

**BLACKROCK®**

## **Q1 2015 Earnings**

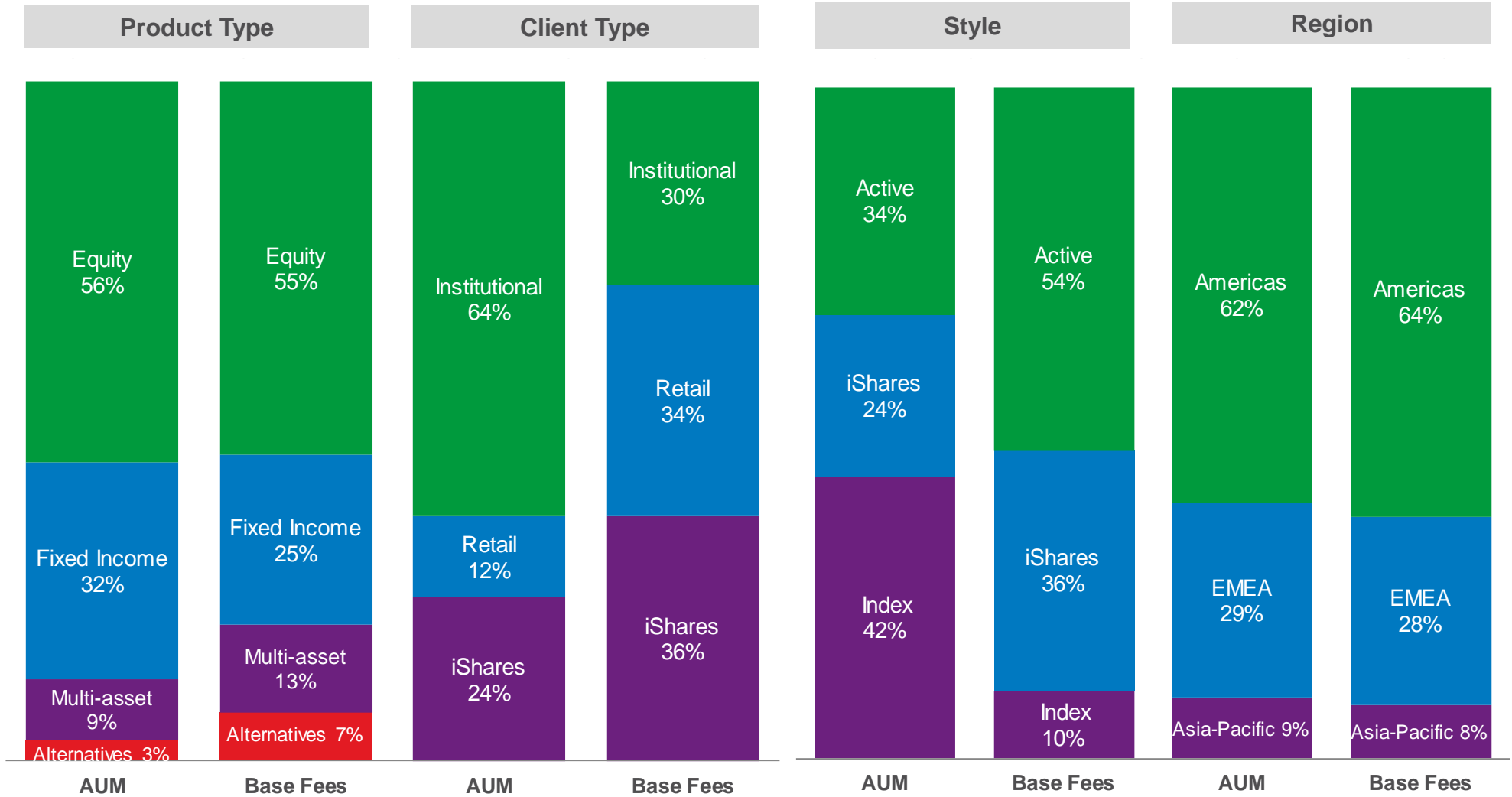
### **Earnings Release Supplement:**

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

April 16, 2015

