INTERIM SHORT REPORT

BLACKROCK UK EQUITY FUND

BLACKROCK®

For the period from 1 August 2013
to 31 August 2013

BlackRock UK Equity Fund

As communicated in a letter to investors dated 28 May 2013, the Manager has changed the Fund's annual and interim accounting dates to the last day of February and 31 August respectively in order to consolidate the publication of annual and interim reports. This Interim Short Report for the BlackRock UK Equity Fund covers the period from 1 August 2013 to 31 August 2013. For further information, please refer to the most recent Prospectus.

Summary of Performance over the Period

The BlackRock UK Equity Fund declined by 2.5%* over the period from 1 August 2013 to 31 August 2013, underperforming its benchmark, the FTSE All-Share Index, which was down by 2.2%.

Given the brevity of the reporting period, and given our wish to add greater content to fund performance, this commentary will focus on the three months to 31 August 2013, over which the Fund declined by 0.8%*, in line with its benchmark.

Fund Managers' Commentary

The UK equity market posted a decline over the period, as investors considered the possible effects of a reduction in quantitative easing (QE) in the US, which cast doubts over the continuation of low global interest rates.

Over the three month period, British Sky Broadcasting made a positive contribution to performance as the market's initial negative reaction to the impact of competition from BT appeared overdone. Essentra rose following good results, helped by growth in its filters division, while Shire announced stronger sales and earnings, which beat market expectations. Engineer Melrose Industries outperformed after it announced that it would seek bids of around US$1bn for its US business Crosby.

However, these gains were offset by a number of negative contributors to returns, including British American Tobacco, which was affected by investor concerns over the implications of US competitor Philip Morris being forced to downgrade its earnings forecasts. Elsewhere, eSure fell as UK motor insurance premium rates appear to have softened. Finally, asset managers Ashmore and Aberdeen Asset Management declined amid concerns over the strength of economic growth in China impacted companies with business exposure to emerging markets.

Fund activity included increases to our holdings in Reed Elsevier, GlaxoSmithKline and Barclays, which were funded by reductions in our positions in AstraZeneca, Aberdeen Asset Management and Antofagasta. We sold the Fund's holding in UBM.

Recent data has suggested an improved economic outlook, particularly in the US, where manufacturing and construction related activity have picked up from a low base. European economic activity remains subdued and without a clear path to growth. Meanwhile, investors are concerned about lower rates of growth in emerging markets and the consequences should the US Federal Reserve choose to scale back QE. Although equities have risen, valuations versus alternative asset classes remain attractive. We maintain our focus on stock selection and prefer to hold positions in cash-generative global companies with exposure to growth markets and in companies with the ability to improve their businesses.

September 2013

* Performance figures quoted are based on bid-to-bid closing prices (the price at which units are sold) and are not the same as the net asset value reported in the financial statements which is at close of business. Performance is calculated net of fees and reported for the Fund's class I Accumulation Units.

I Income	The interim distribution payable on 31 October 2013 is 6.0000p net per income unit.
I Accumulation	The interim accumulation payable on 31 October 2013 is 18.7393p net per accumulation unit.
D Income	The interim distribution payable on 31 October 2013 is 5.7257p net per income unit.
D Accumulation	The interim accumulation payable on 31 October 2013 is 18.1065p net per accumulation unit.

Performance Record

Capital (Unit Prices)

Calendar Year	I Income Units Highest Offer Price p	I Income Units Lowest Bid Price p	I Accumulation Units Highest Offer Price p	I Accumulation Units Lowest Bid Price p	D Income Units# Highest Offer Price p	D Income Units# Lowest Bid Price p	D Accumulation Units† Highest Offer Price p	D Accumulation Units† Lowest Bid Price p
2013*	1,575	1,388	4,841	4,215	1,576	1,388	4,758	4,146
2012	1,386	1,208	4,208	3,605	1,387	1,208	4,141	3,552
2011	1,414	1,109	4,118	3,276	1,285	1,106	3,970	3,233
2010	1,382	1,078	3,997	3,072	N/A	N/A	N/A	N/A
2009	1,163	747.2	3,280	2,065	N/A	N/A	N/A	N/A
2008	1,317	748.3	3,537	2,040	N/A	N/A	N/A	N/A

* To 31 August. # D Income class commenced August 2011. † D Accumulation class commenced July 2011.

Income (Net Distributions/Net Accumulations)

Calendar Year	I Income Units Per Unit p	I Accumulation Units Per Unit p	D Income Units# Per Unit p	D Accumulation Units† Per Unit p
2013*	47.4575	145.4958	43.7006	134.5333
2012	36.4269	108.3059	27.7709	97.4793
2011	28.7961	83.6986	N/A	0.0000
2010	28.5111	80.9160	N/A	N/A
2009	31.8705	87.6343	N/A	N/A
2008	30.7204	82.0742	N/A	N/A

* To 31 October . # D Income class commenced August 2011. † D Accumulation class commenced July 2011.

Unit Price Summary

	Unit Price as at 31 August 2013	Unit Price as at 31 July 2013
I Income Units	1,480p	1,523p
I Accumulation Units	4,642p	4,759p
D Income Units	1,482p	1,526p
D Accumulation Units	4,543p	4,657p

Fund Information

Summary of Investment Objective and Policy

The BlackRock UK Equity Fund (the "Fund") aims to maximise the total return to investors from a combination of capital growth and income by investing largely in the ordinary shares of United Kingdom companies in any and all economic sectors. The Fund may also invest in collective investment schemes.

