

**BLACKROCK®**

# **Goldman Sachs Financial Services Conference**

**Gary Shedlin, CFO**

December 9, 2014

Results presented on an "as adjusted" basis, unless otherwise noted

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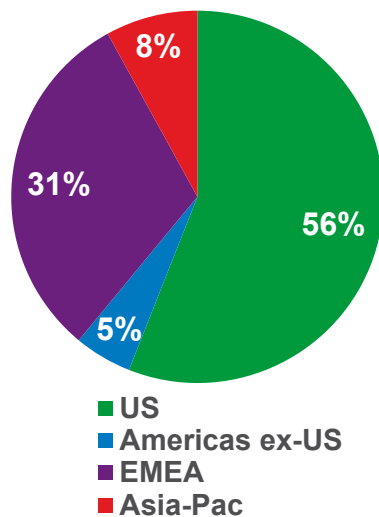
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# A diversified business across geographies, client types, styles and products

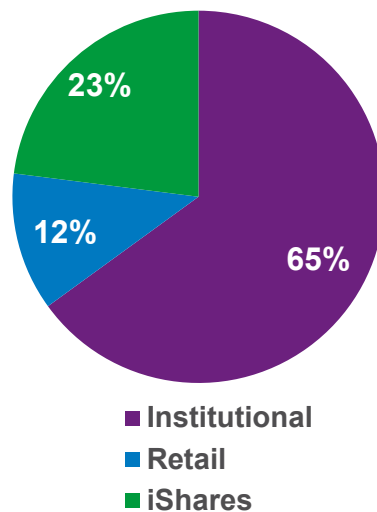
Broadly diversified business across geographies, client types, styles and products with \$4.5tn in AUM & \$8.3bn in YTD Revenue as of September 2014

- ▶ Industry-leader in advice-driven solutions, risk management and innovation

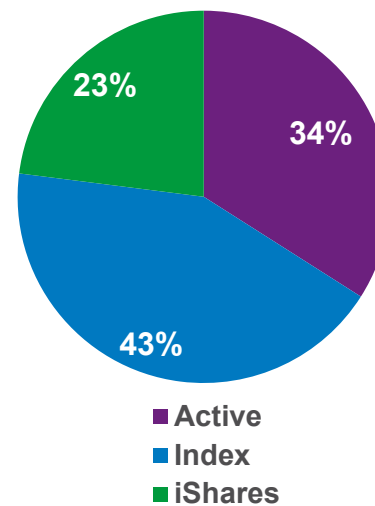
Region



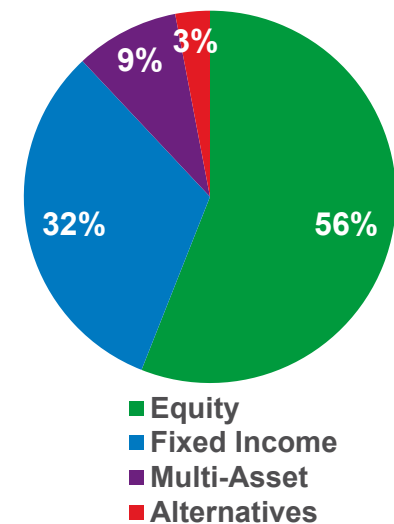
Client



Style



Product



Note: Charts above reflect long-term AUM as of 9/30/2014 which excludes Cash Management & Advisory AUM.

# Executing on drivers of shareholder value

## Organic Growth

- *5% annualized long-term organic AUM growth target*
- *Organic revenue growth exceeding organic AUM growth*

