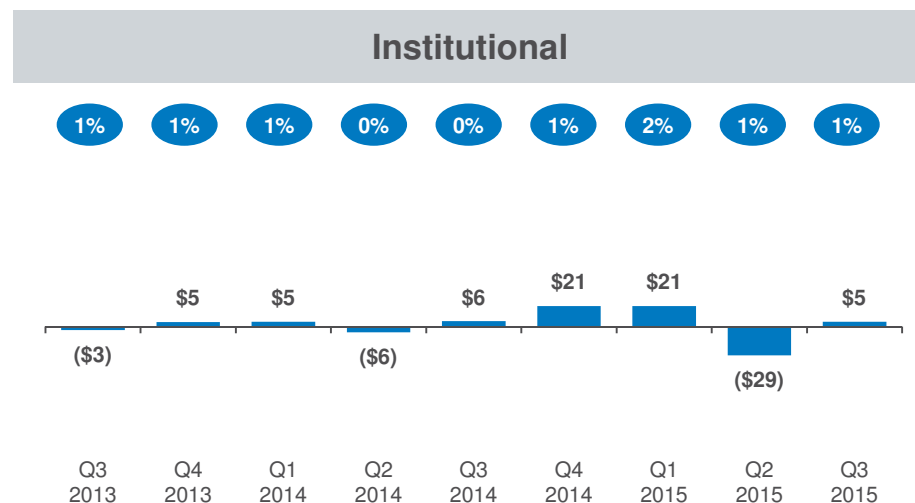
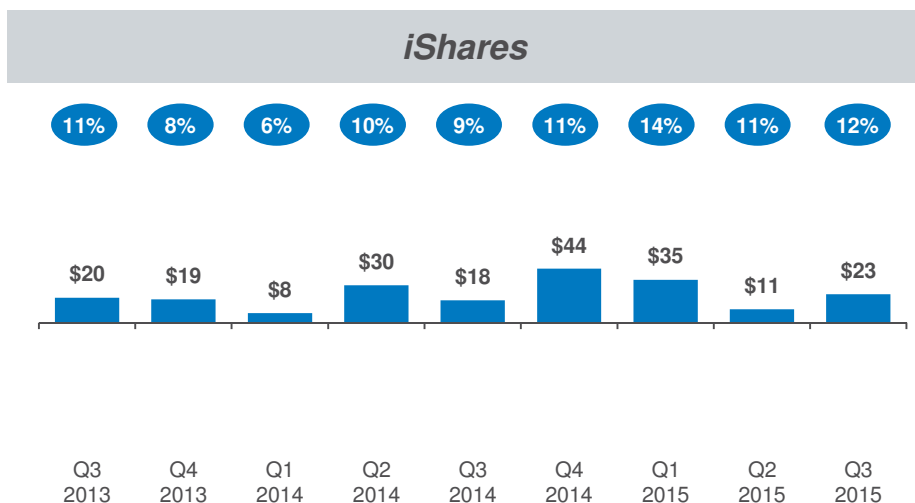
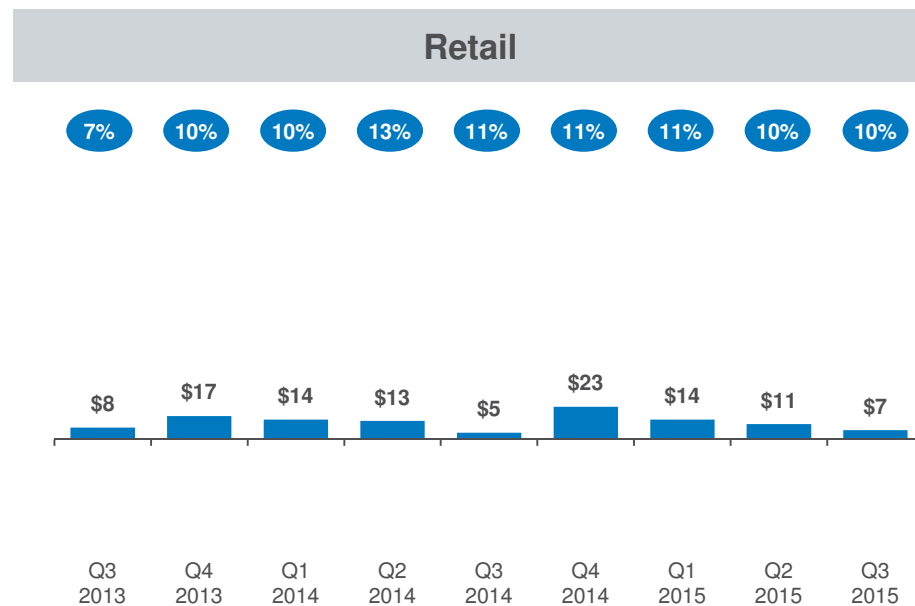
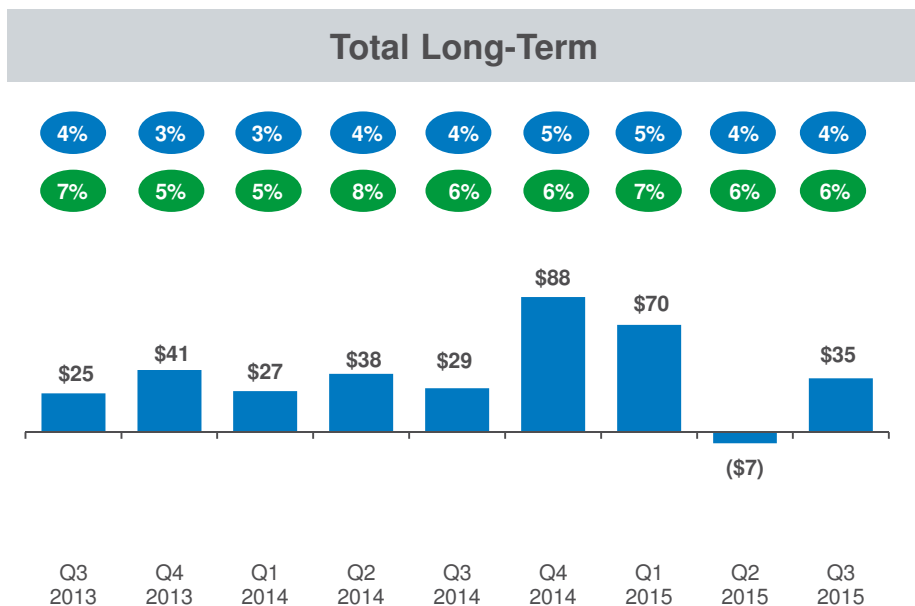
Q3 2015 Long-term Base Fees of \$2.375 billion
 Long-term Assets Under Management of \$4.208 trillion at September 30, 2015



