

3 November 2014

Market Announcements Office
ASX Limited

ANNUAL REPORT TO SHAREHOLDERS

FOR RELEASE UNDER EACH FUND LISTED BELOW

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

Attached is a copy of the Annual Report which has been lodged with the US Securities and Exchange Commission for an iShares fund(s) with a fiscal year end of 31 Jul.

Unless otherwise stated, financial information in the attached document is in US dollars.

The table below provides details of the fund(s) this announcement relates to:

ASX Code	Issuer	Fund
IZZ	iShares Trust	iShares China Large-Cap ETF

Disclaimer: Before investing in an iShares fund, you should carefully consider the appropriateness of such products to your circumstances, read the applicable Australian prospectus and ASX announcements relating to the fund and consult an investment adviser.

For more information about iShares funds (including Australian prospectuses) go to iShares.com.au or call (1300 474 273).

*** END ***

2014 ANNUAL REPORT



iShares Trust

- ▶ iShares China Large-Cap ETF | FXI | NYSE Arca
- ▶ iShares FTSE China ETF | FCHI | NASDAQ

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Management's Discussion of Fund Performance

iSHARES® TRUST

ASIA MARKET OVERVIEW

Asian markets advanced during the 12-month period ended July 31, 2014 (the "reporting period"), as investors embraced the region's progress toward economic and political reform. China, India and Japan, the three largest economies in the region, pursued dramatic changes to improve their competitive edge in the changing global economy. Slow global growth presented new challenges for China and India after their rapid economic growth in past decades. By contrast, Japan attempted to reignite economic growth with monetary stimulus and political reform after twenty years of economic stagnation.

China, the region's largest economy, continued to transition from an economy based on investment and manufacturing toward one based on consumption and services. The Chinese economy continued to grow at a rate of under 8% during the period, as China pursued its transition plan amid slow global growth. China's housing sector also slowed considerably after a period of rapid expansion. Rampant lending since the financial crisis in 2008 was also a challenge for China, as the government sought to crack down on weak lending standards throughout the economy.

Investors were focused on China's growing pains during the first half of the reporting period, leading to modest performance for Chinese stocks. Improving manufacturing in the second half of the period and improving economic growth in the United States helped drive Chinese stocks higher during the second half of the reporting period. Several Asian stock markets, including Hong Kong, Taiwan and South Korea, followed the contour of China's performance during the reporting period.

India underwent substantial political and economic change during the reporting period. Persistent inflation and modest economic growth continued to present challenges for the Indian economy. The Indian central bank took action on inflation, hiking interest rates several times during the reporting period. As a result, inflation dropped from double-digit rates to 7.9% by the end of the reporting period. Meanwhile, the Indian government pursued growth-oriented political reform, including reducing fuel subsidies and state ownership of companies, as well as inviting foreign investment in India's food, airline, broadcasting and electricity industries.

The Indian stock market, small-capitalization stocks in particular, soared in the second half of the reporting period, as the Indian government's new leadership pursued political reform. India, the largest democracy in the world, is home to a wide variety of political and cultural interests, which made reform less than a foregone conclusion, although investors generally expressed their expectation for successful reform.

Japan continued on its course of aggressive fiscal and monetary stimulus combined with substantial political reform to reignite economic growth. The Japanese government announced a new set of reforms during the reporting period. The reform plan included changes to the healthcare system, encouragement of foreign investment and the overhauling of corporate governance in Japan. The economy continued to grow at a relatively slow pace, while inflation rose after two decades of declining prices. Towards the end of the reporting period, the Japanese economy contracted after the government levied a large sales tax in April 2014. Overall, however, the Japanese stock market responded favorably to Japan's political and economic changes, posting a solid gain during the reporting period despite these challenges and significant market volatility from January through April 2014.

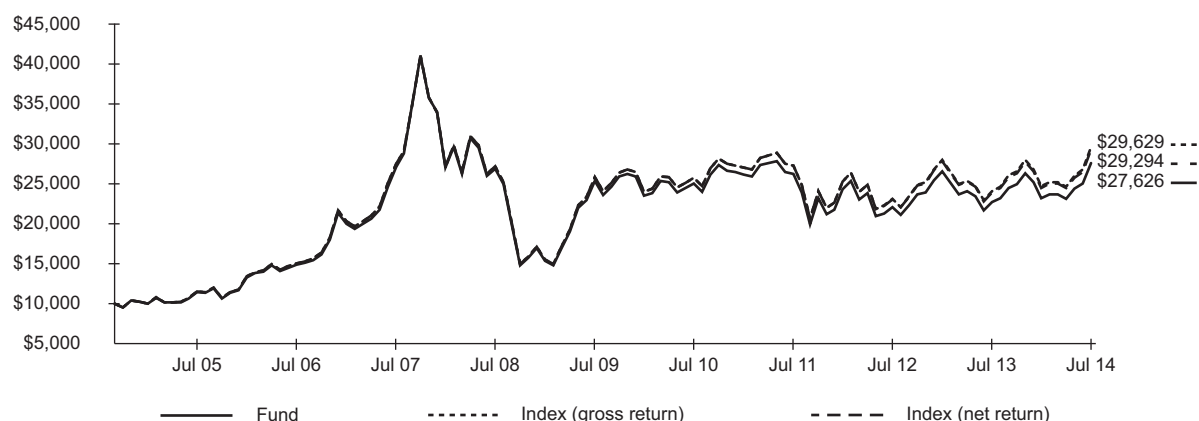
Management's Discussion of Fund Performance

iSHARES® CHINA LARGE-CAP ETF

Performance as of July 31, 2014

	Average Annual Total Returns				Cumulative Total Returns			
	NAV	MARKET	INDEX (gross return)	INDEX (net return)*	NAV	MARKET	INDEX (gross return)	INDEX (net return)*
1 Year	21.42%	20.42%	22.89%	22.39%	21.42%	20.42%	22.89%	22.39%
5 Years	1.73%	1.56%	2.79%	2.55%	8.94%	8.02%	14.73%	13.43%
Since Inception	10.90%	10.73%	11.70%	11.57%	176.26%	172.21%	196.29%	192.94%

GROWTH OF \$10,000 INVESTMENT (SINCE INCEPTION AT NET ASSET VALUE)



* Historical index data has been restated to the net total return version of the Index. The net total return version of the Index was inceptioned on 2/10/12. Historical index data prior to 2/10/12 reflects the gross total return version. Net total returns are calculated by reinvesting cash dividends after the deduction of withholding taxes. Gross total returns do not include withholding taxes.

The inception date of the Fund was 10/5/04. The first day of secondary market trading was 10/8/04.

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 10 for more information.

Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (2/1/14)	Ending Account Value (7/31/14)	Expenses Paid During Period ^a	Beginning Account Value (2/1/14)	Ending Account Value (7/31/14)	Expenses Paid During Period ^a	Annualized Expense Ratio
\$ 1,000.00	\$ 1,189.70	\$ 4.02	\$ 1,000.00	\$ 1,021.10	\$ 3.71	0.74%

^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 (181 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 10 for more information.

Management's Discussion of Fund Performance (Continued)

iSHARES® CHINA LARGE-CAP ETF

The **iShares China Large-Cap ETF** (the "Fund") seeks to track the investment results of an index composed of large-capitalization Chinese equities that trade on the Hong Kong Stock Exchange, as represented by the FTSE China 25 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 12-month reporting period ended July 31, 2014, the total return for the Fund was 21.42%, net of fees, while the gross total return for the Index was 22.89% and the net total return for the Index was 22.39%.

The Index posted strong performance for the reporting period despite significant volatility during the first half of the period.

China, the world's second largest economy, posted modest returns during the first half of the reporting period, as fears of a credit crisis and weak global growth weighed on the region. China's economy continued to transition from investment-based to consumption-based during the reporting period, which led to slowing economic growth. Similarly, rampant lending after the global financial crisis in 2008 left many Chinese institutions, particularly local governments and trusts, with large amounts of risky debt. The housing market, which has been responsible for a relatively large share of Chinese economic growth and lending activity, also slowed considerably during the reporting period.

During the second half of the reporting period, Chinese stocks rallied sharply on renewed optimism for the Chinese economy, as the government pursued a series of economic stimulus measures and Chinese manufacturing rebounded. Fears of a credit crisis also subsided somewhat, as the Chinese government adopted a series of policies aimed at improving credit quality. By the end of the reporting period, the Index had posted a strong gain, as investors weighed China's vast growth potential against its recent economic issues.

Special note — Effective as of the close of market on September 19, 2014, the Index will be migrating to a 50 constituent index and will be renamed the FTSE China 50 Index. As a result, the investment objective of the Fund will also change to seek investment results that reflect the performance of the FTSE China 50 Index.

