



Q3 2017 Earnings

Earnings Release Supplement

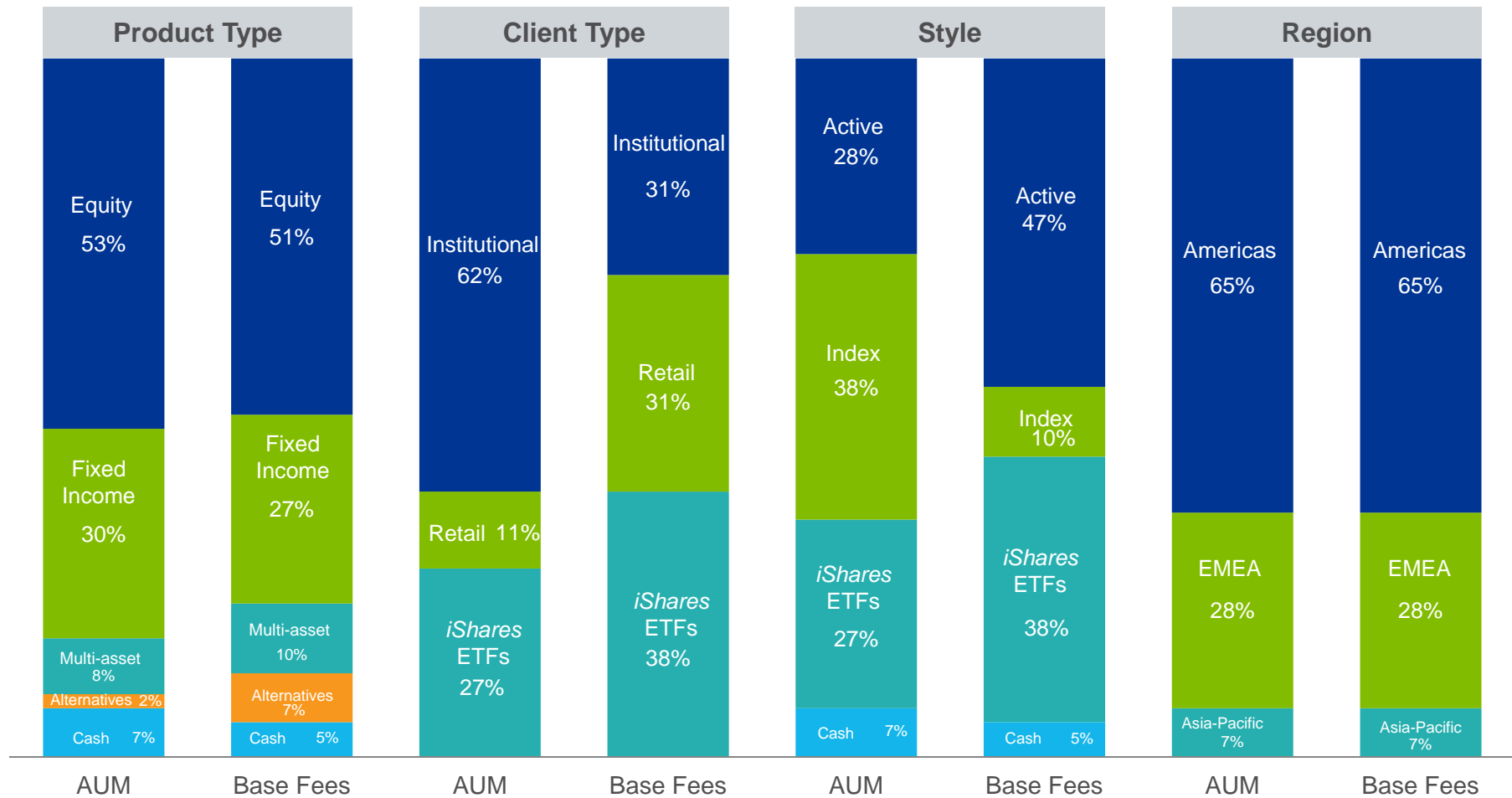
October 11, 2017



BLACKROCK®

A broadly diversified business across clients, products and geographies

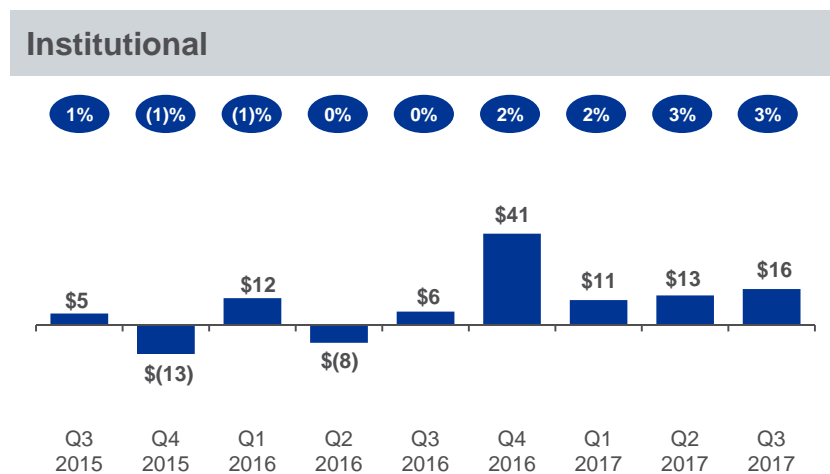
