

# /FIRST ADD -- NYTU005 -- BLACKROCK, INC. EARNINGS/

**TABLE 1**

PRNewswire

BlackRock, Inc.  
Financial Highlights  
(\$ in thousands, except share data)  
(unaudited)

Three months ended

	Dec. 31, 2000	Sept. 30, 1999	Sept. 30, 2000
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Total revenue	\$128,540	\$100,782	\$127,701
Total expense	\$88,868	\$71,123	\$90,775
Operating income	\$39,672	\$29,659	\$36,926
Net income	\$24,546	\$17,209	\$22,761
Diluted earnings per share	\$0.38	\$0.27	\$0.35
Diluted cash earnings per share (b)	\$0.42	\$0.31	\$0.39
Average diluted shares outstanding	64,727,763	64,185,316	64,651,300
EBITDA (c)	\$47,745	\$35,299	\$44,580
Operating margin (d)	35.9%	36.1%	34.1%

Assets under management  
(\$ in millions)

\$203,769	\$164,517	\$190,808
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BlackRock, Inc.  
Financial Highlights  
(\$ in thousands, except share data)  
(unaudited)

Variance vs.

	Dec. 31, 1999	Sept. 30, 2000
	Amount %	Amount %

Total revenue	\$27,758	28%	\$839	1%
Total expense	\$17,745	25%	(\$1,907)	-2%
Operating income	\$10,013	34%	\$2,746	7%
Net income	\$7,337	43%	\$1,785	8%
Diluted earnings per share	\$0.11	41%	\$0.03	9%
Diluted cash earnings per share (b)	\$0.11	35%	\$0.03	8%
Average diluted shares outstanding	542,447	1%	76,463	0%
EBITDA (c)	\$12,446	35%	\$3,165	7%
Operating margin (d)				

Assets under management  
(\$ in millions)

\$39,252	24%	\$12,961	7%
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	Year ended		
	Dec. 31, 2000	1999	Variance Amount %

Total revenue	\$476,872	\$380,981	\$95,891	25%
Total expense	\$333,834	\$270,038	\$63,796	24%
Operating income	\$143,038	\$110,943	\$32,095	29%
Net income	\$87,361	\$59,417	\$27,944	47%
Diluted earnings per share	\$1.35	\$1.04	\$0.31	30%
Pro-forma diluted earnings per share (a)	\$1.35	\$0.99	\$0.36	36%

Diluted cash earnings per share				
(b)	\$1.51	\$1.21	\$0.30	25%
Pro-forma diluted cash earnings				
per share (a) (b)	\$1.51	\$1.14	\$0.37	32%
Average diluted shares				
outstanding	64,590,707	57,268,912	7,321,795	13%
EBITDA (c)	\$170,767	\$132,541	\$38,226	29%
Operating margin (d)	35.7%	36.7%		

Assets under management				
(\$ in millions)	\$203,769	\$164,517	\$39,252	24%

- (a) Based on adjusting 1999 net income to reflect the after-tax interest expense benefit of retiring \$115 million of debt (net offering proceeds) on October 1, 1999 and adjusting weighted-average diluted shares outstanding to reflect the offering of 9 million shares on October 1, 1999.
- (b) Net income plus amortization expense for the period divided by average diluted shares outstanding.
- (c) Earnings before interest, taxes, depreciation and amortization.
- (d) Operating income divided by total revenue less fund administration and servicing costs -- affiliates.

TABLE 2

BlackRock, Inc.  
Condensed Consolidated Statements of Income  
(Dollar amounts in thousands, except share data)  
(unaudited)

	Three months ended		
	Dec. 31,		
	2000	1999	% Change
Revenue			
Investment advisory and			
administration fees:			
Mutual funds	\$56,186	\$53,427	5.2%
Separate accounts	66,008	43,569	51.5
BAI	--	--	NM
Total investment advisory and			
administration fees	122,194	96,996	26.0
Other income	6,346	3,786	67.6
Total revenue	128,540	100,782	27.5
Expense			
Employee compensation and benefits		53,062	36,890 43.8
BAI incentive compensation	--	--	NM
Fund administration and servicing			
costs - affiliates	18,164	18,608	(2.4)
General and administration	15,029	13,212	13.8
Amortization of intangible assets	2,613	2,413	8.3
Total expense	88,868	71,123	24.9
Operating income	39,672	29,659	33.8
Non-operating income (expense)			
Interest income	3,070	1,233	149.0
Interest expense - affiliates	(201)	(700)	(71.3)
	2,869	533	438.3
Income before income taxes	\$42,541	\$30,192	40.9
Income taxes	17,995	12,983	38.6
Net income	\$24,546	\$17,209	42.6
Weighted-average shares outstanding			
Basic	63,930,387	63,864,382	0.1%
Diluted	64,727,763	64,185,316	0.8%
Earnings per share			
Basic	\$0.38	\$0.27	40.7%

Diluted	\$0.38	\$0.27	40.7%
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NM - Not meaningful

BlackRock, Inc.  
Condensed Consolidated Statements of Income  
(Dollar amounts in thousands, except share data)  
(unaudited)

