

Media Contacts:

Brian Beades
212-810-5596
Brian.Beades@blackrock.com

Farrell Denby
212-810-8034
Farrell.Denby@blackrock.com

Investor Relations Contact:

Tom Wojcik
212-810-8127
Tom.Wojcik@blackrock.com

BLACKROCK LAUNCHES RETIREMENT INCOME INDEXES

Groundbreaking Indexes Give Investors Metric to “Translate” Retirement Savings into Retirement Income

Enables Better Planning, Midcourse Corrections During Critical Pre-Retirement Phase

New York and San Francisco, July 31, 2013 – BlackRock, Inc. (NYSE: BLK) today launched an innovative series of financial indexes that aim to fundamentally improve the way individuals and their advisors plan and save for retirement.

[The BlackRock CoRI Retirement Index series \(or the “CoRI Indexes”\)](#), backed by the firm’s world-class analytics, will enable an investor or advisor to calculate either of two critical figures: (1) how much estimated annual income an investor’s savings will provide throughout retirement, or conversely, (2) the level of savings an investor needs to generate a desired amount of annual income throughout retirement.

Because the CoRI Indexes are designed to reliably translate savings into estimated lifetime income, investors can also use a CoRI Index as a benchmark for monitoring retirement portfolio performance relative to an income goal, and/or in the course of designing and implementing a retirement income-focused investment plan.

“The CoRI Indexes will deliver truly groundbreaking support for investors grappling with today’s most critical financial planning question: ‘Do I have enough money to retire?’”, said Chip Castille, Managing Director and head of BlackRock’s US & Canada Defined Contribution Group. “By distilling investors’ retirement income need into a single number that can be accessed easily and checked regularly, the CoRI Indexes will offer an invaluable new starting point for retirement planning as well as support better informed discussions between investors and advisors on strategies for securing critical retirement income.”

BLACKROCK

Unlike traditional retirement planning “calculators” that rely on user assumptions and hypothetical inputs to generate a result, the CoRI Indexes are based on comprehensive, real-time market data and a broad-based portfolio of fixed income securities.

The CoRI Indexes are designed to assist investors age 55 and older in planning for retirement by tracking the estimated cost of \$1 of future, annual inflation-adjusted lifetime income beginning at age 65, better equipping those investors to make necessary adjustments to their savings or investing strategy during the “pre-retirement” period when good planning and appropriate course-correction are vital.

The value or “level” of each CoRI Index in the series reflects the performance of a portfolio of corporate US dollar-denominated bonds, US government bonds and US Treasury STRIPS (Treasury securities with separate interest and principal payments) that have been selected to deliver a return that approximates the cost of a person's lifetime income as it fluctuates over time.

Based on proprietary methodology developed by BlackRock, a CoRI Index level is designed to converge with the median price of an annuity at age 65.

The ability to provide such a tangible metric through the familiar and transparent concept of an index makes the CoRI Index series an important innovation for the retirement investment landscape.

“With all the uncertainty in the financial world, coupled with ever-lengthening lifespans, what investors need most is a clear and reliable way to see the years ahead,” said Castille. “A CoRI Index is a powerful lens for bringing an investor's future into sharp focus – in a way that investors have never been able to achieve before.”

“Real Numbers” Providing “Real Answers”

The CoRI Index series is designed primarily for individuals from 55 to 64 years old. Each Index within the series is constructed with a view to the specific year in which those individuals will retire (assumed to be at the age of 65). The current series includes 10 Indexes, from the BlackRock CoRI Retirement Index 2014 (NYSE: CORI2014) through the BlackRock CoRI Retirement Index 2023 (NYSE: CORI2023). A new index will be added every year.

In each case, a CoRI Index will provide a single number that a saver can use to calculate the amount of money needed today for every dollar of estimated annual income he or she wants in retirement.

As an example – using the BlackRock CoRI Retirement Index 2018 closing price on Tuesday, July 30, an investor who has saved \$750,000 toward retirement as of July 30 and will turn 65 in the year 2018 would divide \$750,000 by the CoRI Index 2018 level of \$16.06 – and determine that those savings could fund an estimated \$46,700 in annual income in retirement. Alternatively, the same investor wanting to fund \$65,000 in annual income at retirement would multiply \$65,000 by \$16.06 – and determine that as of July 30, a nest egg of \$1,043,900 would be required to achieve that goal.

BLACKROCK

“The CoRI Indexes use real numbers to provide real answers that transform the unknown into the known, translating today’s retirement savings into an estimate of future annual income,” said Matthew O’Hara, Managing Director and head of Research and Product Development for BlackRock’s Defined Contribution group. “It is a set of living, breathing indexes that will offer a valuable, forward looking picture of annual retirement income for those investors within 10 years of retirement.

“The bond portfolio that underlies each index is the most significant innovation, representing a dynamic, market based approach for tracking income pricing that gives investors unique insight into their progress toward their income goals,” O’Hara said.

A CoRI Index’s quantitative inputs include: the individual’s age and years to retirement (at 65); current interest rates; the average price of immediate annuities (as a proxy for the price of lifetime income); and average life expectancy rates. The calculation of each Index includes a cost of living adjustment (COLA) that is set at inception by considering yields for US Treasury Inflation Protected Securities (the TIPS curve) and observed historical inflation over time, as a measure of real inflation rates. BlackRock plans to use the TIPS curve as input for setting the COLA for future indexes as well.

Index values will be published daily and, like any other widely known financial index, will be available to investors and advisors via major financial information outlets and will also be available on BlackRock.com. As an index value or level changes, savers will be able to track, in real time, changes to the estimated “price” of future retirement income and the impact on the level of savings needed for the income they want.

The CoRI Indexes will be calculated using the services of Interactive Data, a leading global provider of financial market data and index-related solutions.

