



Barclays Global Financial Services Conference

Tom Wojcik, *Global Head of Investor Relations & Corporate Development and Head of Americas Strategy*

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BLACKROCK®

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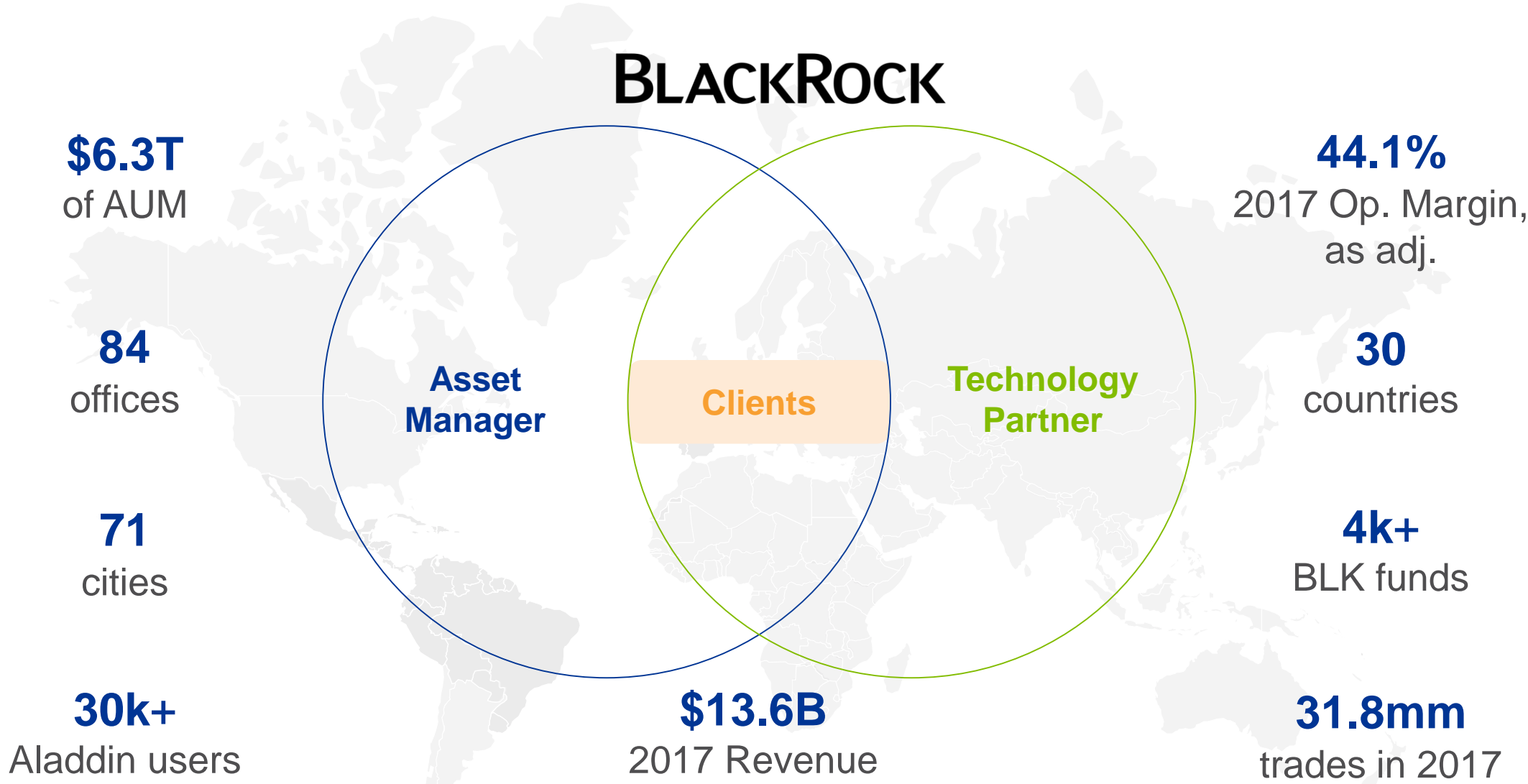
BlackRock's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and BlackRock's subsequent filings with the SEC, accessible on the SEC's website at www.sec.gov and on BlackRock's website at www.blackrock.com, discuss these factors in more detail and identify additional factors that can affect forward-looking statements. The information contained on the Company's website is not a part of this presentation.