Note: Revenue and AUM by region data is based on client domicile.

Long-term net flows (\$ in billions)

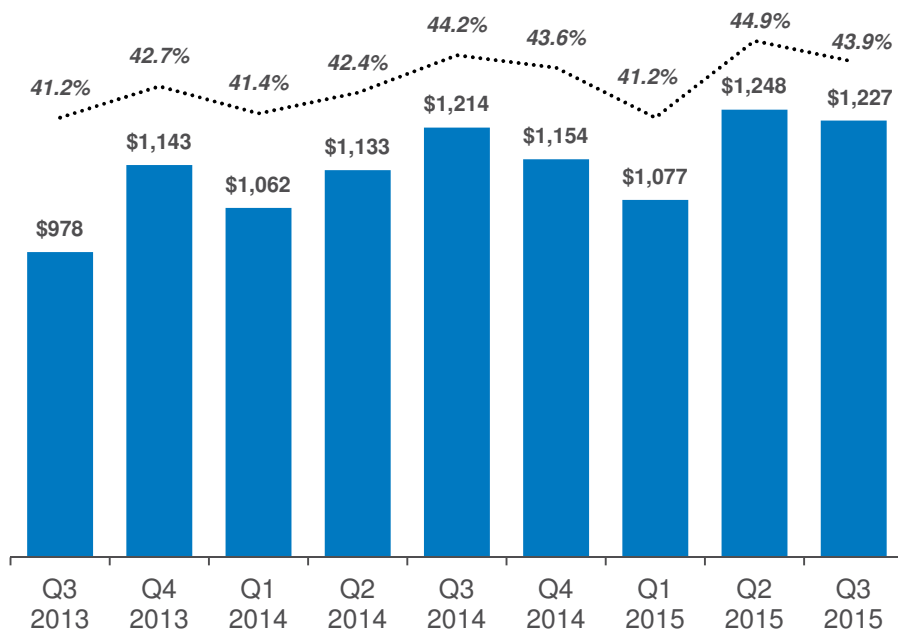
● LTM organic asset growth rate (%)
 ● LTM organic base fee growth rate (%)



