

BLACKROCK®

Q1 2016 Earnings

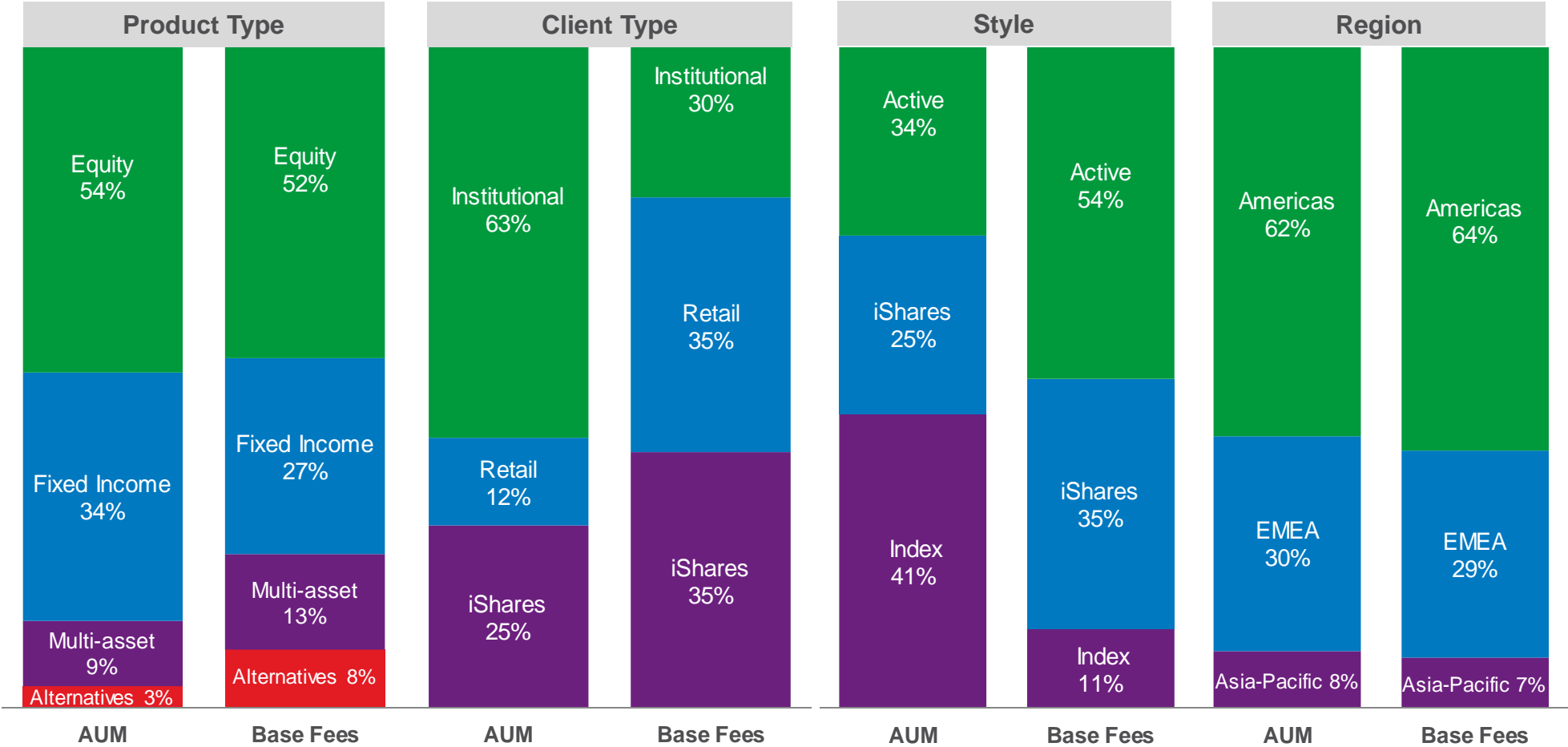
Earnings Release Supplement:

