

BlackRock Americas Diversified Equity Absolute Return Fund

A sub-fund of BlackRock Strategic Funds

Class A2 EUR Hedged

ISIN: LU0725892466

Management Company: BlackRock (Luxembourg) S.A.

Objectives and Investment Policy

- ▶ The Fund aims to achieve a positive absolute return through a combination of capital growth and income on your investment regardless of market conditions.
- ▶ The Fund seeks to gain at least 70% of any investment exposure to equity securities (e.g. shares) of companies incorporated or listed in the United States, Canada and Latin America (the "Americas"). This is achieved by investing at least 70% of its assets in equity securities, other equity-related securities and, when determined appropriate fixed income (FI) securities (such as bonds), money market instruments (MMIs) (i.e. debt securities with short-term maturities), deposits and cash.
- ▶ The equity-related securities include financial derivative instruments (FDIs) (i.e. investments the prices of which are based on one or more underlying assets).
- ▶ At any one time, a substantial amount, or even all of the Fund's assets may be held as cash to provide cover for the exposure created by the use of FDIs or to assist in achieving its investment objective.
- ▶ The FI securities and MMIs may be issued by governments, government agencies, companies and supranationals (e.g. the International Bank for Reconstruction and Development) and will be investment grade (i.e. meet a specified level of credit worthiness) at the time of purchase.
- ▶ The Fund gains exposure to a wide range of equity securities in the Americas. However, the Fund intends to pursue a market-neutral strategy (i.e. the intention is not to take a view as to the direction the market will move when selecting assets).
- ▶ The investment adviser (IA) will use FDIs (including synthetic short positions where the Fund uses an FDI to benefit from the sale of an asset it does not physically own with the aim of buying it later at a lower price to secure a profit).
- ▶ The IA intends to generate market leverage via FDIs (i.e. where the Fund gains market exposure in excess of the value of its assets). The amount of leverage may vary.
- ▶ The IA has discretion to select the Fund's investments.
- ▶ Your shares will be non-distributing (i.e. dividend income will be included in their value).
- ▶ The Fund's base currency is US Dollar. Your shares will be denominated in Euro.
- ▶ Your shares will be "hedged" with the aim of protecting them from exchange rate fluctuations between their denominated currency and the base currency of the Fund.
- ▶ You can buy and sell your shares daily. The minimum initial investment for this share class is \$5,000 or currency equivalent.

Risk and Reward Profile



- ▶ The risk indicator was calculated incorporating simulated historical data and may not be a reliable indication of the future risk profile of the Fund.
 - ▶ The risk category shown is not guaranteed and may change over time.
 - ▶ The lowest category does not mean risk free.
 - ▶ The Fund is rated four due to the nature of its investments which include the risks listed below. These factors may impact the value of the Fund's investments or expose the Fund to losses.
 - The value of equities and equity-related securities can be affected by daily stock market movements. Other influential factors include political, economic news, company earnings and significant corporate events.
 - Due to its investment strategy an 'Absolute Return' fund may not move in line with market trends or fully benefit from a positive market environment.
 - Derivatives are highly sensitive to changes in the value of the asset they are based on. The impact to the Fund is greater where derivatives are used in an extensive or complex way.
 - ▶ Particular risks not adequately captured by the risk indicator include:
 - Counterparty Risk: The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.
 - Liquidity Risk: Lower liquidity means there are insufficient buyers or sellers to allow the Fund to sell or buy investments readily.
- For more information on risks, please see the Fund's prospectus, which is available at www.blackrock.com.

Charges

The charges are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

The entry and exit charges shown are maximum figures. In some cases you might pay less. Please refer to your financial advisor or the distributor for the actual entry and exit charges.

* Subject to a charge of up to 2% paid into the Fund where the Manager suspects excessive trading by an investor.

The ongoing charges figure shown here is an estimate of the annualised charges. An estimate is being used because the Fund (or share class) was newly launched or it has been launched within the reported period. The Fund's annual report for each financial year will include detail on the exact charges made.

** To the extent the Fund undertakes securities lending to reduce costs, the Fund will receive 60% of the associated revenue generated and the remaining 40% will be received by BlackRock as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Fund, this has been excluded from the ongoing charges.

For more information on charges, please see the Fund's prospectus, which is available at www.blackrock.com.

One-off charges taken before or after you invest	
Entry Charge	5.00%
Exit Charge	None*

This is the maximum that might be taken out of your money before it is invested or before proceeds of your investments are paid out.

Charges taken from the Fund over each year	
Ongoing Charges	2.23%**
Charges taken from the Fund under certain conditions	
Performance Fee	20.00%#

#20.00% of any returns that, subject to a High Water Mark, the Fund achieves above the 3 Month USD LIBOR. The actual amount charged in the Fund's last financial year amounted to 0.66%.

Past Performance

Past performance is not a guide to future performance.

The chart shows the Fund's annual performance in EUR for each full calendar year over the period displayed in the chart. It is expressed as a percentage change of the Fund's net asset value at each year-end. The Fund was launched in 2012. The share class was launched in 2012.

Performance is shown after deduction of ongoing charges. Any entry/exit charges are excluded from the calculation.

This chart has been left intentionally blank as there is less than one year's performance data.

Practical Information

- ▶ The custodian of the Fund is State Street Bank Luxembourg S.A.
- ▶ Further information about the Fund can be obtained from the prospectus and the latest annual and half-yearly reports of the BlackRock Strategic Funds (BSF). These documents are available free of charge in English and certain other languages. These can be found, along with other information, such as share prices, on the BlackRock website at www.blackrock.com or by calling the International Investor Servicing team on +44 (0) 20 7743 3300.
- ▶ Investors should note that the tax legislation that applies to the Fund may have an impact on the personal tax position of your investment in the Fund.
- ▶ The Fund is a sub-fund of BSF, an umbrella structure comprising different sub-funds. This document is specific to the Fund and share class stated at the beginning of this document. However, the prospectus, annual and half-yearly reports are prepared for the umbrella.
- ▶ BSF may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Fund's prospectus.
- ▶ Further information about other share classes can be found in the prospectus.
- ▶ Under Luxembourg law, BSF has segregated liability between its sub-funds (i.e. the Fund's assets will not be used to discharge the liabilities of other sub-funds within BSF). In addition, the Fund's assets are held separately from the assets of other sub-funds.
- ▶ Investors may switch their shares in the Fund for shares in another sub-fund within BSF, subject to meeting certain conditions as set out in the prospectus.

This Fund is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

This Key Investor Information is accurate as at 20 August 2013