Note: LTM organic asset growth rate measures rolling last twelve months net flows over beginning of period assets.

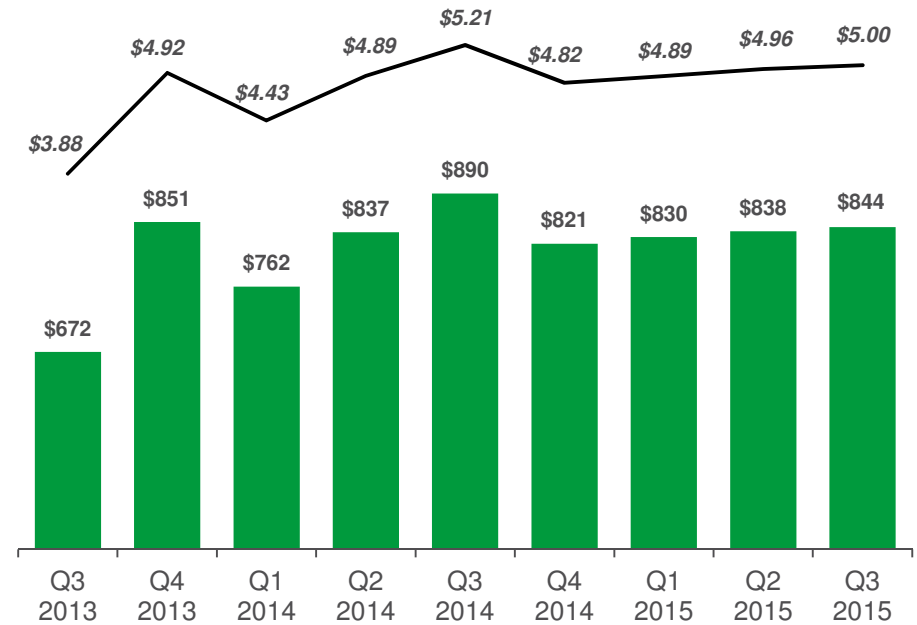
Profitability (\$ in millions, except per share data)

Operating Income and Margin, as adjusted



■ Operating Income Operating Margin

Net Income and EPS, as adjusted



■ Net Income — EPS

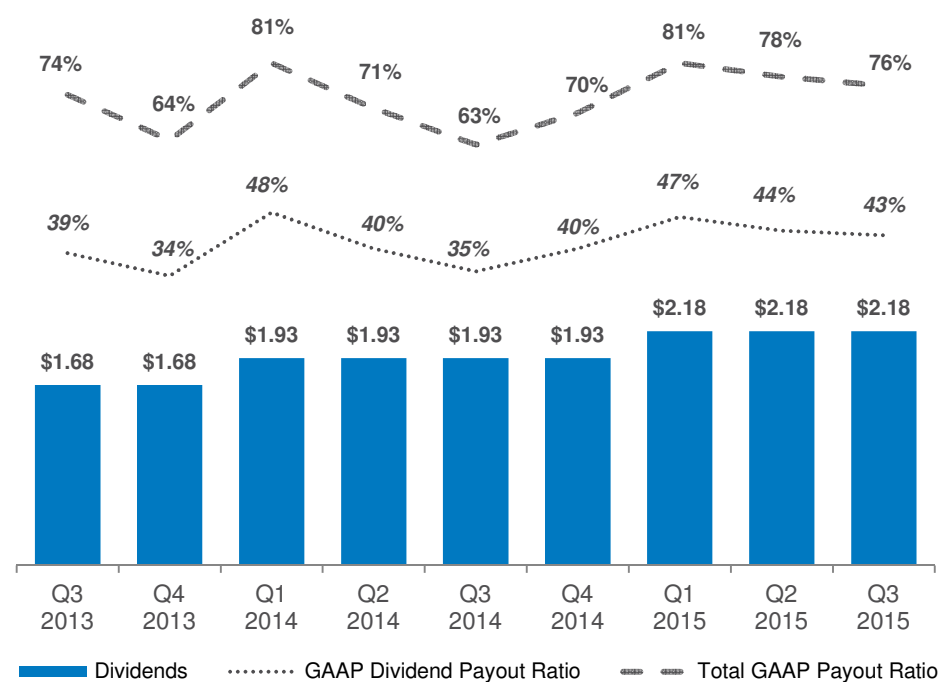
For further information and reconciliation between GAAP and as adjusted, see page 9 of this earnings release supplement, notes (1) through (4) in the current earnings release as well as previously filed Form 10-Ks, 10-Qs and 8-Ks.

