

2 December 2016

Market Announcements Office

ASX Limited

SEMI ANNUAL REPORT TO SHAREHOLDERS: AS OF 30 SEPTEMBER 2016

BlackRock Investment Management (Australia) Limited (**BIMAL**), on behalf of iShares Trust, makes this announcement regarding certain iShares exchange traded funds listed on the ASX.

Attached is a copy of a "2016 Semi-annual report (unaudited)" document relating to certain funds of iShares Trust, which has been lodged with the US Securities and Exchange Commission.

All information included in the attached document relating to funds of iShares Trust not detailed in the below table should be disregarded.

ASX Code	Fund Name
IOO	iShares Global 100 ETF

Important Notice

Before investing in an iShares ETF, you should carefully consider whether such products are appropriate for you, read the applicable prospectus or product disclosure statement (PDS) available at www.blackrock.com.au and consult an investment adviser.

An iShares ETF is not sponsored, endorsed, issued, sold or promoted by the provider of the index which a particular fund seeks to track. No index provider makes any representation regarding the advisability of investing in the iShares ETFs. Further information on the index providers can be found on BIMAL's website terms and conditions at www.blackrock.com.au.

For more information about iShares ETFs go to www.blackrock.com/au/ishares or call 1300 474 273.

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** END **

2016 SEMI-ANNUAL REPORT (UNAUDITED)



iShares Trust

- ▶ iShares Global 100 ETF | IOO | NYSE Arca
- ▶ iShares Global Clean Energy ETF | ICLN | NASDAQ
- ▶ iShares Global Infrastructure ETF | IGF | NASDAQ
- ▶ iShares Global Timber & Forestry ETF | WOOD | NASDAQ

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Fund Performance Overview

iSHARES® GLOBAL 100 ETF

Performance as of September 30, 2016

The iShares Global 100 ETF (the "Fund") seeks to track the investment results of an index composed of 100 large-capitalization global equities, as represented by the S&P Global 100™ (the "Index"). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2016, the total return for the Fund was 5.80%, net of fees, while the total return for the Index was 5.70%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	11.50%	11.45%	11.28%	11.50%	11.45%	11.28%
5 Years	9.98%	10.11%	9.86%	60.91%	61.87%	60.02%
10 Years	3.61%	3.58%	3.45%	42.53%	42.16%	40.43%

Index performance through January 30, 2013 is calculated using currency exchange (FX) rates corresponding to 5:15 P.M. ET. Index performance beginning on January 31, 2013 is calculated using FX rates corresponding to World Market Reuters 4:00 P.M. London.

Past performance is no guarantee of future results. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. See "About Fund Performance" on page 9 for more information.

Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/16)	Ending Account Value (9/30/16)	Expenses Paid During Period ^a	Beginning Account Value (4/1/16)	Ending Account Value (9/30/16)	Expenses Paid During Period ^a	Annualized Expense Ratio
\$ 1,000.00	\$ 1,058.00	\$ 2.06	\$ 1,000.00	\$ 1,023.10	\$ 2.03	0.40%

^a Expenses are calculated using the Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 9 for more information.

ALLOCATION BY SECTOR As of 9/30/16

Sector	Percentage of Total Investments*
Information Technology	23.01%
Consumer Staples	15.25
Health Care	14.47
Financials	14.34
Energy	10.71
Industrials	7.78
Consumer Discretionary	7.64
Materials	3.30
Telecommunication Services	2.25
Utilities	1.10
Real Estate	0.15
TOTAL	<u>100.00%</u>

TEN LARGEST COUNTRIES As of 9/30/16

Country	Percentage of Total Investments*
United States	60.12%
United Kingdom	11.06
Switzerland	6.47
France	5.61
Germany	5.54
Japan	5.05
Spain	1.73
South Korea	1.73
Netherlands	1.71
Australia	0.74
TOTAL	<u>99.76%</u>

* Excludes money market funds.

Fund Performance Overview

iSHARES® GLOBAL CLEAN ENERGY ETF

Performance as of September 30, 2016

The iShares Global Clean Energy ETF (the "Fund") seeks to track the investment results of an index composed of global equities in the clean energy sector, as represented by the S&P Global Clean Energy Index™ (the "Index"). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2016, the total return for the Fund was -0.20%, net of fees, while the total return for the Index was -1.12%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	3.02%	3.13%	1.68%	3.02%	3.13%	1.68%
5 Years	2.50%	2.86%	1.00%	13.15%	15.16%	5.10%
Since Inception	(16.99)%	(16.90)%	(18.16)%	(78.57)%	(78.38)%	(80.92)%

The inception date of the Fund was 6/24/08. The first day of secondary market trading was 6/25/08.

Past performance is no guarantee of future results. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. See "About Fund Performance" on page 9 for more information.

Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/16)	Ending Account Value (9/30/16)	Expenses Paid During Period ^a	Beginning Account Value (4/1/16)	Ending Account Value (9/30/16)	Expenses Paid During Period ^a	Annualized Expense Ratio
\$ 1,000.00	\$ 998.00	\$ 2.40	\$ 1,000.00	\$ 1,022.70	\$ 2.43	0.48%

^a Expenses are calculated using the Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 9 for more information.

ALLOCATION BY SECTOR As of 9/30/16

Sector	Percentage of Total Investments*
Renewable Electricity	26.74%
Heavy Electrical Equipment	17.52
Electric Utilities	14.84
Semiconductors	11.61
Semiconductor Equipment	10.38
Environmental & Facilities Services	9.97
Independent Power Producers & Energy Traders	3.92
Electrical Components & Equipment	3.43
Oil & Gas Refining & Marketing	0.90
Construction & Engineering	0.69
TOTAL	100.00%

TEN LARGEST COUNTRIES As of 9/30/16

Country	Percentage of Total Investments*
China	29.53%
United States	20.93
Brazil	8.58
Germany	6.37
Austria	6.26
Spain	6.18
Denmark	5.78
New Zealand	5.20
Portugal	4.73
Japan	3.92
TOTAL	97.48%

* Excludes money market funds.

Fund Performance Overview

iSHARES® GLOBAL INFRASTRUCTURE ETF

Performance as of September 30, 2016

The iShares Global Infrastructure ETF (the "Fund") seeks to track the investment results of an index composed of developed market equities in the infrastructure industry, as represented by the S&P Global Infrastructure Index™ (the "Index"). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2016, the total return for the Fund was 7.41%, net of fees, while the total return for the Index was 7.31%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	13.97%	13.85%	13.59%	13.97%	13.85%	13.59%
5 Years	9.00%	9.28%	8.85%	53.89%	55.88%	52.80%
Since Inception	1.33%	1.36%	1.14%	12.36%	12.60%	10.47%

The inception date of the Fund was 12/10/07. The first day of secondary market trading was 12/12/07.

Past performance is no guarantee of future results. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. See "About Fund Performance" on page 9 for more information.

Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/16)	Ending Account Value (9/30/16)	Expenses Paid During Period ^a	Beginning Account Value (4/1/16)	Ending Account Value (9/30/16)	Expenses Paid During Period ^a	Annualized Expense Ratio
\$ 1,000.00	\$ 1,074.10	\$ 2.50	\$ 1,000.00	\$ 1,022.70	\$ 2.43	0.48%

^a Expenses are calculated using the Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 9 for more information.

ALLOCATION BY SECTOR As of 9/30/16

Sector	Percentage of Total Investments*
Electric Utilities	25.04%
Oil & Gas Storage & Transportation	20.22
Airport Services	18.47
Highways & Railtracks	17.46
Multi-Utilities	13.32
Marine Ports & Services	4.28
Water Utilities	0.56
Aerospace & Defense	0.27
Gas Utilities	0.20
Independent Power Producers & Energy Traders	0.18
TOTAL	100.00%

TEN LARGEST COUNTRIES As of 9/30/16

Country	Percentage of Total Investments*
United States	38.41%
Spain	9.18
Canada	9.04
Australia	8.69
Italy	6.26
United Kingdom	6.00
France	4.57
China	3.71
Japan	2.78
Mexico	2.27
TOTAL	90.91%

* Excludes money market funds.

Fund Performance Overview

iSHARES® GLOBAL TIMBER & FORESTRY ETF

Performance as of September 30, 2016

The iShares Global Timber & Forestry ETF (the "Fund") seeks to track the investment results of an index composed of global equities in or related to the timber and forestry industry, as represented by the the S&P Global Timber & Forestry Index™ (the "Index"). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2016, the total return for the Fund was 7.58%, net of fees, while the total return for the Index was 7.12%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	14.72%	14.80%	14.17%	14.72%	14.80%	14.17%
5 Years	9.55%	9.85%	9.17%	57.80%	59.99%	55.08%
Since Inception	2.39%	2.40%	1.83%	21.59%	21.72%	16.21%

The inception date of the Fund was 6/24/08. The first day of secondary market trading was 6/25/08.

Past performance is no guarantee of future results. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. See "About Fund Performance" on page 9 for more information.

Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/16)	Ending Account Value (9/30/16)	Expenses Paid During Period ^a	Beginning Account Value (4/1/16)	Ending Account Value (9/30/16)	Expenses Paid During Period ^a	Annualized Expense Ratio
\$ 1,000.00	\$ 1,075.80	\$ 2.50	\$ 1,000.00	\$ 1,022.70	\$ 2.43	0.48%

^a Expenses are calculated using the Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 9 for more information.

ALLOCATION BY SECTOR As of 9/30/16

Sector	Percentage of Total Investments*
Paper Products	36.38%
Paper Packaging	23.65
Specialized REITs	23.39
Forest Products	12.74
Homebuilding	3.84
TOTAL	100.00%

ALLOCATION BY COUNTRY As of 9/30/16

Country	Percentage of Total Investments*
United States	44.69%
Japan	11.35
Canada	10.26
Finland	10.10
Brazil	9.40
South Africa	4.09
United Kingdom	4.06
Ireland	3.66
Sweden	2.39
TOTAL	100.00%

* Excludes money market funds.

About Fund Performance

Past performance is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Performance data current to the most recent month-end is available at www.ishares.com. Performance results assume reinvestment of all dividends and capital gain distributions and do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. The investment return and principal value of shares will vary with changes in market conditions. Shares may be worth more or less than their original cost when they are redeemed or sold in the market. Performance for certain funds may reflect a waiver of a portion of investment advisory fees. Without such a waiver, performance would have been lower.

Net asset value or “NAV” is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (“Market Price”) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund’s NAV is calculated. Certain funds may have a NAV which is determined prior to the opening of regular trading on its listed exchange and their market returns are calculated using the midpoint of the bid/ask spread as of the opening of regular trading on the exchange. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV, respectively.

An index is a statistical composite that tracks a specified financial market or sector. Unlike a fund, an index does not actually hold a portfolio of securities and therefore does not incur the expenses incurred by a fund. These expenses negatively impact fund performance. Also, market returns do not include brokerage commissions that may be payable on secondary market transactions. If brokerage commissions were included, market returns would be lower.

Shareholder Expenses

As a shareholder of a Fund, you incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of fund shares and (2) ongoing costs, including management fees and other fund expenses. The expense example, which is based on an investment of \$1,000 invested on April 1, 2016 and held through September 30, 2016, is intended to help you understand your ongoing costs (in dollars and cents) of investing in a Fund and to compare these costs with the ongoing costs of investing in other funds.

Actual Expenses — The table provides information about actual account values and actual expenses. Annualized expense ratios reflect contractual and voluntary fee waivers, if any. To estimate the expenses that you paid on your account over the period, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number under the heading entitled “Expenses Paid During Period.”

Hypothetical Example for Comparison Purposes — The table also provides information about hypothetical account values and hypothetical expenses based on each Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses. You may use this information to compare the ongoing costs of investing in your Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as brokerage commissions paid on purchases and sales of fund shares. Therefore, the hypothetical examples are useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Schedule of Investments (Unaudited)

iSHARES® GLOBAL 100 ETF

September 30, 2016

Security	Shares	Value	Security	Shares	Value
COMMON STOCKS — 99.56%					
AUSTRALIA — 0.74%					
BHP Billiton Ltd.	541,331	\$ 9,270,998	Sony Corp.	213,500	\$ 6,942,729
Westfield Corp.	321,126	2,391,067	Toyota Motor Corp.	496,100	28,311,479
		11,662,065			79,816,622
FRANCE — 5.58%			NETHERLANDS — 1.70%		
AXA SA	325,699	6,932,429	Aegon NV	244,296	936,456
Carrefour SA	97,753	2,533,802	ING Groep NV	649,159	8,017,479
Cie. de Saint-Gobain	87,067	3,764,132	Koninklijke Philips NV	159,784	4,736,932
Engie SA	269,828	4,181,579	Unilever NV CVA	289,225	13,350,651
L'Oreal SA	41,220	7,786,903			27,041,518
LVMH Moët Hennessy Louis Vuitton SE	46,286	7,896,061	SOUTH KOREA — 1.72%		
Orange SA	388,418	6,080,503	Samsung Electronics Co. Ltd. GDR	37,813	27,319,893
Sanofi	198,429	15,083,349			27,319,893
Schneider Electric SE	99,290	6,924,786	SPAIN — 1.73%		
Societe Generale SA	129,916	4,493,868	Banco Bilbao Vizcaya Argentaria SA	1,092,419	6,607,269
Total SA ^a	417,292	19,775,738	Banco Santander SA	2,415,180	10,712,866
Vivendi SA	154,839	3,123,445	Repsol SA	193,200	2,621,702
		88,576,595	Telefonica SA	736,050	7,456,965
					27,398,802
GERMANY — 5.51%			SWEDEN — 0.23%		
Allianz SE Registered	77,015	11,433,184	Telefonaktiebolaget LM Ericsson Class B	515,536	3,727,789
BASF SE	154,971	13,255,045			3,727,789
Bayer AG Registered	139,457	14,015,629	SWITZERLAND — 6.44%		
Daimler AG Registered	167,787	11,824,537	ABB Ltd. Registered	334,551	7,526,880
Deutsche Bank AG Registered ^b	233,486	3,035,870	Credit Suisse Group AG Registered	334,154	4,381,161
Deutsche Telekom AG Registered	544,047	9,122,089	Nestle SA Registered	525,578	41,502,987
E.ON SE	340,342	2,414,956	Novartis AG Registered	442,843	34,901,181
Muenchener Rueckversicherungs- Gesellschaft AG in Muenchen Registered	27,067	5,049,371	Swiss Re AG	55,677	5,034,134
RWE AG ^b	80,316	1,384,124	UBS Group AG	645,011	8,802,863
Siemens AG Registered	129,422	15,155,312			102,149,206
Volkswagen AG	5,447	790,571	UNITED KINGDOM — 11.02%		
		87,480,688	Anglo American PLC ^b	237,134	2,980,566
JAPAN — 5.03%			AstraZeneca PLC	210,528	13,684,732
Bridgestone Corp.	116,200	4,252,577	Aviva PLC	683,090	3,908,706
Canon Inc.	185,550	5,356,791	Barclays PLC	2,626,633	5,725,329
Honda Motor Co. Ltd.	305,300	8,705,414	BP PLC	3,165,313	18,502,836
Mitsubishi UFJ Financial Group Inc.	2,386,800	11,905,127	Diageo PLC	422,816	12,140,905
Nissan Motor Co. Ltd.	425,100	4,125,273	GlaxoSmithKline PLC	820,993	17,522,099
Panasonic Corp.	391,100	3,869,868	HSBC Holdings PLC	3,359,415	25,253,772
Seven & I Holdings Co. Ltd.	135,120	6,347,364	National Grid PLC	661,547	9,384,096
			Prudential PLC	431,278	7,655,544

