

BlackRock®

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BlackRock Reports Third Quarter 2024 Diluted EPS of \$10.90, or \$11.46 as adjusted

New York, October 11, 2024 – BlackRock, Inc. (NYSE: BLK) today reported financial results for the three and nine months ended September 30, 2024.

\$360 billion of year-to-date total net inflows reflect continued strength of broad-based platform, and surpass full year net inflows of 2022 and 2023

Record \$221 billion of quarterly total net inflows represent 8% annualized organic asset growth and were positive across client type, product type, active and index, and regions

\$11.5 trillion in AUM, up \$2.4 trillion year-over-year, driven by \$456 billion of net inflows and positive market movements

15% increase in revenue year-over-year, driven by the positive impact of markets on average AUM, organic base fee growth, and higher performance fees

23% increase in operating income year-over-year (26% as adjusted)

2% increase in diluted EPS year-over-year (5% as adjusted) also reflects a higher effective tax rate in the current quarter

\$375 million of share repurchases in the current quarter

Closed acquisition of Global Infrastructure Partners ("GIP") on October 1st, adding \$116 billion of client AUM and \$70 billion of fee-paying AUM

FINANCIAL RESULTS

| (in millions, except per share data) | Q3 2024 | Q3 2023 |
|--------------------------------------|---------------|--------------|
| AUM | \$ 11,475,362 | \$ 9,100,825 |
| % change | 26% | |
| Average AUM | \$ 11,070,964 | \$ 9,396,597 |
| % change | 18% | |
| Total net flows | \$ 221,180 | \$ 2,569 |
| GAAP basis: | | |
| Revenue | \$ 5,197 | \$ 4,522 |
| % change | 15% | |
| Operating income | \$ 2,006 | \$ 1,637 |
| % change | 23% | |
| Operating margin | 38.6% | 36.2% |
| Net income ⁽¹⁾ | \$ 1,631 | \$ 1,604 |
| % change | 2% | |
| Diluted EPS | \$ 10.90 | \$ 10.66 |
| % change | 2% | |
| Weighted-average diluted shares | 149.6 | 150.5 |
| % change | (1)% | |
| As Adjusted⁽²⁾: | | |
| Operating income | \$ 2,128 | \$ 1,691 |
| % change | 26% | |
| Operating margin | 45.8% | 42.3% |
| Net income ⁽¹⁾ | \$ 1,715 | \$ 1,642 |
| % change | 4% | |
| Diluted EPS | \$ 11.46 | \$ 10.91 |
| % change | 5% | |

⁽¹⁾ Net income represents net income attributable to BlackRock, Inc.

⁽²⁾ See pages 11 through 13 for the reconciliation to GAAP and notes (1) through (3) to the condensed consolidated statements of income and supplemental information for more information on as adjusted items.

Laurence D. Fink, Chairman and CEO:

"Our strategy is ambitious, and our strategy is working. The assets we manage on behalf of our clients reached a new high, ending the third quarter at \$11.5 trillion, having grown \$2.4 trillion over the last twelve months. In that time, clients have entrusted BlackRock with \$456 billion of net inflows, including a record \$221 billion in the third quarter. Third quarter organic base fee growth of 5% and technology services ACV growth of 15% are each at multi-year highs.

"We are effectively leveraging our technology, scale, and global footprint to deliver profitable growth. Quarterly revenue and operating income both set new records, up 15% and 26% year-over-year, respectively. Our 45.8% operating margin is up 350 basis points.

"Through coordinated investments and initiatives, we are evolving our private markets capabilities to best serve our clients. We're already seeing the power of BlackRock and GIP together as we drive access to the enormous investment potential of infrastructure, especially to support AI innovation. We believe the model portfolio solution we are building will democratize retail access to private markets. And our planned acquisition of Prequin will enhance data and risk analytics needed to support growing private markets allocations.

"Our relentless focus on clients, growth mindset and willingness to evolve has generated a compounded annual total return of over 20% for our shareholders since our IPO 25 years ago, well in excess of broader markets. The opportunities ahead of us have never been greater, and we look forward to driving growth for our clients, shareholders and employees in the years to come."

NET FLOW HIGHLIGHTS⁽¹⁾

| (in billions) | Q3 2024 | YTD 2024 |
|----------------------------------|---------|----------|
| Long-term net flows: | \$ 160 | \$ 288 |
| By region: | | |
| Americas | \$ 111 | \$ 200 |
| EMEA | 20 | 76 |
| APAC | 29 | 12 |
| By client type: | | |
| Retail: | \$ 7 | \$ 20 |
| US | 7 | 16 |
| International | - | 4 |
| ETFs: | \$ 97 | \$ 248 |
| Core equity | 32 | 101 |
| Strategic | 45 | 96 |
| Precision | 20 | 51 |
| Institutional: | \$ 56 | \$ 20 |
| Active | 27 | 39 |
| Index | 29 | (19) |
| Cash management net flows | \$ 61 | \$ 72 |
| Total net flows | \$ 221 | \$ 360 |

⁽¹⁾ Totals may not add due to rounding.

BUSINESS RESULTS

| (in millions), (unaudited) | Q3 2024 Net flows | September 30, 2024 AUM | Q3 2024 Base fees ⁽¹⁾ and securities lending revenue | September 30, 2024 AUM % of Total | Q3 2024 Base fees ⁽¹⁾ and securities lending revenue % of Total |
|---|----------------------|---------------------------|--|---|--|
| RESULTS BY CLIENT TYPE | | | | | |
| Retail | \$ 6,863 | \$ 1,041,201 | \$ 1,085 | 9% | 27% |
| ETFs | \$ 97,409 | \$ 4,188,335 | \$ 1,726 | 37% | 42% |
| Institutional: | | | | | |
| Active | 26,695 | 2,110,944 | 720 | 18% | 18% |
| Index | 29,206 | 3,285,495 | 235 | 29% | 6% |
| Total institutional | 55,901 | 5,396,439 | 955 | 47% | 24% |
| Long-term | 160,173 | 10,625,975 | 3,766 | 93% | 93% |
| Cash management | 61,007 | 849,387 | 264 | 7% | 7% |
| Total | \$ 221,180 | \$ 11,475,362 | \$ 4,030 | 100% | 100% |
| RESULTS BY INVESTMENT STYLE | | | | | |
| Active | \$ 28,045 | \$ 2,871,791 | \$ 1,739 | 25% | 43% |
| Index and ETFs | \$ 132,128 | \$ 7,754,184 | \$ 2,027 | 68% | 50% |
| Long-term | 160,173 | 10,625,975 | 3,766 | 93% | 93% |
| Cash management | 61,007 | 849,387 | 264 | 7% | 7% |
| Total | \$ 221,180 | \$ 11,475,362 | \$ 4,030 | 100% | 100% |
| RESULTS BY PRODUCT TYPE | | | | | |
| Equity | \$ 74,144 | \$ 6,280,999 | \$ 2,060 | 55% | 51% |
| Fixed income | 62,740 | 3,023,694 | 940 | 26% | 23% |
| Multi-asset | 17,814 | 1,001,515 | 325 | 9% | 8% |
| Alternatives: | | | | | |
| Illiquid alternatives | 1,527 | 141,409 | 235 | 1% | 6% |
| Liquid alternatives | (851) | 75,990 | 143 | 1% | 3% |
| Currency and commodities ⁽²⁾ | 4,799 | 102,368 | 63 | 1% | 2% |
| Total alternatives | 5,475 | 319,767 | 441 | 3% | 11% |
| Long-term | 160,173 | 10,625,975 | 3,766 | 93% | 93% |
| Cash management | 61,007 | 849,387 | 264 | 7% | 7% |
| Total | \$ 221,180 | \$ 11,475,362 | \$ 4,030 | 100% | 100% |

⁽¹⁾ Base fees include investment advisory and administration fees.

⁽²⁾ Amounts include commodity ETFs and exchange-traded products ("ETPs").

INVESTMENT PERFORMANCE AT SEPTEMBER 30, 2024⁽¹⁾

| | One-year period | Three-year period | Five-year period |
|---|-----------------|-------------------|------------------|
| Fixed income: | | | |
| Actively managed AUM above benchmark or peer median | | | |
| Taxable | 81% | 79% | 87% |
| Tax-exempt | 56% | 50% | 52% |
| Index AUM within or above applicable tolerance | 98% | 100% | 100% |
| Equity: | | | |
| Actively managed AUM above benchmark or peer median | | | |
| Fundamental | 41% | 44% | 66% |
| Systematic | 93% | 91% | 92% |
| Index AUM within or above applicable tolerance | 93% | 100% | 100% |

⁽¹⁾ Past performance is not indicative of future results. The performance information shown is based on preliminary available data. Please refer to page 15 for performance disclosure detail.

TELECONFERENCE, WEBCAST AND PRESENTATION INFORMATION

Chairman and Chief Executive Officer, Laurence D. Fink, President, Robert S. Kapito, and Chief Financial Officer, Martin S. Small, will host a teleconference call for investors and analysts on Friday, October 11, 2024 at 7:30 a.m. (Eastern Time). Members of the public who are interested in participating in the teleconference should dial, from the United States, (786) 460-7166, or from outside the United States, (888) 600-4862, shortly before 7:30 a.m. and reference the BlackRock Conference Call (ID Number 3678546). A live, listen-only webcast will also be available via the investor relations section of www.blackrock.com.

The webcast will be available for replay by 10:30 a.m. (Eastern Time) on Friday, October 11, 2024. To access the replay of the webcast, please visit the investor relations section of www.blackrock.com.

