



INTERIM SHORT REPORT

BLACKROCK CONTINENTAL EUROPEAN
INCOME FUND

BLACKROCK®

For the period from 1 July 2013
to 31 August 2013

BlackRock Continental European Income 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 Continental European Income Fund covers the period from 1 July 2013 to 31 August 2013. For further information, please refer to the most recent Prospectus.

Summary of Performance over the Period

The BlackRock Continental European Income Fund rose by 2.5%* over the period from 1 July 2013 to 31 August 2013, but underperformed its benchmark, the FTSE All World Developed Europe Ex-UK Index, which gained 3.9%. Given the brevity of the reporting period, and given our wish to add greater context to fund performance, this commentary will focus on the three months to 31 August 2013. During this period, the Fund fell by 0.4%*, outperforming the benchmark, which was down 0.9%.

Over the last three months, European companies (especially Industrials) have benefited from a recovery in the US construction sector, as well as improvements in the European economic landscape. However, initial signs of a slowing economy in China tempered matters. Renewed geopolitical tensions in the Middle East also weighed on returns towards the end of the period.

Fund Managers' Commentary

With its specific focus on dividend reliability and risk control, the Fund remains likely to slightly lag sharply rising markets but should continue to generate outperformance during falling market phases. The Fund's outperformance was due to sector allocation. Stock selection and country allocation detracted. The Fund has an overweight exposure to Italy. We feel political concerns are overdone, and have identified several extremely solid dividend-paying companies, but this position did have a negative impact on performance. In contrast, our overweight allocation to the Netherlands boosted performance.

In sector terms, the Fund's underweight position in the oil and gas sector dented performance, as geopolitical tensions rose. We have historically avoided the sector given its higher volatility. Our overweight exposure to consumer services boosted performance. Our top-performing holding was media company Kabel Deutschland, which was the subject of a bid from Vodafone and underlined the attractiveness of infrastructure assets.

At the end of August, the Fund had an overweight exposure to industrials, consumer services and telecoms, and an underweight exposure to consumer goods, oil & gas, technology, healthcare and financials. We are aware of the benchmark but not constrained by it, and continue to avoid sectors where dividend reliability is too low or volatility is too high.

Our move away from emerging markets-exposed companies has impacted dividend growth expectations. However we have identified more domestic-exposed businesses, which combine growth from a healing Europe with excess balance sheet capital. This potential for additional return of capital to shareholders bodes well for future returns.

September 2013

* Performance figures quoted are based on bid-to-bid dealing 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 A Accumulation Units.

A Income	The interim distribution payable on 31 October 2013 is 0.1660p net per income unit.
A Accumulation	The interim accumulation payable on 31 October 2013 is 0.1827p net per accumulation unit.
D Income	The interim distribution payable on 31 October 2013 is 0.1685p net per income unit.
D Accumulation	The interim accumulation payable on 31 October 2013 is 0.1859p net per accumulation unit.

Performance Record

Capital (Unit Prices)

Calendar Year	A Income Units		A Accumulation Units		D Income Units		D Accumulation Units	
	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p	Highest Offer Price p	Lowest Bid Price p
2013*	124.2	96.86	136.1	103.1	119.8	97.86	131.9	104.4
2012	102.1	80.69	108.3	82.69	98.28	81.25	104.5	83.39
2011#	105.0	75.60	105.3	75.90	100.0	75.80	100.4	76.13

* To 31 August. # Fund launched on 6 May 2011.

Income (Net Distributions/Net Accumulations)

Calendar Year	A Income Units Per Unit p	A Accumulation Units Per Unit p	D Income Units Per Unit p	D Accumulation Units Per Unit p
2013*	4.6539	4.9843	4.7106	5.0560
2012	3.9562	4.0490	4.0857	4.2007
2011#	1.1500	1.1530	1.2083	1.2290

* To 31 October. # Fund launched on 6 May 2011.

Unit Price Summary

	Unit Price as at 31 August 2013	Unit Price as at 30 June 2013
A Income Units	110.4p	108.5p
A Accumulation Units	122.2p	119.9p
D Income Units	112.1p	110.0p
D Accumulation Units	124.4p	121.9p

Fund Information

Summary of Investment Objective and Policy

The aim of the BlackRock Continental European Income Fund (the “Fund”) is to achieve an above average income from its equity investments, compared to the income yield of European equity markets (excluding the UK), without sacrificing long-term capital growth. The Fund will invest primarily in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in Europe excluding the UK. The Fund may also invest in other transferable securities, permitted money-market instruments, permitted deposits, cash and near cash and units in collective investment schemes. Derivatives may be used for the purposes of efficient portfolio management.

Risk Profile

The Fund is exposed to movements in European stock markets and currency fluctuations which may cause the value of the Fund to fall or rise.

Fund Facts

Fund Managers	Andreas Zoellinger & Alice Gaskell
Establishment Date	6 May 2011
Benchmark	FTSE All World Developed Europe Ex-UK Index
Assets Under Management	£148,660,885
Income Allocation Dates	31 October, 31 January, 30 April & 31 July
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	1.7.2013 to 31.8.2013†	1.7.2012 to 30.6.2013
A Income	1.68%	1.70%
A Accumulation	1.68%	1.70%
D Income	0.93%	0.95%
D Accumulation	0.93%	0.95%

† 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	
	←							→	
A Income	1	2	3	4	5	6	7		
A 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

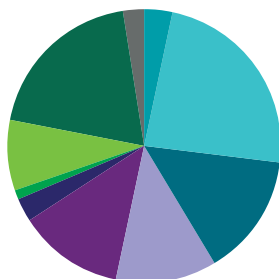
Five Largest Investments at 31 August 2013

	% of Fund Value
Novartis	3.58
Eni	3.58
Ziggo	3.57
Kone	3.54
Terna	3.52

Five Largest Investments at 30 June 2013

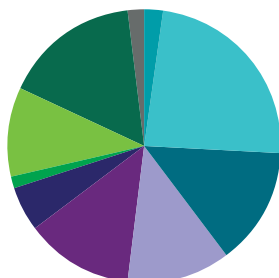
	% of Fund Value
Roche	3.68
Unibail-Rodamco	3.61
Novartis	3.56
Sanofi	3.53
Ziggo	3.52

Geographical Spread of Investments – 31 August 2013



Finland 3.54%	Norway 2.87%
France 23.63%	Spain 1.24%
Germany 14.25%	Sweden 8.29%
Italy 11.92%	Switzerland 19.27%
Netherlands 12.54%	Other 2.45%

Geographical Spread of Investments – 30 June 2013



Finland 2.26%	Norway 5.29%
France 23.76%	Spain 1.41%
Germany 13.89%	Sweden 10.32%
Italy 12.10%	Switzerland 16.27%
Netherlands 12.94%	Other 1.76%

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.

For more information

0800 44 55 22

blackrock.co.uk

BLACKROCK®