+

## Operating Leverage

- *Investing back into the business*
- *Scale driving margin expansion*

+

## Capital Management

- *\$750mm of YTD share repurchases*
- *18% 5-year dividend CAGR*

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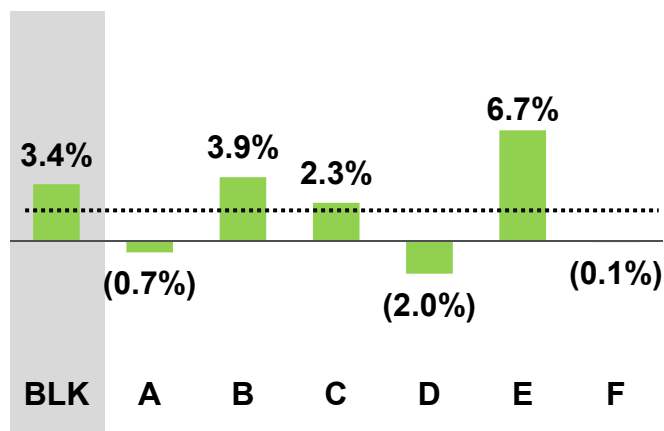
## Double Digit EPS Growth

- *25% YTD 2014*
- *15% CAGR 2010-2013*

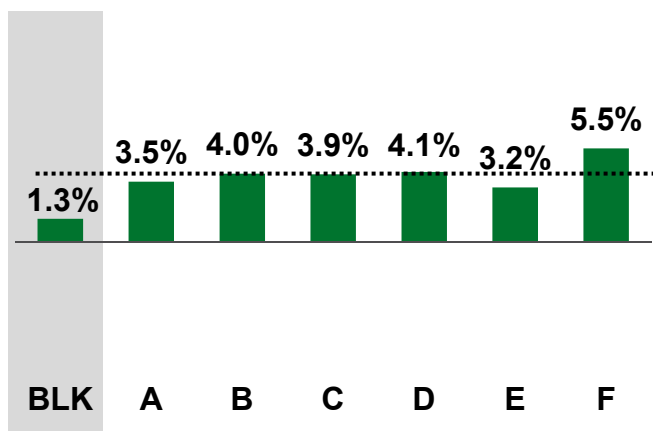
# Platform delivering strong and consistent results

**Long-Term  
Organic  
AUM  
Growth<sup>(1)</sup>**

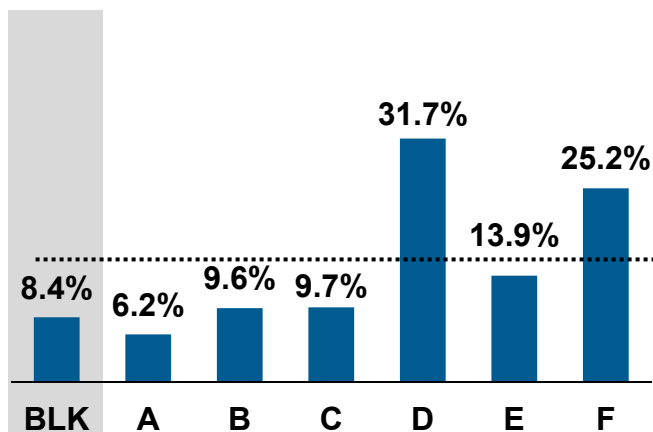
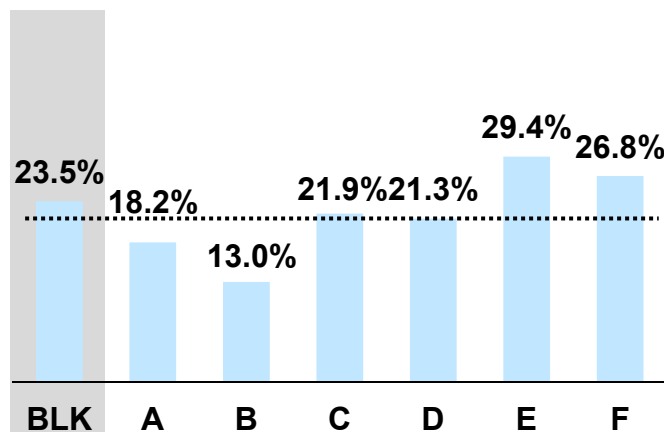
Mean<sup>(1)</sup>