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

April 14, 2016

A broadly diversified business across clients, products and geographies

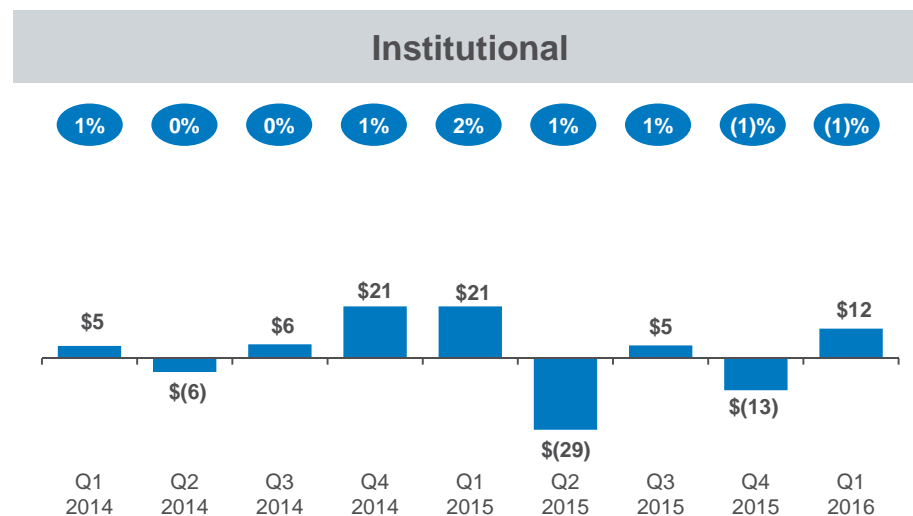
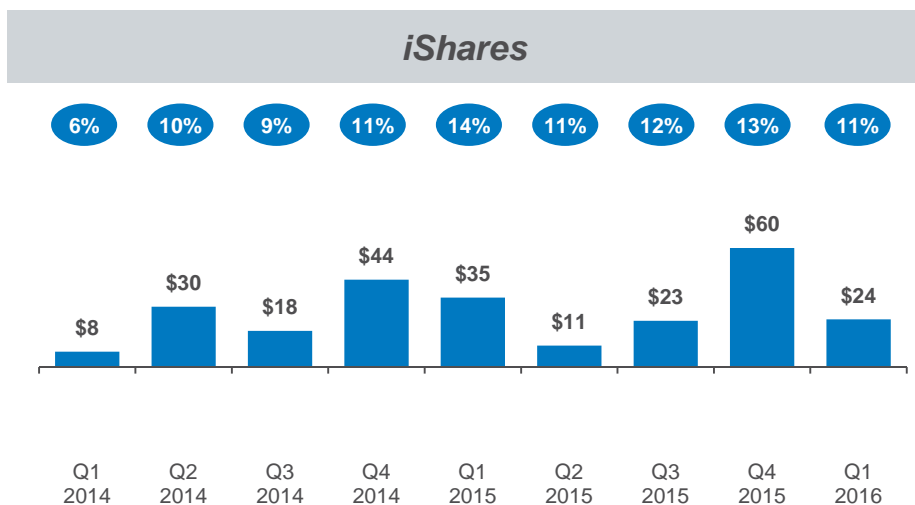
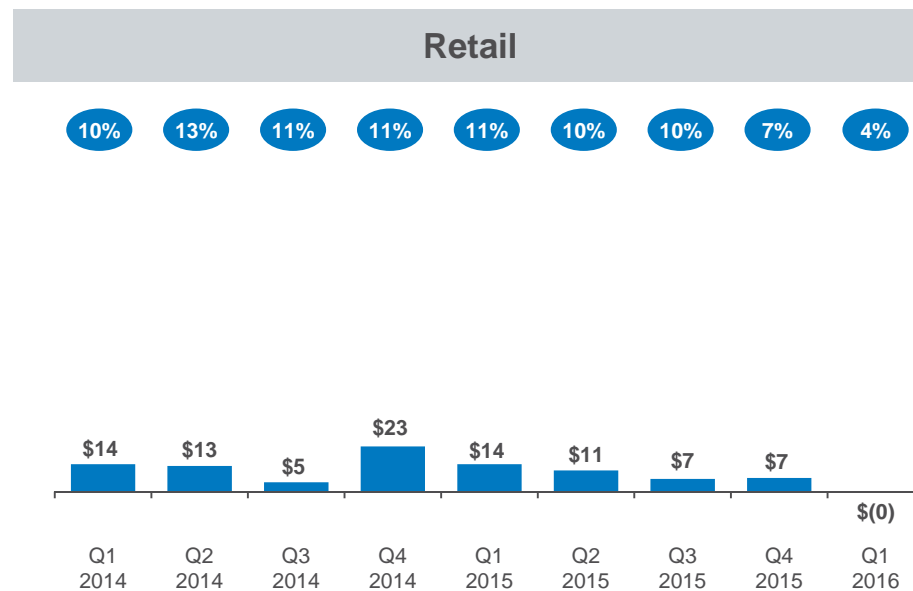
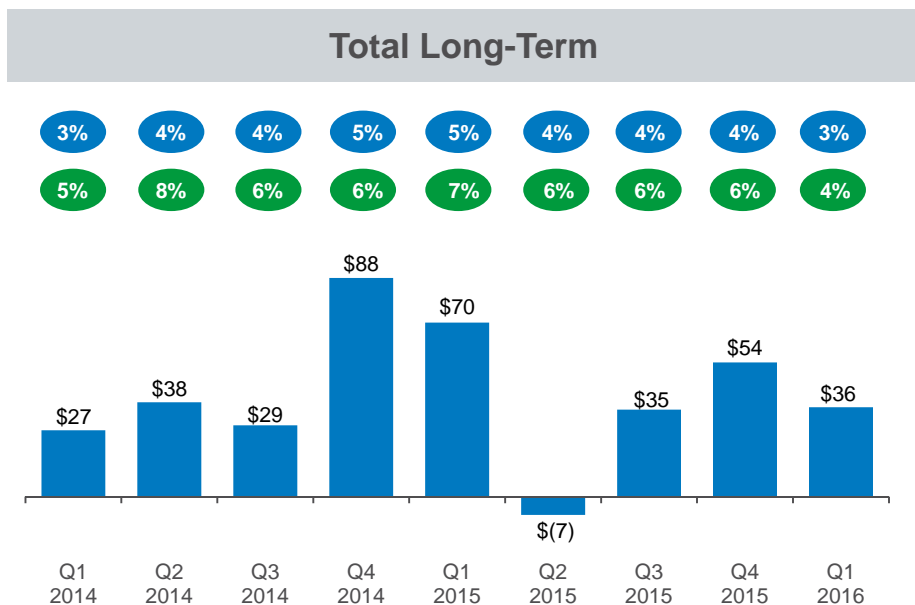
Q1 2016 Long-term Base Fees of \$2.256 billion
 Long-term Assets Under Management of \$4.435 trillion at March 31, 2016