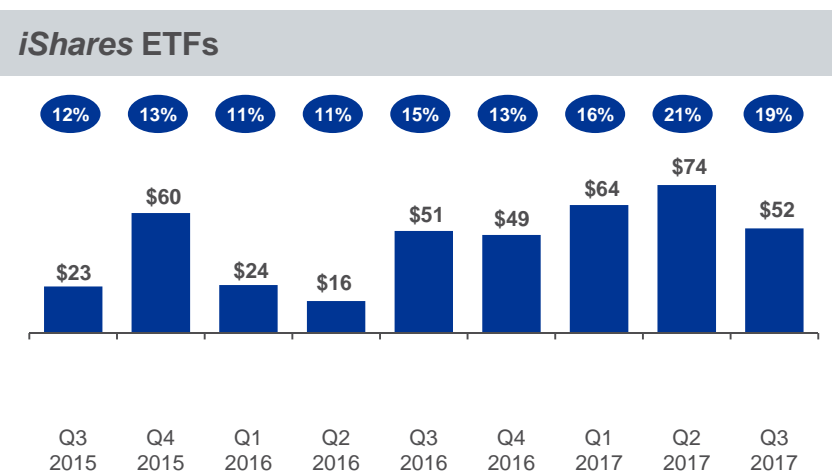
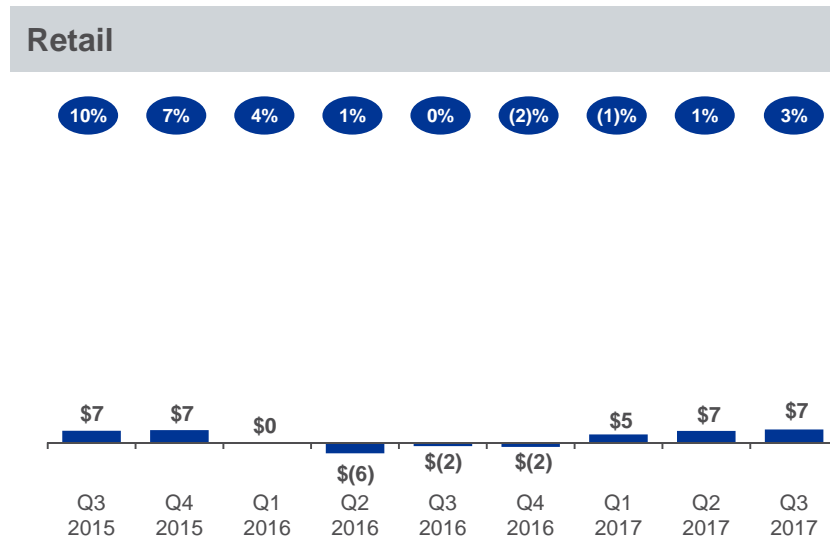
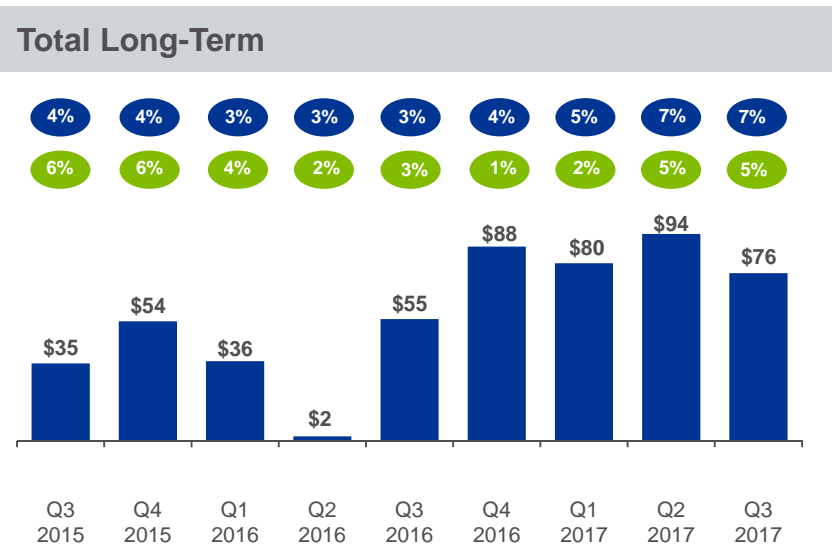
Q3 2017 Total Base Fees of \$2.792 billion
Assets Under Management of \$5.977 trillion at September 30, 2017