ABOUT BLACKROCK

BlackRock's purpose is to help more and more people experience financial well-being. As a fiduciary to investors and a leading provider of financial technology, we help millions of people build savings that serve them throughout their lives by making investing easier and more affordable. For additional information on BlackRock, please visit www.blackrock.com/corporate.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND SUPPLEMENTAL INFORMATION

(in millions, except per share data), (unaudited)

| | Three Months Ended September 30, | | | Three Months Ended June 30, 2024 | | |
|--|-------------------------------------|-----------------|----------------|---|---------------|--------|
| | 2024 | 2023 | Change | 2024 | 2023 | Change |
| Revenue | | | | | | |
| Investment advisory, administration fees and securities lending revenue: | | | | | | |
| Investment advisory and administration fees | \$ 3,881 | \$ 3,514 | \$ 367 | \$ 3,721 | \$ 154 | \$ 160 |
| Securities lending revenue | 149 | 167 | (18) | | | (5) |
| Total investment advisory, administration fees and securities lending revenue | 4,030 | 3,681 | 349 | 3,875 | 164 | 155 |
| Investment advisory performance fees | 388 | 70 | 318 | 164 | 224 | |
| Technology services revenue | 403 | 407 | (4) | 395 | 8 | |
| Distribution fees | 323 | 321 | 2 | 318 | 5 | |
| Advisory and other revenue | 53 | 43 | 10 | 53 | — | |
| Total revenue | 5,197 | 4,522 | 675 | 4,805 | 392 | |
| Expense | | | | | | |
| Employee compensation and benefits | 1,578 | 1,420 | 158 | 1,503 | 75 | |
| Sales, asset and account expense: | | | | | | |
| Distribution and servicing costs | 549 | 526 | 23 | 539 | 10 | |
| Direct fund expense | 379 | 354 | 25 | 358 | 21 | |
| Sub-advisory and other | 34 | 28 | 6 | 32 | 2 | |
| Total sales, asset and account expense | 962 | 908 | 54 | 929 | 33 | |
| General and administration expense | 562 | 518 | 44 | 534 | 28 | |
| Amortization and impairment of intangible assets | 89 | 39 | 50 | 39 | 50 | |
| Total expense | 3,191 | 2,885 | 306 | 3,005 | 186 | |
| Operating income | 2,006 | 1,637 | 369 | 1,800 | 206 | |
| Nonoperating income (expense) | | | | | | |
| Net gain (loss) on investments | 177 | 114 | 63 | 162 | 15 | |
| Interest and dividend income | 236 | 139 | 97 | 178 | 58 | |
| Interest expense | (154) | (82) | (72) | (126) | (28) | |
| Total nonoperating income (expense) | 259 | 171 | 88 | 214 | 45 | |
| Income before income taxes | 2,265 | 1,808 | 457 | 2,014 | 251 | |
| Income tax expense | 574 | 213 | 361 | 477 | 97 | |
| Net income | 1,691 | 1,595 | 96 | 1,537 | 154 | |
| Less: | | | | | | |
| Net income (loss) attributable to noncontrolling interests | 60 | (9) | 69 | 42 | 18 | |
| Net income attributable to BlackRock, Inc. | \$ 1,631 | \$ 1,604 | \$ 27 | \$ 1,495 | \$ 136 | |
| Weighted-average common shares outstanding | | | | | | |
| Basic | 148.0 | 149.2 | (1.1) | 148.4 | (0.4) | |
| Diluted | 149.6 | 150.5 | (0.9) | 149.7 | (0.0) | |
| Earnings per share attributable to BlackRock, Inc. common stockholders | | | | | | |
| Basic | \$ 11.02 | \$ 10.75 | \$ 0.27 | \$ 10.07 | \$ 0.95 | |
| Diluted | \$ 10.90 | \$ 10.66 | \$ 0.24 | \$ 9.99 | \$ 0.91 | |
| Cash dividends declared and paid per share | \$ 5.10 | \$ 5.00 | \$ 0.10 | \$ 5.10 | \$ — | |
| Supplemental information: | | | | | | |
| AUM (end of period) | \$ 11,475,362 | \$ 9,100,825 | \$ 2,374,537 | \$ 10,645,721 | \$ 829,641 | |
| Shares outstanding (end of period) | 148.0 | 148.9 | (1.0) | 148.2 | (0.2) | |
| GAAP: | | | | | | |
| Operating margin | 38.6% | 36.2% | 240 bps | 37.5% | 110 bps | |
| Effective tax rate | 26.0% | 11.7% | 1,430 bps | 24.2% | 180 bps | |
| As adjusted: | | | | | | |
| Operating income (1) | \$ 2,128 | \$ 1,691 | \$ 437 | \$ 1,881 | \$ 247 | |
| Operating margin (1) | 45.8% | 42.3% | 350 bps | 44.1% | 170 bps | |
| Nonoperating income (expense), less net income (loss) attributable to noncontrolling interests (2) | \$ 190 | \$ 184 | \$ 6 | \$ 165 | \$ 25 | |
| Net income attributable to BlackRock, Inc. (3) | \$ 1,715 | \$ 1,642 | \$ 73 | \$ 1,550 | \$ 165 | |
| Diluted earnings attributable to BlackRock, Inc. common stockholders per share (3) | \$ 11.46 | \$ 10.91 | \$ 0.55 | \$ 10.36 | \$ 1.10 | |
| Effective tax rate | 26.0% | 12.4% | 1,360 bps | 24.2% | 180 bps | |

See pages 11 through 13 for the reconciliation to accounting principles generally accepted in the United States ("GAAP") and notes (1) through (3) to the condensed consolidated statements of income and supplemental information for more information on as adjusted items. Beginning in the first quarter of 2024, BlackRock, Inc. updated the presentation of the Company's expense line items within the condensed consolidated statements of income by including a new "sales, asset and account expense" income statement caption. Such expense line items have been recast for 2023 to conform to this new presentation. For a recast of 2023 expense line items, see page 12 of Exhibit 99.1 to the Current Report on Form 8-K furnished on April 12, 2024.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND SUPPLEMENTAL INFORMATION
 (in millions, except per share data), (unaudited)

| | Nine Months Ended September 30, | | | Change |
|--|------------------------------------|-----------------|----------------|--------|
| | 2024 | 2023 | | |
| Revenue | | | | |
| Investment advisory, administration fees and securities lending revenue: | | | | |
| Investment advisory and administration fees | \$ 11,229 | \$ 10,276 | \$ 953 | |
| Securities lending revenue | 454 | 518 | (64) | |
| Total investment advisory, administration fees and securities lending revenue | 11,683 | 10,794 | 889 | |
| Investment advisory performance fees | 756 | 243 | 513 | |
| Technology services revenue | 1,175 | 1,106 | 69 | |
| Distribution fees | 951 | 959 | (8) | |
| Advisory and other revenue | 165 | 126 | 39 | |
| Total revenue | 14,730 | 13,228 | 1,502 | |
| Expense | | | | |
| Employee compensation and benefits | 4,661 | 4,276 | 385 | |
| Sales, asset and account expense: | | | | |
| Distribution and servicing costs | 1,606 | 1,549 | 57 | |
| Direct fund expense | 1,075 | 1,013 | 62 | |
| Sub-advisory and other | 98 | 81 | 17 | |
| Total sales, asset and account expense | 2,779 | 2,643 | 136 | |
| General and administration expense | 1,625 | 1,506 | 119 | |
| Amortization and impairment of intangible assets | 166 | 113 | 53 | |
| Total expense | 9,231 | 8,538 | 693 | |
| Operating income | 5,499 | 4,690 | 809 | |
| Nonoperating income (expense) | | | | |
| Net gain (loss) on investments | 510 | 434 | 76 | |
| Interest and dividend income | 555 | 314 | 241 | |
| Interest expense | (372) | (210) | (162) | |
| Total nonoperating income (expense) | 693 | 538 | 155 | |
| Income before income taxes | 6,192 | 5,228 | 964 | |
| Income tax expense | 1,341 | 1,041 | 300 | |
| Net income | 4,851 | 4,187 | 664 | |
| Less: | | | | |
| Net income (loss) attributable to noncontrolling interests | 152 | 60 | 92 | |
| Net income attributable to BlackRock, Inc. | \$ 4,699 | \$ 4,127 | \$ 572 | |
| Weighted-average common shares outstanding | | | | |
| Basic | 148.4 | 149.6 | (1.2) | |
| Diluted | 149.8 | 150.9 | (1.1) | |
| Earnings per share attributable to BlackRock, Inc. common stockholders | | | | |
| Basic | \$ 31.67 | \$ 27.60 | \$ 4.07 | |
| Diluted | \$ 31.37 | \$ 27.36 | \$ 4.01 | |
| Cash dividends declared and paid per share | \$ 15.30 | \$ 15.00 | \$ 0.30 | |
| Supplemental information: | | | | |
| AUM (end of period) | \$ 11,475,362 | \$ 9,100,825 | \$ 2,374,537 | |
| Shares outstanding (end of period) | 148.0 | 148.9 | (1.0) | |
| GAAP: | | | | |
| Operating margin | 37.3% | 35.5% | 180 bps | |
| Effective tax rate | 22.2% | 20.1% | 210 bps | |
| As adjusted: | | | | |
| Operating income (1) | \$ 5,784 | \$ 4,877 | \$ 907 | |
| Operating margin (1) | 44.1% | 41.8% | 230 bps | |
| Nonoperating income (expense), less net income (loss) attributable to noncontrolling interests (2) | \$ 494 | \$ 449 | \$ 45 | |
| Net income attributable to BlackRock, Inc. (3) | \$ 4,738 | \$ 4,241 | \$ 497 | |
| Diluted earnings attributable to BlackRock, Inc. common stockholders per share (3) | \$ 31.63 | \$ 28.11 | \$ 3.52 | |
| Effective tax rate | 24.5% | 20.4% | 410 bps | |

See pages 11 through 13 for the reconciliation to GAAP and notes (1) through (3) to the condensed consolidated statements of income and supplemental information for more information on as adjusted items. Beginning in the first quarter of 2024, BlackRock, Inc. updated the presentation of the Company's expense line items within the condensed consolidated statements of income by including a new "sales, asset and account expense" income statement caption. Such expense line items have been recast for 2023 to conform to this new presentation. For a recast of 2023 expense line items, see page 12 of Exhibit 99.1 to the Current Report on Form 8-K furnished on April 12, 2024.