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

Long-term net flows (\$ in billions)

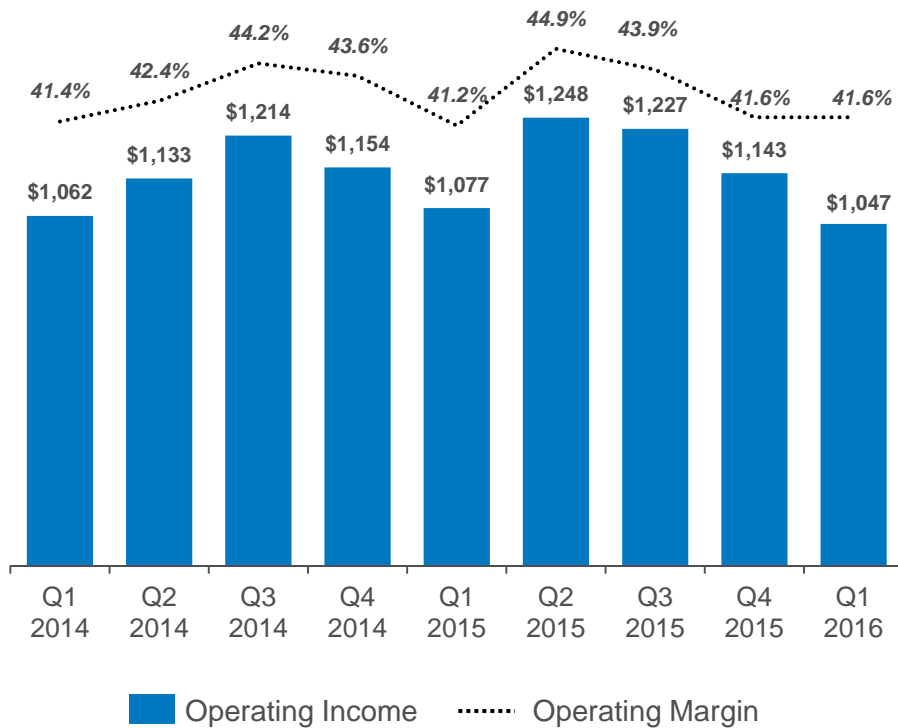
● LTM organic asset growth rate (%)
 ● LTM organic base fee growth rate (%)