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

Long-term net flows (\$ in billions)

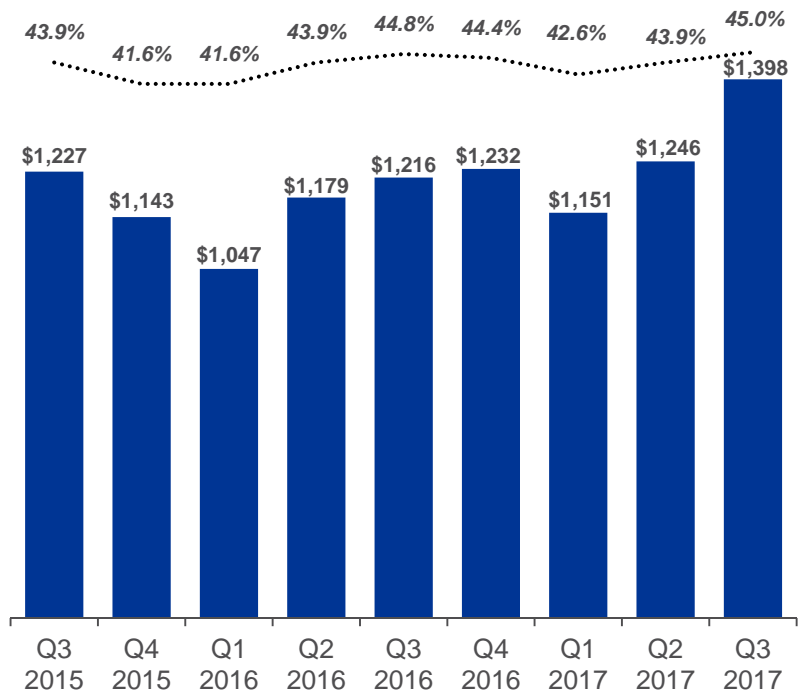
● LTM organic asset growth rate (%)
 ● LTM organic base fee growth rate (%)