Schedule of Investments (Unaudited) (Continued)

iSHARES® GLOBAL 100 ETF

September 30, 2016

Security	Shares	Value
Rio Tinto PLC	204,734	\$ 6,846,868
Royal Dutch Shell PLC Class A	726,646	18,066,496
Royal Dutch Shell PLC Class B	634,649	16,463,448
Standard Chartered PLC ^b	465,001	3,795,160
Vodafone Group PLC	4,470,153	12,876,420
		<u>174,806,977</u>

UNITED STATES — 59.86%

3M Co.	101,915	17,960,480
Alphabet Inc. Class A ^b	49,723	39,980,275
Alphabet Inc. Class C ^b	49,915	38,798,430
Aon PLC	44,879	5,048,439
Apple Inc.	908,845	102,744,927
Bristol-Myers Squibb Co.	281,668	15,187,539
Caterpillar Inc.	98,512	8,744,910
Chevron Corp.	318,183	32,747,394
Citigroup Inc.	490,330	23,158,286
Coca-Cola Co. (The)	654,542	27,700,217
Colgate-Palmolive Co.	150,276	11,141,463
Dow Chemical Co. (The)	189,936	9,844,383
El du Pont de Nemours & Co.	147,412	9,872,182
Exxon Mobil Corp.	699,372	61,041,188
Ford Motor Co.	656,464	7,923,520
General Electric Co.	1,512,489	44,799,924
Goldman Sachs Group Inc. (The)	63,693	10,271,770
HP Inc.	289,332	4,493,326
Intel Corp.	797,526	30,106,607
International Business Machines Corp.	146,792	23,317,909
Johnson & Johnson	461,517	54,519,003
JPMorgan Chase & Co.	609,499	40,586,538
Kimberly-Clark Corp.	60,773	7,665,906
Marsh & McLennan Companies Inc.	87,102	5,857,610
McDonald's Corp.	144,028	16,615,070
Merck & Co. Inc.	466,180	29,094,294
Microsoft Corp.	1,314,546	75,717,850
Morgan Stanley	248,858	7,978,388
NIKE Inc. Class B	227,265	11,965,502
PepsiCo Inc.	242,589	26,386,406
Pfizer Inc.	1,022,455	34,630,551
Philip Morris International Inc.	261,524	25,425,363
Procter & Gamble Co. (The) ^a	450,073	40,394,052
Texas Instruments Inc.	169,110	11,868,140
Twenty-First Century Fox Inc. Class A	180,048	4,360,763

Security	Shares	Value
United Technologies Corp.	131,210	\$ 13,330,936
Wal-Mart Stores Inc.	255,561	18,431,059
		<u>949,710,600</u>

TOTAL COMMON STOCKS

(Cost: \$1,463,441,826)

1,579,690,755

SHORT-TERM INVESTMENTS — 2.65%

MONEY MARKET FUNDS — 2.65%

BlackRock Cash Funds: Institutional, SL Agency Shares 0.53% ^{c,d,e}	41,012,538	41,012,538
BlackRock Cash Funds: Treasury, SL Agency Shares 0.31% ^{c,d}	942,847	942,847
		<u>41,955,385</u>

TOTAL SHORT-TERM INVESTMENTS

(Cost: \$41,955,385)

41,955,385

TOTAL INVESTMENTS

IN SECURITIES — 102.21%

(Cost: \$1,505,397,211)^f

1,621,646,140

Other Assets, Less Liabilities — (2.21)%

(35,000,519)

NET ASSETS — 100.00%

\$1,586,645,621

GDR — Global Depositary Receipts

^a All or a portion of this security represents a security on loan. See Note 1.

^b Non-income earning security.

^c Affiliated money market fund.

^d The rate quoted is the annualized seven-day yield of the fund at period end.

^e All or a portion of this security represents an investment of securities lending collateral. See Note 1.

^f The cost of investments for federal income tax purposes was \$1,561,846,036. Net unrealized appreciation was \$59,800,104, of which \$292,821,851 represented gross unrealized appreciation on securities and \$233,021,747 represented gross unrealized depreciation on securities.

Schedule of Investments (Unaudited) (Continued)

iSHARES® GLOBAL 100 ETF

September 30, 2016

Schedule 1 — Fair Value Measurements

Various inputs are used in determining the fair value of financial instruments. For description of the input levels and information about the Fund's policy regarding valuation of financial instruments, see Note 1.

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2016. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Investments:				
Assets:				
Common stocks	\$1,579,690,755	\$ —	\$ —	\$1,579,690,755
Money market funds	41,955,385	—	—	41,955,385
Total	<u>\$1,621,646,140</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$1,621,646,140</u>

See notes to financial statements.

Schedule of Investments (Unaudited)

iSHARES® GLOBAL CLEAN ENERGY ETF

September 30, 2016

Security	Shares	Value	Security	Shares	Value
COMMON STOCKS — 90.56%			SPAIN — 6.12%		
AUSTRIA — 6.20%			Gamesa Corp. Tecnologica SA		
Verbund AG ^a	300,375	\$ 5,012,788	206,569	\$	4,948,112
		5,012,788			4,948,112
CANADA — 1.68%			UNITED STATES — 20.73%		
Canadian Solar Inc. ^{a,b}	98,701	1,356,152	Covanta Holding Corp.	242,169	3,726,981
		1,356,152	First Solar Inc. ^{a,b}	62,834	2,481,315
CHINA — 29.25%			Pattern Energy Group Inc.	133,500	3,002,415
China Everbright International Ltd. ^a	3,581,000	4,256,967	Renewable Energy Group Inc. ^b	85,084	720,661
China Longyuan Power Group Corp. Ltd.	5,373,000	4,364,378	Solarcity Corp. ^{a,b}	140,531	2,748,786
China Singyes Solar Technologies Holdings Ltd. ^a	1,068,000	549,426	SunPower Corp. ^{a,b}	128,605	1,147,157
GCL-Poly Energy Holdings Ltd. ^a	25,543,000	3,392,143	TerraForm Global Inc. Class A	115,166	473,332
Huaneng Renewables Corp. Ltd. Class H	9,078,000	3,160,232	TerraForm Power Inc.	177,021	2,462,362
JA Solar Holdings Co. Ltd. ADR ^{a,b}	99,146	595,867			16,763,009
JinkoSolar Holding Co. Ltd. ^{a,b}	49,840	787,472	TOTAL COMMON STOCKS		
Shunfeng International Clean Energy Ltd. ^b	6,942,000	823,450	(Cost: \$83,595,804)		73,228,522
Trina Solar Ltd. ADR ^b	206,213	2,111,621	PREFERRED STOCKS — 8.50%		
Xinyi Solar Holdings Ltd. ^a	9,662,000	3,612,685	BRAZIL — 8.50%		
		23,654,241	Cia. Energetica de Minas Gerais ADR		
DENMARK — 5.73%				1,695,628	4,391,676
Vestas Wind Systems A/S	56,262	4,631,928	Cia. Paranaense de Energia Class B ADR		
		4,631,928		239,232	2,480,836
GERMANY — 6.31%					6,872,512
Nordex SE ^{a,b}	146,583	4,454,299	TOTAL PREFERRED STOCKS		
SMA Solar Technology AG ^a	20,381	650,249	(Cost: \$9,987,890)		
		5,104,548	6,872,512		
JAPAN — 3.88%			SHORT-TERM INVESTMENTS — 38.90%		
Electric Power Development Co. Ltd.	131,400	3,137,562	MONEY MARKET FUNDS — 38.90%		
		3,137,562	BlackRock Cash Funds: Institutional, SL Agency Shares		
NEW ZEALAND — 5.15%				31,428,191	31,428,191
Meridian Energy Ltd.	2,204,708	4,168,484	BlackRock Cash Funds: Treasury, SL Agency Shares		
		4,168,484		26,446	26,446
NORWAY — 0.82%					31,454,637
REC Silicon ASA ^{a,b}	4,735,512	660,055	TOTAL SHORT-TERM INVESTMENTS		
		660,055	(Cost: \$31,454,637)		
PORTUGAL — 4.69%					31,454,637
EDP Renovaveis SA	472,145	3,791,643			
		3,791,643			

Schedule of Investments (Unaudited) (Continued)

iSHARES® GLOBAL CLEAN ENERGY ETF

September 30, 2016

	<i>Value</i>
TOTAL INVESTMENTS	
IN SECURITIES — 137.96%	
(Cost: \$125,038,331)^f	\$111,555,671
Other Assets, Less Liabilities — (37.96)%	<u>(30,693,482)</u>
NET ASSETS — 100.00%	<u>\$ 80,862,189</u>

ADR — American Depositary Receipts

^a All or a portion of this security represents a security on loan. See Note 1.

^b Non-income earning security.

^c Affiliated money market fund.

^d The rate quoted is the annualized seven-day yield of the fund at period end.

^e All or a portion of this security represents an investment of securities lending collateral. See Note 1.

^f The cost of investments for federal income tax purposes was \$129,375,913.

Net unrealized depreciation was \$17,820,242, of which \$9,548,176 represented gross unrealized appreciation on securities and \$27,368,418 represented gross unrealized depreciation on securities.

Schedule 1 — Fair Value Measurements

Various inputs are used in determining the fair value of financial instruments. For description of the input levels and information about the Fund's policy regarding valuation of financial instruments, see Note 1.

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2016. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Investments:				
Assets:				
Common stocks	\$ 73,228,522	\$ —	\$ —	\$ 73,228,522
Preferred stocks	6,872,512	—	—	6,872,512
Money market funds	<u>31,454,637</u>	<u>—</u>	<u>—</u>	<u>31,454,637</u>
Total	<u>\$111,555,671</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$111,555,671</u>

See notes to financial statements.

Schedule of Investments (Unaudited)

iSHARES® GLOBAL INFRASTRUCTURE ETF

September 30, 2016

Security	Shares	Value	Security	Shares	Value
COMMON STOCKS — 99.77%			FRANCE — 4.56%		
AUSTRALIA — 8.67%			Aeroports de Paris	123,683	\$ 12,270,475
Macquarie Atlas Roads Group	1,705,043	\$ 6,510,875	Engie SA	941,475	14,590,229
Qube Holdings Ltd. ^a	4,611,541	8,222,531	Groupe Eurotunnel SE Registered	2,084,801	22,576,180
Sydney Airport	4,153,844	22,155,750			49,436,884
Transurban Group	6,576,735	57,223,486	GERMANY — 1.47%		
		94,112,642	E.ON SE	1,168,201	8,289,173
BRAZIL — 1.19%			Fraport AG Frankfurt Airport Services Worldwide	140,194	7,670,323
Cia. de Saneamento Basico do Estado de Sao Paulo ADR	196,854	1,822,868			15,959,496
CPFL Energia SA ADR	188,902	2,795,750	HONG KONG — 1.12%		
Ultrapar Participacoes SA ADR	380,119	8,320,805	CLP Holdings Ltd.	1,179,000	12,183,788
		12,939,423			12,183,788
CANADA — 9.02%			ITALY — 6.25%		
AltaGas Ltd.	145,545	3,736,495	Atlantia SpA	1,781,709	45,231,611
Enbridge Inc.	834,218	36,599,589	Enel SpA	4,502,419	20,077,361
Inter Pipeline Ltd.	301,214	6,348,585	Societa Iniziative Autostradali e Servizi SpA	258,979	2,473,845
Pembina Pipeline Corp.	349,591	10,634,695			67,782,817
TransCanada Corp.	713,372	33,821,730	JAPAN — 2.77%		
Veresen Inc.	279,759	2,852,403	Japan Airport Terminal Co. Ltd. ^a	262,000	9,922,184
Westshore Terminals Investment Corp.	212,614	3,858,356	Kamigumi Co. Ltd.	946,000	8,202,123
		97,851,853	Mitsubishi Logistics Corp.	622,000	8,912,477
CHILE — 0.16%			Sumitomo Warehouse Co. Ltd. (The)	570,000	3,011,406
Enersis Americas SA ADR	217,242	1,779,212			30,048,190
		1,779,212	MEXICO — 2.27%		
CHINA — 3.71%			Grupo Aeroportuario del Pacifico SAB de CV ADR	141,016	13,392,289
Beijing Capital International Airport Co. Ltd. Class H	5,240,000	5,938,615	Grupo Aeroportuario del Sureste SAB de CV Series B ADR	76,769	11,240,517
Beijing Enterprises Water Group Ltd. ^a	2,626,000	1,774,153			24,632,806
China Gas Holdings Ltd.	1,358,000	2,153,624	NETHERLANDS — 0.29%		
China Merchants Port Holdings Co. Ltd. ^a	2,776,000	7,391,022	Koninklijke Vopak NV	59,356	3,116,424
China Resources Power Holdings Co. Ltd.	1,141,600	1,966,461			3,116,424
COSCO Pacific Ltd.	6,048,000	6,199,318	NEW ZEALAND — 1.93%		
Guangdong Investment Ltd.	1,572,000	2,497,056	Auckland International Airport Ltd.	3,520,870	18,818,762
Jiangsu Expressway Co. Ltd. Class H	4,716,000	6,518,289	Z Energy Ltd.	350,196	2,139,164
Shenzhen International Holdings Ltd.	3,486,000	5,780,073			20,957,926
		40,218,611	SINGAPORE — 1.62%		
			Hutchison Port Holdings Trust ^a	19,765,400	8,795,603
			SATS Ltd.	2,410,600	8,804,715
					17,600,318

Schedule of Investments (Unaudited) (Continued)

iSHARES® GLOBAL INFRASTRUCTURE ETF

September 30, 2016

Security	Shares	Value
SPAIN — 9.16%		
Abertis Infraestructuras SA	2,214,032	\$ 34,485,472
Aena SA ^b	278,776	41,134,778
Iberdrola SA	3,488,727	23,727,663
		<u>99,347,913</u>
SWITZERLAND — 1.28%		
Flughafen Zuerich AG	71,025	13,906,071
		<u>13,906,071</u>
UNITED KINGDOM — 5.98%		
BBA Aviation PLC	3,400,374	11,038,297
Centrica PLC	3,170,919	9,399,611
National Grid PLC	2,289,443	32,475,930
SSE PLC	589,533	12,007,796
		<u>64,921,634</u>
UNITED STATES — 38.32%		
American Electric Power Co. Inc.	287,002	18,428,398
Cheniere Energy Inc. ^c	210,359	9,171,652
Consolidated Edison Inc.	177,369	13,355,886
Dominion Resources Inc./VA	364,651	27,082,630
Duke Energy Corp.	401,811	32,160,953
Edison International	190,028	13,729,523
Eversource Energy	184,147	9,977,085
Exelon Corp.	538,614	17,930,460
Kinder Morgan Inc./DE	1,714,056	39,646,115
Macquarie Infrastructure Corp.	284,512	23,682,779
NextEra Energy Inc.	272,545	33,337,704
ONEOK Inc.	188,023	9,662,502
PG&E Corp.	290,639	17,778,388
PPL Corp.	395,499	13,672,400
Public Service Enterprise Group Inc.	295,144	12,357,679
Sempra Energy	145,636	15,610,723
Southern Co. (The)	570,406	29,261,828
Spectra Energy Corp.	625,976	26,760,474
Targa Resources Corp.	148,859	7,310,466
WEC Energy Group Inc.	184,005	11,018,219
Wesco Aircraft Holdings Inc. ^c	219,818	2,952,156
Williams Companies Inc. (The)	610,058	18,747,082
Xcel Energy Inc.	296,180	12,184,845
		<u>415,819,947</u>
TOTAL COMMON STOCKS		
(Cost: \$1,039,287,706)		1,082,615,955

Security	Shares	Value
SHORT-TERM INVESTMENTS — 1.74%		
MONEY MARKET FUNDS — 1.74%		
BlackRock Cash Funds: Institutional, SL Agency Shares 0.53% ^{d,e,f}	17,999,823	\$ 17,999,823
BlackRock Cash Funds: Treasury, SL Agency Shares 0.31% ^{d,e}	875,778	875,778
		<u>18,875,601</u>
TOTAL SHORT-TERM INVESTMENTS		
(Cost: \$18,875,601)		<u>18,875,601</u>
TOTAL INVESTMENTS		
IN SECURITIES — 101.51%		1,101,491,556
(Cost: \$1,058,163,307)^g		<u>(16,377,803)</u>
Other Assets, Less Liabilities — (1.51)%		<u>(16,377,803)</u>
NET ASSETS — 100.00%		<u><u>\$1,085,113,753</u></u>

ADR — American Depositary Receipts

^a All or a portion of this security represents a security on loan. See Note 1.