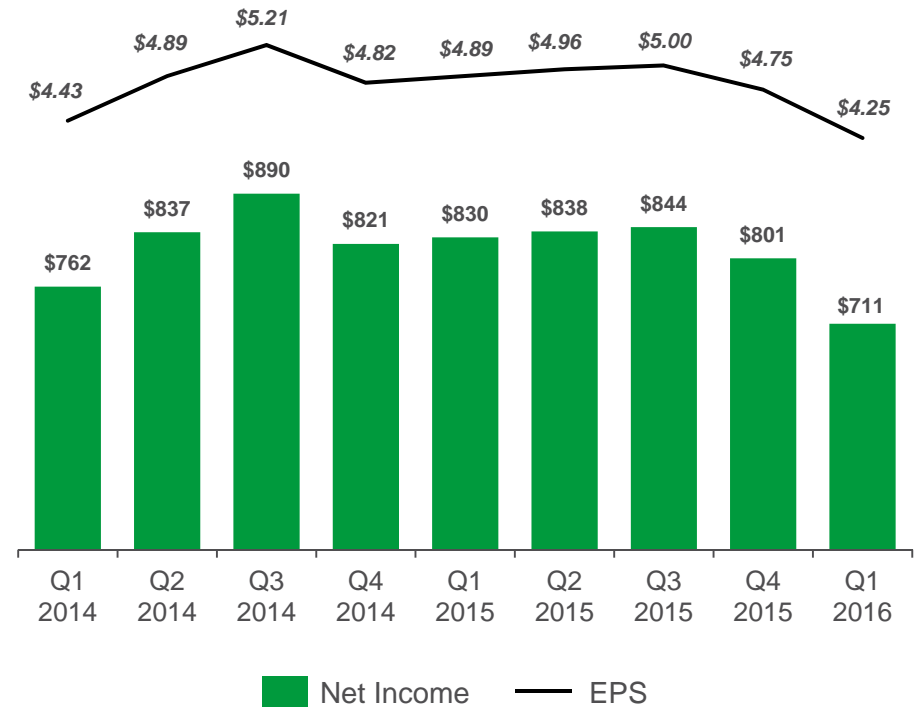
Note: LTM organic asset growth rate measures rolling last twelve months net flows over beginning of period assets.

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

Operating Income and Margin, as adjusted



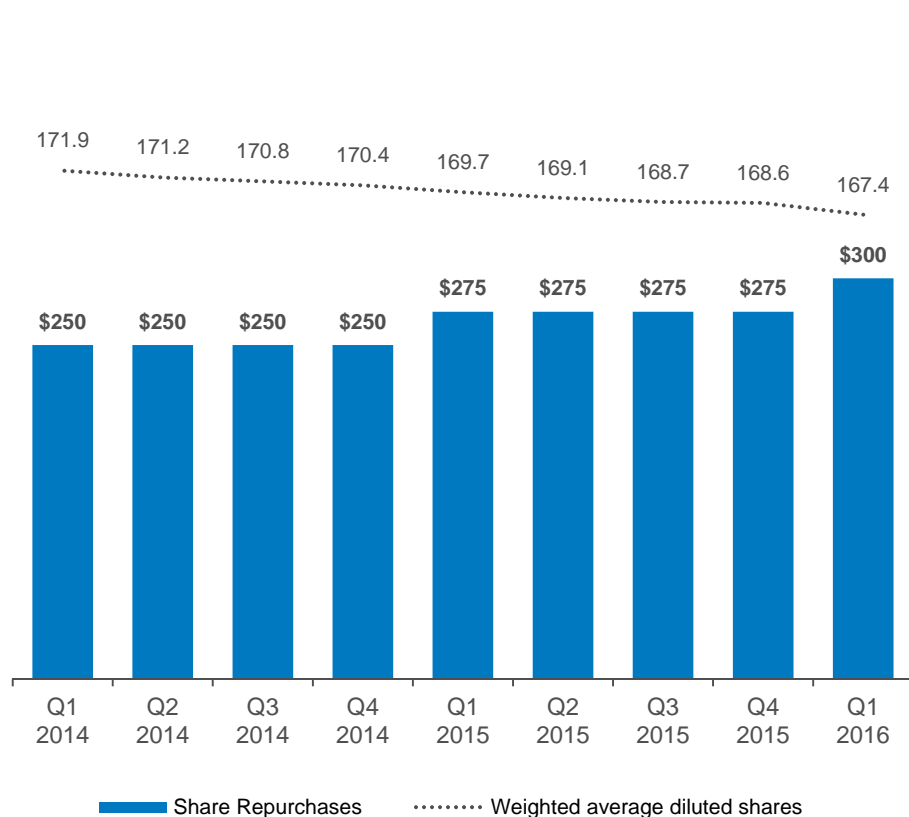
Net Income and EPS, as adjusted



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.