Capital management (amounts in millions, except per share data)

Share repurchases and weighted average diluted shares



Dividends and Payout Ratios



Amounts above exclude repurchases of employee tax withholdings related to employee stock transactions.

GAAP Dividend Payout Ratio = Dividends declared / GAAP net income.

Total GAAP Payout Ratio = (Dividends declared + share repurchases) / GAAP net income.

Major market indices and exchange rates

	Spot			% Change 9/30/2015 vs.		Average			% Change Q3 2015 vs.	
	9/30/2014	6/30/2015	9/30/2015	6/30/2015	9/30/2014	Q3 2014	Q2 2015	Q3 2015	Q2 2015	Q3 2014
Equity Indices:										
<i>Domestic</i>										
S&P 500	1,972	2,063	1,920	(7)%	(3)%	1,976	2,102	2,026	(4)%	3%
<i>Global</i>										
MSCI Barra World Index	1,698	1,736	1,582	(9)%	(7)%	1,733	1,780	1,691	(5)%	(2)%
MSCI Europe Index	117	129	117	(9)%	0%	116	135	127	(6)%	9%
MSCI AC Asia Pacific Index	140	146	124	(15)%	(11)%	147	151	135	(11)%	(8)%
MSCI Emerging Markets Index	1,005	972	792	(19)%	(21)%	1,067	1,016	860	(15)%	(19)%
S&P Global Natural Resources	3,438	3,057	2,365	(23)%	(31)%	3,675	3,216	2,714	(16)%	(26)%
Fixed Income Index:										
Barclays U.S. Aggregate Bond Index	1,881	1,913	1,936	1%	3%	1,880	1,929	1,924	0%	2%
Foreign Exchange Rates:										
GBP to USD	1.62	1.57	1.51	(4)%	(7)%	1.67	1.53	1.55	1%	(7)%
EUR to USD	1.26	1.11	1.12	1%	(11)%	1.33	1.11	1.11	0%	(17)%

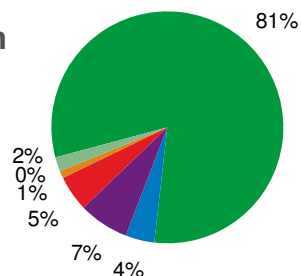
Source: Bloomberg

Quarterly revenue

Total Revenue

Q3 2015

\$2,910 million



- Base Fees ex. Securities Lending
- Securities Lending
- Performance Fees
- Aladdin
- Other BRS
- Distribution Fees
- Other Revenue

Percentage Change

- Base Fees ex. SL
- Securities Lending
- Performance Fees
- Aladdin
- Other BRS
- Distribution Fees
- Other Revenue