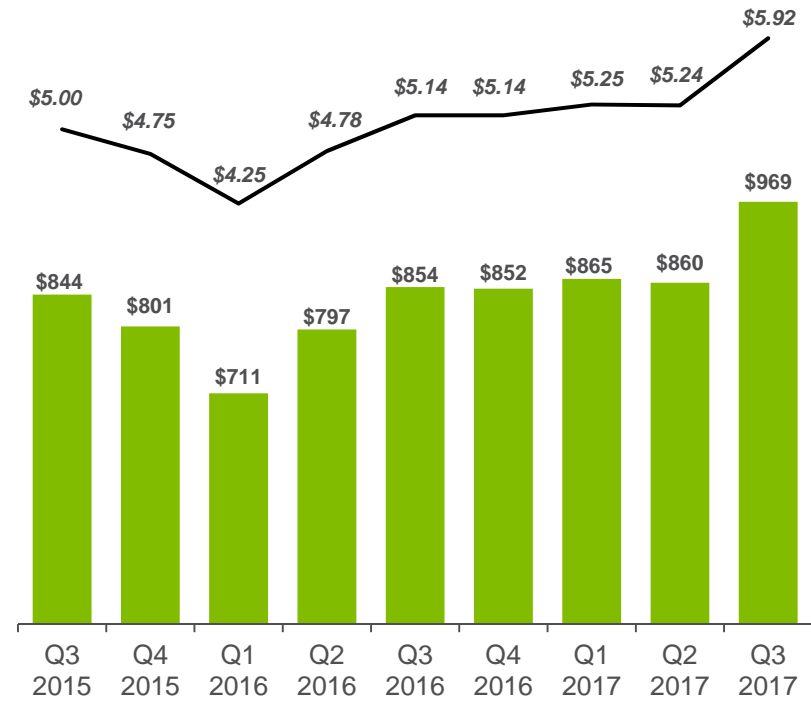
Note: LTM organic asset growth rate measures rolling last twelve months net flows over beginning of period assets.

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

Operating Income and Margin, as adjusted



Net Income and EPS, as adjusted



■ Operating Income, as adjusted Operating Margin, as adjusted

■ Net Income, as adjusted — EPS, as adjusted

For further information and reconciliations between GAAP and as adjusted, see page 9 of this earnings release supplement, notes (1) through (3) in the current earnings release as well as previously filed Form 10-Ks, 10-Qs and 8-Ks.

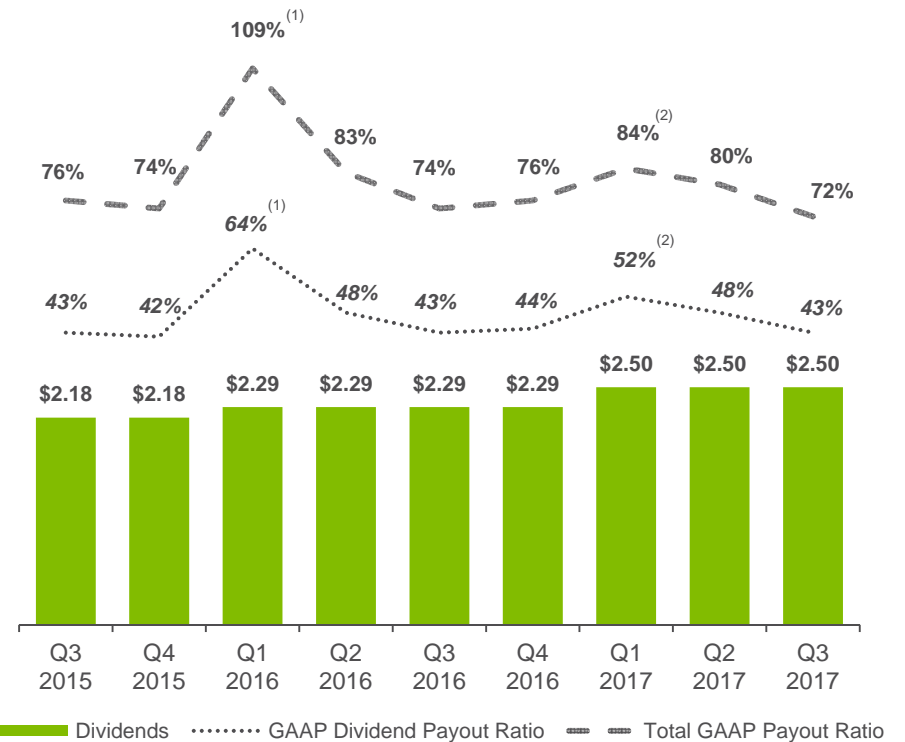
Capital management (amounts in millions, except per share data)

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 pre-tax restructuring charge of \$76 million.

⁽²⁾ GAAP Dividend Payout Ratio and Total GAAP Payout Ratio include an \$81 million tax benefit reflecting the adoption of new accounting guidance.