^b This security may be resold to qualified institutional buyers under Rule 144A of the Securities Act of 1933.

^c Non-income earning security.

^d Affiliated money market fund.

^e The rate quoted is the annualized seven-day yield of the fund at period end.

^f All or a portion of this security represents an investment of securities lending collateral. See Note 1.

^g The cost of investments for federal income tax purposes was \$1,077,507,855. Net unrealized appreciation was \$23,983,701, of which \$108,001,385 represented gross unrealized appreciation on securities and \$84,017,684 represented gross unrealized depreciation on securities.

Schedule of Investments (Unaudited) (Continued)

iSHARES® GLOBAL INFRASTRUCTURE ETF

September 30, 2016

Schedule 1 — Fair Value Measurements

Various inputs are used in determining the fair value of financial instruments. For description of the input levels and information about the Fund's policy regarding valuation of financial instruments, see Note 1.

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2016. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Investments:				
Assets:				
Common stocks	\$1,082,615,955	\$ —	\$ —	\$1,082,615,955
Money market funds	18,875,601	—	—	18,875,601
Total	<u>\$1,101,491,556</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$1,101,491,556</u>

See notes to financial statements.

Schedule of Investments (Unaudited)

iSHARES® GLOBAL TIMBER & FORESTRY ETF

September 30, 2016

<i>Security</i>	<i>Shares</i>	<i>Value</i>	<i>Security</i>	<i>Shares</i>	<i>Value</i>
COMMON STOCKS — 96.66%					
BRAZIL — 6.79%					
Fibria Celulose SA ADR	750,720	\$ 5,307,590			
Klabin SA Units	1,472,040	7,720,751			
		13,028,341			
CANADA — 10.18%					
Canfor Corp. ^a	481,856	5,341,938			
West Fraser Timber Co. Ltd.	460,864	14,177,464			
		19,519,402			
FINLAND — 10.02%					
Metsa Board OYJ ^b	655,296	3,880,943			
Stora Enso OYJ Class R	850,880	7,558,911			
UPM-Kymmene OYJ	368,320	7,781,659			
		19,221,513			
IRELAND — 3.63%					
Smurfit Kappa Group PLC	311,552	6,967,431			
		6,967,431			
JAPAN — 11.26%					
Nippon Paper Industries Co. Ltd.	384,000	6,981,129			
Oji Holdings Corp.	1,856,000	7,294,603			
Sumitomo Forestry Co. Ltd.	550,400	7,310,403			
		21,586,135			
SOUTH AFRICA — 4.06%					
Sappi Ltd. ^a	1,508,288	7,787,543			
		7,787,543			
SWEDEN — 2.37%					
Holmen AB Class B	127,488	4,547,509			
		4,547,509			
UNITED KINGDOM — 4.03%					
Mondi PLC	366,272	7,722,028			
		7,722,028			
UNITED STATES — 44.32%					
CatchMark Timber Trust Inc.					
Class A ^b	255,360	2,985,158			
Deltic Timber Corp.	69,568	4,711,841			
International Paper Co.	156,800	7,523,264			
KapStone Paper and Packaging Corp.	290,496	5,496,184			
Packaging Corp. of America	93,120	7,566,931			
Potlatch Corp. ^b	267,456	10,401,364			
Rayonier Inc.	569,408	15,112,088			
Sonoco Products Co.	143,424	7,577,090			
WestRock Co.	157,440	7,632,691			
			Weyerhaeuser Co.	500,992	\$ 16,001,685
					85,008,296
			TOTAL COMMON STOCKS		
			(Cost: \$168,741,477)		185,388,198
			PREFERRED STOCKS — 2.53%		
			BRAZIL — 2.53%		
			Suzano Papel e Celulose SA		
			Class A	1,504,000	4,846,909
					4,846,909
			TOTAL PREFERRED STOCKS		
			(Cost: \$6,549,642)		4,846,909
			SHORT-TERM INVESTMENTS — 4.19%		
			MONEY MARKET FUNDS — 4.19%		
			BlackRock Cash Funds: Institutional,		
			SL Agency Shares		
			0.53% ^{c,d,e}	7,668,298	7,668,298
			BlackRock Cash Funds: Treasury,		
			SL Agency Shares		
			0.31% ^{c,d}	368,797	368,797
					8,037,095
			TOTAL SHORT-TERM INVESTMENTS		
			(Cost: \$8,037,095)		8,037,095
			TOTAL INVESTMENTS		
			IN SECURITIES — 103.38%		
			(Cost: \$183,328,214)^f		
					198,272,202
			Other Assets, Less Liabilities — (3.38)%		
					(6,480,620)
			NET ASSETS — 100.00%		
					<u>\$191,791,582</u>

ADR — American Depositary Receipts

^a Non-income earning security.

^b All or a portion of this security represents a security on loan. See Note 1.

^c Affiliated money market fund.

^d The rate quoted is the annualized seven-day yield of the fund at period end.

^e All or a portion of this security represents an investment of securities lending collateral. See Note 1.

^f The cost of investments for federal income tax purposes was \$186,781,769. Net unrealized appreciation was \$11,490,433, of which \$28,395,550 represented gross unrealized appreciation on securities and \$16,905,117 represented gross unrealized depreciation on securities.

Schedule of Investments (Unaudited) (Continued)

iSHARES® GLOBAL TIMBER & FORESTRY ETF

September 30, 2016

Schedule 1 — Fair Value Measurements

Various inputs are used in determining the fair value of financial instruments. For description of the input levels and information about the Fund's policy regarding valuation of financial instruments, see Note 1.

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2016. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	Level 1	Level 2	Level 3	Total
Investments:				
Assets:				
Common stocks	\$185,388,198	\$ —	\$ —	\$185,388,198
Preferred stocks	4,846,909	—	—	4,846,909
Money market funds	8,037,095	—	—	8,037,095
Total	<u>\$198,272,202</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$198,272,202</u>

See notes to financial statements.

Statements of Assets and Liabilities (Unaudited)

iSHARES® TRUST

September 30, 2016

	iShares Global 100 ETF	iShares Global Clean Energy ETF	iShares Global Infrastructure ETF
ASSETS			
Investments, at cost:			
Unaffiliated	\$1,463,441,826	\$ 93,583,694	\$1,039,287,706
Affiliated (Note 2)	41,955,385	31,454,637	18,875,601
Total cost of investments	<u>\$1,505,397,211</u>	<u>\$125,038,331</u>	<u>\$1,058,163,307</u>
Investments in securities, at fair value (including securities on loan ^a) (Note 1):			
Unaffiliated	\$1,579,690,755	\$ 80,101,034	\$1,082,615,955
Affiliated (Note 2)	41,955,385	31,454,637	18,875,601
Total fair value of investments	1,621,646,140	111,555,671	1,101,491,556
Foreign currency, at value ^b	1,849,527	66,853	995,852
Receivables:			
Investment securities sold	479,176	—	74,171,343
Due from custodian (Note 4)	—	—	398,454
Dividends and interest	2,788,969	672,342	2,342,070
Capital shares sold	—	—	188,447
Tax reclaims	1,883,823	39,052	217,573
Foreign withholding tax claims (Note 7)	83,120	—	—
Total Assets	<u>1,628,730,755</u>	<u>112,333,918</u>	<u>1,179,805,295</u>
LIABILITIES			
Payables:			
Investment securities purchased	—	—	76,277,388
Collateral for securities on loan (Note 1)	41,012,538	31,428,191	17,999,823
Capital shares redeemed	59,872	11,088	—
Securities related to in-kind transactions (Note 4)	479,176	—	—
Professional fees (Note 7)	831	—	—
Investment advisory fees (Note 2)	532,717	32,450	414,331
Total Liabilities	<u>42,085,134</u>	<u>31,471,729</u>	<u>94,691,542</u>
NET ASSETS	<u>\$1,586,645,621</u>	<u>\$ 80,862,189</u>	<u>\$1,085,113,753</u>
Net assets consist of:			
Paid-in capital	\$1,637,456,565	\$147,535,854	\$1,138,103,980
Undistributed net investment income	9,836,599	994,061	10,544,110
Accumulated net realized loss	(176,854,540)	(54,182,717)	(106,856,853)
Net unrealized appreciation (depreciation)	116,206,997	(13,485,009)	43,322,516
NET ASSETS	<u>\$1,586,645,621</u>	<u>\$ 80,862,189</u>	<u>\$1,085,113,753</u>
Shares outstanding ^c	<u>21,150,000</u>	<u>8,900,000</u>	<u>26,200,000</u>
Net asset value per share	<u>\$ 75.02</u>	<u>\$ 9.09</u>	<u>\$ 41.42</u>

^a Securities on loan with values of \$40,184,890, \$29,911,557 and \$17,031,638, respectively. See Note 1.

^b Cost of foreign currency: \$1,843,833, \$66,776 and \$1,000,129, respectively.

^c No par value, unlimited number of shares authorized.

See notes to financial statements.

Statements of Assets and Liabilities (Unaudited) (Continued)

iSHARES® TRUST

September 30, 2016

iShares Global
Timber & Forestry
ETF

ASSETS

Investments, at cost:	
Unaffiliated	\$175,291,119
Affiliated (Note 2)	8,037,095
Total cost of investments	<u>\$183,328,214</u>
Investments in securities, at fair value (including securities on loan ^a) (Note 1):	
Unaffiliated	\$190,235,107
Affiliated (Note 2)	8,037,095
Total fair value of investments	198,272,202
Foreign currency, at value ^b	180,589
Receivables:	
Investment securities sold	16,474,205
Dividends and interest	465,698
Foreign withholding tax claims (Note 7)	738,055
Total Assets	<u>216,130,749</u>

LIABILITIES

Payables:	
Investment securities purchased	16,474,489
Collateral for securities on loan (Note 1)	7,668,298
IRS compliance fee for foreign withholding tax claims (Note 7)	63,525
Professional fees (Note 7)	7,381
Investment advisory fees (Note 2)	125,474
Total Liabilities	<u>24,339,167</u>
NET ASSETS	<u>\$191,791,582</u>

Net assets consist of:

Paid-in capital	\$218,797,204
Distributions in excess of net investment income	(500,879)
Accumulated net realized loss	(41,452,529)
Net unrealized appreciation	14,947,786
NET ASSETS	<u>\$191,791,582</u>
Shares outstanding ^c	<u>3,840,000</u>
Net asset value per share	<u>\$ 49.95</u>

^a Securities on loan with a value of \$7,378,936. See Note 1.

^b Cost of foreign currency: \$180,816.

^c No par value, unlimited number of shares authorized.

See notes to financial statements.

Statements of Operations (Unaudited)

iSHARES® TRUST

Six months ended September 30, 2016

	iShares Global 100 ETF	iShares Global Clean Energy ETF	iShares Global Infrastructure ETF
NET INVESTMENT INCOME			
Dividends — unaffiliated ^a	\$28,771,936	\$ 1,162,362	\$ 21,813,004
Dividends — affiliated (Note 2)	3,054	173	1,987
Securities lending income — affiliated — net (Note 2)	47,135	851,679	270,147
Foreign withholding tax claims (Note 7)	83,120	—	—
Total investment income	<u>28,905,245</u>	<u>2,014,214</u>	<u>22,085,138</u>
EXPENSES			
Investment advisory fees (Note 2)	3,245,526	193,991	2,297,721
Professional fees (Note 7)	831	—	—
Total expenses	<u>3,246,357</u>	<u>193,991</u>	<u>2,297,721</u>
Net investment income	<u>25,658,888</u>	<u>1,820,223</u>	<u>19,787,417</u>
NET REALIZED AND UNREALIZED GAIN (LOSS)			
Net realized gain (loss) from:			
Investments — unaffiliated	(9,266,523)	(1,612,903)	(21,780,060)
In-kind redemptions — unaffiliated	29,724,681	896,158	7,803,669
Foreign currency transactions	(127,659)	5,013	(30,936)
Net realized gain (loss)	<u>20,330,499</u>	<u>(711,732)</u>	<u>(14,007,327)</u>
Net change in unrealized appreciation/depreciation on:			
Investments	45,295,898	(1,463,363)	59,261,302
Translation of assets and liabilities in foreign currencies	(74,650)	(126)	(35,744)
Net change in unrealized appreciation/depreciation	<u>45,221,248</u>	<u>(1,463,489)</u>	<u>59,225,558</u>
Net realized and unrealized gain (loss)	<u>65,551,747</u>	<u>(2,175,221)</u>	<u>45,218,231</u>
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$91,210,635</u>	<u>\$ (354,998)</u>	<u>\$ 65,005,648</u>

^a Net of foreign withholding tax of \$1,583,073, \$85,667 and \$1,311,212, respectively.

See notes to financial statements.

Statements of Operations (Unaudited) (Continued)

iSHARES® TRUST

Six months ended September 30, 2016

iShares Global
Timber & Forestry
ETF

NET INVESTMENT INCOME

Dividends — unaffiliated ^a	\$ 1,801,817
Dividends — affiliated (Note 2)	307
Securities lending income — affiliated — net (Note 2)	2,881
Foreign withholding tax claims (Note 7)	<u>738,055</u>
	2,543,060
Less: IRS Compliance fee for foreign withholding tax claims (Note 7)	<u>(63,525)</u>
Total investment income	<u>2,479,535</u>

EXPENSES

Investment advisory fees (Note 2)	443,889
Professional fees (Note 7)	<u>57,381</u>
Total expenses	<u>501,270</u>
Net investment income	<u>1,978,265</u>

NET REALIZED AND UNREALIZED GAIN (LOSS)

Net realized gain (loss) from:	
Investments — unaffiliated	(80,085)
In-kind redemptions — unaffiliated	1,010,184
Foreign currency transactions	<u>31,058</u>
Net realized gain	<u>961,157</u>
Net change in unrealized appreciation/depreciation on:	
Investments	10,460,735
Translation of assets and liabilities in foreign currencies	<u>(474)</u>
Net change in unrealized appreciation/depreciation	<u>10,460,261</u>
Net realized and unrealized gain	<u>11,421,418</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$13,399,683</u>

^a Net of foreign withholding tax of \$177,427.

See notes to financial statements.