# A broadly diversified business across clients, products and geographies

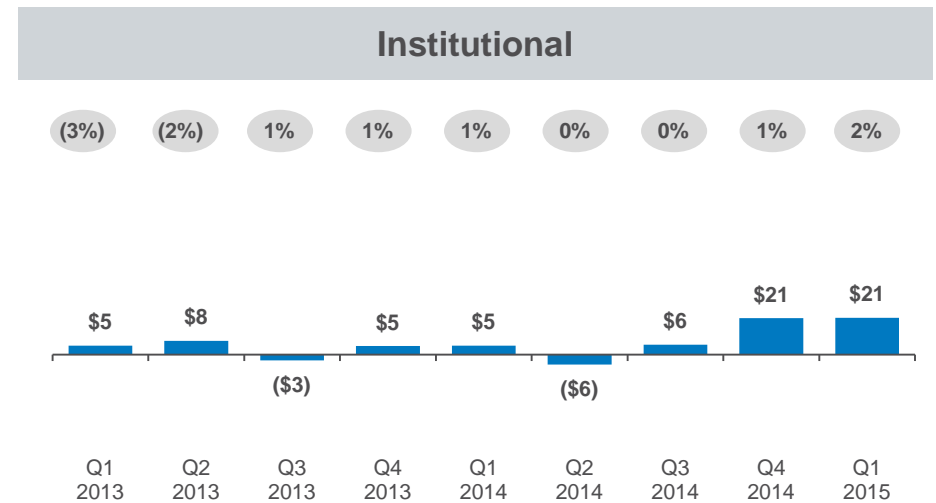
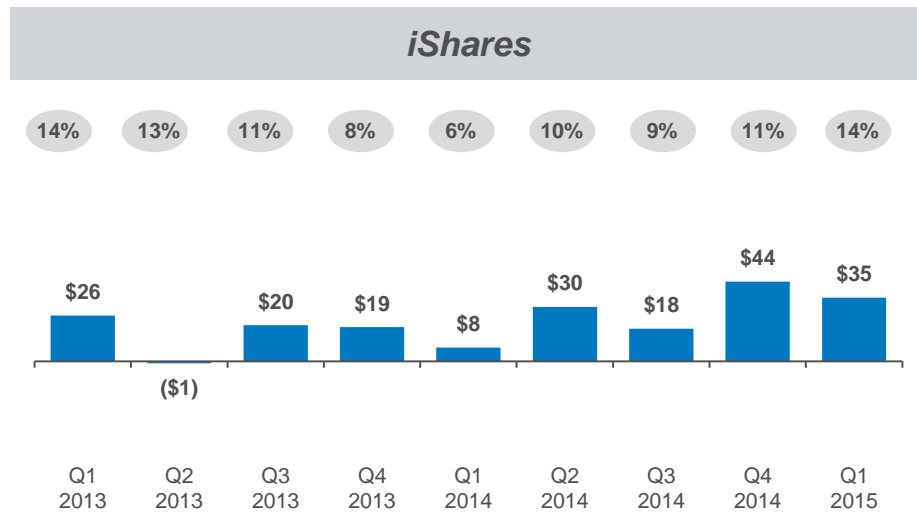
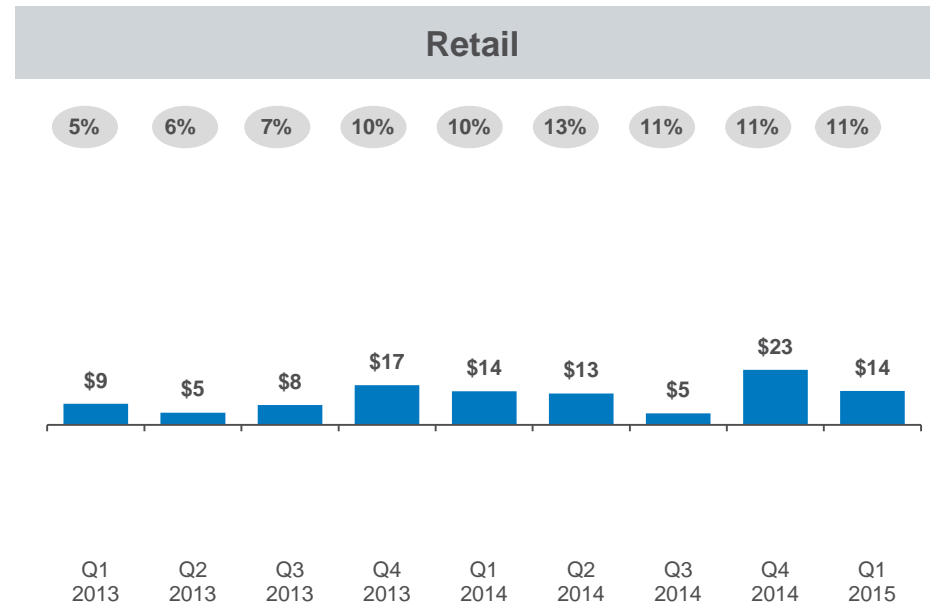