Major market indices and exchange rates

	Spot			% Change 9/30/2017 vs.		Average			% Change Q3 2017 vs.	
	9/30/2016	6/30/2017	9/30/2017	6/30/2017	9/30/2016	Q3 2016	Q2 2017	Q3 2017	Q2 2017	Q3 2016
Equity Indices:										
<i>Domestic</i>										
S&P 500	2,168	2,423	2,519	4%	16%	2,161	2,397	2,467	3%	14%
<i>Global</i>										
MSCI Barra World Index	1,726	1,916	2,001	4%	16%	1,712	1,893	1,958	3%	14%
MSCI Europe Index	116	128	131	2%	13%	115	131	128	(2)%	11%
MSCI AC Asia Pacific Index	140	155	161	4%	15%	137	151	160	6%	17%
MSCI Emerging Markets Index	903	1,011	1,082	7%	20%	887	993	1,068	8%	20%
S&P Global Natural Resources	2,930	3,175	3,512	11%	20%	2,888	3,186	3,373	6%	17%
BLK Equity Index ⁽¹⁾				6%	17%				5%	15%
Fixed Income Index:										
Barclays U.S. Aggregate Bond Index	2,037	2,021	2,038	1%	-%	2,035	2,015	2,036	1%	-%
Foreign Exchange Rates:										
GBP to USD	1.30	1.30	1.34	3%	3%	1.31	1.28	1.31	2%	-%
EUR to USD	1.12	1.14	1.18	4%	5%	1.12	1.10	1.18	7%	5%

Source: Bloomberg

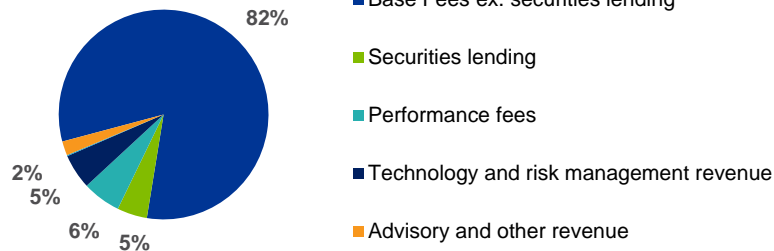
(1) Revenue weighted composite index calculated by BlackRock to approximate the impact of market fluctuations on BlackRock's equity base fees. The index is derived from publicly available market indices that represent applicable AUM benchmarks for each equity portfolio, as selected by BlackRock. The 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.