Standard Deviation<sup>(1)</sup>



**Adjusted  
EPS  
Growth<sup>(1)</sup>**

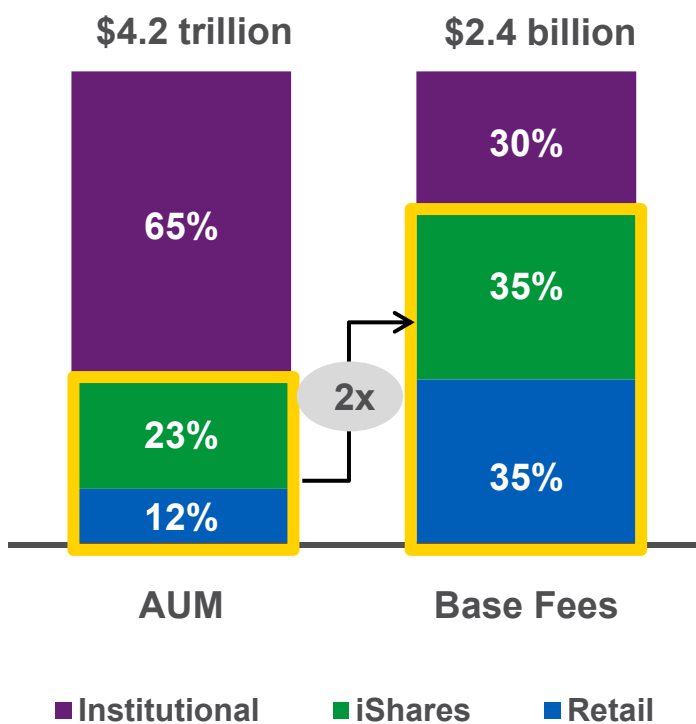


\*\*\*\*\* Represents the average of publicly-traded traditional asset management peers and excludes BLK.

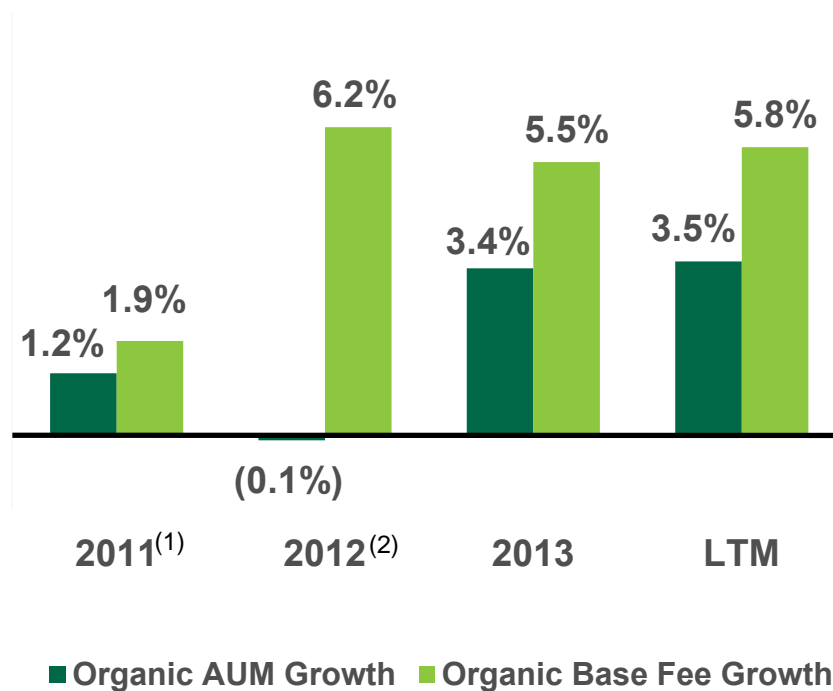
(1) Mean and standard deviation of growth rates over last 8 quarters. EPS growth represents quarterly YoY growth from 4Q12 – 3Q14 (inclusive). Long-term organic AUM growth represents quarterly annualized organic growth from 4Q12 – 3Q14 (inclusive).