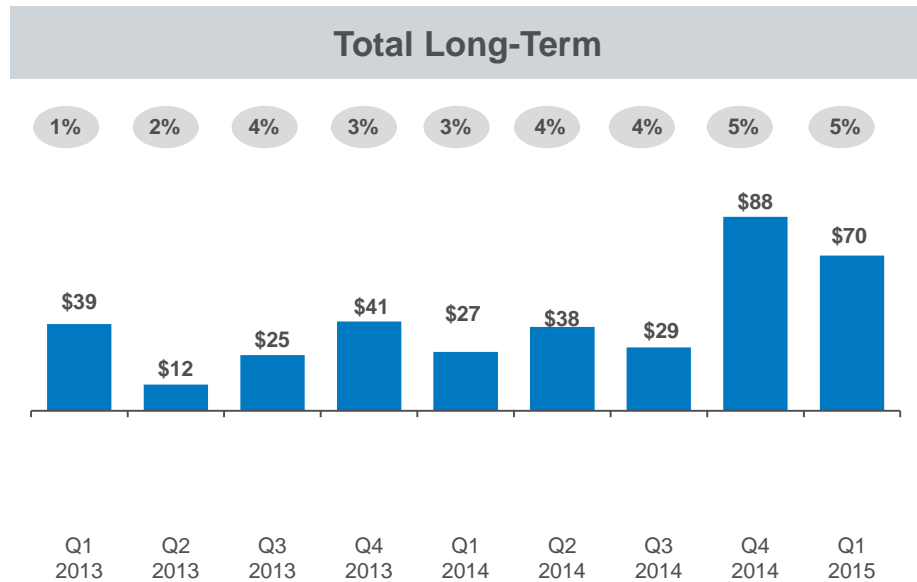
Q1 2015 Long-term Base Fees of \$2.317 billion  
 Long-term Assets Under Management of \$4.464 trillion at March 31, 2015