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 in the appendix to this presentation and BlackRock's other periodic reports

Important Note

As indicated in this presentation, certain financial information reflects previously reported amounts and does not reflect the recast related to the adoption of the new revenue recognition standard. For further information, refer to the Current Report on Form 8-K furnished on March 22, 2018 as well as previously filed Form 10-Ks.

Globally integrated investment management and technology business

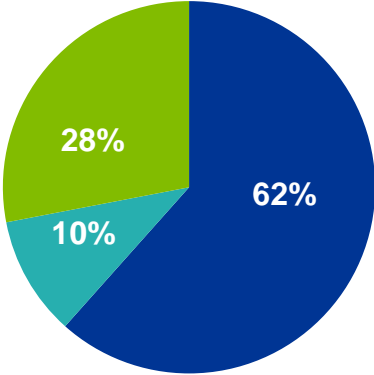


Source: Public filings and internal BlackRock data. All figures as of 6/30/18 unless otherwise noted. Information above reflects recast related to the adoption of new revenue recognition standard. For further information, refer to the Current Report on Form 8-K furnished on March 22, 2018 as well as previously filed Form 10-K. For reconciliation between GAAP and as adjusted, see the previously filed Forms 10-K, 10-Q and 8-K and the appendix of this presentation

Diversified business across clients, products, styles and geographies

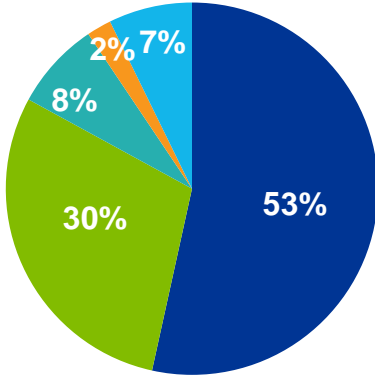
\$6.3 trillion total AUM mix:

Client Type



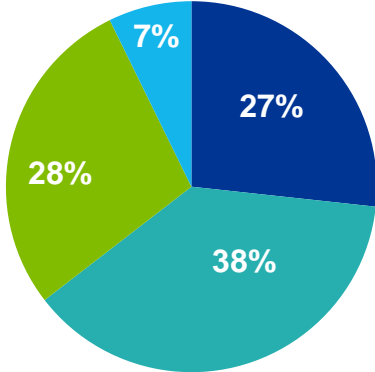
- Institutional
- Retail
- iShares ETFs

Product



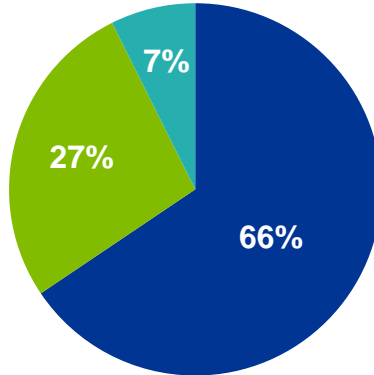
- Equity
- Fixed Income
- Multi-Asset
- Cash
- Alternatives