ASSETS UNDER MANAGEMENT

(in millions), (unaudited)

Current Quarter Component Changes by Client Type and Product Type

| | June 30, 2024 | Net inflows (outflows) | Market change | FX impact ⁽¹⁾ | September 30, 2024 | Average AUM ⁽²⁾ |
|------------------------|------------------|------------------------------|------------------|--------------------------|-----------------------|----------------------------|
| Retail: | | | | | | |
| Equity | \$ 490,427 | \$ 5,234 | \$ 19,005 | \$ 6,604 | \$ 521,270 | \$ 506,725 |
| Fixed income | 313,632 | 2,718 | 7,127 | 768 | 324,245 | 318,285 |
| Multi-asset | 147,719 | (1,304) | 7,209 | 454 | 154,078 | 150,787 |
| Alternatives | 40,374 | 215 | 638 | 381 | 41,608 | 40,911 |
| Retail subtotal | 992,152 | 6,863 | 33,979 | 8,207 | 1,041,201 | 1,016,708 |
| ETFs: | | | | | | |
| Equity | 2,830,268 | 44,548 | 174,748 | 12,276 | 3,061,840 | 2,951,255 |
| Fixed income | 931,217 | 47,810 | 34,440 | 5,709 | 1,019,176 | 979,055 |
| Multi-asset | 9,204 | 314 | 472 | 46 | 10,036 | 9,605 |
| Alternatives | 85,085 | 4,737 | 7,394 | 67 | 97,283 | 91,437 |
| ETFs subtotal | 3,855,774 | 97,409 | 217,054 | 18,098 | 4,188,335 | 4,031,352 |
| Institutional: | | | | | | |
| Active: | | | | | | |
| Equity | 208,177 | 3,743 | 8,173 | 5,268 | 225,361 | 216,753 |
| Fixed income | 823,716 | 3,504 | 36,659 | 9,506 | 873,385 | 852,571 |
| Multi-asset | 761,194 | 18,866 | 42,870 | 11,045 | 833,975 | 793,568 |
| Alternatives | 175,145 | 582 | 431 | 2,065 | 178,223 | 176,059 |
| Active subtotal | 1,968,232 | 26,695 | 88,133 | 27,884 | 2,110,944 | 2,038,951 |
| Index: | | | | | | |
| Equity | 2,298,263 | 20,619 | 109,142 | 44,504 | 2,472,528 | 2,387,641 |
| Fixed income | 747,319 | 8,708 | 12,778 | 38,083 | 806,888 | 778,392 |
| Multi-asset | 3,295 | (62) | 130 | 63 | 3,426 | 3,348 |
| Alternatives | 2,644 | (59) | 11 | 57 | 2,653 | 2,603 |
| Index subtotal | 3,051,521 | 29,206 | 122,061 | 82,707 | 3,285,495 | 3,171,984 |
| Institutional subtotal | 5,019,753 | 55,901 | 210,194 | 110,591 | 5,396,439 | 5,210,935 |
| Long-term | 9,867,679 | 160,173 | 461,227 | 136,896 | 10,625,975 | 10,258,995 |
| Cash management | 778,042 | 61,007 | 3,092 | 7,246 | 849,387 | 811,969 |
| Total | \$ 10,645,721 | \$ 221,180 | \$ 464,319 | \$ 144,142 | \$ 11,475,362 | \$ 11,070,964 |

Current Quarter Component Changes by Investment Style and Product Type (Long-Term)

| | June 30, 2024 | Net inflows (outflows) | Market change | FX impact ⁽¹⁾ | September 30, 2024 | Average AUM ⁽²⁾ |
|-------------------------|------------------|------------------------------|------------------|--------------------------|-----------------------|----------------------------|
| Active: | | | | | | |
| Equity | \$ 466,518 | \$ 2,733 | \$ 14,916 | \$ 8,026 | \$ 492,193 | \$ 479,372 |
| Fixed income | 1,112,578 | 6,954 | 43,054 | 9,153 | 1,171,739 | 1,145,337 |
| Multi-asset | 908,897 | 17,561 | 50,079 | 11,498 | 988,035 | 944,338 |
| Alternatives | 215,513 | 797 | 1,068 | 2,446 | 219,824 | 216,968 |
| Active subtotal | 2,703,506 | 28,045 | 109,117 | 31,123 | 2,871,791 | 2,786,015 |
| Index and ETFs: | | | | | | |
| ETFs: | | | | | | |
| Equity | 2,830,268 | 44,548 | 174,748 | 12,276 | 3,061,840 | 2,951,255 |
| Fixed income | 931,217 | 47,810 | 34,440 | 5,709 | 1,019,176 | 979,055 |
| Multi-asset | 9,204 | 314 | 472 | 46 | 10,036 | 9,605 |
| Alternatives | 85,085 | 4,737 | 7,394 | 67 | 97,283 | 91,437 |
| ETFs subtotal | 3,855,774 | 97,409 | 217,054 | 18,098 | 4,188,335 | 4,031,352 |
| Non-ETF index: | | | | | | |
| Equity | 2,530,349 | 26,863 | 121,404 | 48,350 | 2,726,966 | 2,631,747 |
| Fixed income | 772,089 | 7,976 | 13,510 | 39,204 | 832,779 | 803,911 |
| Multi-asset | 3,311 | (61) | 130 | 64 | 3,444 | 3,365 |
| Alternatives | 2,650 | (59) | 12 | 57 | 2,660 | 2,605 |
| Non-ETF index subtotal | 3,308,399 | 34,719 | 135,056 | 87,675 | 3,565,849 | 3,441,628 |
| Index and ETFs subtotal | 7,164,173 | 132,128 | 352,110 | 105,773 | 7,754,184 | 7,472,980 |
| Long-term | \$ 9,867,679 | \$ 160,173 | \$ 461,227 | \$ 136,896 | \$ 10,625,975 | \$ 10,258,995 |

Current Quarter Component Changes by Product Type (Long-Term)

| | June 30, 2024 | Net inflows (outflows) | Market change | FX impact ⁽¹⁾ | September 30, 2024 | Average AUM ⁽²⁾ |
|---|------------------|------------------------------|------------------|--------------------------|-----------------------|----------------------------|
| Equity | \$ 5,827,135 | \$ 74,144 | \$ 311,068 | \$ 68,652 | \$ 6,280,999 | \$ 6,062,374 |
| Fixed income | 2,815,884 | 62,740 | 91,004 | 54,066 | 3,023,694 | 2,928,303 |
| Multi-asset | 921,412 | 17,814 | 50,681 | 11,608 | 1,001,515 | 957,308 |
| Alternatives: | | | | | | |
| Illiquid alternatives | 137,868 | 1,527 | 226 | 1,788 | 141,409 | 139,173 |
| Liquid alternatives | 75,483 | (851) | 821 | 537 | 75,990 | 75,532 |
| Currency and commodities ⁽³⁾ | 89,897 | 4,799 | 7,427 | 245 | 102,368 | 96,305 |
| Alternatives subtotal | 303,248 | 5,475 | 8,474 | 2,570 | 319,767 | 311,010 |
| Long-term | \$ 9,867,679 | \$ 160,173 | \$ 461,227 | \$ 136,896 | \$ 10,625,975 | \$ 10,258,995 |

⁽¹⁾ Foreign exchange reflects the impact of translating non-US dollar denominated AUM into US dollars for reporting purposes.

⁽²⁾ Average AUM is calculated as the average of the month-end spot AUM amounts for the trailing four months.

⁽³⁾ Amounts include commodity ETFs and ETPs.

ASSETS UNDER MANAGEMENT

(in millions), (unaudited)