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

# Long-term net flows (\$ in billions)

 LTM organic asset growth rate (%)

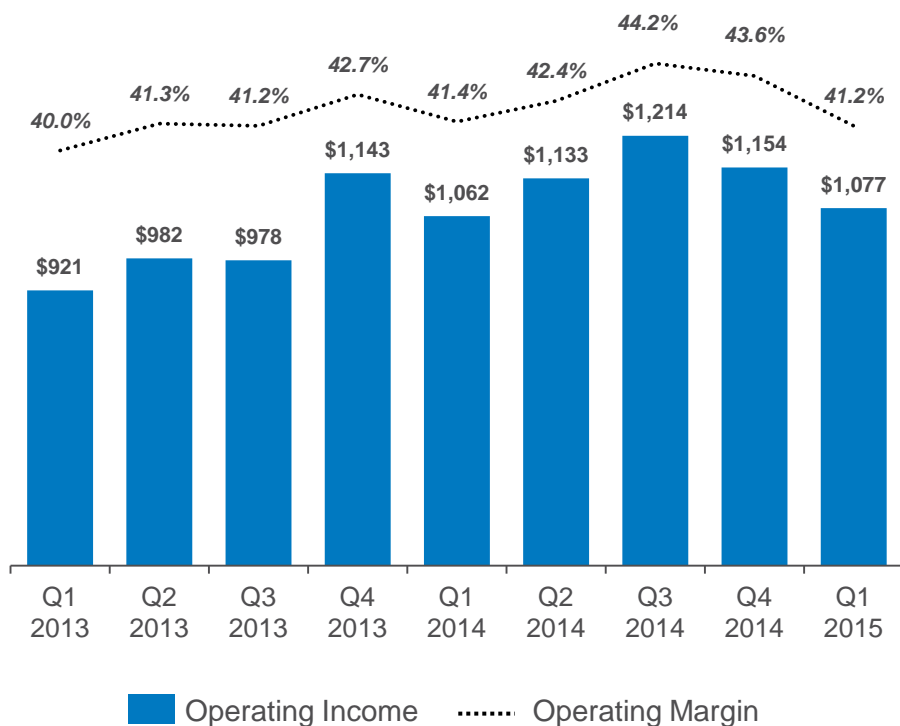


Note: LTM organic asset growth rate measures rolling last twelve months net new flows over beginning period assets.

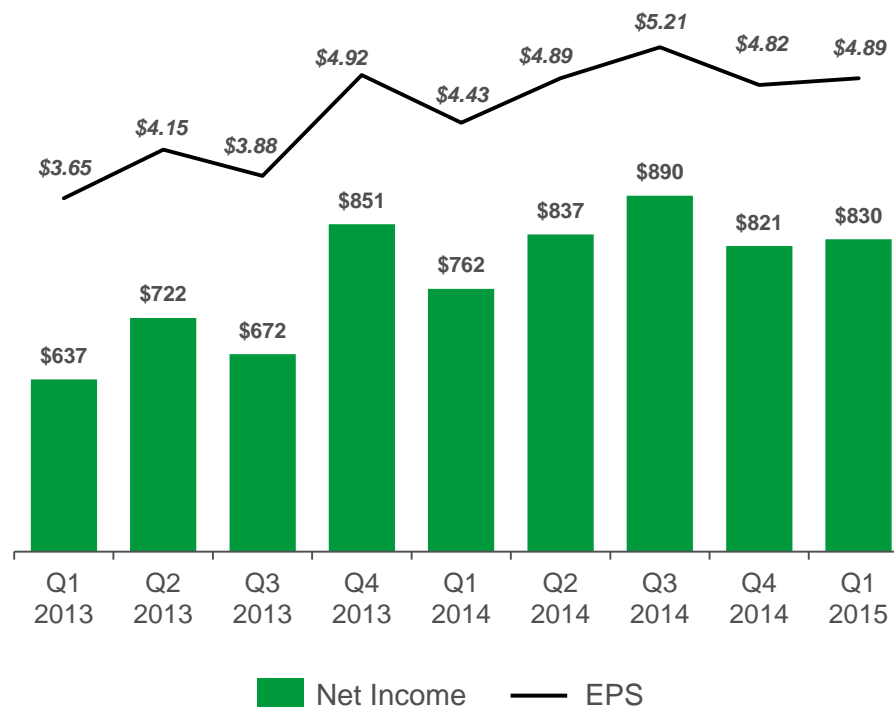
# Profitability (\$ in millions, except per share data)

- **Operating income, as adjusted** up 1% year-over-year
- **Operating margin, as adjusted** down 20 bps year-over-year
- **Net income, as adjusted** up 9% year-over-year
- **EPS, as adjusted** up 10% year-over-year

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.