Style



- Active
- Index
- iShares ETFs
- Cash

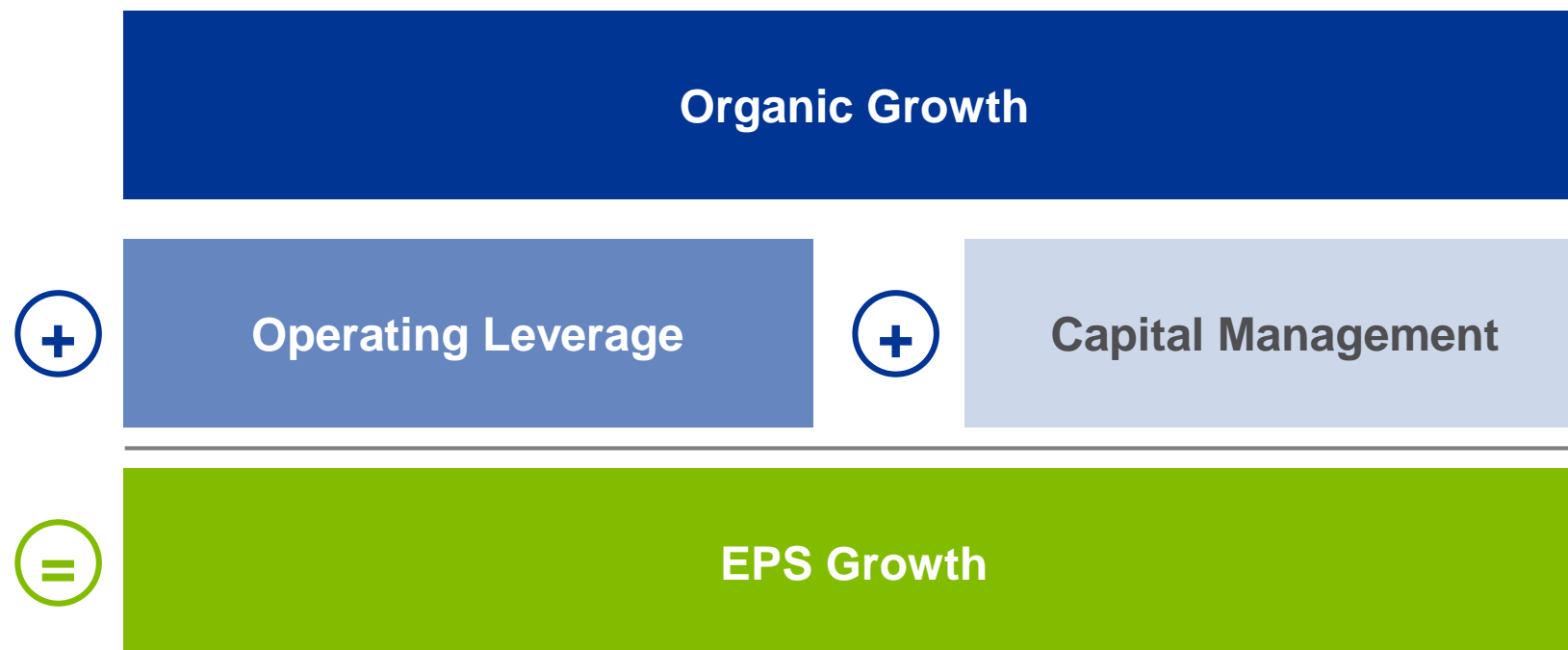
Region



- Americas
- EMEA
- APAC

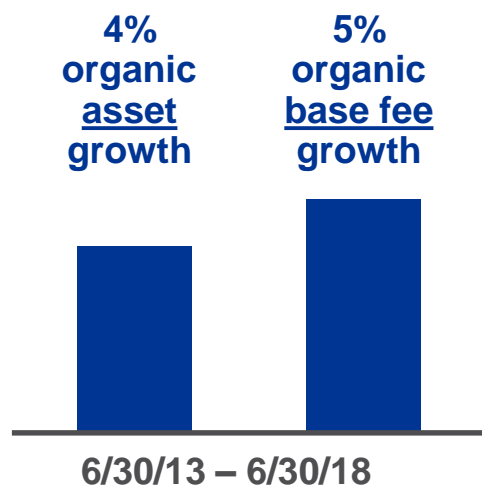
Note: Charts above reflect AUM of \$6.3tn as of 6/30/18.
AUM by region data is based on client domicile.

Shareholder value framework

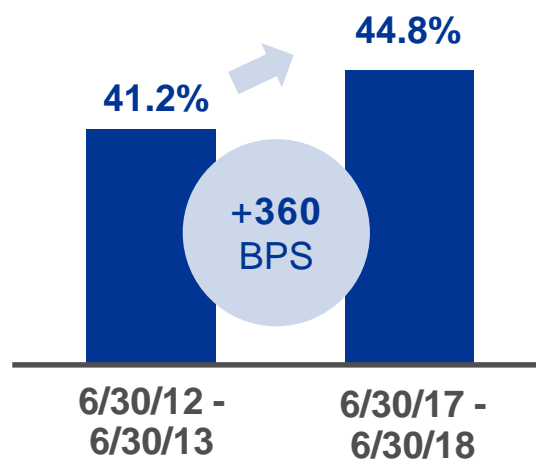


Results over the last 5 years

Organic Growth



Operating Leverage



Capital Management

\$5.5 billion repurchased
(6%) share count reduction

6/30/13 – 6/30/18

Note: Organic asset growth rate calculated by dividing net asset inflows over beginning of period assets.

Organic base fee growth rate calculated by dividing net new base fees earned on net asset inflows by the base fee run-rate at the beginning of the period.

Operating leverage is "operating margin, as adjusted"

6/20/12 – 6/20/13 operating leverage information does not reflect the recast related to the adoption of the new revenue recognition standard. 6/30/17 – 6/30/18 operating leverage information reflects recast related to the adoption of new revenue recognition standard. For further information, refer to the Current Report on Form 8-K furnished on March 22, 2018 as well as previously filed Form 10-K.