PORTFOLIO ALLOCATION As of 7/31/14

<i>Sector</i>	<i>Percentage of Total Investments*</i>
Financials	55.39%
Energy	15.40
Telecommunication Services	15.36
Information Technology	10.27
Materials	1.84
Consumer Discretionary	1.74
TOTAL	<u>100.00%</u>

TEN LARGEST FUND HOLDINGS As of 7/31/14

<i>Security</i>	<i>Percentage of Total Investments*</i>
Tencent Holdings Ltd.	10.27%
China Construction Bank Corp. Class H	8.51
China Mobile Ltd.	8.42
Industrial and Commercial Bank of China Ltd. Class H	6.98
Bank of China Ltd. Class H	5.51
China Overseas Land & Investment Ltd.	4.45
China Life Insurance Co. Ltd. Class H	4.05
Ping An Insurance (Group) Co. of China Ltd. Class H	4.00
PetroChina Co. Ltd. Class H	3.98
China Shenhua Energy Co. Ltd. Class H	3.86
TOTAL	<u>60.03%</u>

* Excludes money market funds.

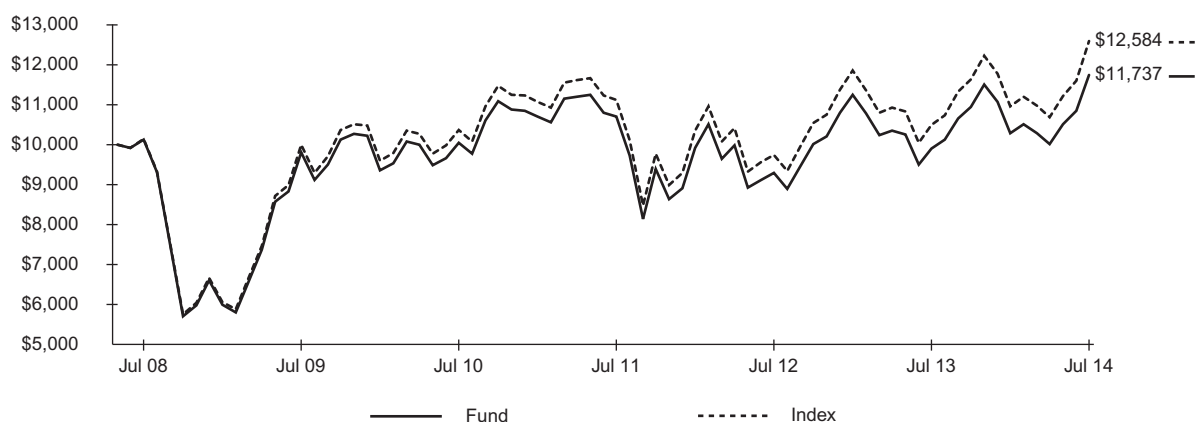
Management's Discussion of Fund Performance

iSHARES® FTSE CHINA ETF

Performance as of July 31, 2014

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	18.66%	17.54%	20.03%	18.66%	17.54%	20.03%
5 Years	3.68%	3.38%	4.73%	19.78%	18.06%	26.01%
Since Inception	2.66%	2.37%	3.84%	17.37%	15.40%	25.84%

GROWTH OF \$10,000 INVESTMENT (SINCE INCEPTION AT NET ASSET VALUE)



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 10 for more information.

Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (2/1/14)	Ending Account Value (7/31/14)	Expenses Paid During Period ^a	Beginning Account Value (2/1/14)	Ending Account Value (7/31/14)	Expenses Paid During Period ^a	Annualized Expense Ratio
\$ 1,000.00	\$ 1,141.10	\$ 3.93	\$ 1,000.00	\$ 1,021.10	\$ 3.71	0.74%

^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 (181 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 10 for more information.

Management's Discussion of Fund Performance (Continued)

iSHARES® FTSE CHINA ETF

The **iShares FTSE China ETF** (the "Fund") seeks to track the investment results of an index composed of Chinese equities that trade on the Hong Kong Stock Exchange, as represented by the FTSE China (HK Listed) 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 12-month reporting period ended July 31, 2014, the total return for the Fund was 18.66%, net of fees, while the total return for the Index was 20.03%.

The Index posted strong performance for the reporting period despite significant volatility during the first half of the period.

China, the world's second largest economy, posted modest returns during the first half of the reporting period, as fears of a credit crisis and weak global growth weighed on the region. China's economy continued to transition from investment-based to consumption-based during the reporting period, which led to slowing economic growth. Similarly, rampant lending after the global financial crisis in 2008 left many Chinese institutions, particularly local governments and trusts, with large amounts of risky debt. The housing market, which has been responsible for a relatively large share of Chinese economic growth and lending activity, also slowed considerably during the reporting period.

During the second half of the reporting period, Chinese stocks rallied sharply on renewed optimism for the Chinese economy, as the government pursued a series of economic stimulus measures and Chinese manufacturing rebounded. Fears of a credit crisis also subsided somewhat, as the Chinese government adopted a series of policies aimed at improving credit quality. By the end of the reporting period, the Index had posted a strong gain, as investors weighed China's vast growth potential against its recent economic issues.

PORTFOLIO ALLOCATION As of 7/31/14

<i>Sector</i>	<i>Percentage of Total Investments*</i>
Financials	38.50%
Energy	13.86
Information Technology	12.34
Telecommunication Services	9.94
Industrials	7.87
Consumer Discretionary	5.37
Utilities	4.06
Materials	3.66
Consumer Staples	2.50
Health Care	1.90
TOTAL	<u>100.00%</u>

TEN LARGEST FUND HOLDINGS As of 7/31/14

<i>Security</i>	<i>Percentage of Total Investments*</i>
Tencent Holdings Ltd.	9.95%
China Mobile Ltd.	7.56
China Construction Bank Corp. Class H	7.28
Industrial and Commercial Bank of China Ltd. Class H	6.47
Bank of China Ltd. Class H	4.72
CNOOC Ltd.	3.79
PetroChina Co. Ltd. Class H	3.63
China Petroleum & Chemical Corp. Class H	3.30
China Life Insurance Co. Ltd. Class H	2.92
Ping An Insurance (Group) Co. of China Ltd. Class H	2.21
TOTAL	<u>51.83%</u>

* 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 management fees. Without such 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. Since shares of a fund may not have traded in the secondary market until after the fund’s inception, for the period from inception to the first day of secondary trading, the NAV of the fund is used as a proxy for the Market Price to calculate market returns. 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 February 1, 2014 and held through July 31, 2014, 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. 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 for your Fund 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

iSHARES® CHINA LARGE-CAP ETF

July 31, 2014

Security	Shares	Value
COMMON STOCKS — 98.61%		
AUTOMOBILES — 1.72%		
Great Wall Motor Co. Ltd.		
Class H	22,488,000	\$ 93,143,244
		93,143,244
CAPITAL MARKETS — 0.89%		
CITIC Securities Co. Ltd.		
Class H	19,227,000	48,377,301
		48,377,301
COMMERCIAL BANKS — 35.24%		
Agricultural Bank of China Ltd.		
Class H	410,598,000	200,794,372
Bank of China Ltd. Class H	614,256,000	294,840,978
Bank of Communications Co. Ltd. Class H	175,255,200	134,776,033
China CITIC Bank Corp. Ltd. Class H	165,193,000	110,199,006
China Construction Bank Corp. Class H	590,168,320	455,378,553
China Merchants Bank Co. Ltd. Class H	99,917,438	203,959,183
China Minsheng Banking Corp. Ltd. Class H ^a	132,804,000	138,286,628
Industrial and Commercial Bank of China Ltd. Class H	543,240,995	373,607,203
		1,911,841,956
CONSTRUCTION MATERIALS — 1.82%		
Anhui Conch Cement Co. Ltd. Class H ^a	26,024,000	98,554,770
		98,554,770
DIVERSIFIED TELECOMMUNICATION SERVICES — 6.84%		
China Telecom Corp. Ltd. Class H	352,274,000	199,544,888
China Unicom (Hong Kong) Ltd.	97,904,000	171,804,621
		371,349,509
INSURANCE — 14.10%		
China Life Insurance Co. Ltd. Class H	71,933,000	216,725,770
China Pacific Insurance (Group) Co. Ltd. Class H	48,325,800	191,743,066
People's Insurance Co. Group of China Ltd. Class H	83,100,000	36,885,439
PICC Property and Casualty Co. Ltd. Class H	65,094,000	105,829,562