Quarterly revenue

Total Revenue

Q3 2017

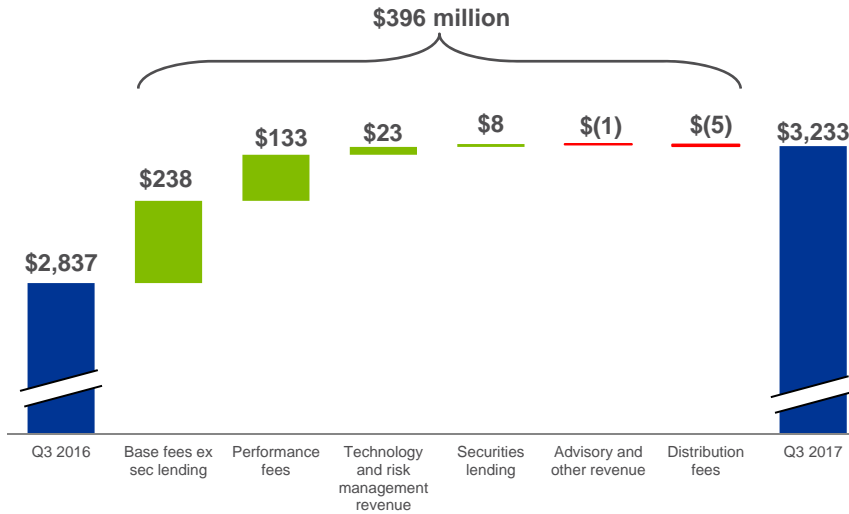
\$3,233 million



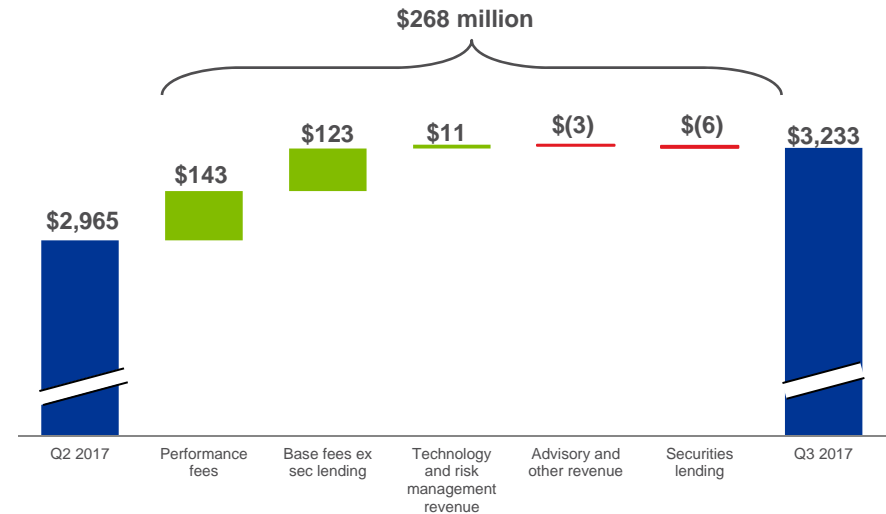
Percentage Change

	Year-over-Year	Sequential
Base Fees ex. SL	10%	5%
Securities lending	6%	(4)%
Performance fees	229%	298%
Technology and risk management revenue	15%	7%
Distribution fees	(50)%	-%
Advisory and other revenue	(1)%	(4)%
Total	14%	9%

Q3 2017 Compared to Q3 2016



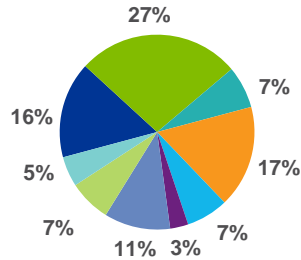
Q3 2017 Compared to Q2 2017



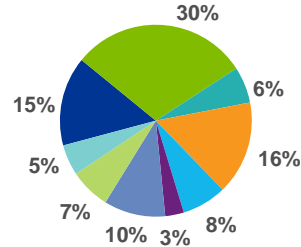
Quarterly investment advisory, administration fees and securities lending revenue

