Dynamic High Income Fund

As of 06/30/2020 | Class K: BDHKX | Institutional: BDHIX | Investor A: BDHAX | Investor C: BDHCX

Complement to your core income portfolio
Manages difficult to access income streams
Seeks high income from non-traditional sources

ANNUALIZED PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>With Sales Charge</th>
<th>Without Sales Charge</th>
<th>Benchmark</th>
<th>Morningstar Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>-9.27</td>
<td>-0.24</td>
<td>5.08</td>
<td>0.52</td>
</tr>
<tr>
<td>3 Year</td>
<td>0.70</td>
<td>2.53</td>
<td>6.60</td>
<td>2.22</td>
</tr>
<tr>
<td>5 Year</td>
<td>2.67</td>
<td>3.78</td>
<td>6.36</td>
<td>3.54</td>
</tr>
<tr>
<td>10 Year</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>5.24</td>
</tr>
<tr>
<td>Since Inception</td>
<td>2.78</td>
<td>3.77</td>
<td>6.12</td>
<td>N/A</td>
</tr>
</tbody>
</table>

MORNINGSTAR RANKINGS

<table>
<thead>
<tr>
<th></th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morningstar Ranking</td>
<td>307/474</td>
<td>195/395</td>
<td>116/343</td>
<td>N/A</td>
</tr>
<tr>
<td>Quartile Rank</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>N/A</td>
</tr>
</tbody>
</table>

CALCULATED PERFORMANCE

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Investor A</td>
<td>-1.76</td>
<td>8.15</td>
<td>14.29</td>
<td>-7.19</td>
<td>19.56</td>
<td>-8.74</td>
<td>12.93</td>
</tr>
<tr>
<td>Benchmark</td>
<td>-0.24</td>
<td>6.18</td>
<td>16.45</td>
<td>-5.96</td>
<td>21.92</td>
<td>-1.93</td>
<td>14.27</td>
</tr>
</tbody>
</table>

Performance data represents past performance which is no guarantee of future results. Investment returns and principal values may fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. All returns assume reinvestment of all dividend and capital gain distributions. Refer to blackrock.com for current month-end performance. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an unmanaged index. Returns with sales charge reflect the deduction of current maximum initial sales charge of 5.25%. The calendar year performance shown does not reflect the deduction of the sales load. If reflected, the performance would have been lower. Please see the fund prospectus for more details.

PORTFOLIO MANAGEMENT

Michael Fredericks  Justin Christofel  Alex Shingler

TOP HOLDINGS (%)

BLACKROCK ALL TGT SH BATS SERIES
A 2.57
ISHARES IBOXX $ INV GRADE CORPORAT 2.10
ISHARES CORE S&P ETF FLOATING RATE INCOME FUND CLASS K 0.82
CISCO SYSTEMS INC 0.48
INTEL CORPORATION CORP 0.48
WELLS FARGO DEPOSITORY SHARES CO 0.46
AIR PRODUCTS AND CHEMICALS INC 0.45
BANK OF AMERICA CORP 0.44
MASTERCARD INC CLASS A 0.43
Total of Portfolio 8.85

KEY FACTS

Size of Fund (Millions) 1,083.7M
Fund Launch Date 11/03/2014
Share Class Launch Date 11/03/2014
Morningstar Category World Allocation
Number of Holdings 1,615
Benchmark 70% MSCI World Ind(Net TR)/30 % BBG Bar US Agg Ind

ANNUAL EXPENSES

Gross Expense Ratio 1.17%
Net Expense Ratio 1.02%
The Net Expense Ratio excluding Investment Related Expenses is 0.90%. Investment Related Expenses include acquired fund fees of 0.12%, and interest expense (cost of borrowing securities to seek to enhance return or reduce risk) of 0.00%, and certain other expenses, if applicable. Expenses stated as of the fund's most recent prospectus. The difference between gross and net expense ratios are due to contractual and/or voluntary waivers, if applicable. This share class has a contractual waiver with an end date of 11/30/2020 terminable upon 90 days' notice. BlackRock may agree to voluntarily waive certain fees and expenses, which the adviser may discontinue at any time without notice.

PORTFOLIO MANAGEMENT

Michael Fredericks  Justin Christofel  Alex Shingler
2% of net assets represents the Fund’s exposure based on the economic value of securities and is adjusted for futures, options, swaps, and convertible bonds. Allocations subject to change.

The fund itself has not been rated by an independent rating agency. Credit quality ratings on underlying securities of the fund are received from S&P, Moody’s and Fitch and converted to the equivalent S&P major rating category. This breakdown is provided by BlackRock and takes the median rating of the three agencies when all three agencies rate a security the lower of the two ratings if only two agencies rate a security and one rating if that is all that is provided. Unrated securities do not necessarily indicate low quality. Below investment-grade is represented by a rating of BB and below. Ratings and portfolio credit quality may change over time. Negative weightings may result from specific circumstances (including timing differences between trade and settle dates of securities purchased by the funds) and/or the use of certain financial instruments, including derivatives, which may be used to gain or reduce market exposure and/or risk management. Certain transactions the funds may utilize may give rise to a form of leverage through either (a) additional market exposure or (b) borrowing capital in an attempt to increase investment return. The use of such transactions includes certain leverage-related risks, including potential for higher volatility, greater decline of the fund’s net asset value and fluctuations of dividends and distributions paid by the fund.

Standard Deviation: Standard Deviation measures the volatility of the funds returns. Higher deviation represents higher volatility. Sharpe Ratio: Sharpe Ratio uses a funds standard deviation and its excess return (difference between the funds return and the risk-free return of 90-day Treasury Bills) to determine reward per unit of risk. Model Duration: Model Duration measures the sensitivity of the price of a bond to changes in interest rates, taking into account after-tax impact as well as the likelihood of the bond being called, put and/or sunk prior to maturity. BlackRock’s options-based duration model employs certain assumptions and may differ from other fund complexes. 30-day SEC Yield: A standard calculation of yield introduced by the SEC to provide fairer comparison among funds. This yield reflects the interest earned after deducting the fund’s expenses during the most recent 30-day period by the average investor in the fund. Unsubsidized 30-Day SEC Yield: Represents what a fund’s 30-Day SEC Yield would have been had no fee waivers or expense reimbursement been in place over the period. Negative 30-Day SEC Yield results when accrued expenses of the past 30 days exceed the income collected during the past 30 days.

You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. The prospectus and, if available, the summary prospectus contain this and other information about the fund and are available, along with information on other BlackRock funds, by calling 800-882-0052 or from your financial professional. The prospectus should be read carefully before investing. Investing involves risks including possible loss of principal. The blended benchmark is 70% MSCI World/30% Bloomberg Barclays U.S. Aggregate Bond Index. The Morgan Stanley Capital International World Index measures equity performance of 23 developed markets. The Bloomberg Barclays U.S. Aggregate Bond Index comprises the total U.S. investment grade bond market.

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