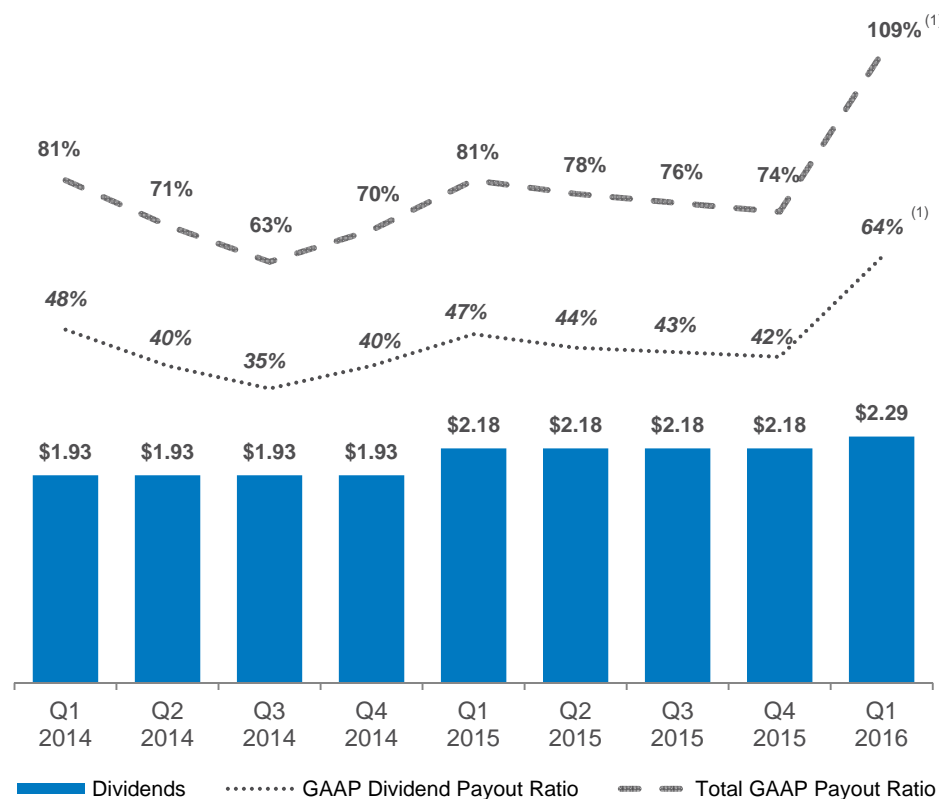
Capital management (amounts in millions, except per share data)

Share repurchases and weighted average diluted shares



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

Dividends and Payout Ratios



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

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

⁽¹⁾ GAAP Dividend Payout Ratio and Total GAAP Payout Ratio include the restructuring charge of \$76 million.

Major market indices and exchange rates

	Spot			% Change 3/31/2016 vs.		Average			% Change Q1 2016 vs.	
	3/31/2015	12/31/2015	3/31/2016	12/31/2015	3/31/2015	Q1 2015	Q4 2015	Q1 2016	Q4 2015	Q1 2015
Equity Indices:										
<i>Domestic</i>										
S&P 500	2,068	2,044	2,060	1%	-%	2,063	2,053	1,952	(5)%	(5)%
<i>Global</i>										
MSCI Barra World Index	1,741	1,663	1,648	(1)%	(5)%	1,726	1,677	1,569	(6)%	(9)%
MSCI Europe Index	135	123	114	(7)%	(16)%	128	125	113	(10)%	(12)%
MSCI AC Asia Pacific Index	146	132	129	(2)%	(12)%	142	132	123	(7)%	(13)%
MSCI Emerging Markets Index	975	794	837	5%	(14)%	969	828	757	(9)%	(22)%
S&P Global Natural Resources	3,061	2,376	2,592	9%	(15)%	3,140	2,509	2,342	(7)%	(25)%
Fixed Income Index:										
Barclays U.S. Aggregate Bond Index	1,946	1,925	1,984	3%	2%	1,936	1,933	1,956	1%	1%
Foreign Exchange Rates:										
GBP to USD	1.48	1.47	1.44	(2)%	(3)%	1.51	1.52	1.43	(6)%	(5)%
EUR to USD	1.07	1.09	1.14	5%	7%	1.13	1.09	1.10	1%	(3)%