Security	Shares	Value
Ping An Insurance (Group) Co. of China Ltd. Class H	24,946,500	\$ 214,055,684
		765,239,521
INTERNET SOFTWARE & SERVICES — 10.12%		
Tencent Holdings Ltd. ^a	33,154,800	549,296,626
		549,296,626
OIL, GAS & CONSUMABLE FUELS — 15.19%		
China Petroleum & Chemical Corp. Class H	206,930,600	205,594,237
China Shenhua Energy Co. Ltd. Class H	69,504,000	206,268,605
CNOOC Ltd.	111,090,000	198,957,323
PetroChina Co. Ltd. Class H	162,246,000	213,116,597
		823,936,762
REAL ESTATE MANAGEMENT & DEVELOPMENT — 4.39%		
China Overseas Land & Investment Ltd. ^a	77,530,000	238,090,593
		238,090,593
WIRELESS TELECOMMUNICATION SERVICES — 8.30%		
China Mobile Ltd.	40,623,500	450,262,727
		450,262,727
TOTAL COMMON STOCKS		
(Cost: \$5,245,372,796)		5,350,093,009
SHORT-TERM INVESTMENTS — 2.26%		
MONEY MARKET FUNDS — 2.26%		
BlackRock Cash Funds: Institutional, SL Agency Shares 0.14% ^{b,c,d}	114,334,380	114,334,380
BlackRock Cash Funds: Prime, SL Agency Shares 0.12% ^{b,c,d}	7,131,502	7,131,502
BlackRock Cash Funds: Treasury, SL Agency Shares 0.00% ^{b,c}	1,057,078	1,057,078
		122,522,960
TOTAL SHORT-TERM INVESTMENTS		
(Cost: \$122,522,960)		122,522,960

Schedule of Investments (Continued)

iSHARES® CHINA LARGE-CAP ETF

July 31, 2014

	<i>Value</i>
TOTAL INVESTMENTS	
IN SECURITIES — 100.87%	
(Cost: \$5,367,895,756)	\$5,472,615,969
Other Assets, Less Liabilities — (0.87)%	<u>(47,304,162)</u>
NET ASSETS — 100.00%	<u><u>\$5,425,311,807</u></u>

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

^b Affiliated issuer. See Note 2.

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

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

Financial futures contracts purchased as of July 31, 2014 were as follows:

<i>Number of</i>	<i>Issue</i>		<i>Notional</i>	<i>Unrealized</i>
<i>Contracts</i>	<i>(Expiration)</i>	<i>Exchange</i>	<i>Value</i>	<i>Appreciation</i>
				<i>(Depreciation)</i>
H-Shares Index	Hong Kong			
979	(Aug. 2014)	Futures	\$70,354,907	\$2,343,439

See notes to financial statements.

Schedule of Investments

iSHARES® FTSE CHINA ETF

July 31, 2014

Security	Shares	Value
COMMON STOCKS — 99.05%		
AEROSPACE & DEFENSE — 0.18%		
AviChina Industry & Technology Co. Ltd. Class H	96,000	\$ 55,865
		55,865
AIR FREIGHT & LOGISTICS — 0.13%		
Sinotrans Ltd. Class H	66,000	41,218
		41,218
AIRLINES — 0.29%		
Air China Ltd. Class H	72,000	44,129
China Eastern Airlines Corp. Ltd. Class H ^a	60,000	19,122
China Southern Airlines Co. Ltd. Class H	73,000	24,867
		88,118
AUTOMOBILES — 3.07%		
Brilliance China Automotive Holdings Ltd.	108,000	202,621
BYD Co. Ltd. Class H ^b	27,000	180,289
Dongfeng Motor Group Co. Ltd. Class H	120,000	214,915
Geely Automobile Holdings Ltd. ^b	180,000	72,928
Great Wall Motor Co. Ltd. Class H	42,000	173,960
Guangzhou Automobile Group Co. Ltd. Class H	84,415	95,307
		940,020
BEVERAGES — 0.32%		
Tsingtao Brewery Co. Ltd. Class H	12,000	98,399
		98,399
CAPITAL MARKETS — 1.13%		
China Cinda Asset Management Co. Ltd. ^a	126,000	72,510
China Everbright Ltd.	36,000	56,113
China Galaxy Securities Co. Ltd. Class H	45,000	34,084
CITIC Securities Co. Ltd. Class H	36,000	90,580
Haitong Securities Co. Ltd. Class H	55,200	92,308
		345,595
CHEMICALS — 0.49%		
China BlueChemical Ltd. Class H	72,000	37,254
Sinofert Holdings Ltd. ^{a,b}	72,000	10,126
Sinopec Shanghai Petrochemical Co. Ltd. Class H	144,000	44,779

Security	Shares	Value
Sinopec Yizheng Chemical Fibre Co. Ltd. Class H ^{a,b}	84,000	\$ 19,184
Tianhe Chemicals Group Ltd. ^{a,c}	120,000	37,781
		149,124
COMMERCIAL BANKS — 23.63%		
Agricultural Bank of China Ltd. Class H	972,000	475,336
Bank of China Ltd. Class H	2,988,000	1,434,231
Bank of Communications Co. Ltd. Class H	318,500	244,935
China CITIC Bank Corp. Ltd. Class H	300,200	200,261
China Construction Bank Corp. Class H	2,862,680	2,208,867
China Merchants Bank Co. Ltd. Class H	183,383	374,335
China Minsheng Banking Corp. Ltd. Class H	248,400	258,655
Chongqing Rural Commercial Bank Co. Ltd. Class H	108,000	53,791
Huishang Bank Corp. Ltd. Class H	60,000	26,477
Industrial and Commercial Bank of China Ltd. Class H	2,856,795	1,964,725
		7,241,613
COMMERCIAL SERVICES & SUPPLIES — 0.48%		
China Everbright International Ltd. ^b	102,000	137,403
Tianjin Capital Environmental Protection Group Co. Ltd. Class H	12,000	8,563
		145,966
COMMUNICATIONS EQUIPMENT — 0.17%		
ZTE Corp. Class H ^b	25,232	53,068
		53,068
COMPUTERS & PERIPHERALS — 1.08%		
Lenovo Group Ltd.	240,000	330,114
		330,114
CONSTRUCTION & ENGINEERING — 1.56%		
China Communications Construction Co. Ltd. Class H	174,000	132,688
China Machinery Engineering Corp. Class H	18,000	11,009
China Railway Construction Corp. Ltd. Class H	75,000	72,483
China Railway Group Ltd. Class H	150,000	81,290
China State Construction International Holdings Ltd.	60,000	106,374

Schedule of Investments (Continued)

iSHARES® FTSE CHINA ETF

July 31, 2014

Security	Shares	Value
Metallurgical Corp. of China Ltd. Class H	114,000	\$ 24,859
Sinopec Engineering Group Co. Ltd.	42,000	48,124
		476,827
CONSTRUCTION MATERIALS — 1.31%		
Anhui Conch Cement Co. Ltd. Class H ^b	48,000	181,780
BBMG Corp. Class H	45,000	35,245
China National Building Material Co. Ltd. Class H	120,000	120,773
China National Materials Co. Ltd. Class H	54,000	12,542
China Resources Cement Holdings Ltd.	72,000	52,397
		402,737
DIVERSIFIED FINANCIAL SERVICES — 0.15%		
Far East Horizon Ltd.	60,000	46,219
		46,219
DIVERSIFIED TELECOMMUNICATION SERVICES — 2.36%		
China Communications Services Corp. Ltd. Class H	97,200	47,659
China Telecom Corp. Ltd. Class H	636,000	360,261
China Unicom (Hong Kong) Ltd.	180,128	316,093
		724,013
ELECTRICAL EQUIPMENT — 0.59%		
Dongfang Electric Corp. Ltd. Class H	14,400	24,972
Harbin Electric Co. Ltd. Class H	24,000	16,227
Shanghai Electric Group Co. Ltd. Class H	108,000	48,217
Xinjiang Goldwind Science & Technology Co. Ltd. Class H	16,800	19,206
Zhuzhou CSR Times Electric Co. Ltd. Class H	21,000	72,348
		180,970
ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS — 0.24%		
Kingboard Chemical Holdings Co. Ltd.	27,100	57,277
Kingboard Laminates Holdings Ltd.	42,000	17,450
		74,727
ENERGY EQUIPMENT & SERVICES — 0.59%		
China Oilfield Services Ltd. Class H	72,000	181,532
		181,532

