

BlackRock Floating Rate Income Portfolio
Institutional Shares | BFRIX
Annual Shareholder Report — July 31, 2025



This annual shareholder report contains important information about BlackRock Floating Rate Income Portfolio (the “Fund”) for the period of August 1, 2024 to July 31, 2025. You can find additional information about the Fund at blackrock.com/fundreports. You can also request this information by contacting us at (800) 441-7762.

What were the Fund costs for the last year?
(based on a hypothetical \$10,000 investment)

Class name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Institutional Shares	\$71	0.68%

How did the Fund perform last year?

- For the reporting period ended July 31, 2025, the Fund's Institutional Shares returned 6.87%.
- For the same period, the Fund's benchmark, the Bloomberg U.S. Universal Index returned 4.00%, and the Morningstar LSTA Leveraged Loan Index returned 7.50%.

What contributed to performance?

With respect to credit tiers, B and BB rated securities were the leading contributors to absolute performance. At the sector level, the largest contributions came from information technology, property and casualty, and healthcare issues. The Fund used derivatives to manage its portfolio positioning, and this aspect of its strategy was an additional contributor. Holdings in cash also added to absolute returns.

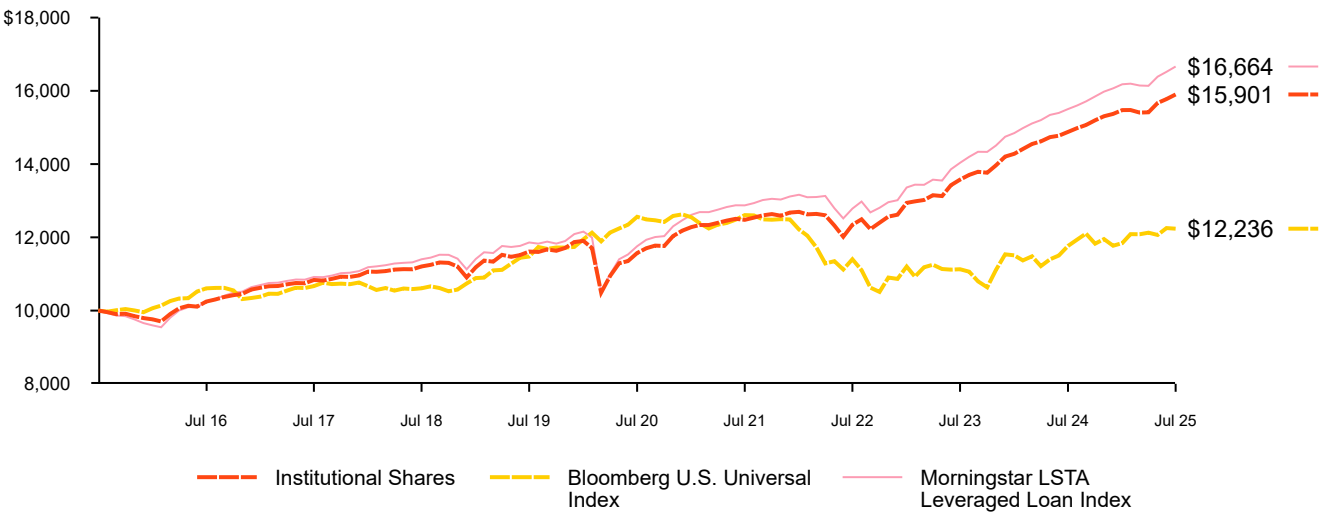
What detracted from performance?

At a time of strong returns for the broader market, no aspect of the Fund's positioning significantly detracted from absolute performance. With this said, an allocation to D rated securities was a small detractor, as was a position in the construction machinery sector.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Fund performance

Cumulative performance: August 1, 2015 through July 31, 2025
Initial Investment of \$10,000



See “Average annual total returns” for additional information on fund performance.

Average annual total returns

	1 Year	5 Years	10 Years
Institutional Shares.....	6.87%	6.56%	4.75%
Bloomberg U.S. Universal Index.....	4.00	(0.52)	2.04
Morningstar LSTA Leveraged Loan Index.....	7.50	7.22	5.24

Key Fund statistics

Net Assets.....	\$3,572,144,216
Number of Portfolio Holdings.....	464
Net Investment Advisory Fees.....	\$19,779,918
Portfolio Turnover Rate.....	47%

On September 17, 2018, the Fund acquired all of the assets, subject to the liabilities, of BlackRock Floating Rate Income Portfolio (the "Predecessor Fund"), a series of BlackRock Funds II, through a tax-free reorganization (the "Reorganization"). The Predecessor Fund is the performance and accounting survivor of the Reorganization.

Past performance is not an indication of future results. Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. Visit [blackrock.com](https://www.blackrock.com) for more recent performance information.

What did the Fund invest in?

(as of July 31, 2025)

Portfolio composition

Investment Type	Percent of Total Investments ^(a)
Floating Rate Loan Interests.....	95.0%
Investment Companies.....	3.5
Fixed Rate Loan Interests.....	0.6
Corporate Bonds.....	0.5
Common Stocks.....	0.4
Preferred Securities.....	0.0 ^(b)
Warrants.....	-
Other Interests.....	-

^(a) Excludes short-term securities.

^(b) Rounds to less than 0.1%.

^(c) For purposes of this report, credit quality ratings shown above reflect the highest rating assigned by either S&P Global Ratings or Moody's Investors Service, Inc. if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

Credit quality allocation

Credit Rating ^(c)	Percent of Total Investments ^(a)
A.....	0.1%
BBB/Baa.....	8.3
BB/Ba.....	27.4
B.....	55.6
CCC/Caa.....	3.9
CC/Ca.....	0.1
N/R.....	4.6

Additional information

If you wish to view additional information about the Fund, including but not limited to financial statements, the Fund's prospectus, and proxy voting policies and procedures, please visit [blackrock.com/fundreports](https://www.blackrock.com/fundreports). For proxy voting records, visit [blackrock.com/proxyrecords](https://www.blackrock.com/proxyrecords).

Householding

The Fund will mail only one copy of shareholder documents, including prospectuses, annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Fund at (800) 441-7762.

The Fund is not sponsored, endorsed, issued, sold, or promoted by Bloomberg Index Services Limited, Morningstar, Inc., and their respective affiliates, nor do these companies make any representation regarding the advisability of investing in the Fund. BlackRock is not affiliated with the companies listed above.

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