Year-to-Date Component Changes by Client Type and Product Type

| | December 31, 2023 | Net inflows (outflows) | Acquisition ⁽¹⁾ | Market change | FX impact ⁽²⁾ | September 30, 2024 | Average AUM ⁽³⁾ |
|------------------------|----------------------|------------------------------|----------------------------|------------------|--------------------------|-----------------------|----------------------------|
| Retail: | | | | | | | |
| Equity | \$ 435,734 | \$ 15,411 | \$ 4,074 | \$ 61,467 | \$ 4,584 | \$ 521,270 | \$ 476,890 |
| Fixed income | 312,799 | 7,517 | - | 6,306 | (2,377) | 324,245 | 315,181 |
| Multi-asset | 139,537 | (1,904) | - | 16,329 | 116 | 154,078 | 145,865 |
| Alternatives | 41,627 | (1,306) | - | 1,078 | 209 | 41,608 | 41,077 |
| Retail subtotal | 929,697 | 19,718 | 4,074 | 85,180 | 2,532 | 1,041,201 | 979,013 |
| ETFs: | | | | | | | |
| Equity | 2,532,631 | 125,756 | - | 402,936 | 517 | 3,061,840 | 2,769,010 |
| Fixed income | 898,403 | 100,506 | - | 18,665 | 1,602 | 1,019,176 | 932,580 |
| Multi-asset | 9,140 | (45) | - | 994 | (53) | 10,036 | 9,178 |
| Alternatives | 59,125 | 21,574 | - | 16,587 | (3) | 97,283 | 79,853 |
| ETFs subtotal | 3,499,299 | 247,791 | - | 439,182 | 2,063 | 4,188,335 | 3,790,621 |
| Institutional: | | | | | | | |
| Active: | | | | | | | |
| Equity | 186,688 | 7,431 | - | 28,443 | 2,799 | 225,361 | 204,027 |
| Fixed income | 836,823 | (1,334) | - | 35,143 | 2,753 | 873,385 | 840,954 |
| Multi-asset | 717,182 | 31,043 | - | 80,939 | 4,811 | 833,975 | 755,639 |
| Alternatives | 171,980 | 2,182 | - | 3,169 | 892 | 178,223 | 174,049 |
| Active subtotal | 1,912,673 | 39,322 | - | 147,694 | 11,255 | 2,110,944 | 1,974,669 |
| Index: | | | | | | | |
| Equity | 2,138,291 | (49,596) | - | 373,927 | 9,906 | 2,472,528 | 2,283,907 |
| Fixed income | 756,001 | 33,196 | - | 9,321 | 8,370 | 806,888 | 756,389 |
| Multi-asset | 4,945 | (1,723) | - | 205 | (1) | 3,426 | 3,813 |
| Alternatives | 3,252 | (755) | - | 147 | 9 | 2,653 | 2,791 |
| Index subtotal | 2,902,489 | (18,878) | - | 383,600 | 18,284 | 3,285,495 | 3,046,900 |
| Institutional subtotal | 4,815,162 | 20,444 | - | 531,294 | 29,539 | 5,396,439 | 5,021,569 |
| Long-term | 9,244,158 | 287,953 | 4,074 | 1,055,656 | 34,134 | 10,625,975 | 9,791,203 |
| Cash management | 764,837 | 71,982 | - | 8,084 | 4,484 | 849,387 | 779,369 |
| Total | \$ 10,008,995 | \$ 359,935 | \$ 4,074 | \$ 1,063,740 | \$ 38,618 | \$ 11,475,362 | \$ 10,570,572 |

Year-to-Date Component Changes by Investment Style and Product Type (Long-Term)

| | December 31, 2023 | Net inflows (outflows) | Acquisition ⁽¹⁾ | Market change | FX impact ⁽²⁾ | September 30, 2024 | Average AUM ⁽³⁾ |
|-------------------------|----------------------|------------------------------|----------------------------|------------------|--------------------------|-----------------------|----------------------------|
| Active: | | | | | | | |
| Equity | \$ 427,448 | \$ 1,724 | \$ 4,074 | \$ 54,677 | \$ 4,270 | \$ 492,193 | \$ 457,176 |
| Fixed income | 1,123,422 | 7,604 | - | 41,139 | (426) | 1,171,739 | 1,130,958 |
| Multi-asset | 856,705 | 29,133 | - | 97,271 | 4,926 | 988,035 | 901,490 |
| Alternatives | 213,603 | 873 | - | 4,247 | 1,101 | 219,824 | 215,123 |
| Active subtotal | 2,621,178 | 39,334 | 4,074 | 197,334 | 9,871 | 2,871,791 | 2,704,747 |
| Index and ETFs: | | | | | | | |
| ETFs: | | | | | | | |
| Equity | 2,532,631 | 125,756 | - | 402,936 | 517 | 3,061,840 | 2,769,010 |
| Fixed income | 898,403 | 100,506 | - | 18,665 | 1,602 | 1,019,176 | 932,580 |
| Multi-asset | 9,140 | (45) | - | 994 | (53) | 10,036 | 9,178 |
| Alternatives | 59,125 | 21,574 | - | 16,587 | (3) | 97,283 | 79,853 |
| ETFs subtotal | 3,499,299 | 247,791 | - | 439,182 | 2,063 | 4,188,335 | 3,790,621 |
| Non-ETF index: | | | | | | | |
| Equity | 2,333,265 | (28,478) | - | 409,160 | 13,019 | 2,726,966 | 2,507,648 |
| Fixed income | 782,201 | 31,775 | - | 9,631 | 9,172 | 832,779 | 781,566 |
| Multi-asset | 4,959 | (1,717) | - | 202 | - | 3,444 | 3,827 |
| Alternatives | 3,256 | (752) | - | 147 | 9 | 2,660 | 2,794 |
| Non-ETF index subtotal | 3,123,681 | 828 | - | 419,140 | 22,200 | 3,565,849 | 3,295,835 |
| Index and ETFs subtotal | 6,622,980 | 248,619 | - | 858,322 | 24,263 | 7,754,184 | 7,086,456 |
| Long-term | \$ 9,244,158 | \$ 287,953 | \$ 4,074 | \$ 1,055,656 | \$ 34,134 | \$ 10,625,975 | \$ 9,791,203 |

Year-to-Date Component Changes by Product Type (Long-Term)

| | December 31, 2023 | Net inflows (outflows) | Acquisition ⁽¹⁾ | Market change | FX impact ⁽²⁾ | September 30, 2024 | Average AUM ⁽³⁾ |
|---|----------------------|------------------------------|----------------------------|------------------|--------------------------|-----------------------|----------------------------|
| Equity | \$ 5,293,344 | \$ 99,002 | \$ 4,074 | \$ 866,773 | \$ 17,806 | \$ 6,280,999 | \$ 5,733,834 |
| Fixed income | 2,804,026 | 139,885 | - | 69,435 | 10,348 | 3,023,694 | 2,845,104 |
| Multi-asset | 870,804 | 27,371 | - | 98,467 | 4,873 | 1,001,515 | 914,495 |
| Alternatives: | | | | | | | |
| Illiquid alternatives | 136,909 | 4,727 | - | (1,056) | 829 | 141,409 | 137,718 |
| Liquid alternatives | 74,233 | (3,774) | - | 5,241 | 290 | 75,990 | 75,139 |
| Currency and commodities ⁽⁴⁾ | 64,842 | 20,742 | - | 16,796 | (12) | 102,368 | 84,913 |
| Alternatives subtotal | 275,984 | 21,695 | - | 20,981 | 1,107 | 319,767 | 297,770 |
| Long-term | \$ 9,244,158 | \$ 287,953 | \$ 4,074 | \$ 1,055,656 | \$ 34,134 | \$ 10,625,975 | \$ 9,791,203 |

⁽¹⁾ Amounts include AUM attributable to the acquisition of SpiderRock Advisors, LLC in May 2024 (the "SpiderRock Transaction").

⁽²⁾ Foreign exchange reflects the impact of translating non-US dollar denominated AUM into US dollars for reporting purposes.

⁽³⁾ Average AUM is calculated as the average of the month-end spot AUM amounts for the trailing ten months.

⁽⁴⁾ Amounts include commodity ETFs and ETPs.

ASSETS UNDER MANAGEMENT

(in millions), (unaudited)

Year-over-Year Component Changes by Client Type and Product Type

| | September 30, 2023 | Net inflows (outflows) | Acquisition ⁽¹⁾ | Market change | FX impact ⁽²⁾ | September 30, 2024 | Average AUM ⁽³⁾ |
|------------------------|-----------------------|------------------------------|----------------------------|---------------------|--------------------------|-----------------------|----------------------------|
| Retail: | | | | | | | |
| Equity | \$ 396,030 | \$ 15,041 | \$ 4,074 | \$ 97,548 | \$ 8,577 | \$ 521,270 | \$ 458,663 |
| Fixed income | 300,232 | 965 | - | 22,742 | 306 | 324,245 | 311,669 |
| Multi-asset | 129,177 | (1,937) | - | 26,233 | 605 | 154,078 | 141,981 |
| Alternatives | 43,001 | (3,311) | - | 1,383 | 535 | 41,608 | 41,333 |
| Retail subtotal | 868,440 | 10,758 | 4,074 | 147,906 | 10,023 | 1,041,201 | 953,646 |
| ETFs: | | | | | | | |
| Equity | 2,234,275 | 183,966 | - | 632,970 | 10,629 | 3,061,840 | 2,651,816 |
| Fixed income | 818,744 | 131,732 | - | 62,024 | 6,676 | 1,019,176 | 909,731 |
| Multi-asset | 7,716 | 701 | - | 1,608 | 11 | 10,036 | 8,896 |
| Alternatives | 57,674 | 19,112 | - | 20,417 | 80 | 97,283 | 75,049 |
| ETFs subtotal | 3,118,409 | 335,511 | - | 717,019 | 17,396 | 4,188,335 | 3,645,492 |
| Institutional: | | | | | | | |
| Active: | | | | | | | |
| Equity | 167,917 | 8,135 | - | 43,409 | 5,900 | 225,361 | 196,163 |
| Fixed income | 771,581 | 4,677 | - | 87,883 | 9,244 | 873,385 | 826,510 |
| Multi-asset | 646,993 | 29,799 | - | 143,402 | 13,781 | 833,975 | 731,583 |
| Alternatives | 166,771 | 4,221 | - | 4,408 | 2,823 | 178,223 | 172,534 |
| Active subtotal | 1,753,262 | 46,832 | - | 279,102 | 31,748 | 2,110,944 | 1,926,790 |
| Index: | | | | | | | |
| Equity | 1,943,069 | (74,055) | - | 564,686 | 38,828 | 2,472,528 | 2,207,409 |
| Fixed income | 685,648 | 34,692 | - | 55,369 | 31,179 | 806,888 | 741,895 |
| Multi-asset | 4,986 | (2,243) | - | 641 | 42 | 3,426 | 4,013 |
| Alternatives | 3,330 | (846) | - | 131 | 38 | 2,653 | 2,914 |
| Index subtotal | 2,637,033 | (42,452) | - | 620,827 | 70,087 | 3,285,495 | 2,956,231 |
| Institutional subtotal | 4,390,295 | 4,380 | - | 899,929 | 101,835 | 5,396,439 | 4,883,021 |
| Long-term | 8,377,144 | 350,649 | 4,074 | 1,764,854 | 129,254 | 10,625,975 | 9,482,159 |
| Cash management | 723,681 | 104,933 | - | 10,853 | 9,920 | 849,387 | 766,798 |
| Total | \$ 9,100,825 | \$ 455,582 | \$ 4,074 | \$ 1,775,707 | \$ 139,174 | \$ 11,475,362 | \$ 10,248,957 |