Statements of Changes in Net Assets

iSHARES® TRUST

	<i>iShares Global 100 ETF</i>		<i>iShares Global Clean Energy ETF</i>	
	Six months ended September 30, 2016 (Unaudited)	Year ended March 31, 2016	Six months ended September 30, 2016 (Unaudited)	Year ended March 31, 2016
INCREASE (DECREASE) IN NET ASSETS				
OPERATIONS:				
Net investment income	\$ 25,658,888	\$ 47,164,896	\$ 1,820,223	\$ 1,815,373
Net realized gain (loss)	20,330,499	381,329	(711,732)	6,451,949
Net change in unrealized appreciation/depreciation	45,221,248	(110,601,589)	(1,463,489)	(27,457,610)
Net increase (decrease) in net assets resulting from operations	91,210,635	(63,055,364)	(354,998)	(19,190,288)
DISTRIBUTIONS TO SHAREHOLDERS:				
From net investment income	(27,468,589)	(48,375,440)	(1,463,517)	(1,787,387)
Total distributions to shareholders	(27,468,589)	(48,375,440)	(1,463,517)	(1,787,387)
CAPITAL SHARE TRANSACTIONS:				
Proceeds from shares sold	—	50,441,009	2,795,781	31,496,574
Cost of shares redeemed	(107,262,170)	(88,189,121)	(3,533,480)	(7,770,506)
Net increase (decrease) in net assets from capital share transactions	(107,262,170)	(37,748,112)	(737,699)	23,726,068
INCREASE (DECREASE) IN NET ASSETS	(43,520,124)	(149,178,916)	(2,556,214)	2,748,393
NET ASSETS				
Beginning of period	1,630,165,745	1,779,344,661	83,418,403	80,670,010
End of period	\$1,586,645,621	\$1,630,165,745	\$80,862,189	\$ 83,418,403
Undistributed net investment income included in net assets at end of period	\$ 9,836,599	\$ 11,646,300	\$ 994,061	\$ 637,355
SHARES ISSUED AND REDEEMED				
Shares sold	—	650,000	300,000	2,900,000
Shares redeemed	(1,450,000)	(1,200,000)	(400,000)	(700,000)
Net increase (decrease) in shares outstanding	(1,450,000)	(550,000)	(100,000)	2,200,000

See notes to financial statements.

Statements of Changes in Net Assets (Continued)

iSHARES® TRUST

	<i>iShares Global Infrastructure ETF</i>		<i>iShares Global Timber & Forestry ETF</i>	
	Six months ended September 30, 2016 (Unaudited)	Year ended March 31, 2016	Six months ended September 30, 2016 (Unaudited)	Year ended March 31, 2016
INCREASE (DECREASE) IN NET ASSETS				
OPERATIONS:				
Net investment income	\$ 19,787,417	\$ 35,558,152	\$ 1,978,265	\$ 3,234,534
Net realized gain (loss)	(14,007,327)	24,483,024	961,157	668,874
Net change in unrealized appreciation/depreciation	59,225,558	(121,600,298)	10,460,261	(43,253,024)
Net increase (decrease) in net assets resulting from operations	65,005,648	(61,559,122)	13,399,683	(39,349,616)
DISTRIBUTIONS TO SHAREHOLDERS:				
From net investment income	(14,524,914)	(33,839,238)	(2,467,901)	(4,941,403)
Total distributions to shareholders	(14,524,914)	(33,839,238)	(2,467,901)	(4,941,403)
CAPITAL SHARE TRANSACTIONS:				
Proceeds from shares sold	152,424,508	119,856,372	5,671,058	6,598,862
Cost of shares redeemed	(50,213,317)	(319,331,168)	(5,550,083)	(73,560,979)
Net increase (decrease) in net assets from capital share transactions	102,211,191	(199,474,796)	120,975	(66,962,117)
INCREASE (DECREASE) IN NET ASSETS	152,691,925	(294,873,156)	11,052,757	(111,253,136)
NET ASSETS				
Beginning of period	932,421,828	1,227,294,984	180,738,825	291,991,961
End of period	\$1,085,113,753	\$ 932,421,828	\$191,791,582	\$ 180,738,825
Undistributed (distributions in excess of) net investment income included in net assets at end of period	\$ 10,544,110	\$ 5,281,607	\$ (500,879)	\$ (11,243)
SHARES ISSUED AND REDEEMED				
Shares sold	3,700,000	3,000,000	120,000	120,000
Shares redeemed	(1,300,000)	(8,500,000)	(120,000)	(1,620,000)
Net increase (decrease) in shares outstanding	2,400,000	(5,500,000)	—	(1,500,000)

See notes to financial statements.

Financial Highlights

iSHARES® TRUST

(For a share outstanding throughout each period)

iShares Global 100 ETF

	Six months ended Sep. 30, 2016 (Unaudited)	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013	Year ended Mar. 31, 2012
Net asset value, beginning of period	\$ 72.13	\$ 76.86	\$ 77.66	\$ 67.67	\$ 63.57	\$ 65.10
Income from investment operations:						
Net investment income ^a	1.16 ^b	2.05	2.10	2.72 ^c	1.84	1.85
Net realized and unrealized gain (loss) ^d	2.98	(4.68)	(0.22)	9.10	4.05	(1.59)
Total from investment operations	4.14	(2.63)	1.88	11.82	5.89	0.26
Less distributions from:						
Net investment income	(1.25)	(2.10)	(2.68)	(1.83)	(1.79)	(1.79)
Total distributions	(1.25)	(2.10)	(2.68)	(1.83)	(1.79)	(1.79)
Net asset value, end of period	\$ 75.02	\$ 72.13	\$ 76.86	\$ 77.66	\$ 67.67	\$ 63.57
Total return	5.80% ^{b,e}	(3.52)%	2.39%	17.77%	9.64%	0.57%
Ratios/Supplemental data:						
Net assets, end of period (000s)	\$1,586,646	\$1,630,166	\$1,779,345	\$1,611,435	\$1,177,528	\$1,067,999
Ratio of expenses to average net assets ^f	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%
Ratio of expenses to average net assets excluding professional fees for foreign withholding tax claims ^f (Note 7)	0.40%	n/a	n/a	n/a	n/a	n/a
Ratio of net investment income to average net assets ^f	3.16% ^b	2.78%	2.70%	3.74% ^c	2.95%	3.03%
Portfolio turnover rate ^g	3%	5%	12%	5%	5%	4%

^a Based on average shares outstanding throughout each period.

^b Reflects the one-time, positive effect of foreign withholding tax claims, net of the associated professional fees (See Note 7), which resulted in the following increases:

- Net investment income per share by \$0.00
- Total return by 0.00%
- Ratio of net investment income to average net assets by 0.01%

^c Includes a one-time special distribution from Vodafone Group PLC which represented \$0.76 per share and 1.05% of average net assets.

^d The amounts reported for a share outstanding may not accord with the change in aggregate gains and losses in securities for the fiscal period due to the timing of capital share transactions in relation to the fluctuating market values of the Fund's underlying securities.

^e Not annualized.

^f Annualized for periods of less than one year.

^g Portfolio turnover rates exclude portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

Financial Highlights (Continued)

iSHARES® TRUST

(For a share outstanding throughout each period)

iShares Global Clean Energy ETF

	Six months ended Sep. 30, 2016 (Unaudited)	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013	Year ended Mar. 31, 2012
Net asset value, beginning of period	\$ 9.27	\$ 11.86	\$ 11.16	\$ 7.42	\$ 9.10	\$ 18.73
Income from investment operations:						
Net investment income ^a	0.20	0.23	0.37	0.14	0.26	0.45
Net realized and unrealized gain (loss) ^b	(0.22)	(2.59)	0.60	3.82	(1.66)	(9.68)
Total from investment operations	(0.02)	(2.36)	0.97	3.96	(1.40)	(9.23)
Less distributions from:						
Net investment income	(0.16)	(0.23)	(0.27)	(0.17)	(0.28)	(0.40)
Return of capital	—	—	—	(0.05)	—	—
Total distributions	(0.16)	(0.23)	(0.27)	(0.22)	(0.28)	(0.40)
Net asset value, end of period	\$ 9.09	\$ 9.27	\$ 11.86	\$ 11.16	\$ 7.42	\$ 9.10
Total return	(0.20)% ^{c,d}	(20.17)%	9.13%	54.02% ^e	(15.79)% ^f	(49.53)%
Ratios/Supplemental data:						
Net assets, end of period (000s)	\$80,862	\$83,418	\$80,670	\$55,800	\$28,189	\$34,598
Ratio of expenses to average net assets ^g	0.48%	0.47%	0.47%	0.48%	0.48%	0.48%
Ratio of net investment income to average net assets ^g	4.50%	2.28%	3.45%	1.44%	3.61%	3.66%
Portfolio turnover rate ^h	14%	39%	32%	27%	44%	58%

^a Based on average shares outstanding throughout each period.

^b The amounts reported for a share outstanding may not accord with the change in aggregate gains and losses in securities for the fiscal period due to the timing of capital share transactions in relation to the fluctuating market values of the Fund's underlying securities.

^c Not annualized.

^d The total return disclosed is based on the net asset value ("NAV") calculated daily for the creation and redemption of shares in the Fund, which may differ from the NAV calculated for financial reporting purposes. Based on the NAV calculated for financial reporting purposes, the total return for the Fund was (0.09)%.

^e The total return presented was calculated for financial reporting purposes using the beginning net asset value as of March 31, 2013. For financial reporting purposes, the Fund's investments were fair valued as of the reporting date of March 31, 2013 which took into account certain foreign exchanges that were open for trading on March 29, 2013. The Fund's total return calculated using the beginning net asset value as of March 28, 2013 (the last day the Fund's listing exchange was open during the year ended March 31, 2013) was 54.85%.

^f The total return presented was calculated using the ending net asset value as of March 28, 2013 (the last day the Fund's listing exchange was open during the year ended March 31, 2013). For financial reporting purposes, the Fund's investments were fair valued as of the reporting date of March 31, 2013 which took into account certain foreign exchanges that were open for trading on March 29, 2013. As such, the total return calculated for financial reporting purposes for the year ended March 31, 2013, was -15.33%.

^g Annualized for periods of less than one year.

^h Portfolio turnover rates exclude portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

Financial Highlights (Continued)

iSHARES® TRUST

(For a share outstanding throughout each period)

iShares Global Infrastructure ETF

	Six months ended Sep. 30, 2016 (Unaudited)	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013	Year ended Mar. 31, 2012
Net asset value, beginning of period	\$ 39.18	\$ 41.89	\$ 41.48	\$ 37.17	\$ 35.44	\$ 36.75
Income from investment operations:						
Net investment income ^a	0.84	1.26	1.30	1.46	1.37	1.45
Net realized and unrealized gain (loss) ^b	2.03	(2.80)	0.37	4.19	1.82	(1.31)
Total from investment operations	2.87	(1.54)	1.67	5.65	3.19	0.14
Less distributions from:						
Net investment income	(0.63)	(1.17)	(1.26)	(1.34)	(1.46)	(1.45)
Total distributions	(0.63)	(1.17)	(1.26)	(1.34)	(1.46)	(1.45)
Net asset value, end of period	\$ 41.42	\$ 39.18	\$ 41.89	\$ 41.48	\$ 37.17	\$ 35.44
Total return	7.41% ^c	(3.55)%	3.99%	15.91%	9.36%	0.65%
Ratios/Supplemental data:						
Net assets, end of period (000s)	\$1,085,114	\$932,422	\$1,227,295	\$792,185	\$412,533	\$435,947
Ratio of expenses to average net assets ^d	0.48%	0.47%	0.47%	0.48%	0.48%	0.48%
Ratio of net investment income to average net assets ^d	4.13%	3.21%	3.05%	3.84%	3.91%	4.15%
Portfolio turnover rate ^e	10%	17%	14%	16%	10%	16%

^a Based on average shares outstanding throughout each period.

^b The amounts reported for a share outstanding may not accord with the change in aggregate gains and losses in securities for the fiscal period due to the timing of capital share transactions in relation to the fluctuating market values of the Fund's underlying securities.

^c Not annualized.

^d Annualized for periods of less than one year.

^e Portfolio turnover rates exclude portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

Financial Highlights (Continued)

iSHARES® TRUST

(For a share outstanding throughout each period)

iShares Global Timber & Forestry ETF

	Six months ended Sep. 30, 2016 (Unaudited)	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013	Year ended Mar. 31, 2012
Net asset value, beginning of period	\$ 47.07	\$ 54.68	\$ 51.70	\$ 49.74	\$ 41.22	\$ 50.64
Income from investment operations:						
Net investment income ^a	0.51 ^b	0.66	0.55	0.79	0.57	0.72
Net realized and unrealized gain (loss) ^c	3.00	(7.30)	3.34	1.99	8.53	(9.24)
Total from investment operations	3.51	(6.64)	3.89	2.78	9.10	(8.52)
Less distributions from:						
Net investment income	(0.63)	(0.97)	(0.91)	(0.82)	(0.58)	(0.90)
Total distributions	(0.63)	(0.97)	(0.91)	(0.82)	(0.58)	(0.90)
Net asset value, end of period	\$ 49.95	\$ 47.07	\$ 54.68	\$ 51.70	\$ 49.74	\$ 41.22
Total return	7.58% ^{b,d}	(12.25)%	7.60%	5.63% ^e	22.75% ^e	(16.72)%
Ratios/Supplemental data:						
Net assets, end of period (000s)	\$191,792	\$180,739	\$291,992	\$327,283	\$295,426	\$163,247
Ratio of expenses to average net assets ^f	0.54%	0.47%	0.47%	0.48%	0.48%	0.48%
Ratio of expenses to average net assets excluding professional fees for foreign withholding tax claims ^f (Note 7)	0.48%	n/a	n/a	n/a	n/a	n/a
Ratio of net investment income to average net assets ^f	2.14% ^b	1.33%	1.06%	1.58%	1.35%	1.75%
Portfolio turnover rate ^g	10%	22%	12%	29%	15%	21%

^a Based on average shares outstanding throughout each period.

^b Reflects the one-time, positive effect of foreign withholding tax claims, net of the associated IRS compliance fees and professional fees (See Note 7), which resulted in the following increases:

- Net investment income per share by \$0.16
- Total return by 0.38%
- Ratio of net investment income to average net assets by 0.67%

^c The amounts reported for a share outstanding may not accord with the change in aggregate gains and losses in securities for the fiscal period due to the timing of capital share transactions in relation to the fluctuating market values of the Fund's underlying securities.

^d Not annualized.

^e The total return presented was calculated using the net asset value as of March 28, 2013 (the last day the Fund's listing exchange was open during the year ended March 31, 2013). For financial reporting purposes, the Fund's investments were fair valued as of the reporting date of March 31, 2013 which took into account certain foreign exchanges that were open for trading on March 29, 2013. As such, the total return calculated for financial reporting purposes for the years ended March 31, 2014 and March 31, 2013 were 5.78% and 22.57%, respectively.

^f Annualized for periods of less than one year.

^g Portfolio turnover rates exclude portfolio securities received or delivered in Creation Units but include portfolio transactions that are executed as a result of the Fund processing capital share transactions in Creation Units partially for cash in U.S. dollars. Excluding such cash transactions, the portfolio turnover rates for the six months ended September 30, 2016, and the years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 were 10%, 22%, 11%, 28% and 15%, respectively. See Note 4.

See notes to financial statements.

Notes to Financial Statements (Unaudited)

iSHARES® TRUST

iShares Trust (the “Trust”) is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Trust was established as a Delaware statutory trust pursuant to an Agreement and Declaration of Trust dated December 16, 1999.