“This is an innovative new range of indices that will help many people with their retirement planning and we are excited to work with BlackRock to provide independent index calculation and distribution to support the CoRI Indexes,” said Mark Hepsworth, President of Pricing & Reference Data at Interactive Data.

The CoRI Indexes were designed with the assistance of BlackRock Solutions, BlackRock’s industry-leading provider of risk management, advisory, and enterprise investment system services.

“At the same time that a CoRI Index helps investors understand their retirement income needs, the bond portfolio that underlies the Index can be the basis for the development of innovative investment products that help enable those same investors to effectively plan for their future retirement income requirement,” O’Hara said.

To help clients use the CoRI Indexes quickly and effectively, BlackRock has also developed an online tool called CoRI™. More than a simple calculator, CoRI delivers in seconds a clear and intuitive “translation” between retirement savings and estimated annual retirement income, allowing for more personalized and dynamic retirement planning.

Taking the Guesswork Out of Generating Retirement Income

BLACKROCK

BlackRock is introducing the CoRI Indexes as a direct response to growing awareness among millions of Americans that they need to take steps to position themselves to achieve a certain level of income for their post-employment years.

BlackRock's 2013 Retirement Survey, the results of which are expected to be released by BlackRock this fall, revealed that just 23 percent of 1,011 American workers saving for retirement feel confident that they will have enough money to live in retirement; 66 percent agreed that "I am nervous at the prospect of trying to live without employment income."

A diminishing number of Americans are covered by traditional defined benefit (DB) pension plans, at one time a dominant source of retirement income. Just 31 percent of workers polled by BlackRock in 2013 were covered by a DB plan at their current place of employment. The incidence of such plans drops dramatically with age – just 27 percent of surveyed workers age 35 and under have DB coverage, contrasted with 46 percent of workers age 60 and over.

"We've shifted the retirement savings burden to individual investors and in doing so have tasked them with the impossible – how does someone know exactly how much to save when they don't know how long they are going to live?," said Castille. "Up to this point, all people have been able to do is guess at how big their nest egg needs to be in order to get the lifelong income they want."

"Workers in their 50's in particular can't just rely on estimates or guesses – they need to understand with certainty whether their savings will provide enough income to support their desired lifestyle in retirement," he said. "We have created the CoRI Indexes to help address this challenge."

About BlackRock

BlackRock is a leader in investment management, risk management and advisory services for institutional and retail clients worldwide. At June 30, 2013, BlackRock's AUM was \$3.857 trillion. BlackRock helps clients meet their goals and overcome challenges with a range of products that include separate accounts, mutual funds, iShares® (exchange-traded funds), and other pooled investment vehicles. BlackRock also offers risk management, advisory and enterprise investment system services to a broad base of institutional investors through BlackRock Solutions®. Headquartered in New York City, as of June 30, 2013, the firm had approximately 10,700 employees in 30 countries and a major presence in key global markets, including North and South America, Europe, Asia, Australia and the Middle East and Africa. For additional information, please visit the Company's website at www.blackrock.com.

BLACKROCK

The CoRI Retirement Indexes commenced ongoing calculation on June 28, 2013. BlackRock Index Services, LLC, a subsidiary of BlackRock, Inc. designs, sponsors and publishes indices for use in portfolio benchmarking, and portfolio management. The BlackRock CoRI Retirement Indexes, allocations and data are subject to change.

The CoRI Retirement Indexes do not guarantee future income or protect against loss of principal. There can be no assurance that an investment strategy based on the CoRI Retirement Indexes will be successful. Indexes are unmanaged and one cannot invest directly in an index.

This information is the property of BlackRock, Inc. and /or its subsidiaries (collectively, "BlackRock"). It is provided for informational purposes only. The CoRI Retirement Indexes are supported by proprietary BlackRock research about annuity pricing and income generation; the methodology of the CoRI Retirement Indexes are supported by assumptions about the relationship between annuity pricing and fixed income markets, the accuracy of third party reporting and compilation of current annuity pricing, and the predictive nature of the components of the methodology. There is no assurance that these assumptions are correct or will perform in the manner that they have in the past. Nor may it be used in the creating, writing, offering, trading, marketing or promotion of any financial instruments or products. Although BlackRock shall obtain information from sources which BlackRock considers reliable, none of the BlackRock, its subsidiaries or any other third party involved in, or related to, compiling, computing or creating the information (collectively, the "BlackRock Parties") guarantees the accuracy and/or the completeness of any of this information. All BlackRock indices and data are the exclusive property of BlackRock and may not be used in any way without the express written permission of BlackRock.

Reliance upon information in this material is at the sole discretion of the reader. The Information may not be used to verify or correct other data, to create indices, risk models, or analytics, or in connection with issuing, offering, sponsoring, managing or marketing any securities, portfolios, financial products or other investment vehicles. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information or BlackRock index or other product or service referenced herein constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy. Further, none of the Information or any BlackRock index is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information.

NONE OF BLACKROCK, INC. OR ANY OF ITS SUBSIDIARIES OR ITS OR THEIR DIRECT OR INDIRECT SUPPLIERS OR ANY THIRD PARTY INVOLVED IN THE MAKING OR COMPILING OF THE INFORMATION (EACH, A "BLACKROCK PARTY") MAKES ANY WARRANTIES OR REPRESENTATIONS AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH BLACKROCK PARTY HEREBY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING ANY OF THE FOREGOING AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL ANY OF THE BLACKROCK PARTIES HAVE ANY LIABILITY REGARDING ANY OF THE INFORMATION FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL (INCLUDING LOST PROFITS) OR ANY OTHER DAMAGES EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.

BLACKROCK, CoRI, and the CoRI logo are registered and unregistered trademarks of BlackRock, Inc. or its subsidiaries.