# Organic base fee growth outpacing organic asset growth

## 3Q14 Financials by Client Type



## Organic AUM & Base Fee Growth



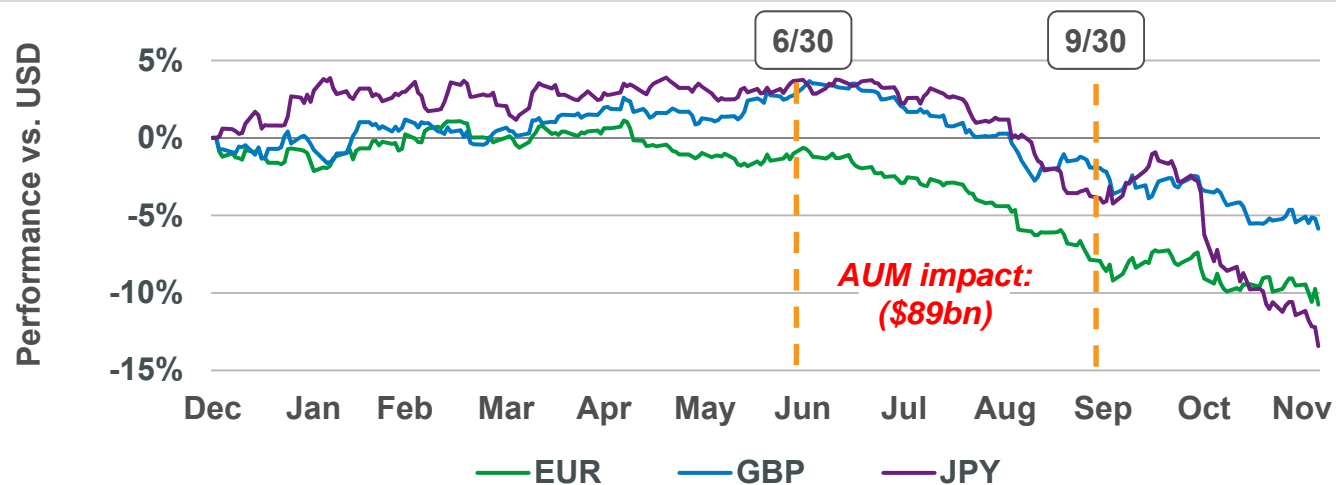
Note: AUM and base fees for long-term assets only which do not include cash management and advisory AUM. AUM as of 9/30/14.

(1) Includes BGI merger-related outflows.

(2) Includes the impact of two single client low-fee institutional index fixed income outflows in 2012.

# Increased FX and market volatility

## FX impact



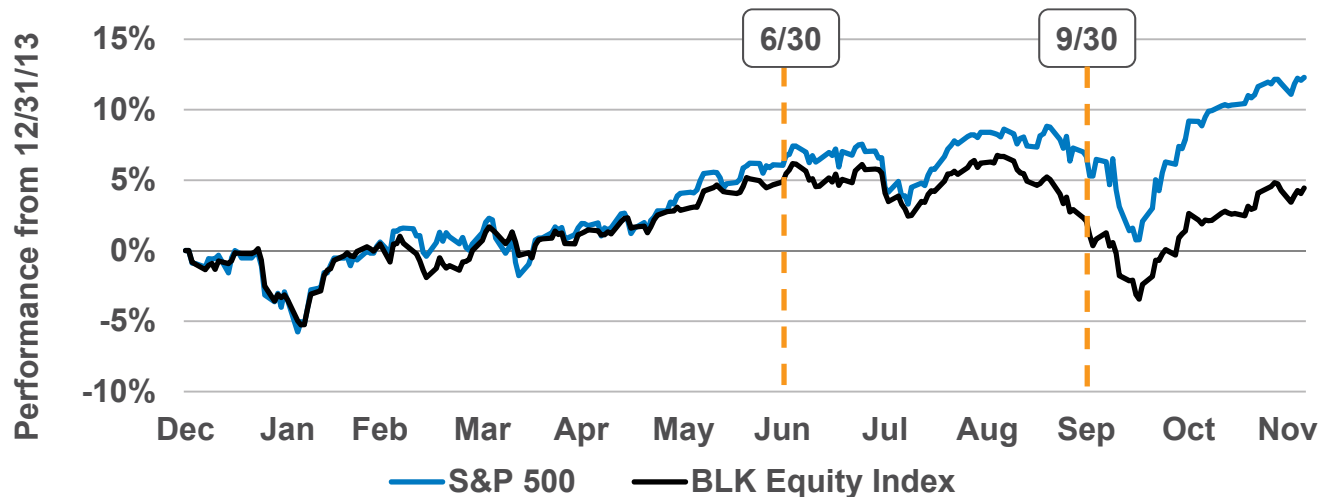
## 4Q'14 average markets below spot and average 3Q'14 levels