These financial statements relate only to the following funds (each, a “Fund,” and collectively, the “Funds”):

<u>iShares ETF</u>	<u>Diversification Classification</u>
Global 100	Diversified
Global Clean Energy	Non-diversified
Global Infrastructure	Diversified
Global Timber & Forestry	Non-diversified

The investment objective of each Fund is to seek investment results that correspond generally to the price and yield performance, before fees and expenses, of its underlying index. The investment adviser uses a “passive” or index approach to try to achieve each Fund’s investment objective.

Pursuant to the Trust’s organizational documents, the Funds’ officers and trustees are indemnified against certain liabilities that may arise out of the performance of their duties to the Funds. Additionally, in the normal course of business, the Funds enter into contracts with service providers that contain general indemnification clauses. The Funds’ maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred.

1. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies are consistently followed by each Fund in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Each Fund is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies.

SECURITY VALUATION

Each Fund’s investments are valued at fair value each day that the Fund’s listing exchange is open and, for financial reporting purposes, as of the report date should the reporting period end on a day that the Fund’s listing exchange is not open. U.S. GAAP defines fair value as the price a fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The BlackRock Global Valuation Methodologies Committee (the “Global Valuation Committee”) provides oversight of the valuation of investments for the Funds. The investments of each Fund are valued pursuant to policies and procedures developed by the Global Valuation Committee and approved by the Board of Trustees of the Trust (the “Board”).

- Equity investments traded on a recognized securities exchange are valued at that day’s last reported trade price or the official closing price, as applicable, on the exchange where the stock is primarily traded. Equity investments traded on a recognized exchange for which there were no sales on that day are valued at the last traded price.
- Open-end U.S. mutual funds (including money market funds) are valued at that day’s published net asset value (“NAV”).

Notes to Financial Statements (Unaudited) (Continued)

iSHARES® TRUST

In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the fair value of such investment or if a price is not available, the investment will be valued based upon other available factors deemed relevant by the Global Valuation Committee, in accordance with policies approved by the Board. These factors include but are not limited to (i) attributes specific to the investment; (ii) the principal market for the investment; (iii) the customary participants in the principal market for the investment; (iv) data assumptions by market participants for the investment, if reasonably available; (v) quoted prices for similar investments in active markets; and (vi) other factors, such as future cash flows, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and/or default rates. Valuations based on such factors are reported to the Board on a quarterly basis.

The Global Valuation Committee employs various methods for calibrating valuation approaches for investments where an active market does not exist, including regular due diligence of the Trust's pricing vendors, a regular review of key inputs and assumptions, transactional back-testing or disposition analysis to compare unrealized gains and losses to realized gains and losses, reviews of missing or stale prices, reviews of large movements in market values, and reviews of market related activity.

Fair value pricing could result in a difference between the prices used to calculate a Fund's NAV and the prices used by the Fund's underlying index, which in turn could result in a difference between the Fund's performance and the performance of the Fund's underlying index.

Various inputs are used in determining the fair value of financial instruments. Inputs may be based on independent market data ("observable inputs") or they may be internally developed ("unobservable inputs"). These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes. The level of a value determined for a financial instrument within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement in its entirety. The categorization of a value determined for a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and is not necessarily an indication of the risk associated with investing in the instrument. The three levels of the fair value hierarchy are as follows:

- Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not considered to be active, inputs other than quoted prices that are observable for the asset or liability (such as exchange rates, financing terms, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs; and
- Level 3 — Unobservable inputs for the asset or liability, including the Global Valuation Committee's assumptions used in determining the fair value of investments.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. In accordance with the Trust's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period.

SECURITY TRANSACTIONS AND INCOME RECOGNITION

Security transactions are accounted for on trade date. Dividend income and capital gain distributions, if any, are recognized on the ex-dividend date, net of any foreign taxes withheld at source. Any taxes withheld that are reclaimable from foreign tax authorities as of September 30, 2016 are reflected in tax reclaims receivable. Non-cash dividends received in the form of stock in an elective dividend, if any, are recorded as dividend income at fair value. Distributions received by the Funds may include a return of capital that is estimated by management. Such amounts are recorded as a reduction of the cost of investments or

Notes to Financial Statements (Unaudited) (Continued)

iSHARES[®] TRUST

reclassified to capital gains. Interest income is accrued daily. Realized gains and losses on investment transactions are determined using the specific identification method.

FOREIGN CURRENCY TRANSLATION

The accounting records of the Funds are maintained in U.S. dollars. Foreign currencies, as well as investment securities and other assets and liabilities denominated in foreign currencies, are translated into U.S. dollars using exchange rates deemed appropriate by the investment adviser. Purchases and sales of securities, income receipts and expense payments are translated into U.S. dollars on the respective dates of such transactions.

Each Fund does not isolate the effect of fluctuations in foreign exchange rates from the effect of fluctuations in the market prices of securities. Such fluctuations are reflected by the Funds as a component of realized and unrealized gains and losses from investments for financial reporting purposes.

FOREIGN TAXES

The Funds may be subject to foreign taxes (a portion of which may be reclaimable) on income, stock dividends, capital gains on investments, or certain foreign currency transactions. All foreign taxes are recorded in accordance with the applicable foreign tax regulations and rates that exist in the foreign jurisdictions in which the Funds invest. These foreign taxes, if any, are paid by the Funds and are reflected in their statements of operations as follows: foreign taxes withheld at source are presented as a reduction of income, foreign taxes on securities lending income are presented as a reduction of securities lending income, foreign taxes on stock dividends are presented as "other foreign taxes", and foreign taxes on capital gains from sales of investments and foreign taxes on foreign currency transactions are included in their respective net realized gain (loss) categories. Foreign taxes payable or deferred as of September 30, 2016, if any, are disclosed in the Funds' statements of assets and liabilities.

DISTRIBUTIONS TO SHAREHOLDERS

Dividends and distributions paid by each Fund are recorded on the ex-dividend dates. Distributions are determined on a tax basis and may differ from net investment income and net realized capital gains for financial reporting purposes. Dividends and distributions are paid in U.S. dollars and cannot be automatically reinvested in additional shares of the Funds.

LOANS OF PORTFOLIO SECURITIES

Each Fund may lend its investment securities to approved borrowers, such as brokers, dealers and other financial institutions. The borrower pledges and maintains with the Fund collateral consisting of cash, an irrevocable letter of credit issued by a bank, or securities issued or guaranteed by the U.S. government. The initial collateral received by each Fund is required to have a value of at least 102% of the current value of the loaned securities for securities traded on U.S. exchanges and a value of at least 105% for all other securities. The collateral is maintained thereafter at a value equal to at least 100% of the current value of the securities on loan. The market value of the loaned securities is determined at the close of each business day of the Funds. Any additional required collateral is delivered to the Funds and any excess collateral is returned by the Funds on the next business day. During the term of the loan, each Fund is entitled to all distributions made on or in respect of the loaned securities but does not receive interest income on securities received as collateral. Loans of securities are terminable at any time and the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions.

On October 11, 2016, BlackRock, Inc. ("BlackRock") implemented changes required by amendments to Rule 2a-7 under the 1940 Act, which governs the operations of U.S. money market funds. The Funds may be exposed to additional risks when reinvesting the cash collateral in money market funds that do not seek to maintain a stable NAV per share of \$1.00 and which may be subject to redemption gates or liquidity fees under certain circumstances.

Notes to Financial Statements (Unaudited) (Continued)

iSHARES® TRUST

Any cash received as collateral for securities on loan may be reinvested in certain short-term instruments either directly on behalf of a fund or through one or more joint accounts or money market funds, including those managed by BlackRock Fund Advisors (“BFA”), the Funds’ investment adviser, or its affiliates. As of September 30, 2016, any securities on loan were collateralized by cash and/or U.S. government obligations. Cash collateral received was invested in money market funds managed by BFA and is disclosed in the schedules of investments. The securities on loan for each Fund are also disclosed in its schedule of investments. The total value of any securities on loan as of September 30, 2016 and the total value of the related cash collateral are disclosed in the statements of assets and liabilities. Income earned by the Funds from securities lending is disclosed in the statements of operations.

The risks of securities lending include the risk that the borrower may not provide additional collateral when required or may not return the securities when due. To mitigate these risks, the Funds benefit from a borrower default indemnity provided by BlackRock. BlackRock’s indemnity allows for full replacement of securities lent. Each Fund could suffer a loss if the value of the investments purchased with cash collateral falls below the value of the cash collateral received.

Securities lending transactions are entered into by the Funds under Master Securities Lending Agreements (“MSLA”) which provide the right, in the event of default (including bankruptcy or insolvency) for the non-defaulting party to liquidate the collateral and calculate a net exposure to the defaulting party or request additional collateral. In the event that a borrower defaults, a Fund, as lender, would offset the market value of the collateral received against the market value of the securities loaned. The value of the collateral is typically greater than that of the market value of the securities loaned, leaving the lender with a net amount payable to the defaulting party. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of an MSLA counterparty’s bankruptcy or insolvency. Under the MSLA, the borrower can resell or re-pledge the loaned securities, and a Fund can reinvest cash collateral, or, upon an event of default, resell or re-pledge the collateral.

The following table is a summary of securities lending agreements which are subject to offset under an MSLA as of September 30, 2016:

<i>iShares ETF and Counterparty</i>	<i>Market Value of Securities on Loan</i>	<i>Cash Collateral Received^a</i>	<i>Net Amount</i>
<i>Global 100</i>			
BNP Paribas Prime Brokerage Inc.	\$ 287,196	\$ 287,196	\$ —
Deutsche Bank Securities Inc.	39,897,694	39,897,694	—
	<u>\$ 40,184,890</u>	<u>\$ 40,184,890</u>	<u>\$ —</u>
<i>Global Clean Energy</i>			
Barclays Capital Inc.	\$ 515,903	\$ 515,903	\$ —
BNP Paribas Prime Brokerage International Ltd.	1,752	1,752	—
Citigroup Global Markets Inc.	1,625,690	1,625,690	—
Credit Suisse Securities (USA) LLC	2,052,233	2,052,233	—
Deutsche Bank Securities Inc.	1,944,718	1,944,718	—
Goldman Sachs & Co.	3,103,352	3,103,352	—
HSBC Bank PLC	4,807	4,807	—
JPMorgan Securities LLC	1,849,722	1,849,722	—
Merrill Lynch, Pierce, Fenner & Smith	4,008,813	4,008,813	—
Morgan Stanley & Co. LLC	6,232,511	6,232,511	—
Morgan Stanley & Co. LLC (U.S. Equity Securities Lending)	2,263,017	2,263,017	—
Nomura Securities International Inc.	49,798	49,798	—
SG Americas Securities LLC	129,228	129,228	—
State Street Bank & Trust Company	1,922,201	1,922,201	—
UBS Securities LLC	4,068,283	4,068,283	—
Wells Fargo Securities LLC	139,529	139,529	—
	<u>\$ 29,911,557</u>	<u>\$ 29,911,557</u>	<u>\$ —</u>

Notes to Financial Statements (Unaudited) (Continued)

iSHARES® TRUST

<i>iShares ETF and Counterparty</i>	<i>Market Value of Securities on Loan</i>	<i>Cash Collateral Received^a</i>	<i>Net Amount</i>
<i>Global Infrastructure</i>			
Credit Suisse Securities (USA) LLC	\$ 4,745,893	\$ 4,745,893	\$ —
Deutsche Bank Securities Inc.	4,150,761	4,150,761	—
JPMorgan Securities LLC	280,508	280,508	—
Merrill Lynch, Pierce, Fenner & Smith	5,620,174	5,620,174	—
Morgan Stanley & Co. LLC	962,809	962,809	—
Nomura Securities International Inc.	214,170	214,170	—
State Street Bank & Trust Company	1,057,323	1,057,323	—
	<u>\$ 17,031,638</u>	<u>\$ 17,031,638</u>	<u>\$ —</u>
<i>Global Timber & Forestry</i>			
Goldman Sachs & Co.	\$ 7,071,161	\$ 7,071,161	\$ —
Nomura Securities International Inc.	117,084	117,084	—
SG Americas Securities LLC	190,691	190,691	—
	<u>\$ 7,378,936</u>	<u>\$ 7,378,936</u>	<u>\$ —</u>

^a Collateral received in excess of the market value of securities on loan is not presented in this table. The total cash collateral received by each Fund is disclosed in the Fund's statement of assets and liabilities.

2. INVESTMENT ADVISORY AGREEMENT AND OTHER TRANSACTIONS WITH AFFILIATES

Pursuant to an Investment Advisory Agreement with the Trust, BFA manages the investment of each Fund's assets. BFA is a California corporation indirectly owned by BlackRock. Under the Investment Advisory Agreement, BFA is responsible for substantially all expenses of the Funds, except interest, taxes, brokerage commissions and other expenses connected with the execution of portfolio transactions, distribution fees, litigation expenses and any extraordinary expenses.

For its investment advisory services to the iShares Global 100 ETF, BFA is entitled to an annual investment advisory fee of 0.40% based on the average daily net assets of the Fund.

For its investment advisory services to each of the iShares Global Clean Energy, iShares Global Infrastructure and iShares Global Timber & Forestry ETFs, BFA is entitled to annual investment advisory fee based on each Fund's allocable portion of the aggregate of the average daily net assets of the Fund and certain other iShares funds as follows:

<i>Investment Advisory Fee</i>	<i>Aggregate Average Daily Net Assets</i>
0.48%	First \$10 billion
0.43	Over \$10 billion, up to and including \$20 billion
0.38	Over \$20 billion

The U.S. Securities and Exchange Commission (the "SEC") has issued an exemptive order which permits BlackRock Institutional Trust Company, N.A. ("BTC"), an affiliate of BFA, to serve as securities lending agent for the Funds, subject to applicable conditions. As securities lending agent, BTC bears all operational costs directly related to securities lending. Each Fund is responsible for fees in connection with the investment of cash collateral received for securities on loan in a money market fund managed by BFA, however, BTC has agreed to reduce the amount of securities lending income it receives in order to effectively limit the collateral investment fees each Fund bears to an annual rate of 0.04% (the "collateral investment fees"). Securities lending income is equal to the total of income earned from the reinvestment of cash collateral, net of fees and other payments to

Notes to Financial Statements (Unaudited) (Continued)

iSHARES® TRUST

and from borrowers of securities, and less the collateral investment fees. The Funds retain a portion of securities lending income and remit the remaining portion to BTC as compensation for its services as securities lending agent.

Pursuant to a securities lending agreement, each Fund retains 80% of securities lending income and the amount retained can never be less than 70% of the total of securities lending income plus the collateral investment fees. In addition, commencing the business day following the date that the aggregate securities lending income plus the collateral investment fees generated across all 1940 Act iShares exchange-traded funds (the “iShares ETF Complex”) in a given calendar year exceeds the aggregate securities lending income generated across the iShares ETF Complex in the calendar year 2013, each Fund, pursuant to a securities lending agreement, will retain for the remainder of that calendar year 85% of securities lending income and the amount retained can never be less than 70% of the total of securities lending income plus the collateral investment fees.

For the six months ended September 30, 2016, the total of securities lending agent services and collateral investment fees paid were as follows:

<i>iShares ETF</i>	<i>Fees Paid to BTC</i>
Global 100	\$ 13,942
Global Clean Energy	213,681
Global Infrastructure	67,608
Global Timber & Forestry	882

BlackRock Investments, LLC, an affiliate of BFA, is the distributor for each Fund. Pursuant to the distribution agreement, BFA is responsible for any fees or expenses for distribution services provided to the Funds.