Security	Shares	Value
FOOD & STAPLES RETAILING — 0.56%		
China Resources Enterprise Ltd.	48,000	\$ 146,476
Lianhua Supermarket Holdings Co. Ltd. Class H ^a	18,600	10,272
Wumart Stores Inc. Class H	18,000	16,119
		172,867
FOOD PRODUCTS — 0.54%		
Biostime International Holdings Ltd. ^b	6,000	27,445
China Agri-Industries Holdings Ltd. ^b	84,300	36,983
China Foods Ltd. ^a	24,000	9,197
China Huishan Dairy Holdings Co. Ltd. ^{a,b}	282,000	64,405
China Yurun Food Group Ltd. ^{a,b}	54,000	25,920
		163,950
GAS UTILITIES — 1.18%		
China Gas Holdings Ltd.	60,000	116,283
China Resources Gas Group Ltd.	24,000	75,870
ENN Energy Holdings Ltd.	24,000	170,322
		362,475
HEALTH CARE EQUIPMENT & SUPPLIES — 0.24%		
Shandong Weigao Group Medical Polymer Co. Ltd. Class H	72,000	74,787
		74,787
HEALTH CARE PROVIDERS & SERVICES — 0.51%		
Shanghai Pharmaceuticals Holding Co. Ltd. Class H	22,800	42,423
Sinopharm Group Co. Ltd. Class H	38,400	113,217
		155,640
HOUSEHOLD DURABLES — 0.28%		
Haier Electronics Group Co. Ltd. ^b	30,000	86,322
		86,322
INDEPENDENT POWER PRODUCERS & ENERGY TRADERS — 2.20%		
Beijing Jingneng Clean Energy Co. Ltd. ^b	60,000	25,626
China Longyuan Power Group Corp. Ltd. Class H	138,000	140,670
China Resources Power Holdings Co. Ltd.	73,600	206,554
Datang International Power Generation Co. Ltd. Class H	120,000	59,767
Huadian Fuxin Energy Corp. Ltd.	72,000	36,882
Huadian Power International Corp. Ltd. Class H ^b	60,000	37,084

Schedule of Investments (Continued)

iSHARES® FTSE CHINA ETF

July 31, 2014

Security	Shares	Value
Huaneng Power International Inc. Class H	120,000	\$ 134,244
Huaneng Renewables Corp. Class H	96,000	32,206
		673,033
INDUSTRIAL CONGLOMERATES — 1.19%		
Beijing Enterprises Holdings Ltd.	21,000	183,444
CITIC Pacific Ltd. ^b	60,000	119,844
Shanghai Industrial Holdings Ltd.	18,000	60,155
		363,443
INSURANCE — 7.65%		
China Life Insurance Co. Ltd. Class H	294,000	885,788
China Pacific Insurance (Group) Co. Ltd. Class H	88,800	352,333
China Taiping Insurance Holdings Co. Ltd. ^a	32,400	70,987
New China Life Insurance Co. Ltd. Class H	28,200	102,611
People's Insurance Co. Group of China Ltd. Class H	150,000	66,580
PICC Property and Casualty Co. Ltd. Class H	121,200	197,047
Ping An Insurance (Group) Co. of China Ltd. Class H	78,000	669,286
		2,344,632
INTERNET SOFTWARE & SERVICES — 9.86%		
Tencent Holdings Ltd.	182,400	3,021,937
		3,021,937
IT SERVICES — 0.12%		
Travelsky Technology Ltd. Class H	42,000	38,044
		38,044
MACHINERY — 1.23%		
China Conch Venture Holdings Ltd. ^b	6,000	14,570
China International Marine Containers (Group) Co. Ltd. Class H	23,400	51,510
CIMC Enric Holdings Ltd.	24,000	28,738
CSR Corp Ltd. Class H	72,000	65,032
Guangzhou Shipyard International Co. Ltd. Class H	12,600	22,318
Haitian International Holdings Ltd.	24,000	56,361
Sany Heavy Equipment International Holdings Co. Ltd. ^a	42,000	9,917
Sinotruk (Hong Kong) Ltd.	27,000	14,284
Weichai Power Co. Ltd. Class H	18,680	81,950

Security	Shares	Value
Zoomlion Heavy Industry Science and Technology Co. Ltd. Class H	50,500	\$ 31,929
		376,609
MARINE — 0.39%		
China COSCO Holdings Co. Ltd. Class H ^{a,b}	102,000	44,222
China Shipping Container Lines Co. Ltd. Class H ^a	150,000	43,742
China Shipping Development Co. Ltd. Class H ^a	48,000	31,958
		119,922
METALS & MINING — 1.54%		
Aluminum Corp. of China Ltd. Class H ^{a,b}	156,000	72,062
Angang Steel Co. Ltd. Class H	48,000	35,861
China Hongqiao Group Ltd.	36,000	30,890
China Molybdenum Co. Ltd. Class H	54,000	35,744
China Zhongwang Holdings Ltd.	60,000	21,677
Fosun International Ltd.	57,000	72,665
Jiangxi Copper Co. Ltd. Class H	54,000	103,401
Maanshan Iron & Steel Co. Ltd. Class H ^a	60,000	14,090
Zhaojin Mining Industry Co. Ltd. Class H	39,000	24,507
Zijin Mining Group Co. Ltd. Class H ^b	229,000	59,687
		470,584
MULTILINE RETAIL — 0.10%		
Golden Eagle Retail Group Ltd.	24,000	31,091
		31,091
OIL, GAS & CONSUMABLE FUELS — 13.14%		
China Coal Energy Co. Class H ^b	162,000	98,035
China Petroleum & Chemical Corp. Class H	1,008,000	1,001,490
China Shenhua Energy Co. Ltd. Class H	135,000	400,643
CNOOC Ltd.	642,000	1,149,794
Kunlun Energy Co. Ltd.	120,000	205,005
PetroChina Co. Ltd. Class H	840,000	1,103,374
Yanzhou Coal Mining Co. Ltd. Class H ^b	84,000	68,934
		4,027,275
PAPER & FOREST PRODUCTS — 0.29%		
Lee & Man Paper Manufacturing Ltd. ^b	54,000	32,887
Nine Dragons Paper (Holdings) Ltd. ^b	60,000	49,780

Schedule of Investments (Continued)

iSHARES® FTSE CHINA ETF

July 31, 2014

Security	Shares	Value
Shandong Chenming Paper Holdings Ltd. Class H	15,000	\$ 7,123 89,790
PERSONAL PRODUCTS — 1.05%		
Hengan International Group Co. Ltd.	30,000	322,256 322,256
PHARMACEUTICALS — 1.13%		
CSPC Pharmaceutical Group Ltd. ^b	84,000	65,357
Guangzhou Baiyunshan Pharmaceutical Holdings Co. Ltd. Class H	12,000	38,400
Shanghai Fosun Pharmaceutical (Group) Co. Ltd.	15,000	49,838
Sihuan Pharmaceutical Holdings Group Ltd.	144,000	89,001
Sino Biopharmaceutical Ltd.	120,000	103,277 345,873
REAL ESTATE MANAGEMENT & DEVELOPMENT — 5.58%		
Agile Property Holdings Ltd.	48,000	41,001
Beijing North Star Co. Ltd. Class H	36,000	9,848
China Overseas Land & Investment Ltd.	169,040	519,113
China Resources Land Ltd. ^b	72,000	169,083
China Vanke Co. Ltd. ^a	52,813	116,937
Country Garden Holdings Co. Ltd.	174,000	89,132
Evergrande Real Estate Group Ltd. ^b	234,000	102,054
Franshion Properties (China) Ltd.	144,000	42,735
Greentown China Holdings Ltd. ^b	30,000	38,671
Guangzhou R&F Properties Co. Ltd. Class H	38,400	56,683
Hopson Development Holdings Ltd. ^a	24,000	27,035
KWG Property Holdings Ltd. ^b	48,000	35,427
Longfor Properties Co. Ltd.	54,000	78,038
Poly Property Group Co. Ltd.	72,000	35,210
Renhe Commercial Holdings Co. Ltd. ^a	444,000	22,343
Shenzhen Investment Ltd.	84,000	29,156
Shimao Property Holdings Ltd. ^b	51,000	118,451
Sino-Ocean Land Holdings Ltd.	144,000	84,541
SOHO China Ltd. ^b	63,000	53,164
Yuxiu Property Co. Ltd. ^b	181,800	41,051 1,709,673
ROAD & RAIL — 0.08%		
Guangshen Railway Co. Ltd. Class H	60,000	24,310 24,310