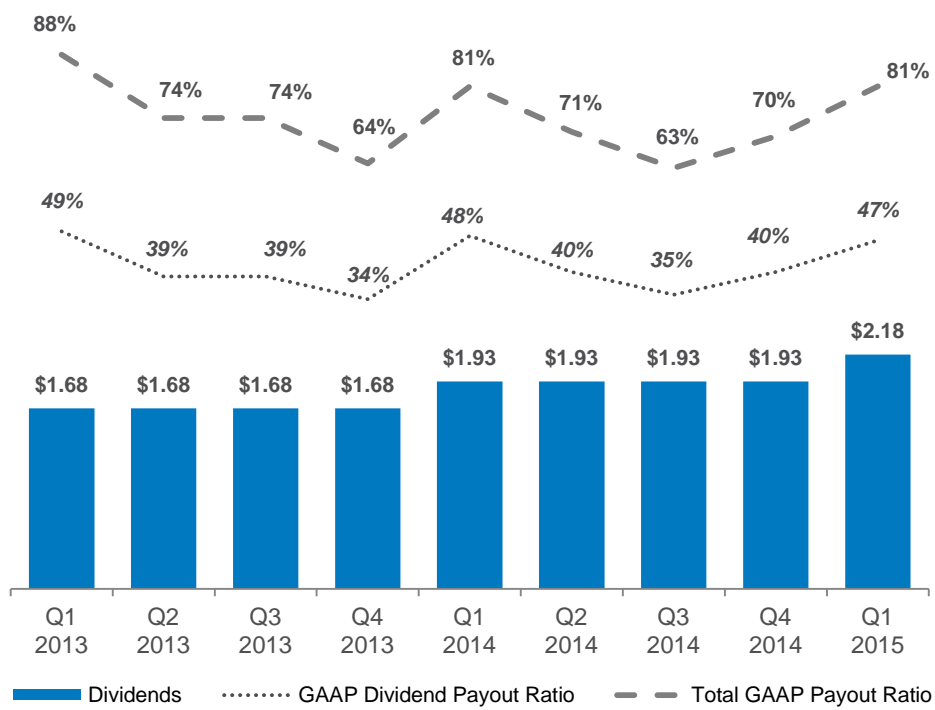
# Capital management (amounts in millions, except per share data)

## 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.

# Major market indices and exchange rates

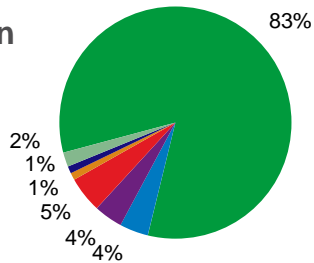
	Spot			% Change 3/31/2015 vs.		Average			% Change Q1 2015 vs.	
	3/31/2014	12/31/2014	3/31/2015	12/31/2014	3/31/2014	Q1 2014	Q4 2014	Q1 2015	Q4 2014	Q1 2014
<b>Equity Indices:</b>										
<i>Domestic</i>										
S&P 500	1,872	2,059	2,068	-%	10%	1,835	2,011	2,063	3%	12%
<i>Global</i>										
MSCI Barra World Index	1,674	1,710	1,741	2%	4%	1,647	1,695	1,726	2%	5%
MSCI Europe Index	114	117	135	15%	18%	113	114	128	12%	13%
MSCI AC Asia Pacific Index	138	138	146	6%	6%	137	139	142	2%	4%
MSCI Emerging Markets Index	995	956	975	2%	(2%)	957	982	969	(1%)	1%
S&P Global Natural Resources	3,499	3,147	3,061	(3%)	(13%)	3,429	3,249	3,140	(3%)	(8%)
<b>Fixed Income Index:</b>										
Barclays U.S. Aggregate Bond Index	1,840	1,915	1,946	2%	6%	1,831	1,905	1,936	2%	6%
<b>Foreign Exchange Rates:</b>										
GBP to USD	1.67	1.56	1.48	(5%)	(11%)	1.66	1.58	1.51	(4%)	(9%)
EUR to USD	1.38	1.21	1.07	(12%)	(22%)	1.37	1.25	1.13	(10%)	(18%)