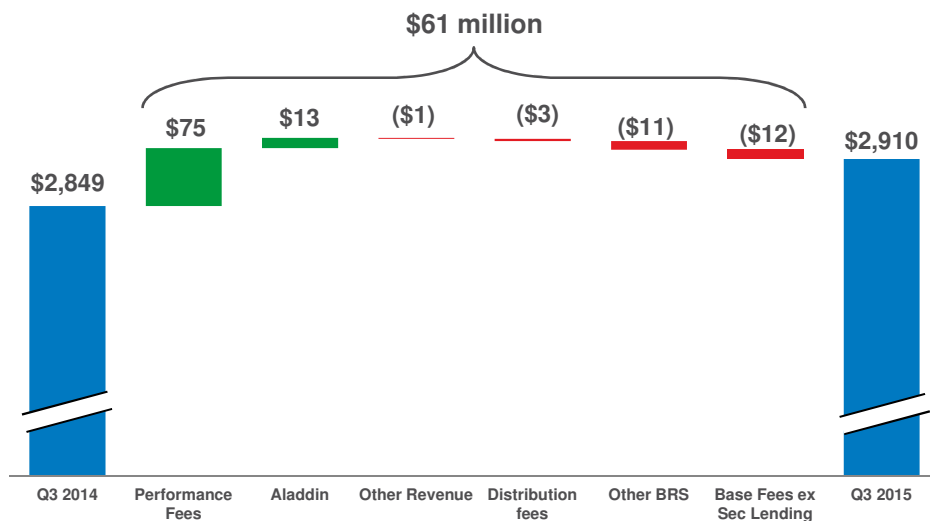
Year-over-Year

- (1)%
- 0
- 56
- 11
- (26)
- (18)
- (2)
- Total**

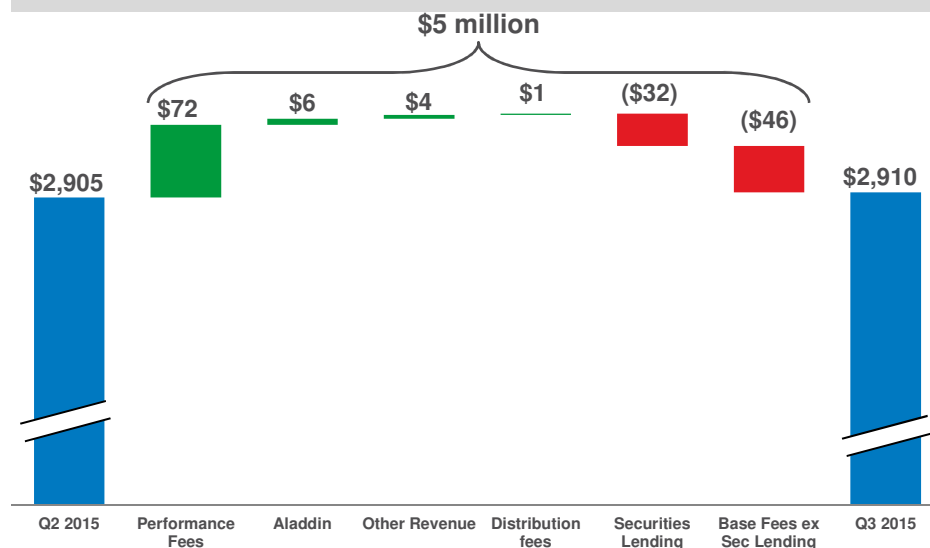
Sequential

- (2)%
- (22)
- 53
- 5
- 0
- 8
- 7
- Total**

Q3 2015 Compared to Q3 2014



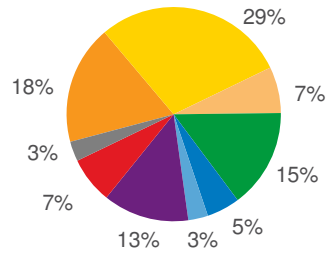
Q3 2015 Compared to Q2 2015



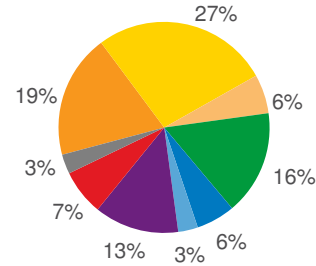
Quarterly investment advisory, administration fees and securities lending revenue