Year-over-Year Component Changes by Investment Style and Product Type (Long-Term)

| | September 30, 2023 | Net inflows (outflows) | Acquisition ⁽¹⁾ | Market change | FX impact ⁽²⁾ | September 30, 2024 | Average AUM ⁽³⁾ |
|-------------------------|-----------------------|------------------------------|----------------------------|---------------------|--------------------------|-----------------------|----------------------------|
| Active: | | | | | | | |
| Equity | \$ 393,690 | \$ (3,764) | \$ 4,074 | \$ 88,915 | \$ 9,278 | \$ 492,193 | \$ 442,736 |
| Fixed income | 1,046,705 | 8,574 | - | 108,618 | 7,842 | 1,171,739 | 1,112,973 |
| Multi-asset | 776,158 | 27,855 | - | 169,637 | 14,385 | 988,035 | 873,550 |
| Alternatives | 209,769 | 908 | - | 5,789 | 3,358 | 219,824 | 213,864 |
| Active subtotal | 2,426,322 | 33,573 | 4,074 | 372,959 | 34,863 | 2,871,791 | 2,643,123 |
| Index and ETFs: | | | | | | | |
| ETFs: | | | | | | | |
| Equity | 2,234,275 | 183,966 | - | 632,970 | 10,629 | 3,061,840 | 2,651,816 |
| Fixed income | 818,744 | 131,732 | - | 62,024 | 6,676 | 1,019,176 | 909,731 |
| Multi-asset | 7,716 | 701 | - | 1,608 | 11 | 10,036 | 8,896 |
| Alternatives | 57,674 | 19,112 | - | 20,417 | 80 | 97,283 | 75,049 |
| ETFs subtotal | 3,118,409 | 335,511 | - | 717,019 | 17,396 | 4,188,335 | 3,645,492 |
| Non-ETF index: | | | | | | | |
| Equity | 2,113,326 | (47,115) | - | 616,728 | 44,027 | 2,726,966 | 2,419,499 |
| Fixed income | 710,756 | 31,760 | - | 57,376 | 32,887 | 832,779 | 767,101 |
| Multi-asset | 4,998 | (2,236) | - | 639 | 43 | 3,444 | 4,027 |
| Alternatives | 3,333 | (844) | - | 133 | 38 | 2,660 | 2,917 |
| Non-ETF index subtotal | 2,832,413 | (18,435) | - | 674,876 | 76,995 | 3,565,849 | 3,193,544 |
| Index and ETFs subtotal | 5,950,822 | 317,076 | - | 1,391,895 | 94,391 | 7,754,184 | 6,839,036 |
| Long-term | \$ 8,377,144 | \$ 350,649 | \$ 4,074 | \$ 1,764,854 | \$ 129,254 | \$ 10,625,975 | \$ 9,482,159 |

Year-over-Year Component Changes by Product Type (Long-Term)

| | September 30, 2023 | Net inflows (outflows) | Acquisition ⁽¹⁾ | Market change | FX impact ⁽²⁾ | September 30, 2024 | Average AUM ⁽³⁾ |
|---|-----------------------|------------------------------|----------------------------|---------------------|--------------------------|-----------------------|----------------------------|
| Equity | \$ 4,741,291 | \$ 133,087 | \$ 4,074 | \$ 1,338,613 | \$ 63,934 | \$ 6,280,999 | \$ 5,514,051 |
| Fixed income | 2,576,205 | 172,066 | - | 228,018 | 47,405 | 3,023,694 | 2,789,805 |
| Multi-asset | 788,872 | 26,320 | - | 171,884 | 14,439 | 1,001,515 | 886,473 |
| Alternatives: | | | | | | | |
| Illiquid alternatives | 131,937 | 8,289 | - | (1,261) | 2,444 | 141,409 | 136,603 |
| Liquid alternatives | 75,139 | (7,063) | - | 7,046 | 868 | 75,990 | 74,916 |
| Currency and commodities ⁽⁴⁾ | 63,700 | 17,950 | - | 20,554 | 164 | 102,368 | 80,311 |
| Alternatives subtotal | 270,776 | 19,176 | - | 26,339 | 3,476 | 319,767 | 291,830 |
| Long-term | \$ 8,377,144 | \$ 350,649 | \$ 4,074 | \$ 1,764,854 | \$ 129,254 | \$ 10,625,975 | \$ 9,482,159 |

(1) Amounts include AUM attributable to the SpiderRock Transaction.

(2) Foreign exchange reflects the impact of translating non-US dollar denominated AUM into US dollars for reporting purposes.

(3) Average AUM is calculated as the average of the month-end spot AUM amounts for the trailing thirteen months.

(4) Amounts include commodity ETFs and ETPs.

SUMMARY OF REVENUE

| (in millions), (unaudited) | Three Months Ended September 30, 2024 | | | Three Months Ended June 30, 2024 | | | Nine Months Ended September 30, 2024 | | |
|--|--|-----------------|---------------|---|---------------|------------------|---|-----------------|--------|
| | 2024 | 2023 | Change | 2024 | 2023 | Change | 2024 | 2023 | Change |
| Revenue | | | | | | | | | |
| Investment advisory, administration fees and securities lending revenue: | | | | | | | | | |
| Equity: | | | | | | | | | |
| Active | \$ 553 | \$ 510 | \$ 43 | \$ 539 | \$ 14 | \$ 1,608 | \$ 1,516 | \$ 92 | |
| ETFs | 1,309 | 1,136 | 173 | 1,250 | 59 | 3,749 | 3,316 | 433 | |
| Non-ETF index | 198 | 186 | 12 | 190 | 8 | 575 | 560 | 15 | |
| Equity subtotal | 2,060 | 1,832 | 228 | 1,979 | 81 | 5,932 | 5,392 | 540 | |
| Fixed income: | | | | | | | | | |
| Active | 493 | 479 | 14 | 481 | 12 | 1,458 | 1,429 | 29 | |
| ETFs | 354 | 315 | 39 | 326 | 28 | 1,007 | 919 | 88 | |
| Non-ETF index | 93 | 93 | - | 88 | 5 | 273 | 268 | 5 | |
| Fixed income subtotal | 940 | 887 | 53 | 895 | 45 | 2,738 | 2,616 | 122 | |
| Multi-asset | 325 | 308 | 17 | 313 | 12 | 952 | 904 | 48 | |
| Alternatives: | | | | | | | | | |
| Illiquid alternatives | 235 | 231 | 4 | 241 | (6) | 716 | 638 | 78 | |
| Liquid alternatives | 143 | 143 | - | 141 | 2 | 422 | 434 | (12) | |
| Currency and commodities ⁽¹⁾ | 63 | 46 | 17 | 59 | 4 | 167 | 141 | 26 | |
| Alternatives subtotal | 441 | 420 | 21 | 441 | - | 1,305 | 1,213 | 92 | |
| Long-term | 3,766 | 3,447 | 319 | 3,628 | 138 | 10,927 | 10,125 | 802 | |
| Cash management | 264 | 234 | 30 | 247 | 17 | 756 | 669 | 87 | |
| Total investment advisory, administration fees and securities lending revenue | 4,030 | 3,681 | 349 | 3,875 | 155 | 11,683 | 10,794 | 889 | |
| Investment advisory performance fees: | | | | | | | | | |
| Equity | 13 | 17 | (4) | 28 | (15) | 49 | 38 | 11 | |
| Fixed income | 3 | 1 | 2 | 5 | (2) | 12 | 2 | 10 | |
| Multi-asset | 1 | 5 | (4) | 11 | (10) | 14 | 23 | (9) | |
| Alternatives: | | | | | | | | | |
| Illiquid alternatives | 7 | 24 | (17) | 68 | (61) | 200 | 124 | 76 | |
| Liquid alternatives | 364 | 23 | 341 | 52 | 312 | 481 | 56 | 425 | |
| Alternatives subtotal | 371 | 47 | 324 | 120 | 251 | 681 | 180 | 501 | |
| Total investment advisory performance fees | 388 | 70 | 318 | 164 | 224 | 756 | 243 | 513 | |
| Technology services revenue | 403 | 407 | (4) | 395 | 8 | 1,175 | 1,106 | 69 | |
| Distribution fees | 323 | 321 | 2 | 318 | 5 | 951 | 959 | (8) | |
| Advisory and other revenue: | | | | | | | | | |
| Advisory | 11 | 21 | (10) | 11 | - | 35 | 66 | (31) | |
| Other | 42 | 22 | 20 | 42 | - | 130 | 60 | 70 | |
| Total advisory and other revenue | 53 | 43 | 10 | 53 | - | 165 | 126 | 39 | |
| Total revenue | \$ 5,197 | \$ 4,522 | \$ 675 | \$ 4,805 | \$ 392 | \$ 14,730 | \$ 13,228 | \$ 1,502 | |

⁽¹⁾ Amounts include commodity ETFs and ETPs.

Highlights

- Investment advisory and administration fees and securities lending revenue increased \$349 million from the third quarter of 2023 and \$155 million from the second quarter of 2024, primarily driven by positive organic base fee growth and the impact of market beta on average AUM, partially offset by lower securities lending revenue. The increase in revenue from the second quarter of 2024 also reflected the impact of one additional day in the quarter.
- Securities lending revenue of \$149 million decreased from \$167 million in the third quarter of 2023 and \$154 million in the second quarter of 2024, primarily reflecting lower spreads partially offset by higher average balances of securities on loan.
- Performance fees increased \$318 million from the third quarter of 2023 and \$224 million from the second quarter of 2024, primarily driven by strong performance in the third quarter of 2024 from a single hedge fund with an annual performance measurement period that ends in the third quarter, partially offset by lower revenue from illiquid alternatives.
- Technology services revenue decreased \$4 million from the third quarter of 2023, due to the revenue impact linked to several large client renewals of their eFront “on-premises” licenses during the third quarter of 2023. Technology services annual contract value (“ACV”)⁽¹⁾ increased 15% from the third quarter of 2023, driven by sustained demand for a full range of Aladdin technology offerings.