For reconciliation between GAAP and as adjusted, see the previously filed Forms 10-K, 10-Q and 8-K and the appendix of this presentation.

Structural trends are impacting the asset management industry and changing client needs

Trends

1 |



Technology

2 |



Regulatory change

3 |



Client focus on product value propositions

4 |



Low return expectations

5 |



Emerging Asia

Client Needs

Technology-based **enterprise risk management and analytics** capabilities

Customization and a high-touch relationship built on empathy and trust

Efficient product building blocks to drive asset allocation

Higher yield / return alternatives including infrastructure, real estate and long-term private capital

Asset exposure to rapidly growing global markets and access to market insights

Focus on investing in areas of future growth

Establish strong market position in highest growth areas



Extending our value proposition by leveraging our scale and technology to deliver value for clients



Inorganic investments accelerate growth and support strategic initiatives

Tactical acquisitions

BLACKROCK KELSO CAPITAL

FIRST RESERVE
Energy Infrastructure



Infraestructura Institucional

CACHEMATRIX®

FutureAdvisor®

citibanamex
Asset Management

BofA Global Capital Management

TCP TENNENBAUM
CAPITAL
PARTNERS

Strategic minority investments

iCapital
NETWORK

scalable
.CAPITAL

acorns

Current investor focus areas



Impact of beta and FX divergence



ETF industry growth outlook



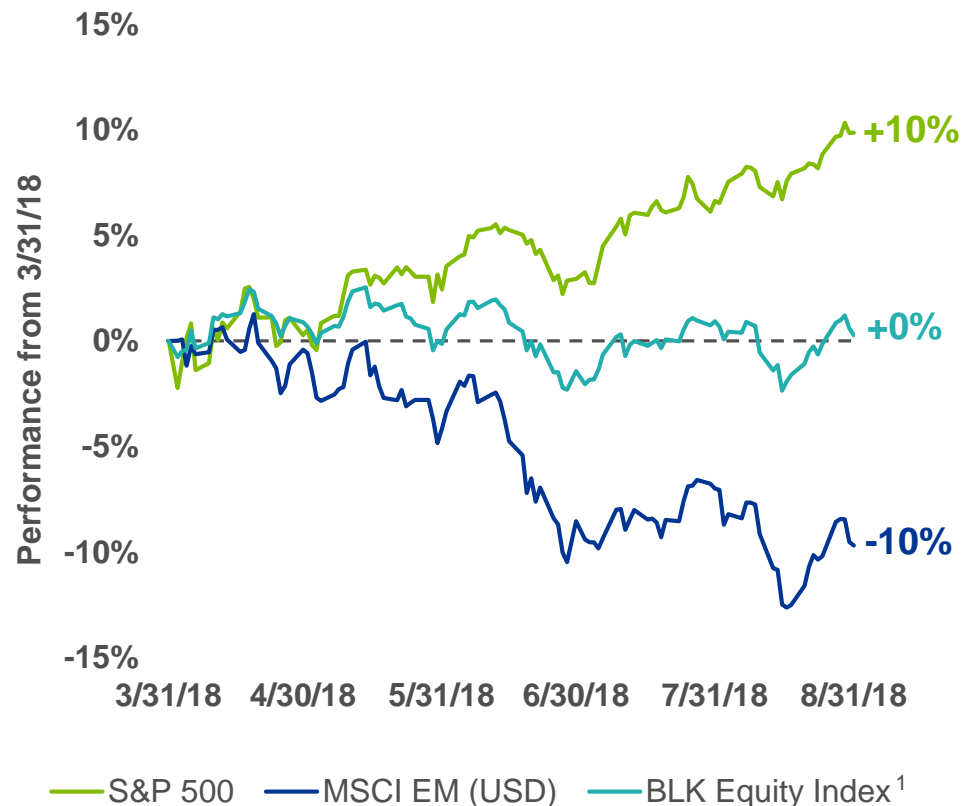
iShares pricing framework



Aladdin and technology strategy

Impact of beta and FX divergence

Impact of beta divergence on BlackRock



Note: Market performance as of August 31, 2018 in USD

¹ Revenue weighted composite index calculated by BlackRock to approximate the impact of market fluctuations on BlackRock's equity base fees. The index is derived from publicly available market indices that represent applicable AUM benchmarks for each equity portfolio, as selected by BlackRock. The market impact information for each equity portfolio used to calculate the index may be substantially different from that shown. Index does not include portfolios that do not have an applicable market index. Index does not reflect BlackRock's investment performance, and is not indicative of past or future results.