	Dec. 5 Spot vs. 9/30 Spot	4 <sup>th</sup> QTD Avg. vs. 9/30 Spot
	<u>Δ</u>	<u>Δ</u>
S&P 500	5.2%	1.2%
FTSE 100	1.8	(1.3)
MSCI World	4.3	0.1
MSCI EM	1.4	(0.1)
S&P Global Nat Res	(6.2)	(4.2)
S&P Commodities	(17.1)	(7.5)

Note: Market data as of December 5, 2014.

# Divergent global market performance impacting base fees and blended fee rates

## Beta divergence accelerated in 2H14



Note: Market data as of December 5, 2014

## Beta divergence impact on BLK equity base fees

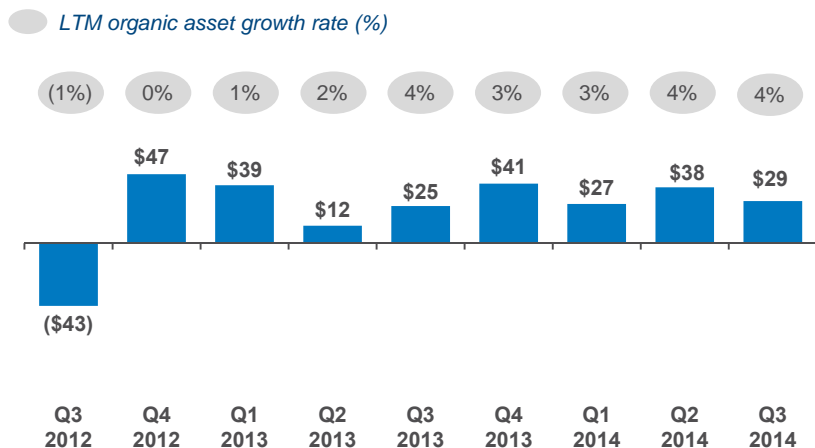
	3Q'14			Δ vs. 4Q'14 Entry Rate	
	% of EQ Avg. AUM	% of EQ Base Fees	Eff. BPS <sup>(1)</sup>	AUM <sup>(2)</sup>	Fees <sup>(3)</sup>
<b>BLK Equity Benchmark</b>					
US	48%	33%	15	(0)%	(0)%
World	26	19	16	(2)	(2)
Other	8	8	24	(3)	(3)
<b>Subtotal &lt; 25 bps</b>	<b>82%</b>	<b>60%</b>	<b>16</b>	<b>(1)%</b>	<b>(1)%</b>
Europe	7	13	41	(8)	(8)
Emerging Markets	6	14	48	(3)	(3)
Asia	4	8	46	(1)	(1)
Natural Resources	1	5	95	(9)	(9)
<b>Subtotal &gt; 25 bps</b>	<b>18%</b>	<b>40%</b>	<b>48</b>	<b>(5)%</b>	<b>(5)%</b>
<b>Total Equity</b>	<b>100%</b>	<b>100%</b>	<b>22</b>	<b>(2)%</b>	<b>(3)%</b>