Security	Shares	Value
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT — 0.45%		
GCL-Poly Energy Holdings Ltd. ^{a,b}	420,000	\$ 137,109 137,109
SOFTWARE — 0.29%		
Kingsoft Corp. Ltd. ^b	30,000	89,999 89,999
SPECIALTY RETAIL — 1.21%		
Belle International Holdings Ltd.	210,000	262,566
GOME Electrical Appliances Holdings Ltd. ^b	462,000	78,688
Zhongsheng Group Holdings Ltd. ^b	24,000	30,627 371,881
TEXTILES, APPAREL & LUXURY GOODS — 0.66%		
Anta Sports Products Ltd. ^b	36,000	59,458
Bosideng International Holdings Ltd.	120,000	20,439
China Dongxiang Group Co.	114,000	22,358
Li Ning Co. Ltd. ^{a,b}	39,000	23,702
Shenzhou International Group Holdings Ltd.	24,000	76,025 201,982
TRADING COMPANIES & DISTRIBUTORS — 0.05%		
CITIC Resources Holdings Ltd. ^a	108,800	16,285 16,285
TRANSPORTATION INFRASTRUCTURE — 1.63%		
Anhui Expressway Co. Ltd. Class H	24,000	14,276
Beijing Capital International Airport Co. Ltd. Class H	60,000	41,419
China Merchants Holdings (International) Co. Ltd. ^b	48,000	162,889
COSCO Pacific Ltd.	60,000	90,580
Jiangsu Expressway Co. Ltd. Class H	48,000	58,529
Shenzhen Expressway Co. Ltd. Class H	24,000	14,493
Shenzhen International Holdings Ltd.	33,000	40,962
Sichuan Expressway Co. Ltd. Class H	36,000	12,170
Zhejiang Expressway Co. Ltd. Class H	60,000	64,800 500,118
WATER UTILITIES — 0.64%		
Beijing Enterprises Water Group Ltd.	156,000	101,852
Guangdong Investment Ltd.	84,000	94,513 196,365

Schedule of Investments (Continued)

iSHARES® FTSE CHINA ETF

July 31, 2014

<i>Security</i>	<i>Shares</i>	<i>Value</i>
WIRELESS TELECOMMUNICATION SERVICES — 7.49%		
China Mobile Ltd.	207,000	\$ 2,294,346
		<u>2,294,346</u>
TOTAL COMMON STOCKS		
(Cost: \$27,051,413)	30,358,723	
SHORT-TERM INVESTMENTS — 8.17%		
MONEY MARKET FUNDS — 8.17%		
BlackRock Cash Funds: Institutional,		
SL Agency Shares		
0.14% ^{d,e,f}	2,351,749	2,351,749
BlackRock Cash Funds: Prime,		
SL Agency Shares		
0.12% ^{d,e,f}	146,688	146,688
BlackRock Cash Funds: Treasury,		
SL Agency Shares		
0.00% ^{d,e}	4,305	4,305
		<u>2,502,742</u>
TOTAL SHORT-TERM INVESTMENTS		
(Cost: \$2,502,742)	2,502,742	
TOTAL INVESTMENTS		
IN SECURITIES — 107.22%		
(Cost: \$29,554,155)	32,861,465	
Other Assets, Less Liabilities — (7.22)%		<u>(2,212,827)</u>
NET ASSETS — 100.00%		<u>\$30,648,638</u>

^a Non-income earning security.

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

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

^d Affiliated issuer. See Note 2.

^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.

See notes to financial statements.

Statements of Assets and Liabilities

iSHARES® TRUST

July 31, 2014

	iShares China Large-Cap ETF	iShares FTSE China ETF
ASSETS		
Investments, at cost:		
Unaffiliated	\$ 5,245,372,796	\$27,051,413
Affiliated (Note 2)	<u>122,522,960</u>	<u>2,502,742</u>
Total cost of investments	<u>\$ 5,367,895,756</u>	<u>\$29,554,155</u>
Investments in securities, at fair value (including securities on loan ^a) (Note 1):		
Unaffiliated	\$ 5,350,093,009	\$30,358,723
Affiliated (Note 2)	<u>122,522,960</u>	<u>2,502,742</u>
Total fair value of investments	5,472,615,969	32,861,465
Foreign currency, at value ^b	11,372,106	61,071
Foreign currency pledged to broker, at value ^b	5,158,328	—
Receivables:		
Dividends and interest	58,033,621	242,967
Capital shares sold	105,640,153	—
Futures variation margin	<u>82,410</u>	<u>—</u>
Total Assets	<u>5,652,902,587</u>	<u>33,165,503</u>
LIABILITIES		
Payables:		
Investment securities purchased	103,011,971	—
Collateral for securities on loan (Note 1)	121,465,882	2,498,437
Investment advisory fees (Note 2)	<u>3,112,927</u>	<u>18,428</u>
Total Liabilities	<u>227,590,780</u>	<u>2,516,865</u>
NET ASSETS	<u>\$ 5,425,311,807</u>	<u>\$30,648,638</u>
Net assets consist of:		
Paid-in capital	\$ 6,822,033,824	\$29,970,925
Undistributed net investment income	59,518,138	221,793
Accumulated net realized loss	(1,563,351,419)	(2,851,544)
Net unrealized appreciation	<u>107,111,264</u>	<u>3,307,464</u>
NET ASSETS	<u>\$ 5,425,311,807</u>	<u>\$30,648,638</u>
Shares outstanding ^c	<u>132,150,000</u>	<u>600,000</u>
Net asset value per share	<u>\$ 41.05</u>	<u>\$ 51.08</u>

^a Securities on loan with values of \$115,332,818 and \$2,335,011, respectively. See Note 1.

^b Cost of foreign currency including currency pledged to broker, if any: \$16,529,668 and \$61,064, respectively.

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

See notes to financial statements.

Statements of Operations

iSHARES® TRUST

Year ended July 31, 2014

	iShares China Large-Cap ETF	iShares FTSE China ETF
NET INVESTMENT INCOME		
Dividends — unaffiliated ^a	\$ 180,500,828	\$ 922,045
Interest — affiliated (Note 2)	467	4
Securities lending income — affiliated (Note 2)	1,322,964	30,534
Total investment income	181,824,259	952,583
EXPENSES		
Investment advisory fees (Note 2)	39,300,368	208,241
Total expenses	39,300,368	208,241
Net investment income	142,523,891	744,342
NET REALIZED AND UNREALIZED GAIN (LOSS)		
Net realized gain (loss) from:		
Investments — unaffiliated	(176,537,964)	(308,625)
In-kind redemptions — unaffiliated	60,447,911	—
Futures contracts	5,759,243	—
Foreign currency transactions	35,523	164
Net realized loss	(110,295,287)	(308,461)
Net change in unrealized appreciation/depreciation on:		
Investments	869,889,055	4,435,741
Futures contracts	2,343,439	—
Translation of assets and liabilities in foreign currencies	39,318	104
Net change in unrealized appreciation/depreciation	872,271,812	4,435,845
Net realized and unrealized gain	761,976,525	4,127,384
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$ 904,500,416	\$4,871,726

^a Net of foreign withholding tax of \$18,871,782 and \$83,541, respectively.

See notes to financial statements.

Statements of Changes in Net Assets

iSHARES® TRUST

	<i>iShares China Large-Cap ETF</i>		<i>iShares FTSE China ETF</i>	
	Year ended July 31, 2014	Year ended July 31, 2013	Year ended July 31, 2014	Year ended July 31, 2013
INCREASE (DECREASE) IN NET ASSETS				
OPERATIONS:				
Net investment income	\$ 142,523,891	\$ 152,404,418	\$ 744,342	\$ 782,384
Net realized loss	(110,295,287)	(418,243,222)	(308,461)	(415,512)
Net change in unrealized appreciation/depreciation	872,271,812	213,957,120	4,435,845	1,400,890
Net increase (decrease) in net assets resulting from operations	904,500,416	(51,881,684)	4,871,726	1,767,762
DISTRIBUTIONS TO SHAREHOLDERS:				
From net investment income	(94,470,686)	(149,860,608)	(578,797)	(772,468)
Total distributions to shareholders	(94,470,686)	(149,860,608)	(578,797)	(772,468)
CAPITAL SHARE TRANSACTIONS:				
Proceeds from shares sold	1,429,863,424	4,495,309,416	—	—
Cost of shares redeemed	(1,952,323,946)	(3,824,101,574)	—	(4,267,427)
Net increase (decrease) in net assets from capital share transactions	(522,460,522)	671,207,842	—	(4,267,427)
INCREASE (DECREASE) IN NET ASSETS	287,569,208	469,465,550	4,292,929	(3,272,133)
NET ASSETS				
Beginning of year	5,137,742,599	4,668,277,049	26,355,709	29,627,842
End of year	\$ 5,425,311,807	\$ 5,137,742,599	\$ 30,648,638	\$ 26,355,709
Undistributed net investment income included in net assets at end of year	\$ 59,518,138	\$ 11,429,410	\$ 221,793	\$ 56,084
SHARES ISSUED AND REDEEMED				
Shares sold	37,350,000	118,650,000	—	—
Shares redeemed	(54,300,000)	(105,150,000)	—	(100,000)
Net increase (decrease) in shares outstanding	(16,950,000)	13,500,000	—	(100,000)

See notes to financial statements.