	Year ended Dec. 31,		% Change
	2000	1999	
Revenue			
Investment advisory and administration fees:			
Mutual funds	\$229,259	\$214,728	6.8%
Separate accounts	223,521	154,046	45.1
BAI	--	(7,072)	NM
Total investment advisory and administration fees	452,780	361,702	25.2
Other income	24,092	19,279	25.0
Total revenue	476,872	380,981	25.2
Expense			
Employee compensation and benefits	189,684	138,025	37.4
BAI incentive compensation	--	(5,387)	NM
Fund administration and servicing costs - affiliates	75,686	78,666	(3.8)
General and administration	58,311	49,081	18.8
Amortization of intangible assets	10,153	9,653	5.2
Total expense	333,834	270,038	23.6
Operating income	143,038	110,943	28.9
Non-operating income (expense)			
Interest income	7,734	3,445	124.5
Interest expense - affiliates	(855)	(10,938)	(92.2)
	6,879	(7,493)	191.8
Income before income taxes	\$149,917	\$103,450	44.9
Income taxes	62,556	44,033	42.1
Net income	\$87,361	\$59,417	47.0
Weighted-average shares outstanding			
Basic	63,886,353	57,057,014	12.0%
Diluted	64,590,707	57,268,912	12.8%
Earnings per share			
Basic	\$1.37	\$1.04	31.7%
Diluted	\$1.35	\$1.04	29.8%

NM - Not meaningful

TABLE 3

BlackRock, Inc.  
Condensed Consolidated Statements of Financial Condition  
(Dollar amounts in thousands)  
(unaudited)

	Dec. 31, 2000	Dec. 31, 1999
Assets		
Cash and cash equivalents	\$192,590	\$157,129
Accounts receivable	83,284	65,837
Investments	13,316	2,255
Property and equipment, net	45,598	22,677
Intangible assets, net	192,142	194,257
Other assets	10,073	5,427
Total assets	\$537,003	\$447,582

Liabilities and stockholders' equity		
Note and loan payable to affiliates	\$--	\$28,200
Accrued compensation	130,101	90,350
Accounts payable and accrued liabilities	27,014	44,655
Acquired management contract obligation	8,040	--
Other liabilities	3,607	3,851
Total liabilities	168,762	167,056
Stockholders' equity	368,241	280,526
Total liabilities and stockholders' equity	\$537,003	\$447,582

TABLE 4

BlackRock, Inc.  
Condensed Consolidated Statements of Cash Flows  
(Dollar amounts in thousands)  
(unaudited)

Year ended Dec. 31,  
2000      1999      1998

Cash flows from operating activities			
Net income	\$87,361	\$59,417	\$35,615
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	19,995	18,153	12,852
Stock-based compensation	868	100	1,737
Tax benefit from stock options exercised	610	--	--
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(18,074)	42,484	(70,364)
Decrease (increase) in receivable from affiliate	627	(1,665)	1,422
(Increase) decrease in other assets	(4,646)	(3,426)	192
Increase (decrease) in accrued compensation	39,751	(19,979)	61,597
(Decrease) increase in accounts payable and accrued liabilities	(16,936)	19,845	11,126
Decrease in accrued interest payable to affiliates	(705)	(470)	(483)
(Decrease) increase in other liabilities	(244)	1,867	41
Cash provided by operating activities	108,607	116,326	53,735
Cash flows from investing activities			
Purchase of property and equipment	(32,761)	(18,925)	(8,414)
(Purchase)/sale of investments	(12,898)	29	3,400
Cash used in investing activities	(45,659)	(18,896)	(5,014)
Cash flows from financing activities			
Repayment of note and loan payable to affiliates	(28,200)	(168,800)	(28,232)
Issuance of class A common stock	222	117,495	--
Issuance of class B common stock	264	--	34,214
Expenses related to issuance of class A common stock	(91)	(2,646)	--
Capital contribution from PNC	--	--	2,063
Purchase of treasury stock	(16)	(550)	(200)
Reissuance of treasury stock	--	750	--
Stock options exercised	742	--	--
Forgiveness of intercompany allocations	--	--	99
Dividends to PNC	--	--	(12,300)

Cash used in financing activities	(27,079)	(53,751)	(4,356)
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Effect of exchange rate changes on cash and cash equivalents	(408)	--	--
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Net increase in cash and cash equivalents	35,461	43,679	44,365
Cash and cash equivalents, beginning of period	157,129	113,450	69,085
Cash and cash equivalents, end of period	\$192,590	\$157,129	\$113,450

TABLE 5

BlackRock, Inc.  
Assets Under Management  
(Dollar amounts in millions)  
(unaudited)

	Year ended Dec. 31,		
	2000	1999	1998

Separate Accounts

Fixed income*	\$107,022	\$75,206	\$52,869
Liquidity	17,996	20,934	13,826
Equity*	8,725	3,080	2,417
Subtotal	133,743	99,220	69,112

Mutual Funds

Fixed income	13,317	13,318	13,888
Liquidity	43,190	36,587	35,555
Equity	13,519	15,392	12,087
Subtotal	70,026	65,297	61,530
Total	\$203,769	\$164,517	\$130,642

\* includes alternative investment products.

Component Changes in Assets Under Management

	Year ended Dec. 31,		
	2000	1999	1998

Separate Accounts \*

Beginning assets under management	\$99,220	\$69,112	\$51,043
Net subscriptions	25,890	30,183	15,166
Market appreciation (depreciation)	8,633	(75)	2,903
Ending assets under management	133,743	99,220	69,112

Mutual Funds

Beginning assets under management	65,297	61,530	54,370
Net subscriptions	7,132	2,524	5,674
Market appreciation (depreciation)	(2,403)	1,243	1,486
Ending assets under management	70,026	65,297	61,530

Total	\$203,769	\$164,517	\$130,642
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Net subscriptions	\$33,022	\$32,707	\$20,840
% of Change in AUM from net subscriptions	84.1%	96.6%	82.6%

\* includes alternative investment products.

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SECOND AND FINAL ADD -- TABULAR MATERIAL -- TO FOLLOW

SOURCE: Blackrock, Inc.