Source: Bloomberg

# Quarterly revenue

## Total Revenue

Q1 2015  
\$2,723 million

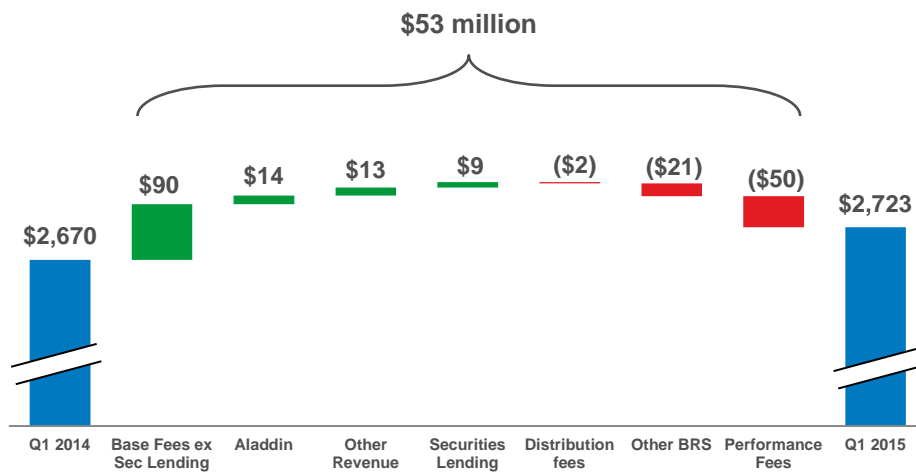


- Base Fees ex. Securities Lending
- Securities Lending
- Performance Fees
- Aladdin
- Other BRS
- Distribution Fees
- Other Revenue

### Percentage Change

	Year-over-Year	Sequential
Base Fees ex. SL	4%	-%
Securities Lending	9	(3)
Performance Fees	(32)	(25)
Aladdin	13	(1)
Other BRS	(50)	(51)
Distribution Fees	(11)	6
Other Revenue	27	5
<b>Total</b>	<b>2</b>	<b>(2)</b>

## Q1 2015 Compared to Q1 2014



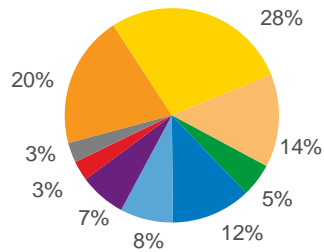
## Q1 2015 Compared to Q4 2014



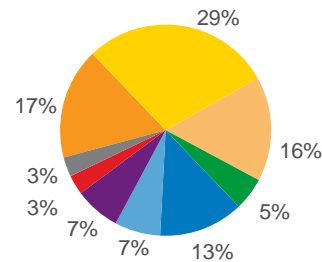
# Quarterly investment advisory, administration fees and securities lending revenue

## Investment advisory, administration fees and securities lending revenue

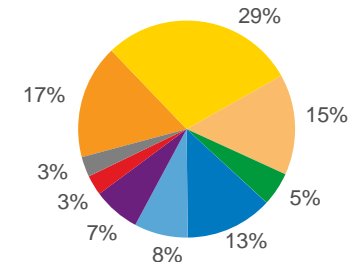
Q1 2014: \$2,291 million



Q1 2015: \$2,390 million



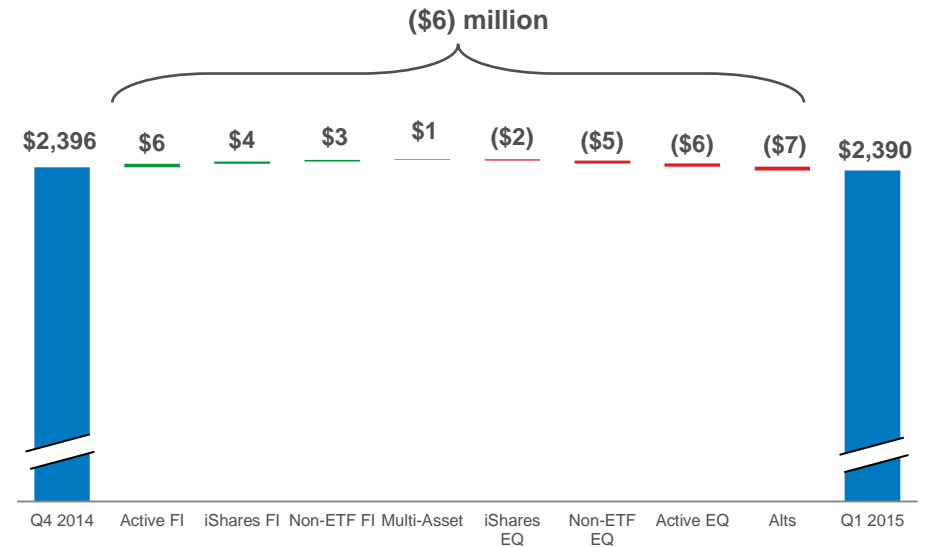
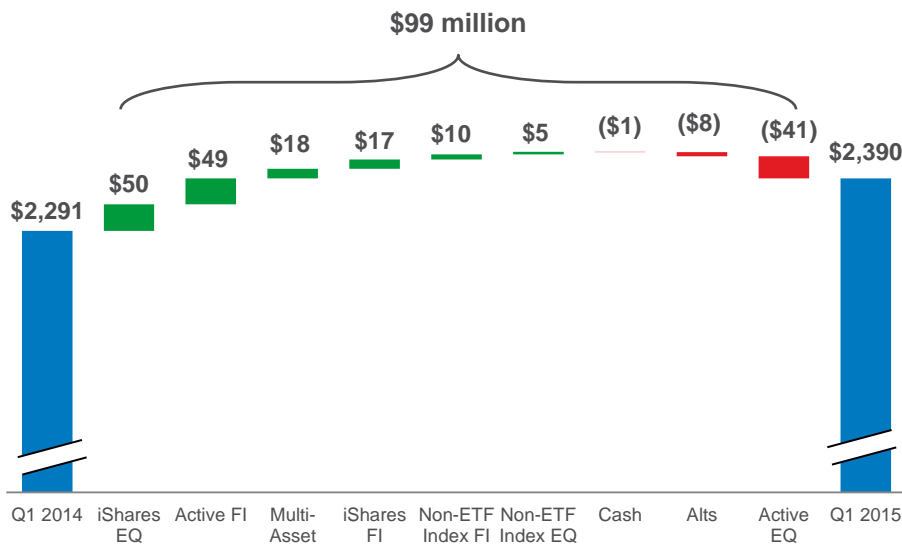
Q4 2014: \$2,396 million