Financial Highlights

iSHARES® TRUST

(For a share outstanding throughout each period)

iShares China Large-Cap ETF

	Year ended Jul. 31, 2014	Year ended Jul. 31, 2013	Year ended Jul. 31, 2012	Year ended Jul. 31, 2011	Year ended Jul. 31, 2010
Net asset value, beginning of year	\$ 34.46	\$ 34.43	\$ 42.12	\$ 40.98	\$ 42.14
Income from investment operations:					
Net investment income ^a	0.98	0.88	0.89	0.66	0.58
Net realized and unrealized gain (loss) ^b	6.32	0.08	(7.65)	1.33	(1.06)
Total from investment operations	7.30	0.96	(6.76)	1.99	(0.48)
Less distributions from:					
Net investment income	(0.71)	(0.93)	(0.93)	(0.85)	(0.68)
Total distributions	(0.71)	(0.93)	(0.93)	(0.85)	(0.68)
Net asset value, end of year	\$ 41.05	\$ 34.46	\$ 34.43	\$ 42.12	\$ 40.98
Total return	21.42%	3.01%	(16.02)%	4.93%	(1.16)%
Ratios/Supplemental data:					
Net assets, end of year (000s)	\$5,425,312	\$5,137,743	\$4,668,277	\$6,767,313	\$8,199,691
Ratio of expenses to average net assets	0.74%	0.73%	0.74%	0.72%	0.72%
Ratio of net investment income to average net assets	2.68%	2.38%	2.46%	1.53%	1.39%
Portfolio turnover rate ^c	17%	31%	21%	23%	23%

^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 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)

	<i>iShares FTSE China ETF</i>				
	Year ended Jul. 31, 2014	Year ended Jul. 31, 2013	Year ended Jul. 31, 2012	Year ended Jul. 31, 2011	Year ended Jul. 31, 2010
Net asset value, beginning of year	<u>\$ 43.93</u>	<u>\$ 42.33</u>	<u>\$ 49.95</u>	<u>\$ 47.93</u>	<u>\$ 47.46</u>
Income from investment operations:					
Net investment income ^a	1.24	1.12	0.97	0.85	0.79
Net realized and unrealized gain (loss) ^b	<u>6.87</u>	<u>1.58</u>	<u>(7.57)</u>	<u>2.27</u>	<u>0.35</u>
Total from investment operations	<u>8.11</u>	<u>2.70</u>	<u>(6.60)</u>	<u>3.12</u>	<u>1.14</u>
Less distributions from:					
Net investment income	<u>(0.96)</u>	<u>(1.10)</u>	<u>(1.02)</u>	<u>(1.10)</u>	<u>(0.67)</u>
Total distributions	<u>(0.96)</u>	<u>(1.10)</u>	<u>(1.02)</u>	<u>(1.10)</u>	<u>(0.67)</u>
Net asset value, end of year	<u>\$ 51.08</u>	<u>\$ 43.93</u>	<u>\$ 42.33</u>	<u>\$ 49.95</u>	<u>\$ 47.93</u>
Total return	<u>18.66%</u>	<u>6.55%</u>	<u>(13.18)%</u>	<u>6.55%</u>	<u>2.41%</u>
Ratios/Supplemental data:					
Net assets, end of year (000s)	\$30,649	\$26,356	\$29,628	\$54,940	\$57,515
Ratio of expenses to average net assets	0.74%	0.73%	0.74%	0.72%	0.72%
Ratio of net investment income to average net assets	2.64%	2.46%	2.24%	1.65%	1.65%
Portfolio turnover rate ^c	8%	19%	6%	8%	18%

^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 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.

Notes to Financial Statements

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”):

<i>iShares ETF</i>	<i>Diversification Classification</i>
China Large-Cap	Non-diversified
FTSE China	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 the Funds in the preparation of their 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 in the Financial Accounting Standards Board *Accounting Standards Codification* Topic 946 (ASC 946).

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 are valued at that day’s published net asset value (NAV).

Notes to Financial Statements (Continued)

iSHARES® TRUST

- Financial futures contracts are valued at that day's last reported settlement price on the exchange where the contract is traded.

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 net asset value 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.

Notes to Financial Statements (Continued)

iSHARES® TRUST

The following table summarizes the value of each of the Funds' investments according to the fair value hierarchy as of July 31, 2014. The breakdown of each Fund's investments into major categories is disclosed in its respective schedule of investments.

<i>iShares ETF and</i>	<i>Investments</i>			
<i>Investment Type</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
<i>China Large-Cap</i>				
Assets:				
Common Stocks	\$5,350,093,009	\$ —	\$ —	\$5,350,093,009
Money Market Funds	122,522,960	—	—	122,522,960
Future Contracts ^a	2,343,439	—	—	2,343,439
	<u>\$5,474,959,408</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$5,474,959,408</u>
<i>FTSE China</i>				
Assets:				
Common Stocks	\$ 30,317,221	\$41,502	\$ —	\$ 30,358,723
Money Market Funds	2,502,742	—	—	2,502,742
	<u>\$ 32,819,963</u>	<u>\$41,502</u>	<u>\$ —</u>	<u>\$ 32,861,465</u>

^a Shown at the unrealized appreciation (depreciation) on the contracts.

SECURITY TRANSACTIONS AND INCOME RECOGNITION

Security transactions are accounted for on trade date. Dividend income is 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 July 31, 2014 are reflected in dividends 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 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

Notes to Financial Statements (Continued)

iSHARES® TRUST

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 July 31, 2014, 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 and any additional required collateral is delivered to 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. 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.

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 July 31, 2014, any securities on loan were collateralized by cash. The cash collateral received was invested in money market funds managed by BFA and is disclosed in the schedules of investments. The value of any securities on loan as of July 31, 2014 and the value of the related 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, Inc. (“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.

Notes to Financial Statements (Continued)

iSHARES® TRUST

The following table is a summary of each Fund's securities lending agreements which are subject to offset under an MSLA as of July 31, 2014:

<i>iShares ETF</i>	<i>Market Value of Securities on Loan</i>	<i>Cash Collateral Received^a</i>	<i>Net Amount</i>
China Large-Cap	\$ 115,332,818	\$ 115,332,818	\$ —
FTSE China	2,335,011	2,335,011	—

^a Collateral received in excess of the market value of securities on loan is not presented for financial reporting purposes. The total collateral received is disclosed in each Fund's statement of assets and liabilities.

RECENT ACCOUNTING STANDARD

In June 2014, the Financial Accounting Standards Board issued guidance to improve the financial reporting of reverse repurchase agreements and other similar transactions. The guidance will require expanded disclosure for entities that enter into reverse repurchase agreements and similar transactions accounted for as secured borrowings, including securities lending. The guidance is effective for financial statements for fiscal years beginning after December 15, 2014, and interim periods within those fiscal years. Management is evaluating the impact, if any, of this guidance on the Funds' financial statements and disclosures.

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 each Fund, BFA is entitled to an annual investment advisory fee based on each Fund's allocable portion of the aggregate of the average daily net assets of the Funds, as follows:

<i>Investment Advisory Fee</i>	<i>Aggregate Average Daily Net Assets</i>
0.74%	First \$6 billion
0.67	Over \$6 billion, up to and including \$12 billion
0.60	Over \$12 billion

The U.S. Securities and Exchange Commission 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. Effective January 1, 2014, 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% until December 31, 2014 and 0.05% thereafter (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 and from borrowers of securities, and less the collateral investment fees. The Funds retain a portion of securities lending income and remit a remaining portion to BTC as compensation for its services as securities lending agent.

Notes to Financial Statements (Continued)

iSHARES® TRUST

Pursuant to a securities lending agreement effective January 1, 2014, (i) each Fund retains 75% of securities lending income (commencing January 1, 2015 the amount each Fund will retain is expected to change to 70% of securities lending income) and (ii) these amounts can never be less than 65% of the total of securities lending income plus the collateral investment fees. Prior to January 1, 2014, each Fund retained 65% of securities lending income and paid no collateral investment fees.

For the year ended July 31, 2014, each Fund paid to BTC the following amounts in total for securities lending agent services and collateral investment fees:

<i>iShares ETF</i>	<i>Fees Paid to BTC</i>
China Large-Cap	\$ 530,996
FTSE China	12,819

In addition, commencing the business day following a “Hurdle Date” (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 calendar year 2013 and pursuant to a securities lending agreement, (i) each Fund will receive for the remainder of that calendar year 80% of securities lending income (for any Hurdle Date after January 1, 2015, each Fund will retain 75% of securities lending income) and (ii) these amounts can never be less than 65% of the total of securities lending income plus the collateral investment fees.

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.

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 “Interest – 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.

3. INVESTMENT PORTFOLIO TRANSACTIONS

Purchases and sales of investments (excluding in-kind transactions and short-term investments) for the year ended July 31, 2014 were as follows:

<i>iShares ETF</i>	<i>Purchases</i>	<i>Sales</i>
China Large-Cap	\$1,122,309,588	\$ 899,112,611
FTSE China	2,229,972	2,224,315

In-kind transactions (see Note 4) for the year ended July 31, 2014 were as follows:

<i>iShares ETF</i>	<i>In-kind Purchases</i>	<i>In-kind Sales</i>
China Large-Cap	\$1,199,282,773	\$1,939,157,716

Notes to Financial Statements (Continued)

iSHARES® TRUST

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 net asset value. 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.