Cross trading is the buying or selling of portfolio securities between funds to which BFA (or an affiliate) serves as investment adviser. At its regularly scheduled quarterly meetings, the Board reviews such transactions as of the most recent calendar quarter for compliance with the requirements and restrictions set forth by Rule 17a-7.

For the six months ended September 30, 2016, transactions executed by the Funds pursuant to Rule 17a-7 under the 1940 Act were as follows:

<i>iShares ETF</i>	<i>Purchases</i>	<i>Sales</i>
Global 100	\$4,886,713	\$1,818,345
Global Infrastructure	460,265	4,231,706
Global Timber & Forestry	171,978	572,132

Each Fund may invest its positive cash balances in certain money market funds managed by BFA or an affiliate. The income earned on these temporary cash investments is included in “Dividends – affiliated” in the statements of operations.

The PNC Financial Services Group, Inc. is the largest stockholder of BlackRock and is considered to be an affiliate of the Funds for 1940 Act purposes.

Certain trustees and officers of the Trust are also officers of BTC and/or BFA.

Notes to Financial Statements (Unaudited) (Continued)

iSHARES® TRUST

3. INVESTMENT PORTFOLIO TRANSACTIONS

Purchases and sales of investments (excluding in-kind transactions and short-term investments) for the six months ended September 30, 2016 were as follows:

<i>iShares ETF</i>	<i>Purchases</i>	<i>Sales</i>
Global 100	\$ 49,956,070	\$ 51,994,266
Global Clean Energy	11,202,843	11,151,147
Global Infrastructure	103,324,889	98,560,887
Global Timber & Forestry	19,128,914	19,107,001

In-kind transactions (see Note 4) for the six months ended September 30, 2016 were as follows:

<i>iShares ETF</i>	<i>In-kind Purchases</i>	<i>In-kind Sales</i>
Global 100	\$ —	\$106,267,564
Global Clean Energy	2,715,258	3,364,316
Global Infrastructure	149,599,130	48,597,111
Global Timber & Forestry	5,255,536	5,135,114

4. CAPITAL SHARE TRANSACTIONS

Capital shares are issued and redeemed by each Fund only in aggregations of a specified number of shares or multiples thereof ("Creation Units") at NAV. Except when aggregated in Creation Units, shares of each Fund are not redeemable. Transactions in capital shares for each Fund are disclosed in detail in the statements of changes in net assets.

The consideration for the purchase of Creation Units of a fund in the Trust generally consists of the in-kind deposit of a designated portfolio of securities and a specified amount of cash. Certain funds in the Trust may be offered in Creation Units solely or partially for cash in U.S. dollars. Investors purchasing and redeeming Creation Units may pay a purchase transaction fee and a redemption transaction fee directly to State Street Bank and Trust Company, the Trust's administrator, to offset transfer and other transaction costs associated with the issuance and redemption of Creation Units, including Creation Units for cash. Investors transacting in Creation Units for cash may also pay an additional variable charge to compensate the relevant fund for certain transaction costs (i.e., stamp taxes, taxes on currency or other financial transactions, and brokerage costs) and market impact expenses relating to investing in portfolio securities. Such variable charges, if any, are included in "Proceeds from shares sold" in the statements of changes in net assets.

From time to time, settlement of securities related to in-kind contributions or in-kind redemptions may be delayed. In such cases, securities related to in-kind contributions are reflected as "Due from custodian" and securities related to in-kind redemptions are reflected as "Securities related to in-kind transactions" in the statements of assets and liabilities.

5. PRINCIPAL RISKS

In the normal course of business, each Fund's investment activities expose it to various types of risk associated with the financial instruments and markets in which it invests. The significant types of financial risks each Fund is exposed to include market risk and credit risk. Each Fund's prospectus provides details of these and other types of risk.

Notes to Financial Statements (Unaudited) (Continued)

iSHARES® TRUST

BFA uses a “passive” or index approach to try to achieve each Fund’s investment objective following the securities included in its underlying index during upturns as well as downturns. BFA does not take steps to reduce market exposure or to lessen the effects of a declining market. Divergence from the underlying index and the composition of the portfolio is monitored by BFA.

MARKET RISK

Market risk arises mainly from uncertainty about future values of financial instruments influenced by price, currency and interest rate movements. It represents the potential loss each Fund may suffer through holding market positions in the face of market movements. Each Fund is exposed to market risk by virtue of its direct and/or indirect investment in equity instruments. The fair value of securities held by the Funds may decline due to general market conditions, economic trends or events that are not specifically related to the issuers of the securities including local, regional or global political, social or economic instability or to factors that affect a particular industry or group of industries. The extent of each Fund’s exposure to market risk is the market value of the investments held as shown in the Fund’s schedule of investments.

A diversified portfolio, where this is appropriate and consistent with a fund’s objectives, minimizes the risk that a price change of a particular investment will have a material impact on the NAV of a fund. The investment concentrations within each Fund’s portfolio are disclosed in its schedule of investments.

Investing in the securities of non-U.S. issuers, whether directly or indirectly, involves certain considerations and risks not typically associated with securities of U.S. issuers. Such risks include, but are not limited to: generally less liquid and less efficient securities markets; generally greater price volatility; exchange rate fluctuations and exchange controls; imposition of restrictions on the expatriation of funds or other assets of a Fund; less publicly available information about issuers; the imposition of withholding or other taxes; higher transaction and custody costs; settlement delays and risk of loss attendant in settlement procedures; difficulties in enforcing contractual obligations; less regulation of securities markets; different accounting, disclosure and reporting requirements; more substantial governmental involvement in the economy; higher inflation rates; greater social, economic and political uncertainties; the risk of nationalization or expropriation of assets; and the risk of war. These risks are heightened for investments in issuers from countries with less developed markets.

The economies and markets of European countries are often closely connected and interdependent, and events in one European country can have an adverse impact on other European countries. The European financial markets have experienced volatility and adverse trends due to concerns about economic downturns in, or rising government debt levels of several European countries. Responses to the financial problems by European governments, central banks and others, including austerity measures and reforms, may not work, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. Further defaults or restructurings by governments and others of their debt could have additional adverse effects on economies, financial markets and asset valuations around the world. In addition, the United Kingdom has voted to withdraw from the European Union. The referendum may introduce significant new uncertainties and instability in the financial markets as the United Kingdom negotiates its exit from the European Union.

When a fund concentrates its investments in securities within a single or limited number of market sectors, it assumes the risk that economic, political and social conditions affecting those market sectors may have a significant impact on its investment performance.

CREDIT RISK

Credit risk is the risk that an issuer or guarantor of debt instruments or the counterparty to a financial transaction, including derivatives contracts, repurchase agreements or loans of portfolio securities, is unable or unwilling to make timely interest and/or principal payments or to otherwise honor its obligations. BFA and its affiliates manage counterparty credit risk by entering into

Notes to Financial Statements (Unaudited) (Continued)

iSHARES® TRUST

transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of each Fund's exposure to credit and counterparty risks with respect to those financial assets is approximated by their value recorded in its statement of assets and liabilities.

6. INCOME TAX INFORMATION

Each Fund is treated as an entity separate from the Trust's other funds for federal income tax purposes. It is the policy of each Fund to qualify as a regulated investment company by complying with the provisions applicable to regulated investment companies, as defined under Subchapter M of the Internal Revenue Code of 1986, as amended, and to annually distribute substantially all of its ordinary income and any net capital gains (taking into account any capital loss carryforwards) sufficient to relieve it from all, or substantially all, federal income and excise taxes. Accordingly, no provision for federal income taxes is required.

For purposes of U.S. GAAP, in-kind redemptions are treated as sales of securities resulting in realized capital gains or losses to the Funds. Because such gains or losses are not taxable to the Funds and are not distributed to existing Fund shareholders, the gains or losses are reclassified from accumulated net realized gain (loss) to paid-in capital at the end of the Funds' tax year. These reclassifications have no effect on net assets or NAV per share.

The tax character of current year distributions will be determined at the end of the current fiscal year.

As of March 31, 2016, the Funds' fiscal year-end, the following Funds had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

<i>iShares ETF</i>	<i>Non-Expiring^a</i>	<i>Expiring 2017</i>	<i>Expiring 2018</i>	<i>Expiring 2019</i>	<i>Total</i>
Global 100	\$64,398,634	\$36,258,744	\$24,526,269	\$ 6,005,251	\$131,188,898
Global Clean Energy	34,829,303	2,161,286	1,739,302	10,242,130	48,972,021
Global Infrastructure	37,634,904	1,561,517	18,904,786	2,316,252	60,417,459
Global Timber & Forestry	34,052,023	—	—	—	34,052,023

^a Must be utilized prior to losses subject to expiration.

The Funds may own shares in certain foreign investment entities, referred to, under U.S. tax law, as "passive foreign investment companies." The Funds may elect to mark-to-market annually the shares of each passive foreign investment company and would be required to distribute to shareholders any such marked-to-market gains.

Management has analyzed tax laws and regulations and their application to the Funds as of September 30, 2016, inclusive of the open tax return years, and does not believe there are any uncertain tax positions that require recognition of a tax liability in the Funds' financial statements.

7. FOREIGN WITHHOLDING TAX CLAIMS

The iShares Global 100 ETF and iShares Global Timber & Forestry ETF intend to file claims to recover taxes withheld by Finland on dividend income on the basis that Finland had purportedly violated certain provisions in the Treaty on the Functioning of the European Union. The Funds have recorded a receivable for all recoverable taxes withheld by Finland based upon recent favorable determinations issued by the Finnish Tax Authority. Withholding tax claims may be for the current year and potentially

Notes to Financial Statements (Unaudited) (Continued)

iSHARES® TRUST

for a limited number of prior calendar years, depending upon the member state's statute of limitation on taxes. The Funds continue to evaluate developments in Finland for potential impact to the receivables recorded. Such foreign withholding tax claims are disclosed in the statements of assets and liabilities and statements of operations. Professional fees associated with the filing of these claims resulting in the recovery of foreign withholding taxes were approved by the Board as appropriate expenses of the Funds.

The Internal Revenue Service ("IRS") has issued guidance to address U.S. income tax liabilities attributable to fund shareholders resulting from the recovery of foreign taxes withheld in prior calendar years. These withheld foreign taxes were passed through to shareholders in the form of foreign tax credits in the year the taxes were withheld. Assuming there are sufficient foreign taxes paid in the current year, the iShares Global 100 ETF will be able to offset the prior years' withholding taxes recovered against the foreign taxes paid in the current year. Accordingly, no federal income tax liability is recorded by the iShares Global 100 ETF. The iShares Global Timber & Forestry ETF plans to seek a closing agreement with the IRS to address any prior years' U.S. income tax liabilities attributable to Fund shareholders resulting from the recovery of foreign taxes. The closing agreement would result in the Fund (on behalf of its shareholders) paying a compliance fee to the IRS representing the estimated tax savings generated from foreign tax credits claimed by Fund shareholders on their tax returns from prior calendar years. The Fund has accrued an estimated liability for this IRS compliance fee, which is disclosed as a payable for "IRS Compliance fee for foreign withholding tax claims" in the statement of assets and liabilities. The actual IRS compliance fee may differ from the estimate and that difference may be material.

8. SUBSEQUENT EVENTS

Management has evaluated the impact of all subsequent events on the Funds through the date the financial statements were available to be issued and has determined that there were no subsequent events requiring adjustment or disclosure in the financial statements.

Board Review and Approval of Investment Advisory Contract

iSHARES® TRUST

I. iShares Global 100 ETF

Under Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”), the Trust’s Board of Trustees (the “Board”), including a majority of Trustees who are not “interested persons” of the Trust (as that term is defined in the 1940 Act) (the “Independent Trustees”), is required annually to consider and approve the Investment Advisory Contract between the Trust and BFA (the “Advisory Contract”) on behalf of the Fund. The Independent Trustees requested, and BFA provided, such information as the Independent Trustees, with advice from independent counsel, deemed reasonably necessary to evaluate the Advisory Contract. A committee of all of the Independent Trustees (the “15(c) Committee”), with independent counsel, met with management on April 28, 2016 and May 9, 2016. At these meetings, the 15(c) Committee reviewed and discussed information provided in response to the 15(c) Committee’s initial requests, and requested certain additional information, which management agreed to provide. At a meeting held on May 17, 2016, management presented information to the Board relating to the continuance of the Advisory Contract, including information requested by the 15(c) Committee during its meetings. The Board, including the Independent Trustees, reviewed and discussed such information at length. The Independent Trustees requested from management certain additional information, which management agreed to provide. At a meeting held on June 21-23, 2016, the Board, including the Independent Trustees, reviewed the additional information provided by management in response to these requests. After extensive discussions, the Board, including all of the Independent Trustees, approved the continuance of the Advisory Contract for the Fund, based on a review of qualitative and quantitative information provided by BFA, including the additional information management provided at the request of the Independent Trustees. The Board noted its satisfaction with the extent and quality of information provided and its frequent interactions with management, as well as the detailed responses and other information provided by BFA. The Board also noted that the Board and BFA agreed to discuss potential enhancements and adjustments to the 15(c) process for the coming year. The Independent Trustees were advised by their independent counsel throughout the process, including about the legal standards applicable to their review. In approving the Advisory Contract for the Fund, the Board, including the Independent Trustees, considered the following factors, no one of which was controlling, and reached the following conclusions:

Expenses and Performance of the Fund — The Board reviewed statistical information prepared by Broadridge Financial Solutions Inc. (“Broadridge”), an independent provider of investment company data, regarding the expense ratio components, including gross and net total expenses, waivers/reimbursements (if any), and underlying fund fees and expenses (if any) of the Fund in comparison with the same information for other exchange traded funds (including, where applicable, funds sponsored by an “at cost” service provider) and, in the limited instances where no comparable ETFs existed and the comparison group would not otherwise be reasonable in Broadridge’s judgment, pure index institutional mutual funds, objectively selected by Broadridge as comprising the Fund’s applicable peer group pursuant to Broadridge’s proprietary ETF methodology (the “Peer Group”). The Board was provided with a detailed description of Broadridge’s proprietary ETF methodology used by Broadridge to determine the Fund’s Peer Group. The Board further noted that due to the limitations in providing comparable funds in the Peer Group, the statistical information provided in Broadridge’s report may or may not provide meaningful direct comparisons to the Fund in all instances.

The Board also noted that the investment advisory fee rate and overall expenses (net of waivers and reimbursements) for the Fund were within range of the median of the investment advisory fee rates and overall expenses (net of waivers and reimbursements) of the funds in its Peer Group, excluding iShares funds.

In addition, to the extent that any of the comparison funds included in the Peer Group, excluding iShares funds, track the same index as the Fund, Broadridge also provided, and the Board reviewed, a comparison of the Fund’s performance for the one-, three-, five-, ten-year, and since inception periods, as applicable, and for the “last quarter” period ended December 31, 2015, to that of such relevant comparison funds for the same periods.

Board Review and Approval of Investment Advisory Contract (Continued)

iSHARES® TRUST

The Board noted that the Fund seeks to track its own underlying index and that, during the year, the Board received periodic reports on the Fund's short- and longer-term performance in comparison with its underlying index. Such periodic comparative performance information, including additional detailed information on certain specific iShares funds requested by the Board, was also considered. The Board noted that the Fund generally performed in line with its underlying index over the relevant periods.

Based on this review, the other factors considered at the meeting, and their general knowledge of ETF pricing, the Board concluded that the investment advisory fee rate and expense level and the historical performance of the Fund supported the Board's approval of the continuance of the Advisory Contract for the coming year.