Investment advisory, administration fees and securities lending revenue

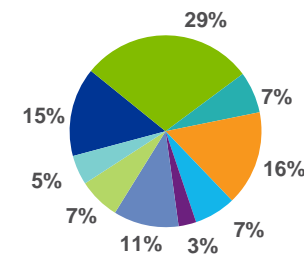
Q3 2016 \$2,546 million



Q3 2017: \$2,792 million

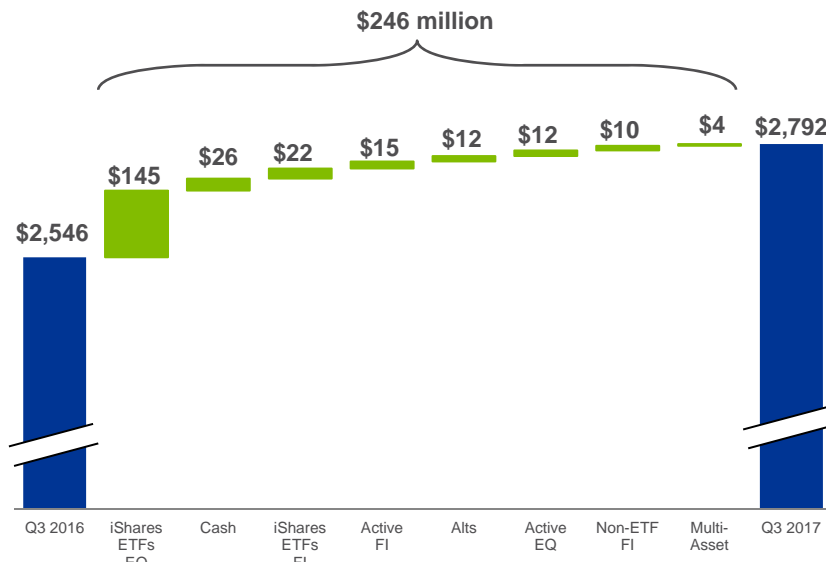


Q2 2017: \$2,675 million

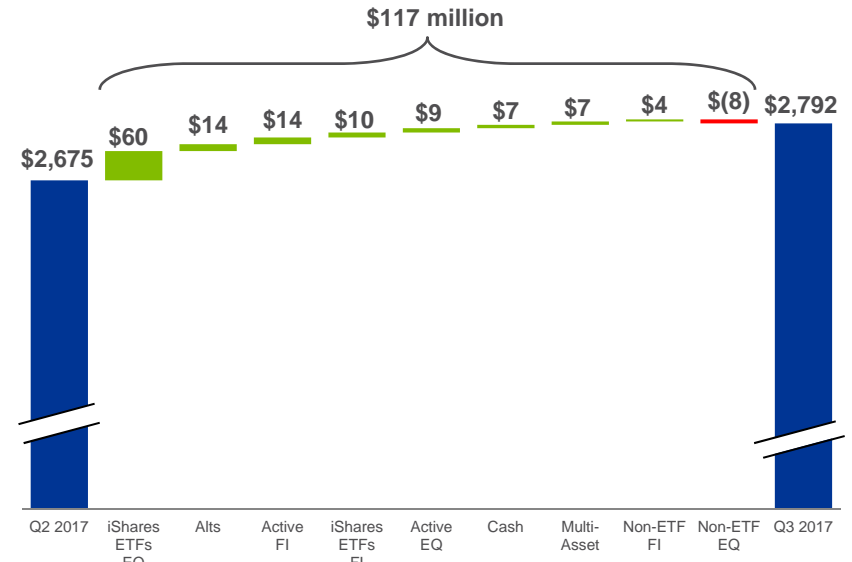


■ Active Equity ■ iShares ETFs Equity ■ Non-ETF Index Equity ■ Active Fixed Income ■ iShares ETFs Fixed Income ■ Non-ETF Index Fixed Income ■ Multi-Asset ■ Alternatives ■ Cash