5. FINANCIAL FUTURES CONTRACTS

Each Fund may purchase or sell financial futures contracts in an effort to help such Fund track its underlying index. A futures contract is a standardized, exchange-traded agreement to buy and sell a financial instrument at a set price on a future date. Upon entering into a futures contract, the Fund is required to pledge to the executing broker which holds segregated from its own assets, an amount of cash, U.S. government securities or other high-quality debt and equity securities equal to the minimum initial margin requirements of the exchange on which the contract is traded. Pursuant to the contract, the Fund agrees to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as margin variation and are recorded by the Fund as unrealized appreciation or depreciation. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. Losses may arise if the value of a futures contract decreases due to an unfavorable change in the market rates or values of the underlying instrument during the term of the contract or if the counterparty does not perform under the contract. The use of futures contracts also involves the risk of an imperfect correlation in the movements in the price of futures contracts and the assets underlying such contracts.

The following table shows the value of futures contracts held by the iShares China Large-Cap ETF as of July 31, 2014 and the related locations in the statement of assets and liabilities, presented by risk exposure category:

<i>Assets</i>	
Equity contracts:	
Variation margin / Net assets consist of – net unrealized appreciation ^a	<u>\$2,343,439</u>

^a Represents cumulative appreciation of futures contracts as reported in the schedule of investments. Only current day's variation margin is reported separately within the statement of assets and liabilities.

Notes to Financial Statements (Continued)

iSHARES® TRUST

The following table shows the realized and unrealized gains (losses) on futures contracts held by the iShares China Large-Cap ETF during the year ended July 31, 2014 and the related locations in the statement of operations, presented by risk exposure category:

	<i>Net Realized Gain (Loss)</i>	<i>Net Change in Unrealized Appreciation/Depreciation</i>
Equity contracts:		
Futures contracts	<u>\$ 5,759,243</u>	<u>\$ 2,343,439</u>

For the year ended July 31, 2014, the average quarter-end number of contracts and notional value of open futures contracts for the iShares China Large-Cap ETF were 253 and \$18,090,714, respectively.

6. MARKET AND CREDIT RISK

In the normal course of business, each Fund's investment activities exposes 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.

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 investment in equity and financial derivative 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.

Each Fund invests a substantial amount of its assets in securities of non-U.S. issuers that trade in non-U.S. markets. This 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 the Funds; 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.

Notes to Financial Statements (Continued)

iSHARES® TRUST

Each Fund invests all or substantially all of its assets in issuers located in a single country. When a fund concentrates its investments in this manner, it assumes the risk that economic, political and social conditions in that country 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 transactions only with counterparties that it believes 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 the statement of assets and liabilities.

7. 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.

U.S. GAAP requires that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share. The following permanent differences as of July 31, 2014, attributable to the expiration of capital loss carryforwards, foreign currency transactions and realized gains (losses) from in-kind redemptions, were reclassified to the following accounts:

<i>iShares ETF</i>	<i>Paid-in Capital</i>	<i>Undistributed Net Investment Income/Distributions in Excess of Net Investment Income</i>	<i>Undistributed Net Realized Gain/Accumulated Net Realized Loss</i>
China Large-Cap	\$1,179,344	\$ 35,523	\$ (1,214,867)
FTSE China	—	164	(164)

The tax character of distributions paid during the years ended July 31, 2014 and July 31, 2013 was as follows:

<i>iShares ETF</i>	<i>2014</i>	<i>2013</i>
<i>China Large-Cap</i>		
Ordinary income	<u>\$94,470,686</u>	<u>\$149,860,608</u>
<i>FTSE China</i>		
Ordinary income	<u>\$ 578,797</u>	<u>\$ 772,468</u>

Notes to Financial Statements (Continued)

iSHARES® TRUST

As of July 31, 2014, the tax components of accumulated net earnings (losses) were as follows:

<i>iShares ETF</i>	<i>Undistributed Ordinary Income</i>	<i>Capital Loss Carryforwards</i>	<i>Net Unrealized Gains (Losses)^a</i>	<i>Qualified Late-Year Losses^b</i>	<i>Total</i>
China Large-Cap	\$ 59,518,138	\$(1,359,554,396)	\$ (16,699,232)	\$(79,986,527)	\$(1,396,722,017)
FTSE China	228,864	(1,869,607)	2,576,862	(258,406)	677,713

^a The difference between book-basis and tax-basis unrealized gains (losses) was attributable primarily to the tax deferral of losses on wash sales and the realization for tax purposes of unrealized gains on investments in passive foreign investment companies.

^b The Funds have elected to defer certain qualified late-year losses and recognize such losses in the next taxable year.

As of July 31, 2014, the 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 2016</i>	<i>Expiring 2017</i>	<i>Expiring 2018</i>	<i>Expiring 2019</i>	<i>Total</i>
China Large-Cap	\$955,400,820	\$451,243	\$58,367,595	\$185,123,529	\$160,211,209	\$1,359,554,396
FTSE China	947,494	—	50,180	361,254	510,679	1,869,607

^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.

As of July 31, 2014, gross unrealized appreciation and gross unrealized depreciation based on cost for federal income tax purposes were as follows:

<i>iShares ETF</i>	<i>Tax Cost</i>	<i>Gross Unrealized Appreciation</i>	<i>Gross Unrealized Depreciation</i>	<i>Net Unrealized Appreciation (Depreciation)</i>
China Large-Cap	\$5,491,706,252	\$401,294,221	\$(420,384,504)	\$ (19,090,283)
FTSE China	30,284,757	5,414,804	(2,838,096)	2,576,708

Management has analyzed tax laws and regulations and their application to the Funds as of July 31, 2014, 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.

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, except as noted below.

Effective as of the close of market on September 19, 2014, the iShares China Large-Cap ETF’s underlying index, the FTSE China 25 Index, will be migrating to a 50 constituent index and will be renamed as the FTSE China 50 Index. As a result, the investment objective of the Fund will also change to seek investment results that reflect the performance of the FTSE China 50 Index.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Trustees of
iShares Trust:

In our opinion, the accompanying statements of assets and liabilities, including the schedules of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of iShares China Large-Cap ETF and iShares FTSE China ETF (the “Funds”) at July 31, 2014, the results of each of their operations, the changes in each of their net assets and their financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Funds’ management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at July 31, 2014 by correspondence with the custodian, transfer agent and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
San Francisco, California
September 25, 2014

Tax Information (Unaudited)

iSHARES® TRUST

For the fiscal year ended July 31, 2014, the Funds earned foreign source income and paid foreign taxes which they intend to pass through to their shareholders pursuant to Section 853 of the Internal Revenue Code (the "Code") as follows:

<i>iShares ETF</i>	<i>Foreign Source Income Earned</i>	<i>Foreign Taxes Paid</i>
China Large-Cap	\$ 199,372,610	\$18,861,638
FTSE China	1,005,586	83,541

Under Section 854(b)(2) of the Code, the Funds hereby designate the following maximum amounts as qualified dividend income for purposes of the maximum rate under Section 1(h)(11) of the Code for the fiscal year ended July 31, 2014:

<i>iShares ETF</i>	<i>Qualified Dividend Income</i>
China Large-Cap	\$113,332,324
FTSE China	662,338

In February 2015, shareholders will receive Form 1099-DIV which will include their share of qualified dividend income distributed during the calendar year 2014. Shareholders are advised to check with their tax advisers for information on the treatment of these amounts on their income tax returns.

Board Review and Approval of Investment Advisory Contract

iSHARES® TRUST

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 Independent Trustees (the “15(c) Committee”), with independent counsel, met with management on March 12, 2014, May 6, 2014, and May 12, 2014, to discuss the types of information the Independent Trustees required and the manner in which management would organize and present such information. At a meeting held on May 16, 2014, management presented preliminary information to the Board relating to the continuance of the Advisory Contract, and 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 12-13, 2014, 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 Lipper Inc. (“Lipper”), an independent provider of investment company data, regarding the expense ratio components, including actual advisory fees, waivers/reimbursements, and gross and net total expenses of each Fund in comparison with the same information for other exchange traded funds (including 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 Lipper’s judgment, pure index institutional mutual funds, objectively selected by Lipper as comprising such Fund’s applicable peer group pursuant to Lipper’s proprietary ETF methodology (the “Lipper Group”). The Board noted that, prior to 2014, Lipper had used a different methodology to determine a Fund’s Lipper group, which included mutual funds, closed-end funds, exchange traded funds, and/or funds with differing investment objective classifications, investment focuses and other characteristics (e.g. actively managed funds and funds sponsored by “at cost” service providers), as applicable. The Board further noted that, after consideration by the 15(c) Committee, the Board determined to use instead Lipper’s proprietary ETF methodology to determine a Fund’s Lipper Group. This determination was based on, among other considerations, the increased number and types of ETFs available for comparative purposes than was the case in prior years. The Board was provided with a detailed description of Lipper’s proprietary ETF methodology used by Lipper to determine the applicable Lipper Groups and to prepare this information. At the Board’s request, Lipper provided, and the Board considered, information on the impact to the iShares funds’ comparative fee rankings that were attributable to the change from a pure index group methodology to Lipper’s proprietary ETF methodology. The Board further noted that due to the limitations in providing comparable funds in the various Lipper Groups, the statistical information provided in Lipper’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 for the Funds were within range of the median of the investment advisory fee rates and overall expenses of the funds in their respective Lipper Group.