² Effective basis points calculated by dividing base fees including securities lending by average AUM

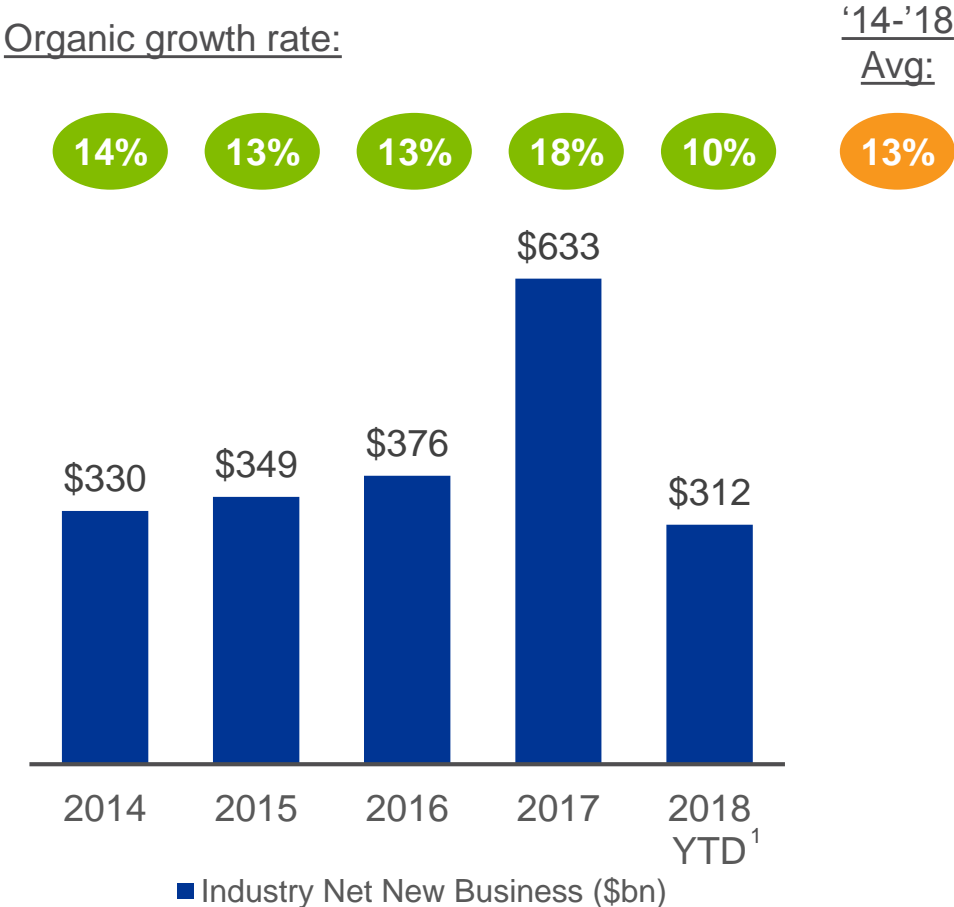
³ Equity benchmark market performance since 3/31/18 for US, World, Europe, Emerging Markets, Asia and Commodities represents performance in USD for S&P 500, MSCI World, MSCI Europe, MSCI EM, MSCI AC Asia and S&P Global Natural Resources, respectively