Q3 2017 Compared to Q3 2016



Q3 2017 Compared to Q2 2017

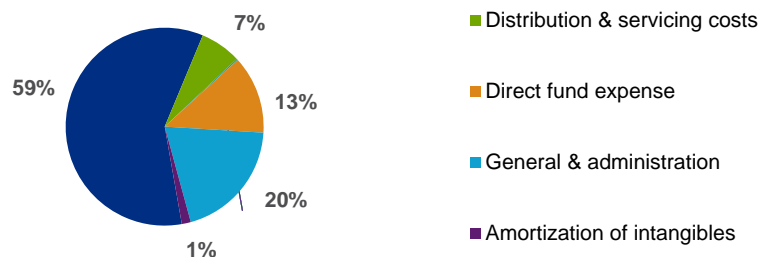


Quarterly expense

Expense, as adjusted, by category

Q3 2017

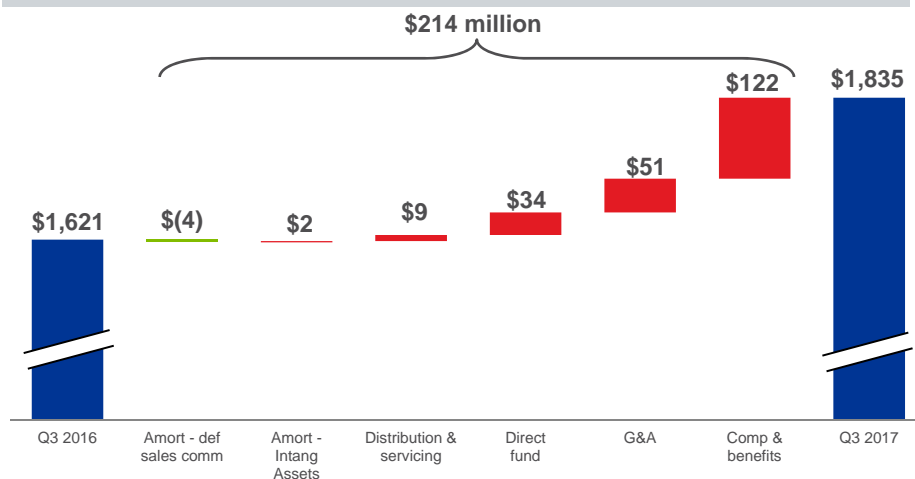
\$1,835 million



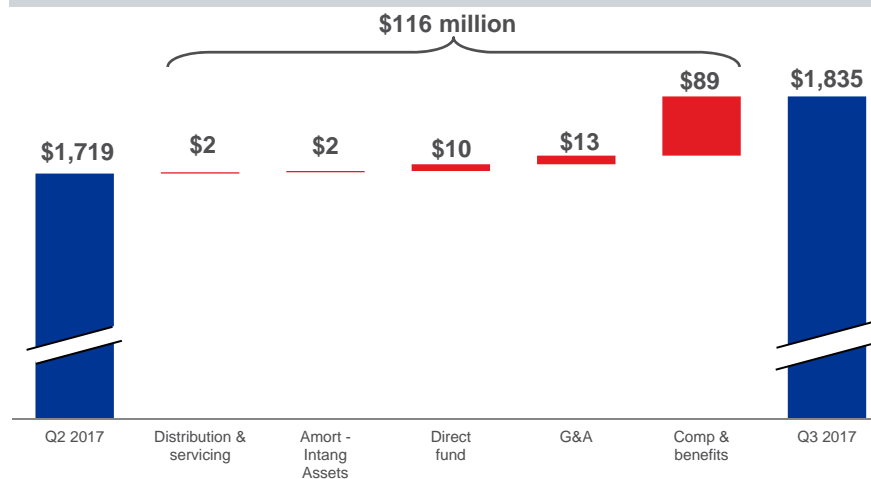
Percentage Change

	Year-over-Year	Sequential
Employee comp. & benefits	13%	9%
Distribution & servicing costs	8%	2%
Amort. of deferred sales commissions	(50)%	-%
Direct fund expense	17%	4%
General & administration	16%	4%
Amortization of intangibles	8%	8%
Total	13%	7%

Q3 2017 Compared to Q3 2016, as adjusted



Q3 2017 Compared to Q2 2017, as adjusted



Expense, as adjusted, includes non-GAAP adjustments related to PNC LTIP funding obligation of \$4 million in the third quarter of 2017, \$7 million in the third quarter of 2016 and \$4 million in the second quarter of 2017. For further information, see notes (1) through (3) in the current earnings release.

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

	2015		2016				2017		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Operating Income									
GAAP	\$ 1,222	\$ 1,137	\$ 963	\$ 1,173	\$ 1,209	\$ 1,225	\$ 1,147	\$ 1,242	\$ 1,394
Non-GAAP adjustments	5	6	84	6	7	7	4	4	4
As Adjusted	<u>\$ 1,227</u>	<u>\$ 1,143</u>	<u>\$ 1,047</u>	<u>\$ 1,179</u>	<u>\$ 1,216</u>	<u>\$ 1,232</u>	<u>\$ 1,151</u>	<u>\$ 1,246</u>	<u>\$ 1,398</u>
Nonoperating Income (Expense)									
GAAP	\$ (48)	\$ 11	\$ (48)	\$ (25)	\$ 1	\$ (38)	\$ (7)	\$ 1	\$ 10
Non-GAAP adjustments	16	(10)	10	(6)	(2)	-	(9)	(10)	(12)
As Adjusted	<u>\$ (32)</u>	<u>\$ 1</u>	<u>\$ (38)</u>	<u>\$ (31)</u>	<u>\$ (1)</u>	<u>\$ (38)</u>	<u>\$ (16)</u>	<u>\$ (9)</u>	<u>\$ (2)</u>
Net Income									
GAAP	\$ 843	\$ 861	\$ 657	\$ 789	\$ 875	\$ 851	\$ 862	\$ 857	\$ 947
Non-GAAP adjustments	1	(60)	54	8	(21)	1	3	3	22
As Adjusted	<u>\$ 844</u>	<u>\$ 801</u>	<u>\$ 711</u>	<u>\$ 797</u>	<u>\$ 854</u>	<u>\$ 852</u>	<u>\$ 865</u>	<u>\$ 860</u>	<u>\$ 969</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 (3) 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 October 11, 2017, and BlackRock's other periodic reports, which are available on BlackRock's website at www.blackrock.com.