Negative beta skew toward higher fee products – driving outsized impact on base fees

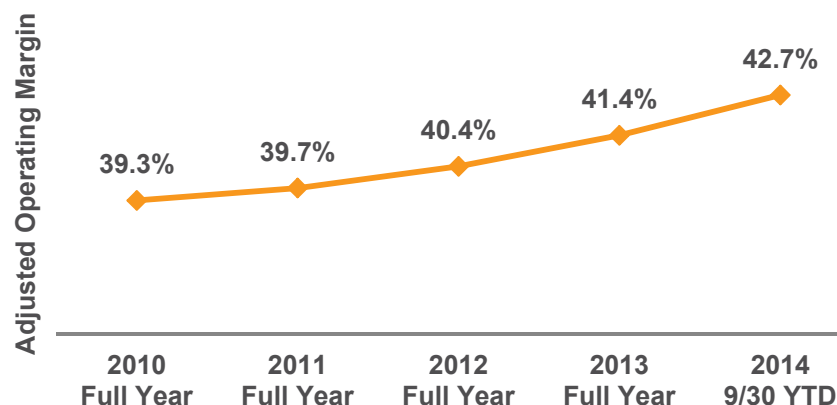


# Diverse global platform continues to deliver consistent growth

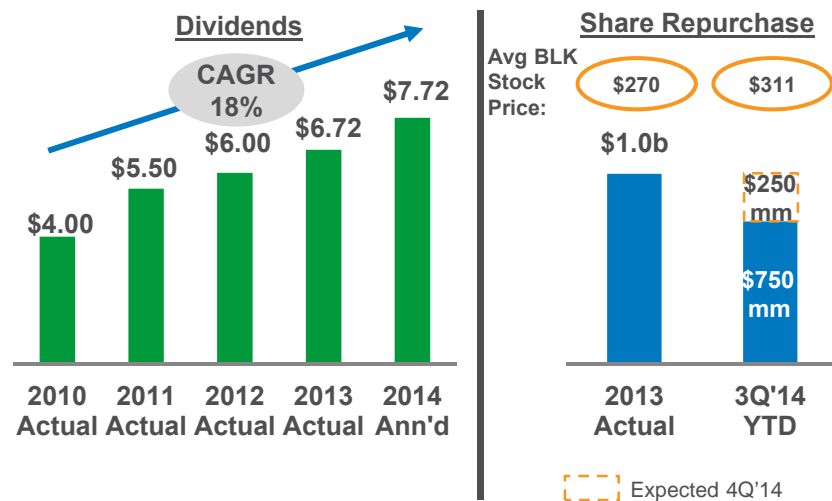
## LTM Organic AUM Growth



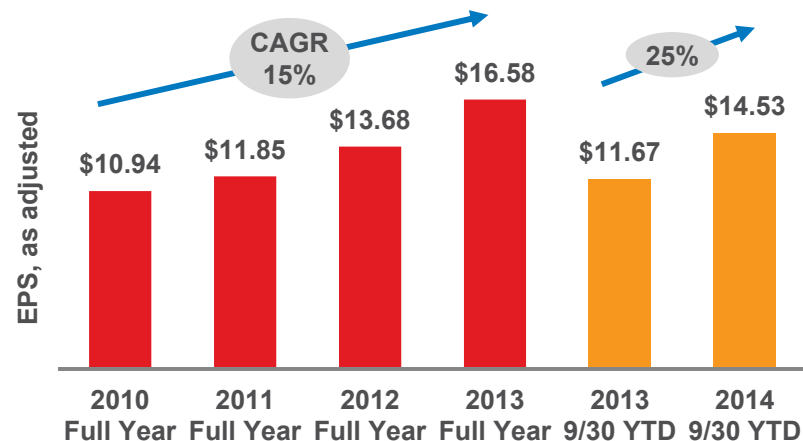
## Positive Operating Leverage



## Consistent and Predictable Capital Management



## Double Digit Earnings Growth



## Important Notes

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