Investment advisory, administration fees and securities lending revenue

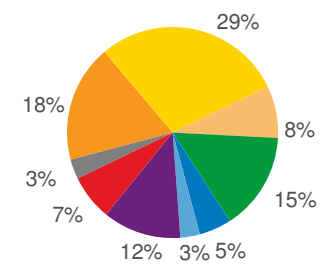
Q3 2014: \$2,468 million



Q3 2015: \$2,456 million

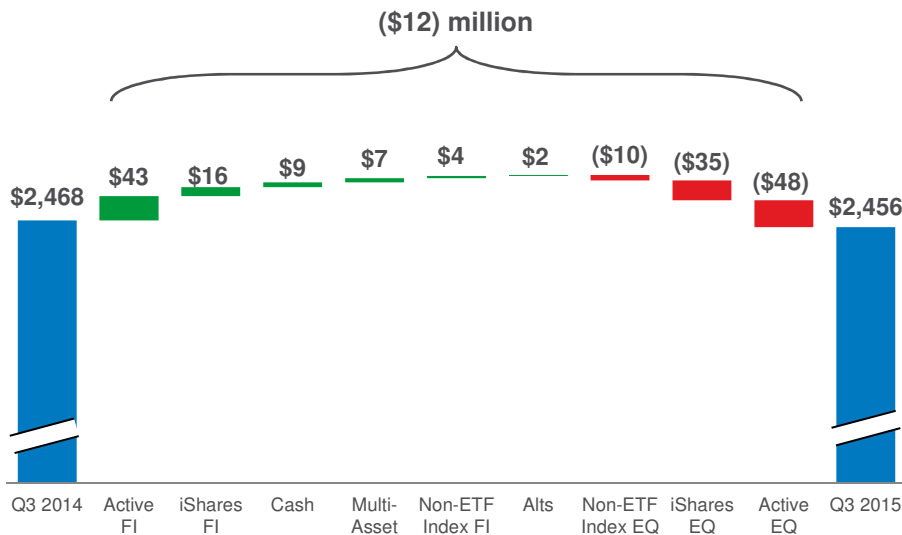


Q2 2015: \$2,534 million

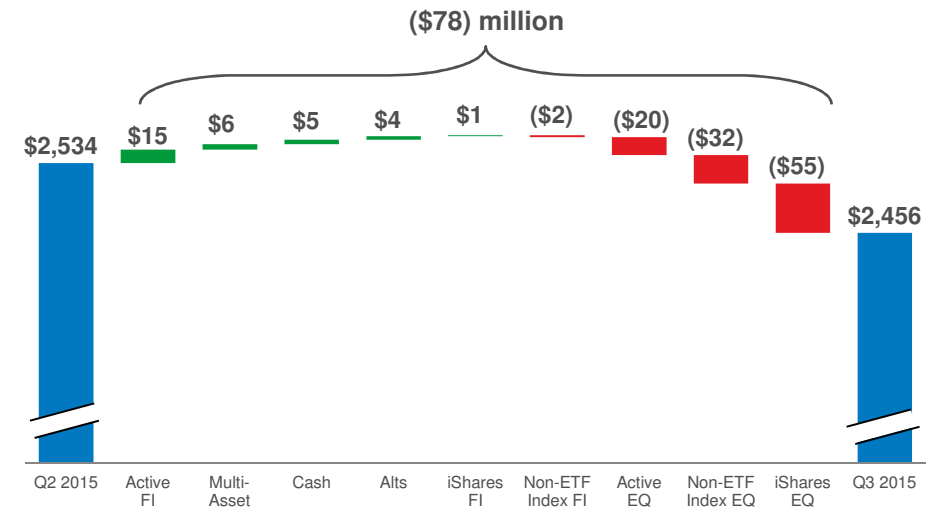


■ Active Equity
 ■ iShares Equity
 ■ Non-ETF Index Equity
 ■ Active Fixed Income
 ■ iShares Fixed Income
 ■ Non-ETF Index Fixed Income
 ■ Multi-Asset
 ■ Alternatives
 ■ Cash