Equity AUM and Base fee weightings

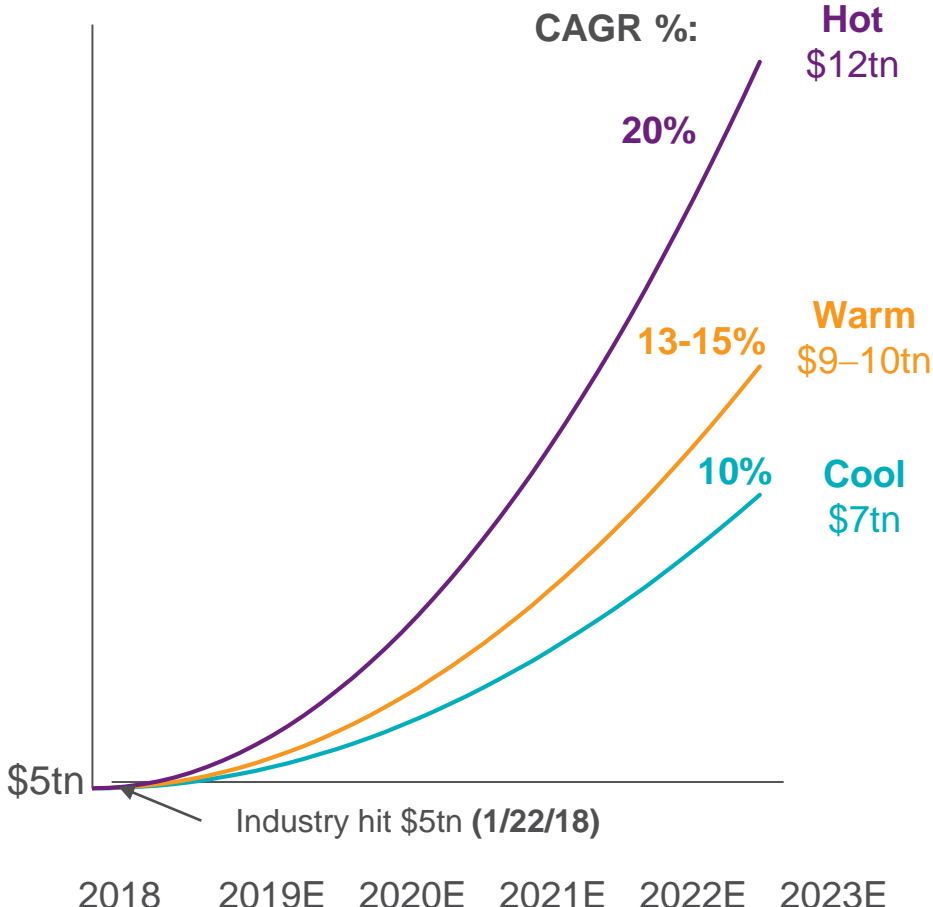
| | 2Q'18 | | | Market Perf ³ |
|-----------------------------|------------------|-------------------|-----------------------|--------------------------|
| | % of EQ Avg. AUM | % of EQ Base Fees | Eff. Bps ² | Since 3/31/18 |
| BLK Equity Benchmark | | | | |
| US | 50% | 33% | 12 | 10% |
| World | 26% | 21% | 14 | 5% |
| Other | 7% | 7% | 17 | |
| Subtotal < 25 bps | 84% | 62% | 13 | |
| Europe | 6% | 13% | 39 | (3%) |
| Emerging Markets | 7% | 13% | 35 | (10%) |
| Asia | 3% | 9% | 50 | (4%) |
| Commodities | 1% | 4% | 85 | 2% |
| Subtotal > 25 bps | 16% | 38% | 42 | |
| Total Equity | 100% | 100% | 18 | |