Technology services revenue increased \$8 million from the second quarter of 2024, reflecting successful client go-lives.

⁽¹⁾ See note (4) to the condensed consolidated statements of income and supplemental information on page 13 for more information on ACV.

SUMMARY OF OPERATING EXPENSE

| (in millions), (unaudited) | Three Months Ended September 30, | | | Three Months Ended June 30, | | | Nine Months Ended September 30, | | |
|---|--|-----------------|---------------|-----------------------------------|---------------|-----------------|---------------------------------------|---------------|--------|
| | 2024 | 2023 | Change | 2024 | 2023 | Change | 2024 | 2023 | Change |
| Operating expense | | | | | | | | | |
| Employee compensation and benefits | \$ 1,578 | \$ 1,420 | \$ 158 | \$ 1,503 | \$ 75 | \$ 4,661 | \$ 4,276 | \$ 385 | |
| Sales, asset and account expense ⁽¹⁾ : | | | | | | | | | |
| Distribution and servicing costs | 549 | 526 | 23 | 539 | 10 | 1,606 | 1,549 | 57 | |
| Direct fund expense | 379 | 354 | 25 | 358 | 21 | 1,075 | 1,013 | 62 | |
| Sub-advisory and other | 34 | 28 | 6 | 32 | 2 | 98 | 81 | 17 | |
| Total sales, asset and account expense | 962 | 908 | 54 | 929 | 33 | 2,779 | 2,643 | 136 | |
| General and administration expense: | | | | | | | | | |
| Marketing and promotional | 64 | 74 | (10) | 76 | (12) | 222 | 222 | - | |
| Occupancy and office related | 105 | 103 | 2 | 102 | 3 | 308 | 313 | (5) | |
| Portfolio services | 65 | 65 | - | 63 | 2 | 194 | 202 | (8) | |
| Technology | 175 | 145 | 30 | 157 | 18 | 492 | 421 | 71 | |
| Professional services | 67 | 51 | 16 | 64 | 3 | 189 | 128 | 61 | |
| Communications | 10 | 12 | (2) | 9 | 1 | 29 | 36 | (7) | |
| Foreign exchange remeasurement | 3 | (3) | 6 | 2 | 1 | 7 | (2) | 9 | |
| Contingent consideration fair value adjustments | (2) | - | (2) | 1 | (3) | (8) | 1 | (9) | |
| Other general and administration | 75 | 71 | 4 | 60 | 15 | 192 | 185 | 7 | |
| Total general and administration expense | 562 | 518 | 44 | 534 | 28 | 1,625 | 1,506 | 119 | |
| Amortization and impairment of intangible assets | 89 | 39 | 50 | 39 | 50 | 166 | 113 | 53 | |
| Total operating expense | \$ 3,191 | \$ 2,885 | \$ 306 | \$ 3,005 | \$ 186 | \$ 9,231 | \$ 8,538 | \$ 693 | |

⁽¹⁾ Beginning in the first quarter of 2024, BlackRock, Inc. updated the presentation of the Company's expense line items within the condensed consolidated statements of income by including a new "sales, asset and account expense" income statement caption. Such expense line items have been recast for 2023 to conform to this new presentation. For a recast of 2023 expense line items, see page 12 of Exhibit 99.1 to the Current Report on Form 8-K furnished on April 12, 2024.

Highlights

- Employee compensation and benefits expense increased \$158 million from the third quarter of 2023 and \$75 million from the second quarter of 2024, reflecting higher incentive compensation, primarily as a result of higher performance fees and operating income.
- Sales, asset and account expense increased \$54 million from the third quarter of 2023 and \$33 million from the second quarter of 2024, driven by higher distribution and servicing costs and direct fund expense, primarily reflecting higher average AUM.
- General and administration expense increased \$44 million from the third quarter of 2023 and \$28 million from the second quarter of 2024, primarily due to higher technology expense and higher professional services expense, including higher acquisition-related transaction costs, partially offset by lower marketing and promotional expense.
- Amortization and impairment of intangible assets expense increased \$50 million from the third quarter of 2023 and the second quarter of 2024, driven by a \$50 million noncash impairment charge related to certain of the Company's indefinite-lived management contracts. Amortization and impairment of intangible assets is excluded from the Company's "as adjusted" financial results. See pages 11 through 13 for the reconciliation to GAAP and notes (1) through (3) for more information on as adjusted items.

SUMMARY OF NONOPERATING INCOME (EXPENSE), LESS NET INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS

| (in millions), (unaudited) | Three Months Ended September 30, | | | Three Months Ended June 30, | | | Nine Months Ended September 30, | | |
|--|--|---------------|-------------|-----------------------------------|--------------|---------------|---------------------------------------|--------------|--------|
| | 2024 | 2023 | Change | 2024 | 2023 | Change | 2024 | 2023 | Change |
| | 2024 | 2023 | Change | 2024 | 2023 | Change | 2024 | 2023 | Change |
| Nonoperating income (expense), GAAP basis | \$ 259 | \$ 171 | \$ 88 | \$ 214 | \$ 45 | \$ 693 | \$ 538 | \$ 155 | |
| Less: Net income (loss) attributable to noncontrolling interests ("NCI") | 60 | (9) | 69 | 42 | 18 | 152 | 60 | 92 | |
| Nonoperating income (expense), net of NCI | 199 | 180 | 19 | 172 | 27 | 541 | 478 | 63 | |
| Less: Hedge gain (loss) on deferred cash compensation plans ⁽¹⁾ | 9 | (4) | 13 | 7 | 2 | 47 | 29 | 18 | |
| Nonoperating income (expense), net of NCI, as adjusted ⁽²⁾ | <u>\$ 190</u> | <u>\$ 184</u> | <u>\$ 6</u> | <u>\$ 165</u> | <u>\$ 25</u> | <u>\$ 494</u> | <u>\$ 449</u> | <u>\$ 45</u> | |
| | | | | | | | | | |
| (in millions), (unaudited) | Three Months Ended September 30, | | | Three Months Ended June 30, | | | Nine Months Ended September 30, | | |
| | 2024 | 2023 | Change | 2024 | 2023 | Change | 2024 | 2023 | Change |
| | 2024 | 2023 | Change | 2024 | 2023 | Change | 2024 | 2023 | Change |
| Net gain (loss) on investments, net of NCI | | | | | | | | | |
| Private equity | \$ 9 | \$ 91 | \$ (82) | \$ 15 | \$ (6) | \$ 32 | \$ 281 | \$ (249) | |
| Real assets | 13 | 3 | 10 | 9 | 4 | 19 | 11 | 8 | |
| Other alternatives ⁽³⁾ | 9 | 22 | (13) | 10 | (1) | 33 | 32 | 1 | |
| Other investments ⁽⁴⁾ | 20 | 46 | (26) | 34 | (14) | 85 | 51 | 34 | |
| Hedge gain (loss) on deferred cash compensation plans ⁽¹⁾ | 9 | (4) | 13 | 7 | 2 | 47 | 29 | 18 | |
| Subtotal | 60 | 158 | (98) | 75 | (15) | 216 | 404 | (188) | |
| Other income/gain (expense/loss) ⁽⁵⁾ | 57 | (35) | 92 | 45 | 12 | 142 | (30) | 172 | |
| Total net gain (loss) on investments, net of NCI | 117 | 123 | (6) | 120 | (3) | 358 | 374 | (16) | |
| Interest and dividend income | 236 | 139 | 97 | 178 | 58 | 555 | 314 | 241 | |
| Interest expense | (154) | (82) | (72) | (126) | (28) | (372) | (210) | (162) | |
| Net interest income (expense) | 82 | 57 | 25 | 52 | 30 | 183 | 104 | 79 | |
| Nonoperating income (expense), net of NCI | 199 | 180 | 19 | 172 | 27 | 541 | 478 | 63 | |
| Less: Hedge gain (loss) on deferred cash compensation plans ⁽¹⁾ | 9 | (4) | 13 | 7 | 2 | 47 | 29 | 18 | |
| Nonoperating income (expense), net of NCI, as adjusted ⁽²⁾ | <u>\$ 190</u> | <u>\$ 184</u> | <u>\$ 6</u> | <u>\$ 165</u> | <u>\$ 25</u> | <u>\$ 494</u> | <u>\$ 449</u> | <u>\$ 45</u> | |

⁽¹⁾ Amounts relate to the gains (losses) from economically hedging certain BlackRock deferred cash compensation plans.

⁽²⁾ Management believes nonoperating income (expense), net of NCI, as adjusted, is an effective measure for reviewing BlackRock's nonoperating results, which ultimately impacts BlackRock's book value. For more information on as adjusted items and the reconciliation to GAAP, see notes to the condensed consolidated statements of income and supplemental information on pages 11 through 13.

⁽³⁾ Amounts primarily include net gains (losses) related to credit funds, direct hedge fund strategies and hedge fund solutions.

⁽⁴⁾ Amounts primarily include net gains (losses) related to BlackRock's seed investment portfolio, net of impact of certain hedges.

