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## **BlackRock and MarketAxess Announce the Creation of a Unified, Electronic Trading Solution in the U.S. Credit Markets**

### **Strategic Alliance Aims to Reduce Liquidity Fragmentation, Improve Pricing**

NEW YORK--(BUSINESS WIRE)--Apr. 23, 2013-- BlackRock, Inc. (NYSE: BLK) and MarketAxess Holdings Inc. (NASDAQ: MKTX) today announced a strategic alliance to create a unified, open trading solution in the U.S. credit markets.

The alliance between BlackRock's Aladdin Trading Network (ATN) and MarketAxess, the industry leader in electronic credit trading, is designed to help reduce liquidity fragmentation and improve pricing across credit markets, while expanding both firms' open trading efforts.

MarketAxess will run electronic trading and broker dealer operations, which will be connected to BlackRock's enterprise investment system, Aladdin, that hosts \$14 trillion in BlackRock and Aladdin client assets. BlackRock will provide buy side leadership, input on strategic direction, and innovations in trade execution capabilities for clients. The two firms will work together on product and business development.

The alliance evolves Aladdin Trading Network into a fixed income trading portal that consolidates fragmented liquidity for the benefit of Aladdin clients, significantly expanding access from within Aladdin to the broader marketplace. The partnership leverages the connectivity and distribution capabilities of MarketAxess to enhance access to liquidity and improve pricing for BlackRock asset management and Aladdin clients quickly and effectively. More than 1,000 asset managers, insurance companies, other investor firms and broker-dealers are active users of the MarketAxess platform.

"This partnership enables Aladdin clients to tap into a deeper liquidity pool without ever having to leave Aladdin, while maintaining their existing trade workflow," said Ryan Stork, Managing Director and Global Head of BlackRock's Aladdin Business. "Aladdin Trading Network serves to improve liquidity and enhance the Aladdin value proposition, and this alliance is a critical step forward in evolving open trading solutions on behalf of our clients."

MarketAxess has developed a robust suite of electronic trading solutions, helping its clients to source liquidity by allowing them to efficiently reach the extensive MarketAxess community of institutional credit market participants. The alliance with BlackRock combines order flow from the world's largest asset manager and its community of Aladdin users with MarketAxess' broad network of investors and dealers to create a centralized credit trading marketplace.

"Through this strategic alliance with BlackRock we are delivering on our commitment to provide an independent, comprehensive electronic trading platform to address liquidity challenges in the credit markets," said Richard M. McVey, Chief Executive Officer of MarketAxess. "The work with BlackRock will comprise our full range of e-trading options including multi-dealer RFQ, Market Lists, Client Axes and electronic order matching. We will benefit from BlackRock's influence and thought leadership in developing new solutions for credit trading, and from seamlessly connecting to their extensive Aladdin community. We think this alliance further validates the advantages of the MarketAxess platform as the logical venue for credit market liquidity to converge and help reduce fragmentation."

"Our two firms have a long-standing relationship, complementary strengths and a shared belief that the gradual shift towards more open trading in fixed income will require broad participation from the buy side and behavioral change among investors," said Richard Prager, Managing Director and Head of BlackRock's Trading & Liquidity Strategies Group. "The beta launch of Aladdin Trading Network in 2012 allowed us to test our trading approach successfully within the Aladdin community and prove the model with clients. Our alliance with MarketAxess is a logical evolution and we continue to anticipate changing trading practices and pursue innovative liquidity solutions across asset classes."

BlackRock and MarketAxess have executed a Letter of Intent and commencement of operations is subject to finalization of a definitive agreement, which the parties expect to complete within the next several weeks. Project planning for technology integration is already in process.

### **About BlackRock**

BlackRock is a leader in investment management, risk management and advisory services for institutional and retail clients

worldwide. At March 31, 2013, BlackRock's AUM was \$3.936 trillion. BlackRock offers products that span the risk spectrum to meet clients' needs, including active, enhanced and index strategies across markets and asset classes. Headquartered in New York City, as of March 31, 2013, the firm has approximately 10,600 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.

### **About BlackRock Solutions**

BlackRock Solutions provides clients with access to the intellectual capital, risk analytics and investment platform used to support BlackRock's asset management business. By combining sophisticated risk analytics and investment systems with capital markets and business process expertise, BlackRock Solutions helps clients address a variety of risk management and investment process challenges. The BlackRock Solutions' Aladdin platform is currently used to analyze and process over \$14 trillion in assets, liabilities and derivatives as of March 31, 2013.

For additional information, please visit [www.blackrocksolutions.com](http://www.blackrocksolutions.com).

### **About MarketAxess**

MarketAxess operates a leading electronic trading platform that enables fixed income market participants to efficiently trade corporate bonds and other types of fixed income instruments using MarketAxess' patented trading technology. Over 1,000 investor and broker-dealer firms are active users of the MarketAxess trading platform, accessing global liquidity in U.S. high-grade corporate bonds, European bonds, high yield and emerging markets bonds, agency bonds, asset-backed and preferred securities and credit default swaps. MarketAxess also offers a number of trading-related products and services, including: market data to assist clients with trading decisions; connectivity solutions that facilitate straight-through processing; technology services to optimize trading environments; and execution services for exchange-traded fund managers and other clients. Through its Xtrakter subsidiary, MarketAxess also offers a range of pre- and post-trade services including trade matching, regulatory transaction reporting and market and reference data across a range of fixed income products.