ETF industry growth outlook

Historic ETF Industry Growth



ETF Industry AUM Projection

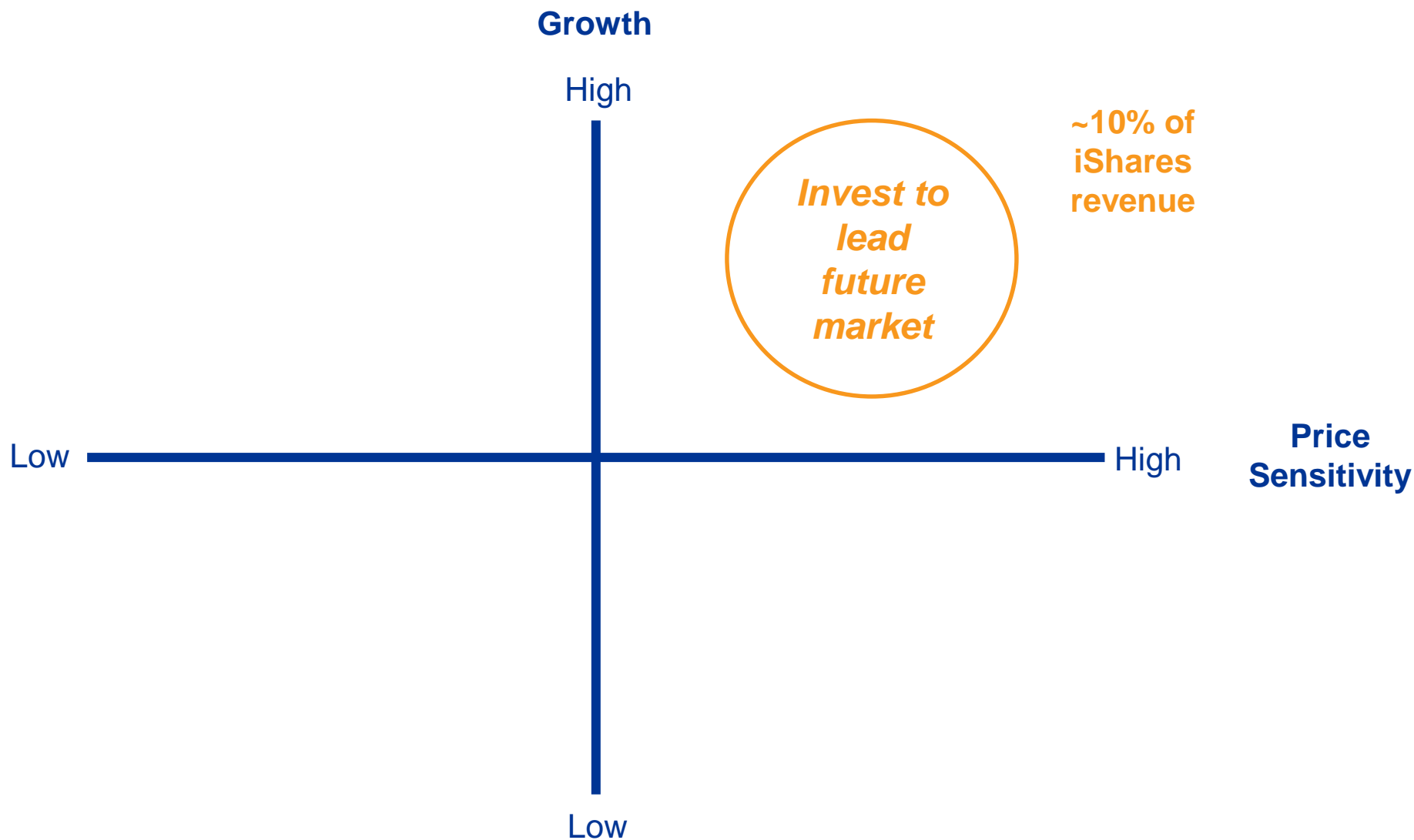


Source: Markit, Bloomberg as of August 31, 2018

¹ Year-to-date (YTD) through 8/31/18. Organic growth rate represents 8 months annualized.

ETF Industry AUM projection for illustrative purposes only. Scenario calculations based on proprietary BlackRock estimates, May 2018.

iShares pricing framework



Aladdin and technology strategy

Technology ecosystem strategically positions BlackRock for growth

Technology-Enabled Revenue

Scaled distribution
Alpha generation
Product innovation
Customized holistic solutions

Direct Technology Revenue

aladdin[®]
by BLACKROCK[®]

