

# Introducing BlackRock Global Investors

Investor Presentation  
June 2009

BLACKROCK



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# Introducing BlackRock Global Investors

## BlackRock

- Active fund management
- Global mutual fund platform
- Innovative and tailored solutions
- BlackRock Solutions®

## BGI

- Index and scientific investing
- iShares, industry-leading ETF platform
- Product innovation
- Retirement solutions

## BlackRock Global Investors

- Global leader in investment management with \$2.714 trillion in AUM
- World-class risk management, analytics and advisory capabilities
- Fully-integrated, independent asset manager, with no majority owner
- Common culture, emphasizing teamwork, excellence and integrity
- Strong corporate governance, with majority of independent directors



# A Transformational Opportunity

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## Unparalleled product capabilities for institutional investors

- Leader in passive, active and scientific investments
- Equities, fixed income, cash and alternatives

## Customized global investment solutions for retail clients

- iShares, BGI's leading ETF platform, combined with BlackRock's global mutual fund platforms

## Leader in risk management, analytics and advisory services

- BlackRock Solutions to benefit from risk and analytical capabilities of BGI

## Expanded global reach

- Presence in all key markets

## Fully integrated and independent asset manager

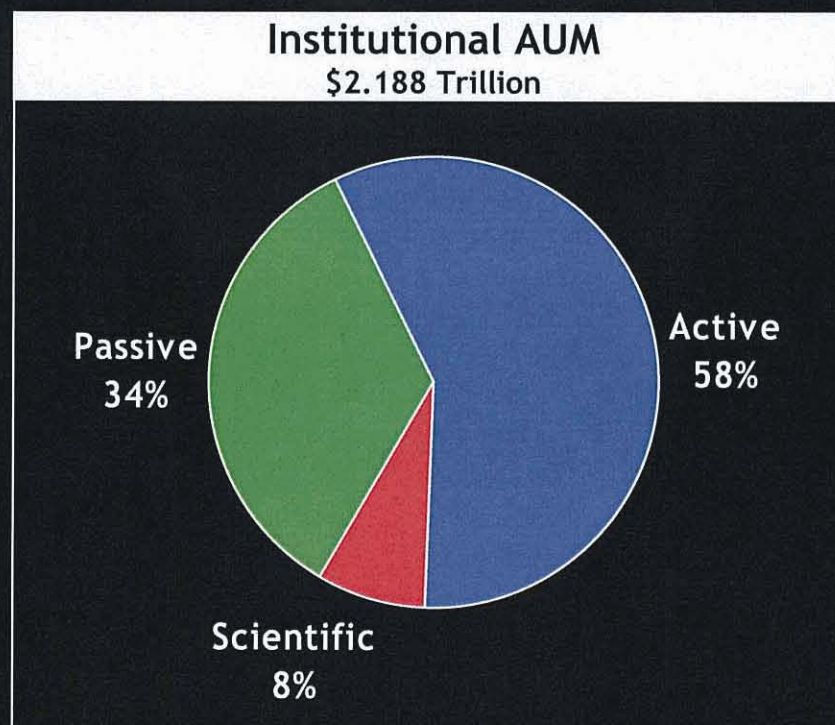
- Common culture and values



# Unparalleled Product Breadth for Institutional Investors

## World-class product offerings spanning entire risk spectrum

- Combined strength in passive, scientific and active strategies
- Unmatched ability to provide tailored, multi-asset solutions and fiduciary services