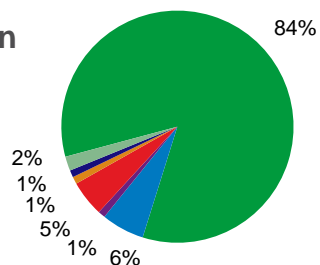
Source: Bloomberg

Quarterly revenue

Total Revenue

Q1 2016

\$2,624 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

- (3)%
- 30%
- (69)%
- 12%
- 43%
- (35)%
- (20)%
- (4)%

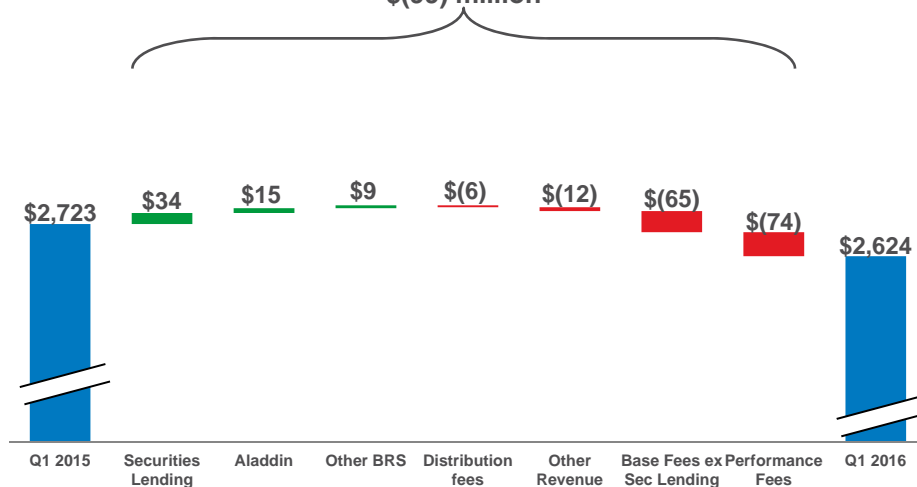
Sequential

- (5)%
- 8%
- (80)%
- 2%
- (9)%
- %
- (6)%
- (8)%

Total

Q1 2016 Compared to Q1 2015

\$(99) million



Q1 2016 Compared to Q4 2015

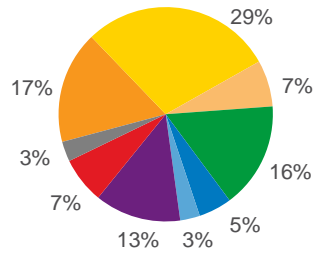
\$(239) million



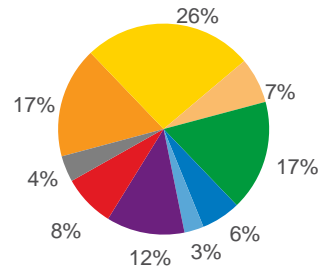
Quarterly investment advisory, administration fees and securities lending revenue