⁽⁵⁾ Amounts for the three and nine months ended September 30, 2024 include a pre-tax gain of approximately \$66 million in connection with a transaction related to a minority investment in EquiLend Holdings, LLC. Amount for the nine months ended September 30, 2024 includes a noncash pre-tax gain in connection with the SpiderRock Transaction of approximately \$19 million. In addition, amounts for the three and nine months ended September 30, 2024, include earnings (losses) from certain equity method minority investments, which the Company recorded within nonoperating income (expense) beginning in the first quarter of 2024 and noncash pre-tax gains (losses) related to the revaluation of certain minority investments.

SUMMARY OF INCOME TAX EXPENSE

| (in millions), (unaudited) | Three Months Ended September 30, | | | Three Months Ended June 30, | | | Nine Months Ended September 30, | | |
|----------------------------|--|--------|-----------|-----------------------------------|---------|----------|---------------------------------------|---------|--------|
| | 2024 | 2023 | Change | 2024 | 2023 | Change | 2024 | 2023 | Change |
| | 2024 | 2023 | Change | 2024 | 2023 | Change | 2024 | 2023 | Change |
| Income tax expense | \$ 574 | \$ 213 | \$ 361 | \$ 477 | \$ 97 | \$ 1,341 | \$ 1,041 | \$ 300 | |
| Effective tax rate | 26.0% | 11.7% | 1,430 bps | 24.2% | 180 bps | 22.2% | 20.1% | 210 bps | |

Highlights

- Third quarter 2023 income tax expense included approximately \$223 million of discrete tax benefits related to the resolution of certain outstanding tax matters.

RECONCILIATION OF GAAP OPERATING INCOME AND OPERATING MARGIN TO OPERATING INCOME AND OPERATING MARGIN, AS ADJUSTED

| (in millions), (unaudited) | Three Months Ended | | | | Nine Months Ended | |
|---|--------------------|-----------------|-----------------|------------------|-------------------|------|
| | September 30, | | June 30, | | September 30, | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Operating income, GAAP basis | \$ 2,006 | \$ 1,637 | \$ 1,800 | \$ 5,499 | \$ 4,690 | |
| Non-GAAP expense adjustments: | | | | | | |
| Compensation expense related to appreciation (depreciation) on deferred cash compensation plans (a) | 7 | (3) | 9 | 43 | 29 | |
| Amortization and impairment of intangible assets (b) | 89 | 39 | 39 | 166 | 113 | |
| Acquisition-related compensation costs (b) | 11 | 6 | 19 | 32 | 15 | |
| Acquisition-related transaction costs (b) ⁽¹⁾ | 17 | 4 | 13 | 52 | 7 | |
| Contingent consideration fair value adjustments (b) | (2) | - | 1 | (8) | 1 | |
| Lease costs - New York (c) | - | - | - | - | 14 | |
| Reduction of indemnification asset (d) ⁽¹⁾ | - | 8 | - | - | 8 | |
| Operating income, as adjusted (1) | \$ 2,128 | \$ 1,691 | \$ 1,881 | \$ 5,784 | \$ 4,877 | |
| Revenue, GAAP basis | \$ 5,197 | \$ 4,522 | \$ 4,805 | \$ 14,730 | \$ 13,228 | |
| Non-GAAP adjustments: | | | | | | |
| Distribution fees | (323) | (321) | (318) | (951) | (959) | |
| Investment advisory fees | (226) | (205) | (221) | (655) | (590) | |
| Revenue used for operating margin measurement | \$ 4,648 | \$ 3,996 | \$ 4,266 | \$ 13,124 | \$ 11,679 | |
| Operating margin, GAAP basis | 38.6% | 36.2% | 37.5% | 37.3% | 35.5% | |
| Operating margin, as adjusted (1) | 45.8% | 42.3% | 44.1% | 44.1% | 41.8% | |

⁽¹⁾ Amounts included within general and administration expense.

See note (1) to the condensed consolidated statements of income and supplemental information on pages 12 and 13 for more information on as adjusted items.

RECONCILIATION OF GAAP NONOPERATING INCOME (EXPENSE) TO NONOPERATING INCOME (EXPENSE), LESS NET INCOME (LOSS) ATTRIBUTABLE TO NCI, AS ADJUSTED

| (in millions), (unaudited) | Three Months Ended | | | | Nine Months Ended | |
|---|--------------------|---------------|---------------|---------------|-------------------|------|
| | September 30, | | June 30, | | September 30, | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Nonoperating income (expense), GAAP basis | \$ 259 | \$ 171 | \$ 214 | \$ 693 | \$ 538 | |
| Less: Net income (loss) attributable to NCI | 60 | (9) | 42 | 152 | 60 | |
| Nonoperating income (expense), net of NCI | 199 | 180 | 172 | 541 | 478 | |
| Less: Hedge gain (loss) on deferred cash compensation plans (a) | 9 | (4) | 7 | 47 | 29 | |
| Nonoperating income (expense), less net income (loss) attributable to NCI, as adjusted (2) | \$ 190 | \$ 184 | \$ 165 | \$ 494 | \$ 449 | |

See notes (1) and (2) to the condensed consolidated statements of income and supplemental information on pages 12 and 13 for more information on as adjusted items.

RECONCILIATION OF GAAP NET INCOME ATTRIBUTABLE TO BLACKROCK TO NET INCOME ATTRIBUTABLE TO BLACKROCK, AS ADJUSTED

| (in millions, except per share data), (unaudited) | Three Months Ended | | | | Nine Months Ended | |
|--|--------------------|-----------------|-----------------|-----------------|-------------------|------|
| | September 30, | | June 30, | | September 30, | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Net income attributable to BlackRock, Inc., GAAP basis | \$ 1,631 | \$ 1,604 | \$ 1,495 | \$ 4,699 | \$ 4,127 | |
| Non-GAAP adjustments ⁽¹⁾ : | | | | | | |
| Net impact of hedged deferred cash compensation plans (a) | (2) | 1 | 2 | (3) | - | |
| Amortization and impairment of intangible assets (b) | 67 | 30 | 29 | 124 | 86 | |
| Acquisition-related compensation costs (b) | 8 | 4 | 13 | 23 | 11 | |
| Acquisition-related transaction costs (b) | 13 | 3 | 10 | 38 | 5 | |
| Contingent consideration fair value adjustments (b) | (2) | - | 1 | (6) | 1 | |
| Lease costs - New York (c) | - | - | - | - | 11 | |
| Income tax matters | - | - | - | (137) | - | |
| Net income attributable to BlackRock, Inc., as adjusted (3) | \$ 1,715 | \$ 1,642 | \$ 1,550 | \$ 4,738 | \$ 4,241 | |
| Diluted weighted-average common shares outstanding | 149.6 | 150.5 | 149.7 | 149.8 | 150.9 | |
| Diluted earnings per common share, GAAP basis | \$ 10.90 | \$ 10.66 | \$ 9.99 | \$ 31.37 | \$ 27.36 | |
| Diluted earnings per common share, as adjusted (3) | \$ 11.46 | \$ 10.91 | \$ 10.36 | \$ 31.63 | \$ 28.11 | |

⁽¹⁾ Non-GAAP adjustments, excluding income tax matters, are net of tax.

See note (3) to the condensed consolidated statements of income and supplemental information on page 13 for more information on as adjusted items.

NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND SUPPLEMENTAL INFORMATION (unaudited)

BlackRock reports its financial results in accordance with GAAP; however, management believes evaluating the Company's ongoing operating results may be enhanced if investors have additional non-GAAP financial measures. Adjustments to GAAP financial measures ("non-GAAP adjustments") include certain items management deems nonrecurring or that occur infrequently, transactions that ultimately will not impact BlackRock's book value or certain tax items that do not impact cash flow. Management reviews non-GAAP financial measures, in addition to GAAP financial measures, to assess ongoing operations and considers them to be helpful, for both management and investors, in evaluating BlackRock's financial performance over time. Management also uses non-GAAP financial measures as a benchmark to compare its performance with other companies and to enhance comparability for the reporting periods presented. Non-GAAP financial measures may pose limitations because they do not include all of BlackRock's revenue and expense. BlackRock's management does not advocate that investors consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Non-GAAP financial measures may not be comparable to other similarly titled measures of other companies.

Computations and reconciliations for all periods are derived from the condensed consolidated statements of income as follows:

(1) Operating income, as adjusted, and operating margin, as adjusted: Management believes operating income, as adjusted, and operating margin, as adjusted, are effective indicators of BlackRock's financial performance over time, and, therefore, provide useful disclosure to investors. Management believes that operating margin, as adjusted, reflects the Company's long-term ability to manage ongoing costs in relation to its revenues. The Company uses operating margin, as adjusted, to assess the Company's financial performance, to determine the long-term and annual compensation of the Company's senior-level employees and to evaluate the Company's relative performance against industry peers. Furthermore, this metric eliminates margin variability arising from the accounting of revenues and expenses related to distributing different product structures in multiple distribution channels utilized by asset managers.