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

## Q1 2015 Compared to Q1 2014

## Q1 2015 Compared to Q4 2014



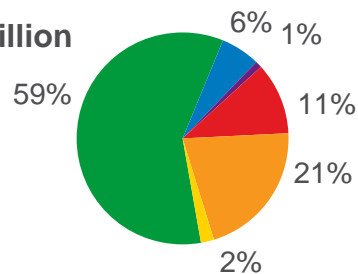


# Quarterly expense

## Expense, as adjusted, by category

Q1 2015

\$1,646 million

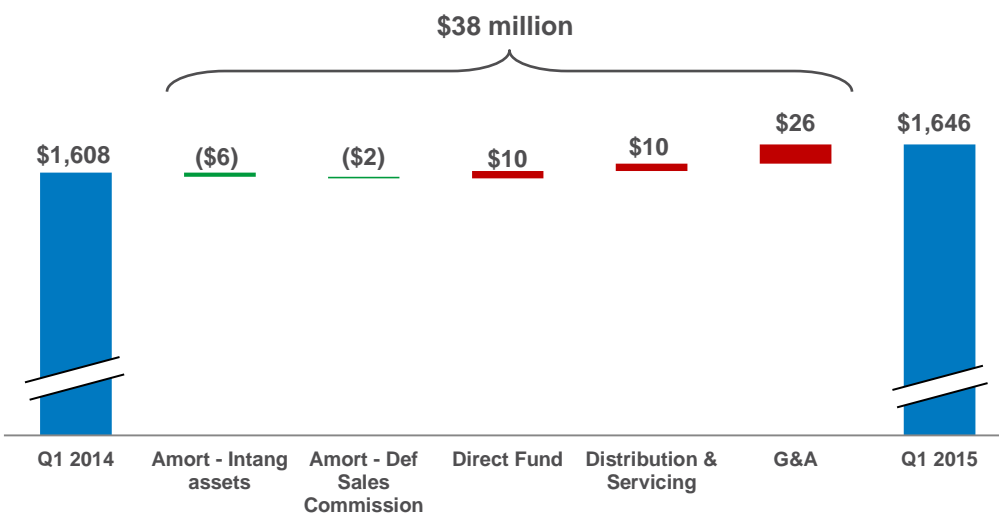


- Employee Comp. & Benefits
- Distribution & Servicing Costs
- Amort. of Deferred Sales Commissions
- Direct Fund Expense
- General & Administration
- Amortization of Intangibles

