

BlackRock Managed Income Fund

Investor A Shares | BLADX

Annual Shareholder Report — December 31, 2024



This annual shareholder report contains important information about BlackRock Managed Income Fund (the "Fund") for the period of January 1, 2024 to December 31, 2024. 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 |
|-------------------|--------------------------------|---|
| Investor A Shares | \$64 | 0.63% |

How did the Fund perform last year?

- For the reporting period ended December 31, 2024, the Fund's Investor A Shares returned 4.88%.
- For the same period, the Bloomberg U.S. Aggregate Bond Index returned 1.25% and the Customized Reference Benchmark, a blend of 70% Bloomberg U.S. Aggregate Bond Index and 30% S&P 500 Index, returned 7.98%.

What contributed to performance?

Given the positive returns across the financial markets in 2024, most segments of the portfolio contributed to absolute returns. Holdings in floating-rate securities, including both collateralized loan obligations and bank loans, made the largest contribution at a time of rising interest rates and tightening spreads on credit-oriented investments. U.S. equities further helped absolute returns, as did investment-grade corporate bonds. Allocations to high yield bonds, cash, mortgage-backed securities, preferred stocks, emerging-market bonds, emerging-market stocks, and infrastructure stocks also made smaller, but nonetheless positive, contributions.

The Fund held derivatives during the year. Its use of covered calls (intended as an alternative source of income) and currency management strategies both aided performance. It also used U.S. equity derivatives (futures and options) to manage overall risk levels, which did not have a material impact on results.

The Fund's cash position was modestly elevated at the end of the period given attractive yields and the investment adviser's desire to have cash available to deploy if asset prices decline. The cash position contributed to absolute returns.

What detracted from performance?

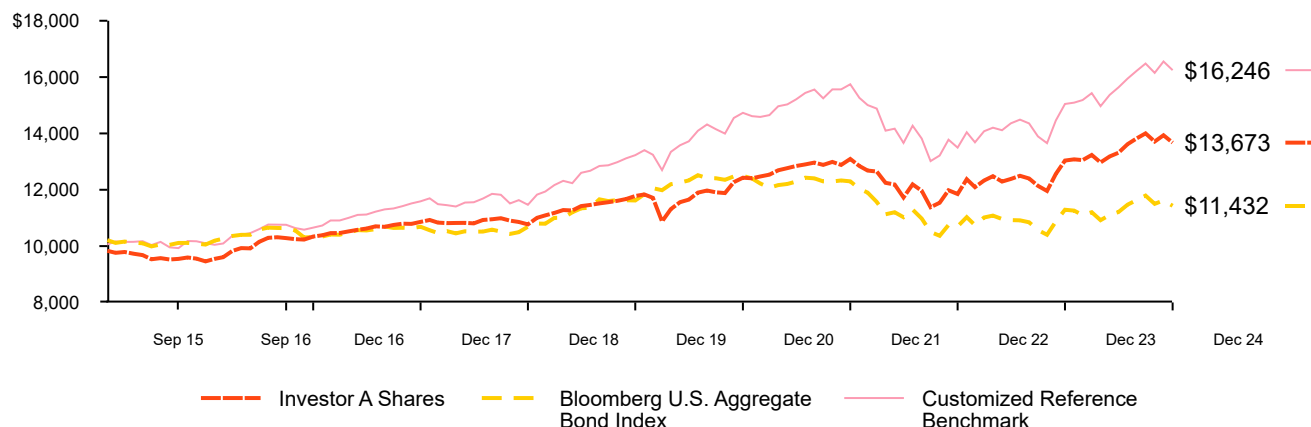
The Portfolio's exposure to rate-sensitive assets such as U.S. Treasuries and Euro bonds, which it achieved in part through the use of derivatives, detracted from absolute performance. International developed-market equities also detracted due to the impact of individual security selection. A position in international developed-market REITs, which are rate sensitive, detracted marginally.

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: January 1, 2015 through December 31, 2024

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 |
|--|--------|---------|----------|
| Investor A Shares..... | 4.88% | 3.03% | 3.60% |
| Investor A Shares (with sales charge)..... | 0.68 | 2.19 | 3.18 |
| Bloomberg U.S. Aggregate Bond Index..... | 1.25 | (0.33) | 1.35 |
| Customized Reference Benchmark..... | 7.98 | 4.19 | 4.97 |

Assuming maximum sales charges. Average annual total returns with and without sales charges reflect reductions for service fees.

The Fund's returns shown prior to October 1, 2016 are the returns of the Fund when it followed a different investment objective and different investment strategies under the name BlackRock Investment Grade Bond Portfolio.

The Customized Reference Benchmark is comprised of the returns of the Bloomberg U.S. Aggregate Bond Index (70%) and the S&P 500® Index (30%).

Key Fund statistics

| | |
|-----------------------------------|---------------|
| Net Assets..... | \$764,476,683 |
| Number of Portfolio Holdings..... | 1,659 |
| Net Investment Advisory Fees..... | \$1,491,451 |
| Portfolio Turnover Rate..... | 80% |

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 December 31, 2024)

Portfolio composition

| Investment Type | Percent of Total Investments ^(a) |
|--|---|
| Investment Companies..... | 24.8% |
| Corporate Bonds..... | 23.3 |
| Asset-Backed Securities..... | 15.1 |
| Floating Rate Loan Interests..... | 13.2 |
| Common Stocks..... | 11.8 |
| Equity-Linked Notes..... | 7.2 |
| Non-Agency Mortgage-Backed Securities..... | 3.7 |
| Foreign Agency Obligations..... | 0.6 |
| Foreign Government Obligations..... | 0.2 |
| Fixed Rate Loan Interests..... | 0.1 |
| Other ^(b) | 0.0 ^(c) |

Credit quality allocation

| Credit Rating ^(d) | Percent of Total Investments ^(a) |
|------------------------------|---|
| AAA/Aaa ^(e) | 22.5% |
| AA/Aa..... | 13.5 |
| A..... | 19.0 |
| BBB/Baa..... | 19.5 |
| BB/Ba..... | 8.3 |
| B..... | 7.3 |
| CCC/Caa..... | 0.4 |
| CC/Ca..... | 0.1 |
| D..... | 0.0 ^(c) |
| N/R..... | 9.4 |

(a) Excludes short-term securities.

(b) Ten largest investment types are presented. Additional investment types are found in Other.

(c) Rounds to less than 0.1%.

(d) 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.

(e) The investment adviser evaluates the credit quality of unrated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors, individual investments and/or issuers. Using this approach, the investment adviser has deemed unrated U.S. Government Sponsored Agency Securities and U.S. Treasury Obligations to be of similar credit quality as investments rated AAA/Aaa.

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 househanded 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, S&P Dow Jones Indices, 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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