Investment advisory, administration fees and securities lending revenue

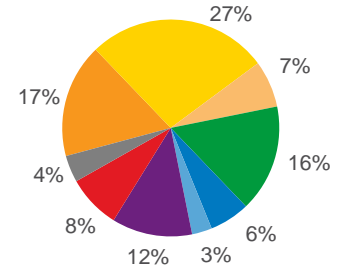
Q1 2015: \$2,390 million



Q1 2016: \$2,359 million



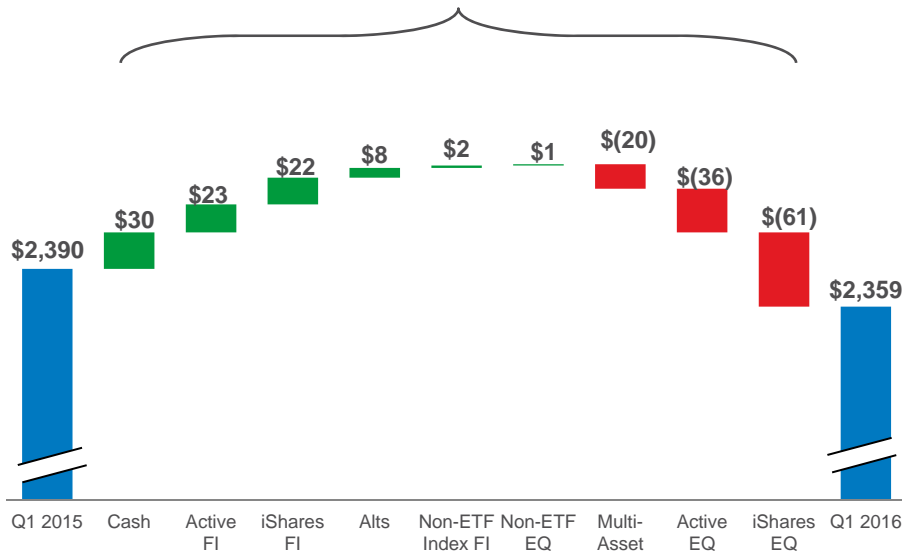
Q4 2015: \$2,460 million



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

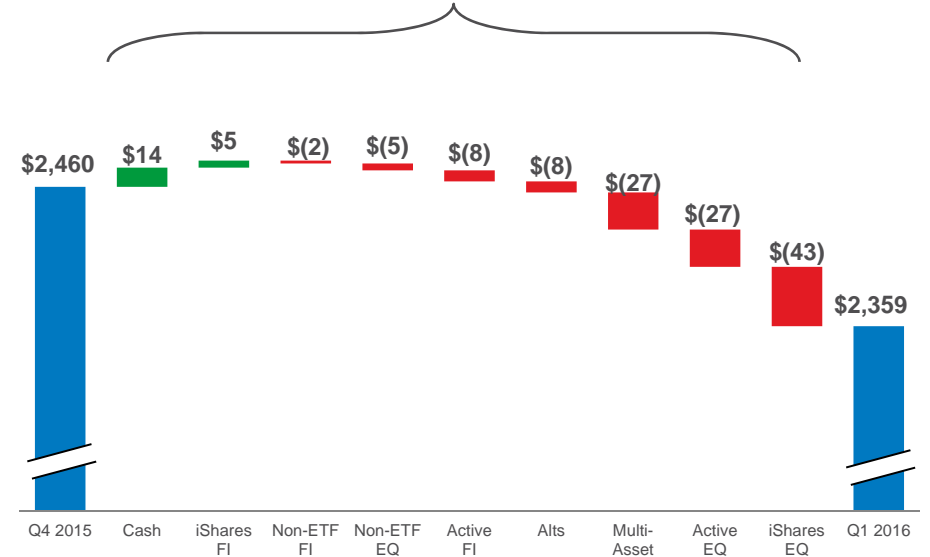
Q1 2016 Compared to Q1 2015

\$(31) million



Q1 2016 Compared to Q4 2015

\$(101) million

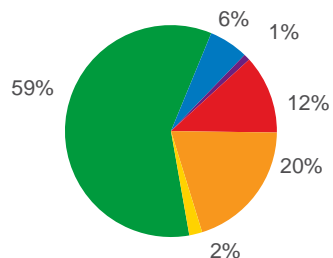


Quarterly expense

Expense, as adjusted, by category

Q1 2016

\$1,577 million

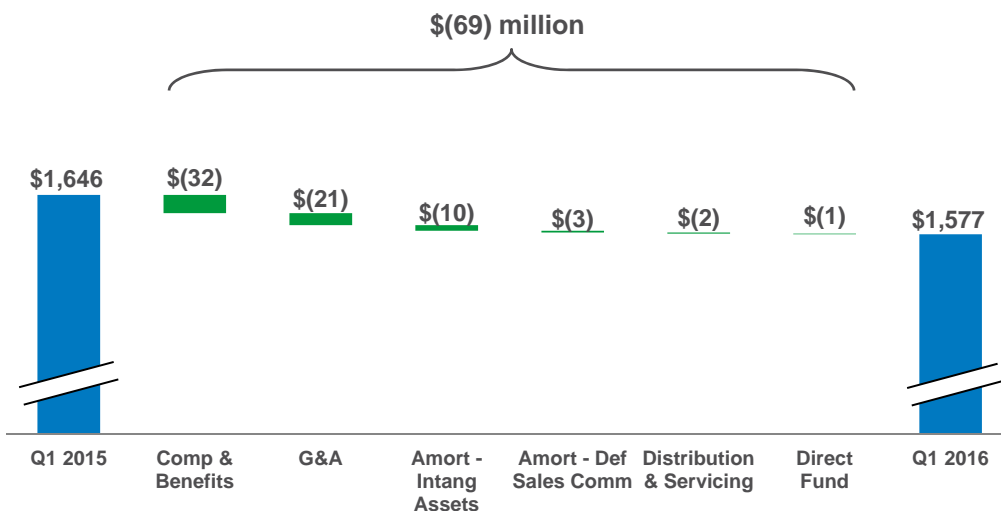


- Employee Comp. & Benefits
- Distribution & Servicing Costs
- Amort. of Deferred Sales Commissions
- Direct Fund Expense
- General & Administration
- Amortization of Intangibles

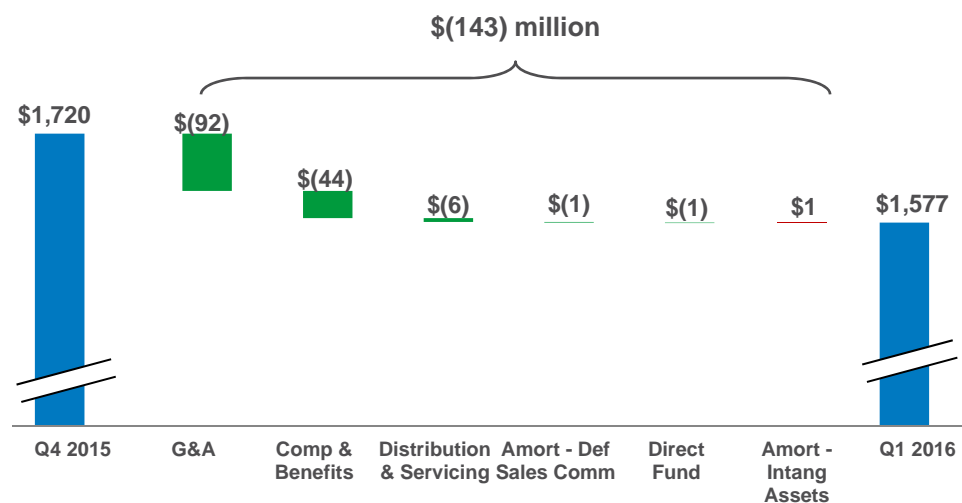
Percentage Change

	Year-over-Year	Sequential
Employee Comp. & Benefits	(3)%	(4)%
Distribution & Servicing Costs	(2)%	(6)%
Amort. of Deferred Sales Commissions	(23)%	(9)%
Direct Fund Expense	(1)%	(1)%
General & Administrative	(6)%	(22)%
Amortization of Intangibles	(29)%	4%
Total	(4)%	(8)%

Q1 2016 Compared to Q1 2015, as adjusted



Q1 2016 Compared to Q4 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)