- Operating income, as adjusted, includes the following non-GAAP expense adjustments:
 - (a) *Compensation expense related to appreciation (depreciation) on deferred cash compensation plans.* The Company excludes compensation expense related to the market valuation changes on certain deferred cash compensation plans, which the Company hedges economically. For these deferred cash compensation plans, the final value of the deferred amount to be distributed to employees in cash upon vesting is determined based on the returns on specified investment funds. The Company recognizes compensation expense for the appreciation (depreciation) of the deferred cash compensation liability in proportion to the vested amount of the award during a respective period, while the net gain (loss) to economically hedge these plans is immediately recognized in nonoperating income (expense), which creates a timing difference impacting net income. This timing difference will reverse and offset to zero over the life of the award at the end of the multi-year vesting period. Management believes excluding market valuation changes related to the deferred cash compensation plans in the calculation of operating income, as adjusted, provides useful disclosure to both management and investors of the Company's financial performance over time as these amounts are economically hedged, while also increasing comparability with other companies.
 - (b) *Acquisition-related costs.* Acquisition related costs include adjustments related to amortization and noncash impairment of intangible assets, other acquisition-related costs, including professional services expense and compensation costs for nonrecurring retention-related deferred compensation, and contingent consideration fair value adjustments incurred in connection with certain acquisitions. Management believes excluding the impact of these expenses when calculating operating income, as adjusted, provides a helpful indication of the Company's financial performance over time, thereby providing helpful information for both management and investors while also increasing comparability with other companies.
 - (c) *Lease costs – New York.* In 2023, the Company continued to recognize lease expense within general and administration expense for both its current headquarters located at 50 Hudson Yards in New York and prior headquarters until the Company's lease on its prior headquarters expired in April 2023. The Company began lease payments related to its current headquarters in May 2023, but began recording lease expense in August 2021 when it obtained access to the building to begin its tenant improvements. Prior to the Company's move to its current headquarters in February 2023, the impact of lease costs related to 50 Hudson Yards was excluded from operating income, as adjusted. In February 2023, the Company completed the majority of its move to 50 Hudson Yards and no longer excluded the impact of these lease costs. Subsequently, from February 2023 through April 2023, the Company excluded the impact of lease costs related to the Company's prior headquarters. Management believes excluding the impact of these respective New York lease costs ("Lease costs – New York") when calculating operating income, as adjusted, is useful to assess the Company's financial performance and ongoing operations, and enhances comparability among periods presented.

(d) *Reduction of indemnification asset.* In connection with a previous acquisition, BlackRock recorded an \$8 million indemnification asset. Due to the resolution of certain tax matters in the third quarter of 2023, BlackRock recorded \$8 million of general and administration expense to reflect the reduction of the indemnification asset and an offsetting \$8 million tax benefit. The \$8 million general and administrative expense and \$8 million tax benefit have been excluded from as adjusted results as there was no impact on BlackRock's book value.

- Revenue used for calculating operating margin, as adjusted, is reduced to exclude all of the Company's distribution fees, which are recorded as a separate line item on the condensed consolidated statements of income, as well as a portion of investment advisory fees received that is used to pay distribution and servicing costs. For certain products, based on distinct arrangements, distribution fees are collected by the Company and then passed-through to third-party client intermediaries. For other products, investment advisory fees are collected by the Company and a portion is passed-through to third-party client intermediaries. However, in both structures, the third-party client intermediary similarly owns the relationship with the retail client and is responsible for distributing the product and servicing the client. The amount of distribution and investment advisory fees fluctuates each period primarily based on a predetermined percentage of the value of AUM during the period. These fees also vary based on the type of investment product sold and the geographic location where it is sold. In addition, the Company may waive fees on certain products that could result in the reduction of payments to the third-party intermediaries.

(2) Nonoperating income (expense), less net income (loss) attributable to NCI, as adjusted: Management believes nonoperating income (expense), less net income (loss) attributable to NCI, as adjusted, is an effective measure for reviewing BlackRock's nonoperating contribution to its results and provides comparability of this information among reporting periods. Nonoperating income (expense), less net income (loss) attributable to NCI, as adjusted, excludes the gain (loss) on the economic hedge of certain deferred cash compensation plans. As the gain (loss) on investments and derivatives used to hedge these compensation plans over time substantially offsets the compensation expense related to the market valuation changes on these deferred cash compensation plans, which is included in operating income, GAAP basis, management believes excluding the gain (loss) on the economic hedge of the deferred cash compensation plans when calculating nonoperating income (expense), less net income (loss) attributable to NCI, as adjusted, provides a useful measure for both management and investors of BlackRock's nonoperating results that impact book value.

(3) Net income attributable to BlackRock, Inc., as adjusted: Management believes net income attributable to BlackRock, Inc., as adjusted, and diluted earnings per common share, as adjusted, are useful measures of BlackRock's profitability and financial performance. Net income attributable to BlackRock, Inc., as adjusted, equals net income attributable to BlackRock, Inc., GAAP basis, adjusted for certain items management deems nonrecurring or that occur infrequently, transactions that ultimately will not impact BlackRock's book value or certain tax items that do not impact cash flow.

For each period presented, the non-GAAP adjustments were tax effected at the respective blended rates applicable to the adjustments. Amount for income tax matters in 2024 includes a discrete tax benefit of \$137 million recognized in connection with the reorganization and establishment of a more efficient global intellectual property and technology platform and corporate structure. This discrete tax benefit has been excluded from as adjusted results due to the nonrecurring nature of the intellectual property reorganization.

Per share amounts reflect net income attributable to BlackRock, Inc., as adjusted, divided by diluted weighted-average common shares outstanding.

(4) ACV: Management believes ACV is an effective metric for reviewing BlackRock's technology services' ongoing contribution to its operating results and provides comparability of this information among reporting periods while also providing a useful supplemental metric for both management and investors of BlackRock's growth in technology services revenue over time, as it is linked to the net new business in technology services. ACV represents forward-looking, annualized estimated value of the recurring subscription fees under client contracts, assuming all client contracts that come up for renewal are renewed, unless we have received a notice of termination, even though such notice may not be effective until a later date. ACV also includes the annualized estimated value of new sales, for existing and new clients, when we execute client contracts, even though the recurring fees may not be effective until a later date and excludes nonrecurring fees such as implementation and consulting fees.

FORWARD-LOOKING STATEMENTS

This earnings release, and other statements that 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.

BlackRock cautions that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time and may contain 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. Forward-looking statements speak only as of the date they are made, and BlackRock assumes no duty to and does not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance.

BlackRock has previously disclosed risk factors in its Securities and Exchange Commission ("SEC") reports. These risk factors and those identified elsewhere in this earnings release, among others, could cause actual results to differ materially from forward-looking statements or historical performance and include: (1) the introduction, withdrawal, success and timing of business initiatives and strategies; (2) changes and volatility in political, economic or industry conditions, the interest rate environment, foreign exchange rates or financial and capital markets, which could result in changes in demand for products or services or in the value of assets under management; (3) the relative and absolute investment performance of BlackRock's investment products; (4) BlackRock's ability to develop new products and services that address client preferences; (5) the impact of increased competition; (6) the impact of recent or future acquisitions or divestitures, including the acquisitions of GIP and Preqin Holding Limited ("Preqin" and together with GIP, the "Transactions"); (7) BlackRock's ability to integrate acquired businesses successfully, including the Transactions; (8) risks related to the Transactions, including the possibility that the Preqin acquisition does not close, including, but not limited to, due to the failure to satisfy closing conditions, the possibility that expected synergies and value creation from either of the Transactions will not be realized, or will not be realized within the expected time period, and impacts to business and operational relationships related to disruptions from the Transactions; (9) the unfavorable resolution of legal proceedings; (10) the extent and timing of any share repurchases; (11) the impact, extent and timing of technological changes and the adequacy of intellectual property, data, information and cybersecurity protection; (12) the failure to effectively manage the development and use of artificial intelligence; (13) attempts to circumvent BlackRock's operational control environment or the potential for human error in connection with BlackRock's operational systems; (14) the impact of legislative and regulatory actions and reforms, regulatory, supervisory or enforcement actions of government agencies and governmental scrutiny relating to BlackRock; (15) changes in law and policy and uncertainty pending any such changes; (16) any failure to effectively manage conflicts of interest; (17) damage to BlackRock's reputation; (18) increasing focus from stakeholders regarding environmental, social and governance matters; (19) geopolitical unrest, terrorist activities, civil or international hostilities, and other events outside BlackRock's control, including wars, natural disasters and health crises, which may adversely affect the general economy, domestic and local financial and capital markets, specific industries or BlackRock; (20) climate-related risks to BlackRock's business, products, operations and clients; (21) the ability to attract, train and retain highly qualified and diverse professionals; (22) fluctuations in the carrying value of BlackRock's economic investments; (23) the impact of changes to tax legislation, including income, payroll and transaction taxes, and taxation on products, which could affect the value proposition to clients and, generally, the tax position of BlackRock; (24) BlackRock's success in negotiating distribution arrangements and maintaining distribution channels for its products; (25) the failure by key third-party providers of BlackRock to fulfill their obligations to BlackRock; (26) operational, technological and regulatory risks associated with BlackRock's major technology partnerships; (27) any disruption to the operations of third parties whose functions are integral to BlackRock's exchange-traded funds platform; (28) the impact of BlackRock electing to provide support to its products from time to time and any potential liabilities related to securities lending or other indemnification obligations; and (29) the impact of problems, instability or failure of other financial institutions or the failure or negative performance of products offered by other financial institutions.

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 earnings release.

PERFORMANCE NOTES

Past performance is not indicative of future results. Except as specified, the performance information shown is as of September 30, 2024 and is based on preliminary data available at that time. The performance data shown reflects information for all actively and passively managed equity and fixed income accounts, including US registered investment companies, European-domiciled retail funds and separate accounts for which performance data is available, including performance data for high net worth accounts available as of August 31, 2024. The performance data does not include accounts terminated prior to September 30, 2024 and accounts for which data has not yet been verified. If such accounts had been included, the performance data provided may have substantially differed from that shown.

Performance comparisons shown are gross-of-fees for institutional and high net worth separate accounts, and net-of-fees for retail funds. The performance tracking shown for index accounts is based on gross-of-fees performance and includes all institutional accounts and all iShares® funds globally using an index strategy. AUM information is based on AUM available as of September 30, 2024 for each account or fund in the asset class shown without adjustment for overlapping management of the same account or fund. Fund performance reflects the reinvestment of dividends and distributions.

Performance shown is derived from applicable benchmarks or peer median information, as selected by BlackRock, Inc. Peer medians are based in part on data either from Lipper, Inc. or Morningstar, Inc. for each included product.