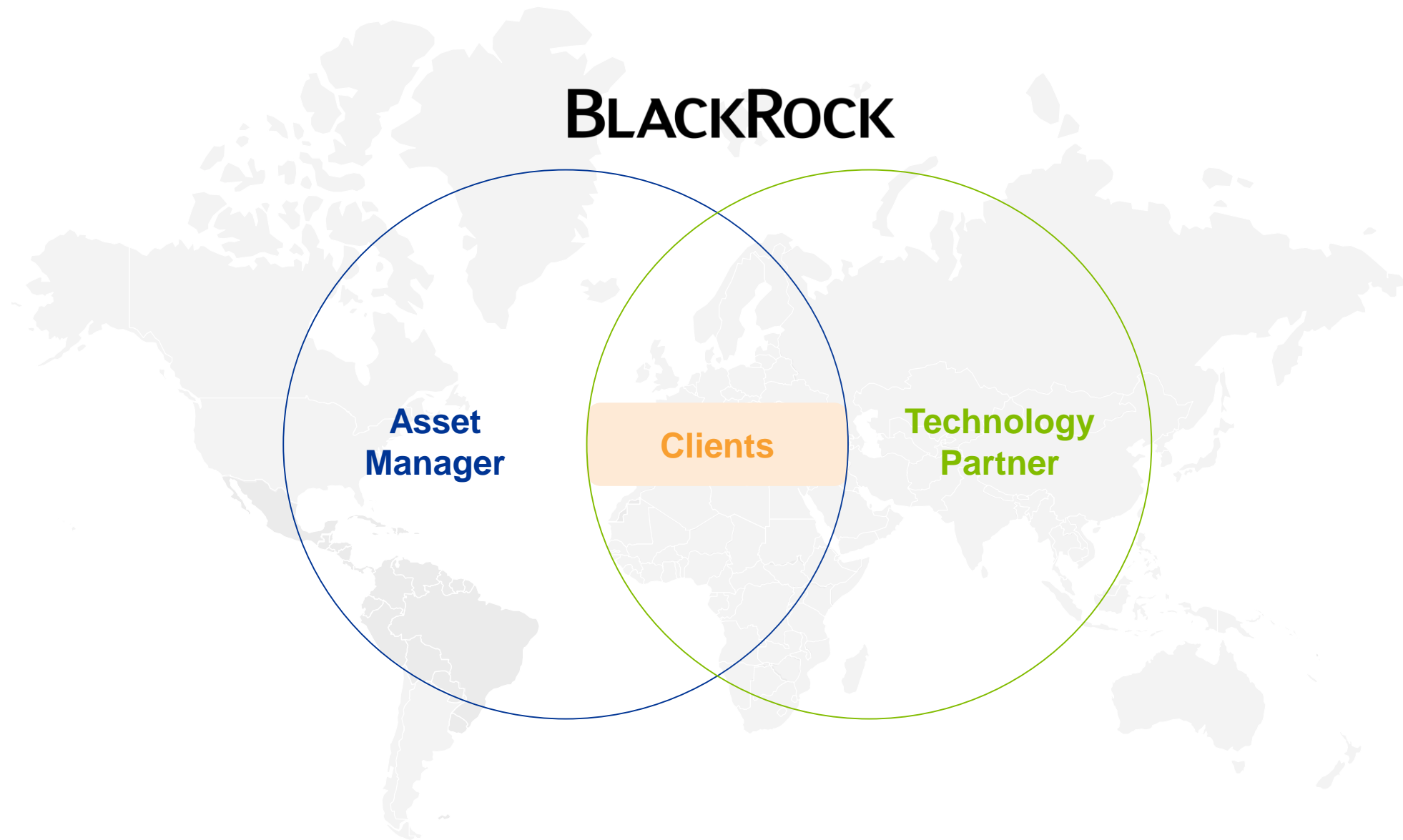
aladdin[®] wealth

Provider **aladdin**[®]

CACHEMATRIX[®]

 FutureAdvisor[®]

BlackRock's long-term growth strategy is centered on meeting client needs



Reconciliation between GAAP and as adjusted

| <i>(\$in millions)</i> | <u>6/30/12 - 6/30/13</u> | <u>6/30/17 - 6/30/18</u> | <u>2017</u> |
|--|------------------------------|------------------------------|-------------|
| <u>Operating Income</u> | | | |
| GAAP | \$3,638 | \$5,689 | \$5,254 |
| Non-GAAP expense adjustments ¹ | 182 | 13 | 15 |
| As Adjusted | 3,820 | 5,702 | 5,269 |
| Closed-end fund launch costs and commissions | 43 | 12 | - |
| Operating income used for operating margin measurement | 3,863 | 5,714 | 5,269 |
| <u>Revenue</u> | | | |
| GAAP | 9,790 | 14,460 | 13,600 |
| Non-GAAP adjustments ² | (406) | (1,699) | (1,663) |
| Revenue used for operating margin measurement | 9,384 | 12,761 | 11,937 |
| Operating margin, GAAP basis | 37.2% | 39.3% | 38.6% |
| Operating margin, as adjusted basis | 41.2% | 44.8% | 44.1% |

Information above for 6/30/12 – 6/30/13 reflects previously reported amounts and does not reflect the adoption of the new revenue recognition standard. Information above for 6/30/17 – 6/30/18 and 2017 reflect recast related to the adoption of new revenue recognition standard. See the Company's Current Report on Form 8-K furnished on March 22, 2018 for 2017 and 2016 recast amounts due to the adoption of new revenue recognition accounting guidance.

1 Non-GAAP expense adjustments include the PNC LTIP funding obligation, UK lease exit costs, contribution to STIFs, compensation expense related to appreciation on deferred compensation plans.

2 Non-GAAP adjustments include distribution and servicing costs and amortization of deferred sales commissions.

Important Notes

The opinions expressed herein are as of September 2018 and are subject to change at any time due to changes in the market, the economic or regulatory environment or for other reasons. The information should not be construed as research or relied upon in making investment decisions or be used as legal advice. An assessment should be made as to whether the information is appropriate in individual circumstances and consideration should be given to talking to a professional adviser before making an investment decision. This material may contain 'forward-looking' information that is not purely historical in nature. Such information may include, among other things, projections and forecasts. There is no guarantee that any forecasts made will come to pass.

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