MarketAxess maintains its headquarters in New York and has offices in London, Chicago, Salt Lake City, Hong Kong, Singapore and São Paulo.

For additional information, please visit [www.marketaxess.com](http://www.marketaxess.com).

### **BlackRock Forward-Looking Statements**

This report, and other statements that BlackRock may make, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act, with respect to BlackRock's future financial or business performance, strategies or expectations. Forward-looking statements are typically identified by words or phrases such as "trend," "potential," "opportunity," "pipeline," "believe," "comfortable," "expect," "anticipate," "current," "intention," "estimate," "position," "assume," "outlook," "continue," "remain," "maintain," "sustain," "seek," "achieve," and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may" and similar expressions.

BlackRock cautions that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and BlackRock assumes no duty to and does not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance.

In addition to risk factors previously disclosed in BlackRock's Securities and Exchange Commission ("SEC") reports and those identified elsewhere in this report the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance: (1) the introduction, withdrawal, success and timing of business initiatives and strategies; (2) changes and volatility in political, economic or industry conditions, the interest rate environment, foreign exchange rates or financial and capital markets, which could result in changes in demand for products or services or in the value of assets under management; (3) the relative and absolute investment performance of BlackRock's investment products; (4) the impact of increased competition; (5) the impact of future acquisitions or divestitures; (6) the unfavorable resolution of legal proceedings; (7) the extent and timing of any share repurchases; (8) the impact, extent and timing of technological changes and the adequacy of intellectual property and information security protection; (9) the impact of legislative and regulatory actions and reforms, including the Dodd-Frank Wall Street Reform and Consumer Protection Act, and regulatory, supervisory or enforcement actions of government agencies relating to BlackRock or The PNC Financial Services Group, Inc. ("PNC"); (10) terrorist activities, international hostilities and natural disasters, which may adversely affect the general economy, domestic and local financial and capital markets, specific industries or BlackRock; (11) the ability to attract and retain highly talented professionals; (12) fluctuations in the carrying value of BlackRock's economic investments; (13) the impact of changes to tax legislation, including income, payroll and transaction taxes, and taxation on products or transactions, which could affect the value proposition to clients and,

generally, the tax position of the Company; (14) BlackRock's success in maintaining the distribution of its products; (15) the impact of BlackRock electing to provide support to its products from time to time and any potential liabilities related to securities lending or other indemnification obligations; and (16) the impact of problems at other financial institutions or the failure or negative performance of products at other financial institutions.

BlackRock's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and BlackRock's subsequent filings with the SEC, accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and on BlackRock's website at [www.blackrock.com](http://www.blackrock.com), discuss these factors in more detail and identify additional factors that can affect forward looking statements. The information contained on the Company's website is not a part of this press release.

### **MarketAxess Forward-Looking Statements**

This press release may contain forward-looking statements, including statements about the outlook and prospects for Company and industry growth, as well as statements about the Company's future financial and operating performance. These and other statements that relate to future results and events are based on MarketAxess' current expectations. Actual results in future periods may differ materially from those currently expected or desired because of a number of risks and uncertainties, including: the volatility of financial services markets generally; the level of trading volume transacted on the MarketAxess platform; the absolute level and direction of interest rates and the corresponding volatility in the corporate fixed-income market; the level and intensity of competition in the fixed-income electronic trading industry and the pricing pressures that may result; the variability of our growth rate; the rapidly evolving nature of the electronic financial services industry; our ability to introduce new fee plans and our clients' response; our exposure to risks resulting from non-performance by counterparties to transactions executed between our clients in which we act as an intermediary in matching back-to-back trades; our dependence on our broker-dealer clients; the loss of any of our significant institutional investor clients; our ability to develop new products and offerings and the market's acceptance of those products; the effect of rapid market or technological changes on us and the users of our technology; our ability to successfully maintain the integrity of our trading platform and our response to system failures, capacity constraints and business interruptions; our vulnerability to cyber security risks; our ability to protect our intellectual property rights or technology and defend against intellectual property infringement or other claims; our ability to enter into strategic alliances and to acquire other businesses and successfully integrate them with our business; our ability to comply with new laws, rules and regulations both domestically and internationally; our ability to maintain effective compliance and risk management methods; the strain of growth initiatives on management and other resources; our future capital needs and our ability to obtain capital when needed; limitations on our operating flexibility contained in our credit agreement; and other factors. The Company's actual results and financial condition may differ, perhaps materially, from the anticipated results and financial condition in any such forward-looking statements. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. More information about these and other factors affecting MarketAxess' business and prospects is contained in MarketAxess' periodic filings with the Securities and Exchange Commission and can be accessed at [www.marketaxess.com](http://www.marketaxess.com).

Source: BlackRock, Inc. and MarketAxess Holdings Inc.

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