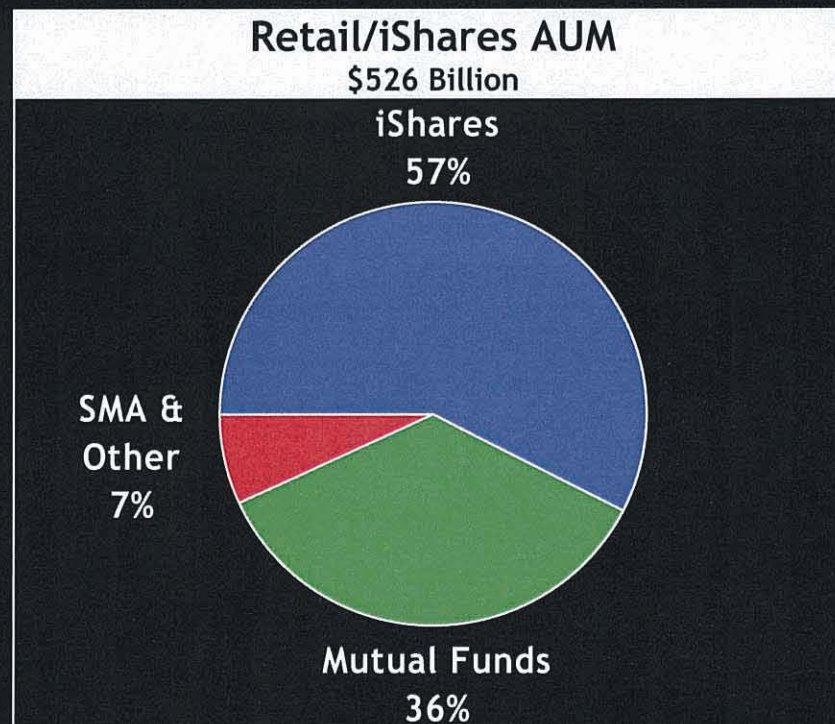




# Customized Investment Solutions for Retail Clients

Ability to work with financial advisors to create investment solutions utilizing passive and active strategies

- BlackRock's global mutual fund platform complements BGI's industry-leading iShares ETF offerings





# Global Leader in Risk Management

## **BlackRock Solutions® extensive risk management and analytics**

- Managing over \$7 trillion of positions on the Aladdin® platform
- Enterprise investment systems for risk management and trading
- Financial markets advisory services

## **BGI's strength in equity products and transition management**

- Intellectual thought leader in quantitative modeling
- Successful transition management business

## **Deeper risk management and analytical capabilities**

- Enriched alpha generation capability
- Complementary risk management expertise and capabilities
- Ability to apply quantitative methods to fundamental investing

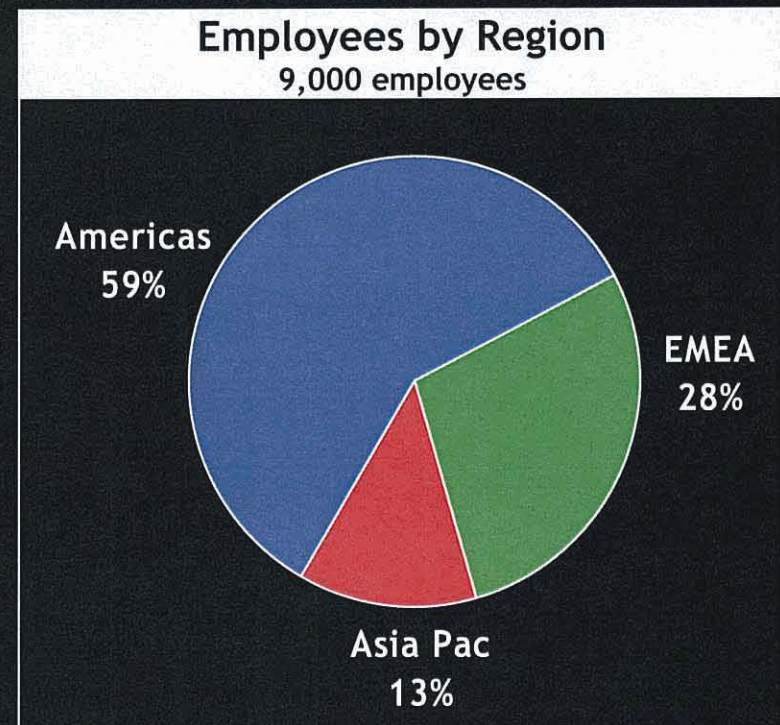
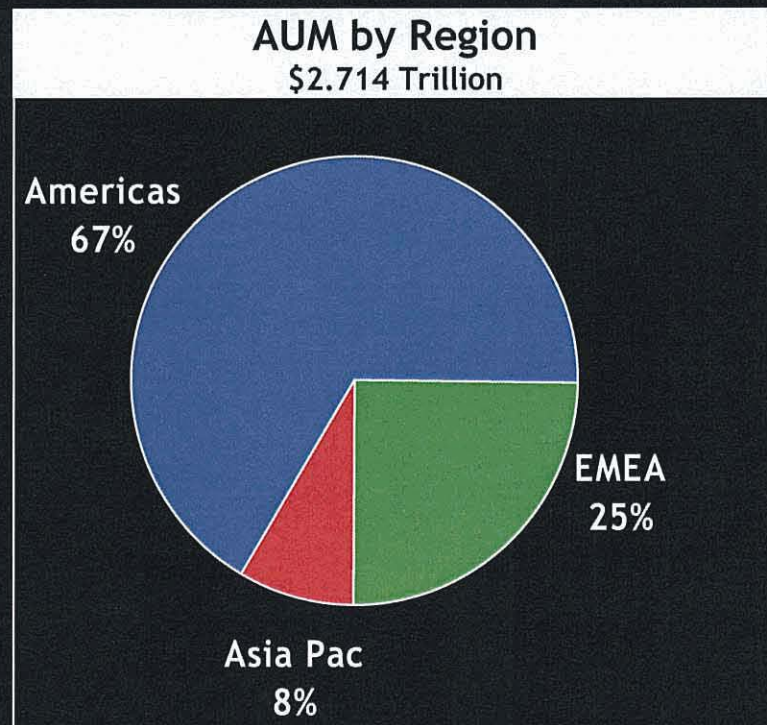