Risk Profile

The Fund is exposed to movements in UK stock markets which may cause the value of the Fund to fall or rise.

Fund Facts

Fund Managers	James Macpherson, Simon Young, Imran Sattar & Roland Arnold
Establishment Date	12 October 1971
Benchmark	FTSE All-Share Index
Assets Under Management	£789,414,016
Income Allocation Dates	31 October & 30 April
Accounting Dates	31 August & last day of February

Ongoing Charges

The ongoing charges figures are based on expenses for the relevant period. These figures may vary from year to year.

Unit Class	1.8.2013 to 31.8.2013†	1.8.2012 to 31.7.2013
I Income	0.51%	0.52%
I Accumulation	0.51%	0.52%
D Income	0.76%	0.77%
D Accumulation	0.76%	0.77%

† Ongoing charges figures are based on annualised expenses for the period ended 31 August 2013.

Risk and Reward Profile

	Lower risk Typically lower rewards						Higher risk Typically higher rewards
I Income	1	2	3	4	5	**6**	7
I Accumulation	1	2	3	4	5	**6**	7
D Income	1	2	3	4	5	**6**	7
D Accumulation	1	2	3	4	5	**6**	7

The risk indicator was calculated incorporating historical or simulated historical data and may not be a reliable indication of the future risk profile of each unit class. The risk category shown is not guaranteed and may change over time. The lowest category does not mean risk free. For more information on this, please see the Fund's Key Investor Information Documents (KIIDs), which are available at **www.blackrock.com**.

Portfolio Information

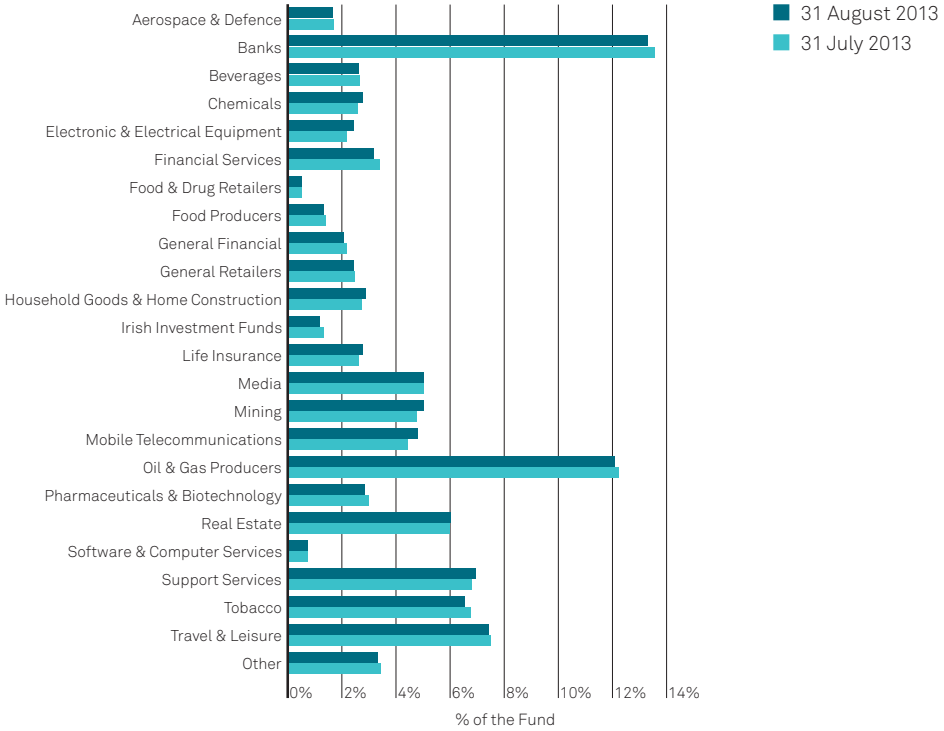
Five Largest Investments at 31 August 2013

	% of Fund Value
HSBC	6.00
British American Tobacco	5.22
Vodafone	4.75
Royal Dutch Shell class 'B' shares	4.74
Compass	3.54

Five Largest Investments at 31 July 2013

	% of Fund Value
HSBC	6.42
British American Tobacco	5.44
Royal Dutch Shell class 'B' shares	5.15
Vodafone	4.40
Compass	3.60

Classification of Investments



All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed. Changes in exchange rates may cause the value of an investment to fluctuate. For up-to-date prices and performance, please visit our website **blackrock.co.uk**.

Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.

Report and Accounts
This report is to inform unitholders on the activities of the Fund during the reporting period, and the results of those activities at the end of the reporting period. For more information please contact the Manager. Copies of the Full Reports are available free of charge upon request from the BlackRock Investor Services Team on **0800 44 55 22.**

You can obtain further information on this Fund by contacting your Financial Adviser. Alternatively, for more details on this and other BlackRock® Funds, including up to date prices and performance, please contact BlackRock Investor Services on 0800 44 55 22 or visit blackrock.co.uk. For your protection, telephone calls are usually recorded. This Report relates to the packaged products of, and is issued by, the Manager and Registrar: BlackRock Fund Managers Limited, 12 Throgmorton Avenue, London EC2N 2DL. Authorised and regulated by the Financial Conduct Authority. Registered in England No. 1102517. Trustee: BNY Mellon Trust & Depositary (UK) Limited, 160 Queen Victoria Street, London EC4V 4LA. Authorised and regulated by the Financial Conduct Authority. Auditor: Ernst & Young LLP, 1 More London Place, London SE1 2AF.

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