Nature, Extent and Quality of Services Provided by BFA — Based on management's representations, including information about recent and proposed enhancements to the iShares business, including with respect to capital markets support and analysis, product design and other services, the Board expected that there would be no diminution in the scope of services required of or provided by BFA under the Advisory Contract for the coming year as compared to the scope of services provided by BFA during prior years. In reviewing the scope of these services, the Board considered BFA's investment philosophy and experience, noting that BFA and its affiliates have committed significant resources over time, including during the past year, to supporting the iShares funds and their shareholders. The Board also considered BFA's compliance program and its compliance record with respect to the Fund. In that regard, the Board noted that BFA reports to the Board about portfolio management and compliance matters on a periodic basis in connection with regularly scheduled meetings of the Board, and on other occasions as necessary and appropriate, and has provided information and made appropriate officers available as needed to provide further assistance with these matters. The Board also reviewed the background and experience of the persons responsible for the day-to-day management of the Fund, as well as the resources available to them in managing the Fund. In addition to the above considerations, the Board reviewed and considered detailed presentations regarding BFA's investment performance, investment and risk management processes and strategies provided at the June 21-23, 2016 meeting and throughout the previous year, and matters related to BFA's portfolio compliance policies and procedures. The Board noted that the Fund had met its investment objective consistently since its inception date.

Based on review of this information, and the performance information discussed above, the Board concluded that the nature, extent and quality of services provided by BFA to the Fund under the Advisory Contract supported the Board's approval of the continuance of the Advisory Contract for the coming year.

Costs of Services Provided to the Fund and Profits Realized by BFA and its Affiliates — The Board reviewed information about the profitability to BlackRock of the Fund, based on the fees payable to BFA and its affiliates (including fees under the Advisory Contract), and all other sources of revenue and expense to BFA and its affiliates from the Funds' operations for the last calendar year. The Board reviewed BlackRock's profitability methodology for the iShares funds, noting that the 15(c) Committee had focused on the methodology and profitability presentation during its meetings. The Board discussed the sources of direct and ancillary revenue with management, including the revenues to BTC from securities lending by the Fund. The Board also discussed BFA's profit margin as reflected in the Fund's profitability analysis and reviewed information regarding potential economies of scale (as discussed below). Based on this review, the Board concluded that the profits realized by BFA and its affiliates under the Advisory Contract and from other relationships between the Fund and BFA and/or its affiliates, if any, were within a reasonable range in light of the factors considered.

Economies of Scale — The Board reviewed information regarding potential economies of scale or other efficiencies that may result from increases in the Fund's assets, noting that the issue of economies of scale had been focused on extensively by the 15(c) Committee during its meetings and addressed by management. The Board and the 15(c) Committee reviewed information provided by BFA regarding scale benefits shared with the iShares funds through relatively low fee rates established at inception, breakpoints, waivers, or other fee reductions, as well as through additional investment in the iShares business and the provision

Board Review and Approval of Investment Advisory Contract (Continued)

iSHARES® TRUST

of improved or additional infrastructure and services to the iShares funds and their shareholders. The Board and the 15(c) Committee received information regarding BlackRock's historical profitability, including BFA's and its affiliates' costs in providing services. The cost information distinguished, among other things, between fixed and variable costs, and explained how the level of fixed and variable costs, as well as the nature of such costs, may impact the existence or size of scale benefits. The Board noted that the Advisory Contract for the Fund did not provide for any breakpoints in the Fund's investment advisory fee rate as the assets of the Fund increase. However, the Board noted that should material economies of scale exist in the future that are not otherwise shared, a breakpoint structure for the Fund may be appropriate, and that it would continue to monitor the sharing of economies of scale to determine the appropriateness of adding breakpoints in the future.

Based on this review, as well as the other factors considered at the meeting, the Board, recognizing its responsibility to consider this issue periodically, determined to approve the continuance of the Advisory Contract for the coming year.

Fees and Services Provided for Other Comparable Funds/Accounts Managed by BFA and its Affiliates — The Board received and considered information regarding the investment advisory/management fee rates for other funds/accounts in the U.S. for which BFA (or its affiliates) provides investment advisory/management services, including open-end funds registered under the 1940 Act (including sub-advised funds), collective trust funds, and institutional separate accounts (together, the "Other Accounts"), and acknowledged BFA's assertion that the iShares funds are fundamentally different investment vehicles from the Other Accounts. The Board noted that BFA and its affiliates do not manage Other Accounts with substantially the same investment objective and strategy as the Fund and that track the same index as the Fund. The Board further noted that BFA provided the Board with detailed information regarding how the Other Accounts (particularly institutional clients) generally differ from the Fund, including in terms of the different and generally more extensive services provided to the Fund, as well as other significant differences. In that regard, the Board considered that the pricing of services to institutional clients is typically based on a number of factors beyond the nature and extent of the specific services to be provided and often depends on the overall relationship between the client and its affiliates and the adviser and its affiliates. In addition, the Board considered the relative complexity and inherent risks and challenges of managing and providing other services to the Fund, as a publicly traded exchange traded fund, as compared to the Other Accounts that are institutional clients in light of differing regulatory requirements and client-imposed mandates. The Board also considered the "all-inclusive" nature of the Fund's advisory fee structure, and the Fund expenses borne by BFA under this arrangement. The Board noted that the investment advisory fee rate under the Advisory Contract for the Fund was generally higher than the investment advisory/management fee rates for certain of the Other Accounts (particularly institutional clients) and concluded that the differences appeared to be consistent with the factors discussed.

Other Benefits to BFA and/or its Affiliates — The Board reviewed the "fallout" benefits or ancillary revenue received by BFA and/or its affiliates in connection with the services provided to the Fund by BFA, such as payment of revenue to BTC, the Fund's securities lending agent, for loaning portfolio securities (which was included in the profit margins reviewed by the Board pursuant to BFA's profitability methodology), and payment of advisory fees and/or administration fees to BFA and BTC (or their affiliates) in connection with any investments by the Fund in other funds for which BFA (or its affiliates) provides investment advisory services and/or administration services. The Board noted that BFA generally does not use soft dollars or consider the value of research or other services that may be provided to BFA (including its affiliates) in selecting brokers for portfolio transactions for the Fund. The Board further noted that any portfolio transactions on behalf of the Fund placed through a BFA affiliate or purchased from an underwriting syndicate in which a BFA affiliate participates, are reported to the Board pursuant to Rule 17e-1 or Rule 10f-3, as applicable, under the 1940 Act. The Board concluded that any such ancillary benefits would not be disadvantageous to the Fund's shareholders and thus would not alter the Board's conclusion with respect to the appropriateness of approving the continuance of the Advisory Contract for the coming year.

Based on the considerations described above, the Board determined that the Fund's investment advisory fee rate under the Advisory Contract does not constitute a fee that is so disproportionately large as to bear no reasonable relationship to the

Board Review and Approval of Investment Advisory Contract (Continued)

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services rendered and that could not have been the product of arm's-length bargaining, and concluded that it is in the best interest of the Fund and its shareholders to approve the continuance of the Advisory Contract for the coming year.

II. iShares Global Clean Energy ETF and iShares Global Timber & Forestry ETF

Under Section 15(c) of the Investment Company Act of 1940 (the "1940 Act"), the Trust's Board of Trustees (the "Board"), including a majority of Trustees who are not "interested persons" of the Trust (as that term is defined in the 1940 Act) (the "Independent Trustees"), is required annually to consider and approve the Investment Advisory Contract between the Trust and BFA (the "Advisory Contract") on behalf of the Funds. The Independent Trustees requested, and BFA provided, such information as the Independent Trustees, with advice from independent counsel, deemed reasonably necessary to evaluate the Advisory Contract. A committee of all of the Independent Trustees (the "15(c) Committee"), with independent counsel, met with management on April 28, 2016 and May 9, 2016. At these meetings, the 15(c) Committee reviewed and discussed information provided in response to the 15(c) Committee's initial requests, and requested certain additional information, which management agreed to provide. At a meeting held on May 17, 2016, management presented information to the Board relating to the continuance of the Advisory Contract, including information requested by the 15(c) Committee during its meetings. The Board, including the Independent Trustees, reviewed and discussed such information at length. The Independent Trustees requested from management certain additional information, which management agreed to provide. At a meeting held on June 21-23, 2016, the Board, including the Independent Trustees, reviewed the additional information provided by management in response to these requests. After extensive discussions, the Board, including all of the Independent Trustees, approved the continuance of the Advisory Contract for the Funds, based on a review of qualitative and quantitative information provided by BFA, including the additional information management provided at the request of the Independent Trustees. The Board noted its satisfaction with the extent and quality of information provided and its frequent interactions with management, as well as the detailed responses and other information provided by BFA. The Board also noted that the Board and BFA agreed to discuss potential enhancements and adjustments to the 15(c) process for the coming year. The Independent Trustees were advised by their independent counsel throughout the process, including about the legal standards applicable to their review. In approving the Advisory Contract for the Funds, the Board, including the Independent Trustees, considered the following factors, no one of which was controlling, and reached the following conclusions:

Expenses and Performance of the Funds — The Board reviewed statistical information prepared by Broadridge Financial Solutions Inc. ("Broadridge"), an independent provider of investment company data, regarding the expense ratio components, including gross and net total expenses, waivers/reimbursements (if any), and underlying fund fees and expenses (if any) of each Fund in comparison with the same information for other exchange traded funds (including, where applicable, funds sponsored by an "at cost" service provider) and, in the limited instances where no comparable ETFs existed and the comparison group would not otherwise be reasonable in Broadridge's judgment, pure index institutional mutual funds, objectively selected by Broadridge as comprising such Fund's applicable peer group pursuant to Broadridge's proprietary ETF methodology (the "Peer Group"). The Board was provided with a detailed description of Broadridge's proprietary ETF methodology used by Broadridge to determine the applicable Peer Groups. The Board further noted that due to the limitations in providing comparable funds in the various Peer Groups, the statistical information provided in Broadridge's report may or may not provide meaningful direct comparisons to the Funds in all instances.

The Board also noted that the investment advisory fee rates and overall expenses (net of waivers and reimbursements) for the Funds were lower than the median of the investment advisory fee rates and overall expenses (net of waivers and reimbursements) of the funds in their respective Peer Group, excluding iShares funds.

In addition, to the extent that any of the comparison funds included in the Peer Group, excluding iShares funds, track the same index as any particular Fund, Broadridge also provided, and the Board reviewed, a comparison of such Fund's performance for

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the one-, three-, five-, ten-year, and since inception periods, as applicable, and for the “last quarter” period ended December 31, 2015, to that of such relevant comparison funds for the same periods.

The Board noted that each Fund seeks to track its own underlying index and that, during the year, the Board received periodic reports on each Fund’s short- and longer-term performance in comparison with its underlying index. Such periodic comparative performance information, including additional detailed information on certain specific iShares funds requested by the Board, was also considered. The Board noted that each Fund generally performed in line with its underlying index over the relevant periods.

Based on this review, the other factors considered at the meeting, and their general knowledge of ETF pricing, the Board concluded that the investment advisory fee rate and expense level and the historical performance of each Fund supported the Board’s approval of the continuance of the Advisory Contract for the coming year.

Nature, Extent and Quality of Services Provided by BFA — Based on management’s representations, including information about recent and proposed enhancements to the iShares business, including with respect to capital markets support and analysis, product design and other services, the Board expected that there would be no diminution in the scope of services required of or provided by BFA under the Advisory Contract for the coming year as compared to the scope of services provided by BFA during prior years. In reviewing the scope of these services, the Board considered BFA’s investment philosophy and experience, noting that BFA and its affiliates have committed significant resources over time, including during the past year, to supporting the iShares funds and their shareholders. The Board also considered BFA’s compliance program and its compliance record with respect to the Funds. In that regard, the Board noted that BFA reports to the Board about portfolio management and compliance matters on a periodic basis in connection with regularly scheduled meetings of the Board, and on other occasions as necessary and appropriate, and has provided information and made appropriate officers available as needed to provide further assistance with these matters. The Board also reviewed the background and experience of the persons responsible for the day-to-day management of the Funds, as well as the resources available to them in managing the Funds. In addition to the above considerations, the Board reviewed and considered detailed presentations regarding BFA’s investment performance, investment and risk management processes and strategies provided at the June 21-23, 2016 meeting and throughout the previous year, and matters related to BFA’s portfolio compliance policies and procedures. The Board noted that each Fund had met its investment objective consistently since its respective inception date.

Based on review of this information, and the performance information discussed above, the Board concluded that the nature, extent and quality of services provided by BFA to the Funds under the Advisory Contract supported the Board’s approval of the continuance of the Advisory Contract for the coming year.

Costs of Services Provided to the Funds and Profits Realized by BFA and its Affiliates — The Board reviewed information about the profitability to BlackRock of the Funds, on a Fund-by-Fund basis and in the aggregate, based on the fees payable to BFA and its affiliates (including fees under the Advisory Contract), and all other sources of revenue and expense to BFA and its affiliates from the Funds’ operations for the last calendar year. The Board reviewed BlackRock’s profitability methodology for the iShares funds, noting that the 15(c) Committee had focused on the methodology and profitability presentation during its meetings. The Board discussed the sources of direct and ancillary revenue with management, including the revenues to BTC from securities lending by the Funds. The Board also discussed BFA’s profit margin as reflected in the Funds’ profitability analyses and reviewed information regarding potential economies of scale (as discussed below). Based on this review, the Board concluded that the profits realized by BFA and its affiliates under the Advisory Contract and from other relationships between the Funds and BFA and/or its affiliates, if any, were within a reasonable range in light of the factors considered.

Economies of Scale — The Board reviewed information regarding potential economies of scale or other efficiencies that may result from increases in the Funds’ assets, noting that the issue of economies of scale had been focused on extensively by the

Board Review and Approval of Investment Advisory Contract (Continued)

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15(c) Committee during its meetings and addressed by management. The Board and the 15(c) Committee reviewed information provided by BFA regarding scale benefits shared with the iShares funds through relatively low fee rates established at inception, breakpoints, waivers, or other fee reductions, as well as through additional investment in the iShares business and the provision of improved or additional infrastructure and services to the iShares funds and their shareholders. The Board and the 15(c) Committee received information regarding BlackRock's historical profitability, including BFA's and its affiliates' costs in providing services. The cost information distinguished, among other things, between fixed and variable costs, and explained how the level of fixed and variable costs, as well as the nature of such costs, may impact the existence or size of scale benefits. The Board noted that the Advisory Contract for the Funds already provided for breakpoints in the Funds' investment advisory fee rates as the assets of the Funds, on an aggregated basis with the assets of certain other iShares funds, increase. The Board noted that it would continue to monitor the sharing of economies of scale to determine the appropriateness of adding new or revised breakpoints in the future.

Based on this review, as well as the other factors considered at the meeting, the Board, recognizing its responsibility to consider this issue periodically, determined to approve the continuance of the Advisory Contract for the coming year.