	2014				2015				2016
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Operating Income									
GAAP	\$1,051	\$1,122	\$1,157	\$1,144	\$1,067	\$1,238	\$1,222	\$1,137	\$963
Non-GAAP adjustments	11	11	57	10	10	10	5	6	84
As Adjusted	<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>	<u>\$1,143</u>	<u>\$1,047</u>
Nonoperating Income (Expense)									
GAAP	\$17	\$16	\$(52)	\$(60)	\$16	\$(41)	\$(48)	\$11	\$(48)
Non-GAAP adjustments	9	(36)	44	6	(5)	(9)	16	(10)	10
As Adjusted	<u>\$26</u>	<u>\$(20)</u>	<u>\$(8)</u>	<u>\$(54)</u>	<u>\$11</u>	<u>\$(50)</u>	<u>\$(32)</u>	<u>\$1</u>	<u>\$(38)</u>
Net Income									
GAAP	\$756	\$808	\$917	\$813	\$822	\$819	\$843	\$861	\$657
Non-GAAP adjustments	6	29	(27)	8	8	19	1	(60)	54
As Adjusted	<u>\$762</u>	<u>\$837</u>	<u>\$890</u>	<u>\$821</u>	<u>\$830</u>	<u>\$838</u>	<u>\$844</u>	<u>\$801</u>	<u>\$711</u>

Non-GAAP adjustments include amounts related to a restructuring charge, 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.

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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 April 14, 2016, and BlackRock’s other periodic reports, which are available on BlackRock’s web site at www.blackrock.com.