Q3 2015 Compared to Q3 2014



Q3 2015 Compared to Q2 2015

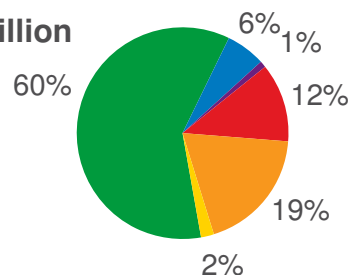


Quarterly expense

Expense, as adjusted, by category

Q3 2015

\$1,683 million

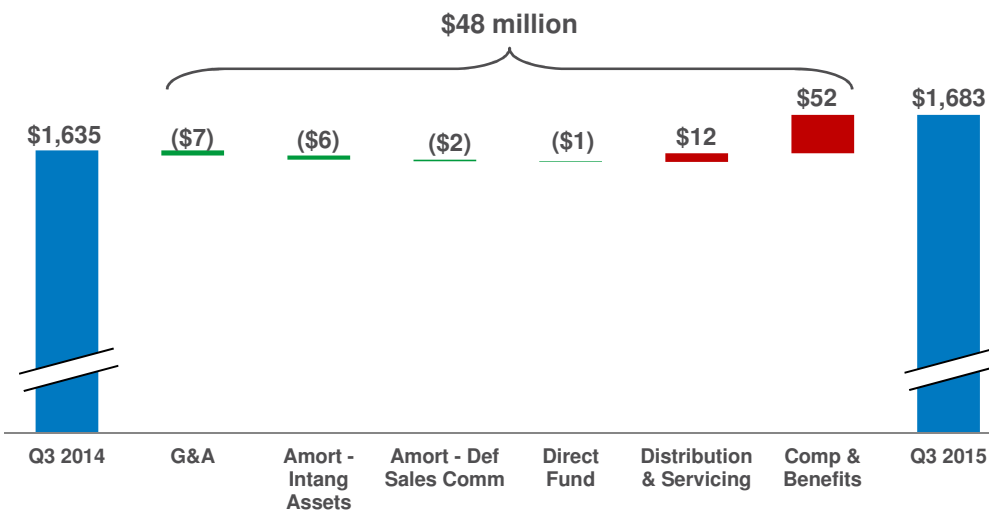


- Employee Comp. & Benefits
- Distribution & Servicing Costs
- Amort. of Deferred Sales Commissions
- Direct Fund Expense
- General & Administration
- Amortization of Intangibles

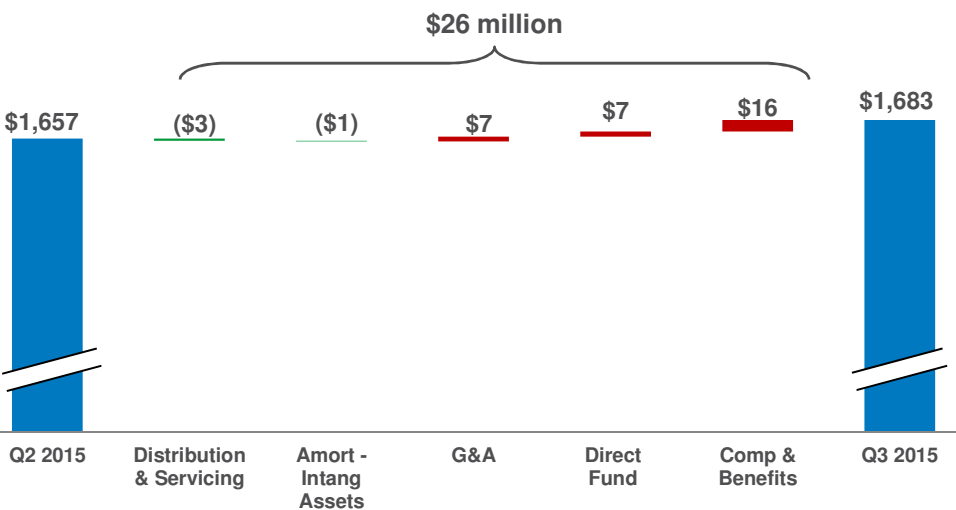
Percentage Change

	Year-over-Year	Sequential
Employee Comp. & Benefits	5%	2%
Distribution & Servicing Costs	13	(3)
Amort. of Deferred Sales Commissions	(14)	0
Direct Fund Expense	(1)	4
General & Administrative	(2)	2
Amortization of Intangibles	(15)	(3)
Total	3	2

Q3 2015 Compared to Q3 2014, as adjusted



Q3 2015 Compared to Q2 2015, as adjusted



For further information and reconciliation between GAAP and as adjusted, see page 9 of this earnings release supplement and notes (1) through (4) in the current earnings release.