Fees and Services Provided for Other Comparable Funds/Accounts Managed by BFA and its Affiliates — The Board received and considered information regarding the investment advisory/management fee rates for other funds/accounts in the U.S. for which BFA (or its affiliates) provides investment advisory/management services, including open-end funds registered under the 1940 Act (including sub-advised funds), collective trust funds, and institutional separate accounts (together, the "Other Accounts"), and acknowledged BFA's assertion that the iShares funds are fundamentally different investment vehicles from the Other Accounts. The Board noted that BFA and its affiliates do not manage Other Accounts with substantially the same investment objectives and strategies as the Funds and that track the same respective indexes as the Funds. The Board further noted that BFA provided the Board with detailed information regarding how the Other Accounts (particularly institutional clients) generally differ from the Funds, including in terms of the different and generally more extensive services provided to the Funds, as well as other significant differences. In that regard, the Board considered that the pricing of services to institutional clients is typically based on a number of factors beyond the nature and extent of the specific services to be provided and often depends on the overall relationship between the client and its affiliates and the adviser and its affiliates. In addition, the Board considered the relative complexity and inherent risks and challenges of managing and providing other services to the Funds, as publicly traded exchange traded funds, as compared to the Other Accounts that are institutional clients in light of differing regulatory requirements and client-imposed mandates. The Board also considered the "all-inclusive" nature of the Funds' advisory fee structure, and the Fund expenses borne by BFA under this arrangement. The Board noted that the investment advisory fee rates under the Advisory Contract for the Funds were generally higher than the investment advisory/management fee rates for certain of the Other Accounts (particularly institutional clients) and concluded that the differences appeared to be consistent with the factors discussed.

Other Benefits to BFA and/or its Affiliates — The Board reviewed the "fallout" benefits or ancillary revenue received by BFA and/or its affiliates in connection with the services provided to the Funds by BFA, such as payment of revenue to BTC, the Funds' securities lending agent, for loaning portfolio securities (which was included in the profit margins reviewed by the Board pursuant to BFA's profitability methodology), and payment of advisory fees and/or administration fees to BFA and BTC (or their affiliates) in connection with any investments by the Funds in other funds for which BFA (or its affiliates) provides investment advisory services and/or administration services. The Board noted that BFA generally does not use soft dollars or consider the value of research or other services that may be provided to BFA (including its affiliates) in selecting brokers for portfolio transactions for the Funds. The Board further noted that any portfolio transactions on behalf of the Funds placed through a BFA affiliate or purchased from an underwriting syndicate in which a BFA affiliate participates, are reported to the Board pursuant to Rule 17e-1 or Rule 10f-3, as applicable, under the 1940 Act. The Board concluded that any such ancillary benefits would not be

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disadvantageous to the Funds' shareholders and thus would not alter the Board's conclusion with respect to the appropriateness of approving the continuance of the Advisory Contract for the coming year.

Based on the considerations described above, the Board determined that each Fund's investment advisory fee rate under the Advisory Contract does not constitute a fee that is so disproportionately large as to bear no reasonable relationship to the services rendered and that could not have been the product of arm's-length bargaining, and concluded that it is in the best interest of each Fund and its shareholders to approve the continuance of the Advisory Contract for the coming year.

III. iShares Global Infrastructure ETF

Under Section 15(c) of the Investment Company Act of 1940 (the "1940 Act"), the Trust's Board of Trustees (the "Board"), including a majority of Trustees who are not "interested persons" of the Trust (as that term is defined in the 1940 Act) (the "Independent Trustees"), is required annually to consider and approve the Investment Advisory Contract between the Trust and BFA (the "Advisory Contract") on behalf of the Fund. The Independent Trustees requested, and BFA provided, such information as the Independent Trustees, with advice from independent counsel, deemed reasonably necessary to evaluate the Advisory Contract. A committee of all of the Independent Trustees (the "15(c) Committee"), with independent counsel, met with management on April 28, 2016 and May 9, 2016. At these meetings, the 15(c) Committee reviewed and discussed information provided in response to the 15(c) Committee's initial requests, and requested certain additional information, which management agreed to provide. At a meeting held on May 17, 2016, management presented information to the Board relating to the continuance of the Advisory Contract, including information requested by the 15(c) Committee during its meetings. The Board, including the Independent Trustees, reviewed and discussed such information at length. The Independent Trustees requested from management certain additional information, which management agreed to provide. At a meeting held on June 21-23, 2016, the Board, including the Independent Trustees, reviewed the additional information provided by management in response to these requests. After extensive discussions, the Board, including all of the Independent Trustees, approved the continuance of the Advisory Contract for the Fund, based on a review of qualitative and quantitative information provided by BFA, including the additional information management provided at the request of the Independent Trustees. The Board noted its satisfaction with the extent and quality of information provided and its frequent interactions with management, as well as the detailed responses and other information provided by BFA. The Board also noted that the Board and BFA agreed to discuss potential enhancements and adjustments to the 15(c) process for the coming year. The Independent Trustees were advised by their independent counsel throughout the process, including about the legal standards applicable to their review. In approving the Advisory Contract for the Fund, the Board, including the Independent Trustees, considered the following factors, no one of which was controlling, and reached the following conclusions:

Expenses and Performance of the Fund — The Board reviewed statistical information prepared by Broadridge Financial Solutions Inc. ("Broadridge"), an independent provider of investment company data, regarding the expense ratio components, including gross and net total expenses, waivers/reimbursements (if any), and underlying fund fees and expenses (if any) of the Fund in comparison with the same information for other exchange traded funds (including, where applicable, funds sponsored by an "at cost" service provider) and, in the limited instances where no comparable ETFs existed and the comparison group would not otherwise be reasonable in Broadridge's judgment, pure index institutional mutual funds, objectively selected by Broadridge as comprising the Fund's applicable peer group pursuant to Broadridge's proprietary ETF methodology (the "Peer Group"). The Board was provided with a detailed description of Broadridge's proprietary ETF methodology used by Broadridge to determine the Fund's Peer Group. The Board further noted that due to the limitations in providing comparable funds in the Peer Group, the statistical information provided in Broadridge's report may or may not provide meaningful direct comparisons to the Fund in all instances.

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The Board also noted that the investment advisory fee rate and overall expenses (net of waivers and reimbursements) for the Fund were higher than the median of the investment advisory fee rates and overall expenses (net of waivers and reimbursements) of the funds in its Peer Group, excluding iShares funds.

In addition, to the extent that any of the comparison funds included in the Peer Group, excluding iShares funds, track the same index as the Fund, Broadridge also provided, and the Board reviewed, a comparison of the Fund's performance for the one-, three-, five-, ten-year, and since inception periods, as applicable, and for the "last quarter" period ended December 31, 2015, to that of such relevant comparison funds for the same periods.

The Board noted that the Fund seeks to track its own underlying index and that, during the year, the Board received periodic reports on the Fund's short- and longer-term performance in comparison with its underlying index. Such periodic comparative performance information, including additional detailed information on certain specific iShares funds requested by the Board, was also considered. The Board noted that the Fund generally performed in line with its underlying index over the relevant periods.

Based on this review, the other factors considered at the meeting, and their general knowledge of ETF pricing, the Board concluded that the investment advisory fee rate and expense level and the historical performance of the Fund supported the Board's approval of the continuance of the Advisory Contract for the coming year.

Nature, Extent and Quality of Services Provided by BFA — Based on management's representations, including information about recent and proposed enhancements to the iShares business, including with respect to capital markets support and analysis, product design and other services, the Board expected that there would be no diminution in the scope of services required of or provided by BFA under the Advisory Contract for the coming year as compared to the scope of services provided by BFA during prior years. In reviewing the scope of these services, the Board considered BFA's investment philosophy and experience, noting that BFA and its affiliates have committed significant resources over time, including during the past year, to supporting the iShares funds and their shareholders. The Board also considered BFA's compliance program and its compliance record with respect to the Fund. In that regard, the Board noted that BFA reports to the Board about portfolio management and compliance matters on a periodic basis in connection with regularly scheduled meetings of the Board, and on other occasions as necessary and appropriate, and has provided information and made appropriate officers available as needed to provide further assistance with these matters. The Board also reviewed the background and experience of the persons responsible for the day-to-day management of the Fund, as well as the resources available to them in managing the Fund. In addition to the above considerations, the Board reviewed and considered detailed presentations regarding BFA's investment performance, investment and risk management processes and strategies provided at the June 21-23, 2016 meeting and throughout the previous year, and matters related to BFA's portfolio compliance policies and procedures. The Board noted that the Fund had met its investment objective consistently since its inception date.

Based on review of this information, and the performance information discussed above, the Board concluded that the nature, extent and quality of services provided by BFA to the Fund under the Advisory Contract supported the Board's approval of the continuance of the Advisory Contract for the coming year.

Costs of Services Provided to the Fund and Profits Realized by BFA and its Affiliates — The Board reviewed information about the profitability to BlackRock of the Fund, based on the fees payable to BFA and its affiliates (including fees under the Advisory Contract), and all other sources of revenue and expense to BFA and its affiliates from the Funds' operations for the last calendar year. The Board reviewed BlackRock's profitability methodology for the iShares funds, noting that the 15(c) Committee had focused on the methodology and profitability presentation during its meetings. The Board discussed the sources of direct and ancillary revenue with management, including the revenues to BTC from securities lending by the Fund. The Board also discussed BFA's profit margin as reflected in the Fund's profitability analysis and reviewed information regarding potential

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economies of scale (as discussed below). Based on this review, the Board concluded that the profits realized by BFA and its affiliates under the Advisory Contract and from other relationships between the Fund and BFA and/or its affiliates, if any, were within a reasonable range in light of the factors considered.

Economies of Scale — The Board reviewed information regarding potential economies of scale or other efficiencies that may result from increases in the Fund’s assets, noting that the issue of economies of scale had been focused on extensively by the 15(c) Committee during its meetings and addressed by management. The Board and the 15(c) Committee reviewed information provided by BFA regarding scale benefits shared with the iShares funds through relatively low fee rates established at inception, breakpoints, waivers, or other fee reductions, as well as through additional investment in the iShares business and the provision of improved or additional infrastructure and services to the iShares funds and their shareholders. The Board and the 15(c) Committee received information regarding BlackRock’s historical profitability, including BFA’s and its affiliates’ costs in providing services. The cost information distinguished, among other things, between fixed and variable costs, and explained how the level of fixed and variable costs, as well as the nature of such costs, may impact the existence or size of scale benefits. The Board noted that the Advisory Contract for the Fund already provided for breakpoints in the Fund’s investment advisory fee rate as the assets of the Fund, on an aggregated basis with the assets of certain other iShares funds, increase. The Board noted that it would continue to monitor the sharing of economies of scale to determine the appropriateness of adding new or revised breakpoints in the future.

Based on this review, as well as the other factors considered at the meeting, the Board, recognizing its responsibility to consider this issue periodically, determined to approve the continuance of the Advisory Contract for the coming year.

Fees and Services Provided for Other Comparable Funds/Accounts Managed by BFA and its Affiliates — The Board received and considered information regarding the investment advisory/management fee rates for other funds/accounts in the U.S. for which BFA (or its affiliates) provides investment advisory/management services, including open-end funds registered under the 1940 Act (including sub-advised funds), collective trust funds, and institutional separate accounts (together, the “Other Accounts”), and acknowledged BFA’s assertion that the iShares funds are fundamentally different investment vehicles from the Other Accounts. The Board noted that BFA and its affiliates do not manage Other Accounts with substantially the same investment objective and strategy as the Fund and that track the same index as the Fund. The Board further noted that BFA provided the Board with detailed information regarding how the Other Accounts (particularly institutional clients) generally differ from the Fund, including in terms of the different and generally more extensive services provided to the Fund, as well as other significant differences. In that regard, the Board considered that the pricing of services to institutional clients is typically based on a number of factors beyond the nature and extent of the specific services to be provided and often depends on the overall relationship between the client and its affiliates and the adviser and its affiliates. In addition, the Board considered the relative complexity and inherent risks and challenges of managing and providing other services to the Fund, as a publicly traded exchange traded fund, as compared to the Other Accounts that are institutional clients in light of differing regulatory requirements and client-imposed mandates. The Board also considered the “all-inclusive” nature of the Fund’s advisory fee structure, and the Fund expenses borne by BFA under this arrangement. The Board noted that the investment advisory fee rate under the Advisory Contract for the Fund was generally higher than the investment advisory/management fee rates for certain of the Other Accounts (particularly institutional clients) and concluded that the differences appeared to be consistent with the factors discussed.

Other Benefits to BFA and/or its Affiliates — The Board reviewed the “fallout” benefits or ancillary revenue received by BFA and/or its affiliates in connection with the services provided to the Fund by BFA, such as payment of revenue to BTC, the Fund’s securities lending agent, for loaning portfolio securities (which was included in the profit margins reviewed by the Board pursuant to BFA’s profitability methodology), and payment of advisory fees and/or administration fees to BFA and BTC (or their affiliates) in connection with any investments by the Fund in other funds for which BFA (or its affiliates) provides investment advisory services and/or administration services. The Board noted that BFA generally does not use soft dollars or consider the value of research or

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other services that may be provided to BFA (including its affiliates) in selecting brokers for portfolio transactions for the Fund. The Board further noted that any portfolio transactions on behalf of the Fund placed through a BFA affiliate or purchased from an underwriting syndicate in which a BFA affiliate participates, are reported to the Board pursuant to Rule 17e-1 or Rule 10f-3, as applicable, under the 1940 Act. The Board concluded that any such ancillary benefits would not be disadvantageous to the Fund's shareholders and thus would not alter the Board's conclusion with respect to the appropriateness of approving the continuance of the Advisory Contract for the coming year.

Based on the considerations described above, the Board determined that the Fund's investment advisory fee rate under the Advisory Contract does not constitute a fee that is so disproportionately large as to bear no reasonable relationship to the services rendered and that could not have been the product of arm's-length bargaining, and concluded that it is in the best interest of the Fund and its shareholders to approve the continuance of the Advisory Contract for the coming year.

Supplemental Information

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Section 19(a) Notices

The amounts and sources of distributions reported are estimates and are provided pursuant to regulatory requirements and are not being provided for tax reporting purposes. The actual amounts and sources for tax reporting purposes will depend upon each Fund's investment experience during the year and may be subject to changes based on the tax regulations. Shareholders will receive a Form 1099-DIV each calendar year that will inform them how to report these distributions for federal income tax purposes.

	<i>Total Cumulative Distributions for the Fiscal-to-Date</i>				<i>% Breakdown of the Total Cumulative Distributions for the Fiscal-to-Date</i>			
	<i>Net Investment Income</i>	<i>Realized Capital Gains</i>	<i>Return of Capital</i>	<i>Total Per Share</i>	<i>Net Investment Income</i>	<i>Realized Capital Gains</i>	<i>Return of Capital</i>	<i>Total Per Share</i>
<i>iShares ETF</i>								
Global Timber & Forestry	\$ 0.457345	\$ —	\$ 0.175450	\$ 0.632795	72%	— %	28%	100%

For more information visit www.iShares.com or call 1-800-474-2737

This report is intended for the Funds' shareholders. It may not be distributed to prospective investors unless it is preceded or accompanied by the current prospectus.

Investing involves risk, including possible loss of principal.

The iShares Funds are distributed by BlackRock Investments, LLC (together with its affiliates, "BlackRock").

The iShares Funds are not sponsored, endorsed, issued, sold or promoted by S&P Dow Jones Indices LLC, nor does this company make any representation regarding the advisability of investing in the iShares Funds. BlackRock is not affiliated with the company listed above.

A description of the policies that the Funds use to determine how to vote proxies relating to portfolio securities and information about how the Funds voted proxies relating to portfolio securities during the most recent twelve-month period ending June 30 is available without charge, upon request, by calling toll-free 1-800-474-2737; on the Funds' website at www.iShares.com; and on the U.S. Securities and Exchange Commission (SEC) website at www.sec.gov.

The Funds file their complete schedules of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the SEC's website or may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The Funds also disclose their complete schedules of portfolio holdings on a daily basis on the Funds' website.

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