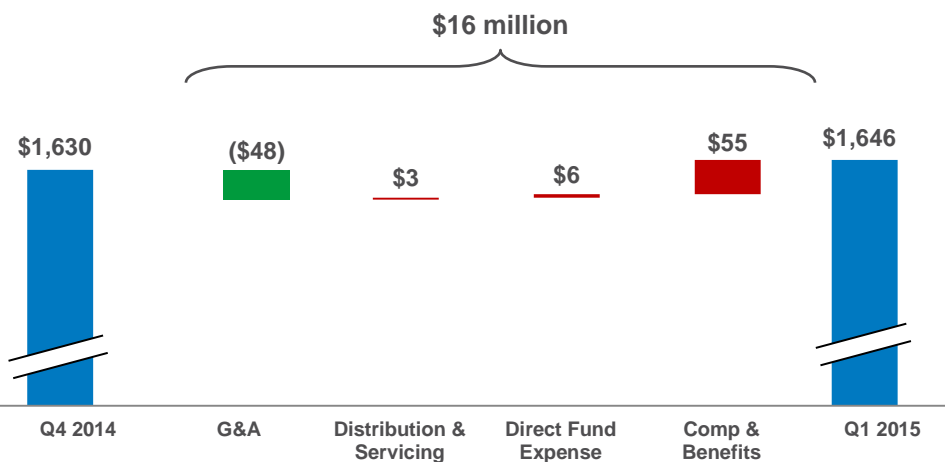
### Percentage Change

	Year-over-Year	Sequential
Employee Comp. & Benefits	-%	6%
Distribution & Servicing Costs	11	3
Amort. of Deferred Sales Commissions	(13)	-
Direct Fund Expense	6	3
General & Administrative	8	(12)
Amortization of Intangibles	(15)	-
<b>Total</b>	<b>2</b>	<b>1</b>

## Q1 2015 Compared to Q1 2014, as adjusted



## Q1 2015 Compared to Q4 2014, 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
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Operating Income</b>									
GAAP	\$909	\$849	\$966	\$1,133	\$1,051	\$1,122	\$1,157	\$1,144	\$1,067
Non-GAAP adjustments	12	133	12	10	11	11	57	10	10
As Adjusted	<u>\$921</u>	<u>\$982</u>	<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>
<b>Nonoperating Income (Expense)</b>									
GAAP	\$41	\$69	(\$18)	\$24	\$17	\$16	(\$52)	(\$60)	\$51
Non-GAAP adjustments	(38)	(57)	(3)	(11)	9	(36)	44	6	(40)
As Adjusted	<u>\$3</u>	<u>\$12</u>	<u>(\$21)</u>	<u>\$13</u>	<u>\$26</u>	<u>(\$20)</u>	<u>(\$8)</u>	<u>(\$54)</u>	<u>\$11</u>
<b>Net Income</b>									
GAAP	\$632	\$729	\$730	\$841	\$756	\$808	\$917	\$813	\$822
Non-GAAP adjustments	5	(7)	(58)	10	6	29	(27)	8	8
As Adjusted	<u>\$637</u>	<u>\$722</u>	<u>\$672</u>	<u>\$851</u>	<u>\$762</u>	<u>\$837</u>	<u>\$890</u>	<u>\$821</u>	<u>\$830</u>

Non-GAAP adjustments include amounts related to the reduction of an indemnification asset, the PennyMac Charitable Contribution, 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

This presentation, and other statements that BlackRock, Inc. (“BlackRock”) may make, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act, with respect to BlackRock’s future financial or business performance, strategies or expectations. Forward-looking statements are typically identified by words or phrases such as “trend,” “potential,” “opportunity,” “pipeline,” “believe,” “comfortable,” “expect,” “anticipate,” “current,” “intention,” “estimate,” “position,” “assume,” “outlook,” “continue,” “remain,” “maintain,” “sustain,” “seek,” “achieve,” and similar expressions, or future or conditional verbs such as “will,” “would,” “should,” “could,” “may” and similar expressions.

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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 16, 2015, and BlackRock’s other periodic reports, which are available on BlackRock’s web site at [www.blackrock.com](http://www.blackrock.com).