Reconciliation between GAAP and as adjusted (\$ in millions)

	2013		2014				2015		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Operating Income									
GAAP	\$966	\$1,133	\$1,051	\$1,122	\$1,157	\$1,144	\$1,067	\$1,238	\$1,222
Non-GAAP adjustments	12	10	11	11	57	10	10	10	5
As Adjusted	<u>\$978</u>	<u>\$1,143</u>	<u>\$1,062</u>	<u>\$1,133</u>	<u>\$1,214</u>	<u>\$1,154</u>	<u>\$1,077</u>	<u>\$1,248</u>	<u>\$1,227</u>
Nonoperating Income (Expense)									
GAAP	(\$18)	\$24	\$17	\$16	(\$52)	(\$60)	\$16	(\$41)	(\$48)
Non-GAAP adjustments	(3)	(11)	9	(36)	44	6	(5)	(9)	16
As Adjusted	<u>(\$21)</u>	<u>\$13</u>	<u>\$26</u>	<u>(\$20)</u>	<u>(\$8)</u>	<u>(\$54)</u>	<u>\$11</u>	<u>(\$50)</u>	<u>(\$32)</u>
Net Income									
GAAP	\$730	\$841	\$756	\$808	\$917	\$813	\$822	\$819	\$843
Non-GAAP adjustments	(58)	10	6	29	(27)	8	8	19	1
As Adjusted	<u>\$672</u>	<u>\$851</u>	<u>\$762</u>	<u>\$837</u>	<u>\$890</u>	<u>\$821</u>	<u>\$830</u>	<u>\$838</u>	<u>\$844</u>

Non-GAAP adjustments include amounts related to the reduction of an indemnification asset, PNC LTIP funding obligation, compensation related to appreciation (depreciation) on certain deferred compensation plans and noncash income tax matters, as applicable.

For further information and reconciliation between GAAP and as adjusted, see notes (1) through (4) in the current earnings release as well as previously filed Form 10-Ks, 10-Qs and 8-Ks.

Important Notes

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BlackRock cautions that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and BlackRock assumes no duty to and does not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance.

In addition to risk factors previously disclosed in BlackRock’s Securities and Exchange Commission reports and those identified elsewhere in this presentation, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance: (1) the introduction, withdrawal, success and timing of business initiatives and strategies; (2) changes and volatility in political, economic or industry conditions, the interest rate environment, foreign exchange rates or financial and capital markets, which could result in changes in demand for products or services or in the value of assets under management; (3) the relative and absolute investment performance of BlackRock’s investment products; (4) the impact of increased competition; (5) the impact of future acquisitions or divestitures; (6) the unfavorable resolution of legal proceedings; (7) the extent and timing of any share repurchases; (8) the impact, extent and timing of technological changes and the adequacy of intellectual property, information and cyber security protection; (9) the impact of legislative and regulatory actions and reforms, including the Dodd-Frank Wall Street Reform and Consumer Protection Act, and regulatory, supervisory or enforcement actions of government agencies relating to BlackRock or The PNC Financial Services Group, Inc.; (10) terrorist activities, international hostilities and natural disasters, which may adversely affect the general economy, domestic and local financial and capital markets, specific industries or BlackRock; (11) the ability to attract and retain highly talented professionals; (12) fluctuations in the carrying value of BlackRock’s economic investments; (13) the impact of changes to tax legislation, including income, payroll and transaction taxes, and taxation on products or transactions, which could affect the value proposition to clients and, generally, the tax position of BlackRock; (14) BlackRock’s success in maintaining the distribution of its products; (15) the impact of BlackRock electing to provide support to its products from time to time and any potential liabilities related to securities lending or other indemnification obligations; and (16) the impact of problems at other financial institutions or the failure or negative performance of products at other financial institutions.

This presentation also includes non-GAAP financial measures. You can find our presentations on the most directly comparable GAAP financial measures calculated in accordance with GAAP and our reconciliations on page 9 of this earnings release supplement, our current earnings release dated October 14, 2015, and BlackRock’s other periodic reports, which are available on BlackRock’s web site at www.blackrock.com.