# Expanded Global Reach

Investment products spanning global markets

Clients in over 60 countries

9,000 employees in 24 countries





# Complementary Teams and Cultures

## Deep management team

- Blake Grossman to become a Vice Chairman and Head of Scientific Investments, joining the Office of Chairman

## Strong intellectual capital

- Record of developing innovative products and customized investment solutions
- Thought leadership on key investment issues and trends

## Existing relationship between BlackRock Solutions and BGI

- Seven-year client relationship will ease integration

## Cultural fit with common values

- Commitment to risk management and investment discipline
- Consultative approach to client service
- Teamwork, excellence and integrity



# Transaction Summary

## Consideration to Barclays

BLK Stock	37.8 million shares of common and preferred, representing approximately 19.9% pro forma economic ownership
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Cash	\$6.6 billion
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## Source of Cash (100% Committed):

Balance Sheet Cash	\$0.8 billion
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Short Term Debt	1.0 billion
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New 364-Day Debt Facility <sup>(a)</sup>	2.0 billion
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Equity <sup>(b)</sup>	2.8 billion
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Total Cash Funding	<u>\$6.6 billion</u>
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(a) BlackRock intends to refinance any drawdown with term debt

(b) Commitments from group of institutional investors to purchase 19.9 million shares at closing



# Transaction Summary (cont.)

## Governance

- Barclays will enter into a stockholder agreement similar to existing agreements with PNC and Bank of America
- Barclays will have the right to appoint two representatives to BlackRock's Board

## Approvals

- Conclusion of “go-shop arrangement”
- Barclays shareholders
- Customary regulatory approvals
- Client consents

## Expected Closing

- Fourth quarter 2009



## Pro Forma Assumptions

	<u>BlackRock</u>	<u>BGI</u>
2010 Forecasts:	Consensus median of \$7.38 (as of 6/5/09), as adjusted	\$695 million, based on BlackRock estimates for BGI
Debt Financing Rate:	4.4% blended pre-tax	
Net Synergies:	Approximately \$200 million annual pre-tax, before amortization of incremental retention	
Intangible Amortization:	Approximately 11% of purchase premium allocated to identifiable, finite life intangibles amortized over 10 years	



# Pro Forma Impact

## 2010 EPS Accretion

	<u>BLK Standalone</u> <sup>(a)</sup>	<u>Pro Forma</u>
<u>Pro Forma EPS</u>		
GAAP, as adjusted <sup>(b)</sup>	\$7.38	\$8.08
% Accretion		9%
Cash	\$8.06	\$8.90
% Accretion		11%

## Pro Forma Capitalization at Closing

	<u>BLK Standalone</u>	<u>Pro Forma</u>
Debt/09E EBITDA	0.8x	1.6x

(a) BlackRock based on consensus median estimates

(b) Reflects as adjusted EPS plus amortization of intangibles



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# NYSE: BLK

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