In addition, the Board reviewed statistical information prepared by Lipper regarding the performance of each Fund for the one-, three-, five-, ten-year, and since inception periods, as applicable, and the “last quarter” period ended December 31, 2013, and a

Board Review and Approval of Investment Advisory Contract (Continued)

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comparison of each Fund's performance to its performance benchmark index for the same periods. To the extent that any of the comparison funds included in the Lipper Group track the same index as any particular Fund, Lipper also provided, and the Board reviewed, a comparison of such Fund's performance to that of such relevant comparison funds for the same periods. The Board noted that the Funds generally performed in line with their respective performance benchmark indexes over the relevant periods. In considering this information, the Board noted that the Lipper Group may include funds that are not exchange traded funds or index funds, and that may have different investment objectives and/or benchmarks from the Funds. In addition, the Board noted that each Fund seeks to track its own benchmark index and that, during the prior year, the Board received periodic reports on the Funds' performance in comparison with their relevant benchmark indexes. Such periodic comparative performance information, including detailed information on certain specific iShares funds requested by the Boards, was also considered.

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 shareholder servicing and support, 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 Funds and their shareholders. The Board acknowledged that resources to support the iShares funds and their shareholders have been added or enhanced in recent years, including in such areas as investor education, product management, customized portfolio consulting support, capital markets support, and proprietary risk and performance analytics tools. 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 12-13, 2014 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 Funds and Profits Realized by BFA and Affiliates — The Board reviewed information about the profitability to BlackRock of the Funds 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 proposed 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

Board Review and Approval of Investment Advisory Contract (Continued)

iSHARES® TRUST

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 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 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 at least annually, concluded that the structure of the investment advisory fee rates reflects appropriate sharing of potential economies of scale with the Funds' shareholders and supported the Board's approval of 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 and closed-end funds registered under the 1940 Act (including sub-advised funds), collective trust funds, separately managed accounts, 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 manage Other Accounts with substantially similar investment objectives and strategies 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, generally more extensive services provided to the Funds, as well as other significant differences in the approach of BFA and its affiliates to the Funds, on one hand, and Other Accounts, on the other. 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 the Other Accounts that are institutional clients of BFA (or its affiliates) 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

Board Review and Approval of Investment Advisory Contract (Continued)

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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 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.

Supplemental Information (Unaudited)

iSHARES® TRUST

Section 19(a) Notices

The amounts and sources of distributions reported are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts 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 distributions for federal income tax purposes.

	Total Cumulative Distributions for the Fiscal Year				% Breakdown of the Total Cumulative Distributions for the Fiscal Year			
	Net Investment Income	Net Realized Capital Gains	Return of Capital	Total Per Share	Net Investment Income	Net Realized Capital Gains	Return of Capital	Total Per Share
<i>iShares ETF</i>								
China Large-Cap	\$0.713050	\$ —	\$0.001148	\$0.714198	100%	— %	0% ^a	100%
FTSE China	0.948174	—	0.016488	0.964662	98	—	2	100

^a Rounds to less than 1%.

Premium/Discount Information

The tables that follow present information about the differences between the daily market price on secondary markets for shares of a Fund and that Fund's net asset value. Net asset value, or "NAV," is the price per share at which each Fund issues and redeems shares. It is calculated in accordance with the standard formula for valuing mutual fund shares. The "Market Price" of each Fund generally is determined using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which the shares of such Fund are listed for trading, as of the time that the Fund's NAV is calculated. Each Fund's Market Price may be at, above or below its NAV. The NAV of each Fund will fluctuate with changes in the fair value of its portfolio holdings. The Market Price of each Fund will fluctuate in accordance with changes in its NAV, as well as market supply and demand.

Premiums or discounts are the differences (expressed as a percentage) between the NAV and Market Price of a Fund on a given day, generally at the time NAV is calculated. A premium is the amount that a Fund is trading above the reported NAV, expressed as a percentage of the NAV. A discount is the amount that a Fund is trading below the reported NAV, expressed as a percentage of the NAV.

The following information shows the frequency distributions of premiums and discounts for each of the Funds included in this report. The information shown for each Fund is for five calendar years through the date of the most recent calendar quarter-end. The specific periods covered for each Fund are disclosed in the table for such Fund.

Supplemental Information (Unaudited) (Continued)

iSHARES® TRUST

Each line in the table shows the number of trading days in which the Fund traded within the premium/discount range indicated. The number of trading days in each premium/discount range is also shown as a percentage of the total number of trading days in the period covered by each table. All data presented here represents past performance, which cannot be used to predict future results.

iShares China Large-Cap ETF Period Covered: January 1, 2009 through June 30, 2014

<u>Premium/Discount Range</u>	<u>Number of Days</u>	<u>Percentage of Total Days</u>
Greater than 5.5%	3	0.22%
Greater than 5.0% and Less than 5.5%	1	0.07
Greater than 4.5% and Less than 5.0%	1	0.07
Greater than 4.0% and Less than 4.5%	2	0.14
Greater than 3.5% and Less than 4.0%	5	0.36
Greater than 3.0% and Less than 3.5%	8	0.58
Greater than 2.5% and Less than 3.0%	16	1.16
Greater than 2.0% and Less than 2.5%	30	2.17
Greater than 1.5% and Less than 2.0%	38	2.75
Greater than 1.0% and Less than 1.5%	100	7.24
Greater than 0.5% and Less than 1.0%	222	16.06
Between 0.5% and –0.5%	575	41.62
Less than –0.5% and Greater than –1.0%	183	13.24
Less than –1.0% and Greater than –1.5%	92	6.66
Less than –1.5% and Greater than –2.0%	45	3.26
Less than –2.0% and Greater than –2.5%	25	1.81
Less than –2.5% and Greater than –3.0%	12	0.87
Less than –3.0% and Greater than –3.5%	11	0.80
Less than –3.5% and Greater than –4.0%	5	0.36
Less than –4.0% and Greater than –4.5%	4	0.28
Less than –4.5% and Greater than –5.0%	1	0.07
Less than –5.0% and Greater than –5.5%	2	0.14
Less than –5.5% and Greater than –6.0%	1	0.07
	<u>1,382</u>	<u>100.00%</u>

Supplemental Information (Unaudited) (Continued)

iSHARES® TRUST

iShares FTSE China ETF
Period Covered: January 1, 2009 through June 30, 2014

<u>Premium/Discount Range</u>	<u>Number of Days</u>	<u>Percentage of Total Days</u>
Greater than 5.5%	3	0.22%
Greater than 5.0% and Less than 5.5%	2	0.14
Greater than 4.5% and Less than 5.0%	5	0.36
Greater than 4.0% and Less than 4.5%	3	0.22
Greater than 3.5% and Less than 4.0%	4	0.28
Greater than 3.0% and Less than 3.5%	9	0.65
Greater than 2.5% and Less than 3.0%	18	1.30
Greater than 2.0% and Less than 2.5%	30	2.17
Greater than 1.5% and Less than 2.0%	40	2.89
Greater than 1.0% and Less than 1.5%	82	5.93
Greater than 0.5% and Less than 1.0%	161	11.66
Between 0.5% and -0.5%	620	44.87
Less than -0.5% and Greater than -1.0%	209	15.13
Less than -1.0% and Greater than -1.5%	86	6.23
Less than -1.5% and Greater than -2.0%	52	3.76
Less than -2.0% and Greater than -2.5%	23	1.66
Less than -2.5% and Greater than -3.0%	16	1.16
Less than -3.0% and Greater than -3.5%	12	0.87
Less than -3.5% and Greater than -4.0%	1	0.07
Less than -4.0% and Greater than -4.5%	1	0.07
Less than -4.5% and Greater than -5.0%	2	0.14
Less than -5.0% and Greater than -5.5%	3	0.22
	<u>1,382</u>	<u>100.00%</u>

Supplemental Information (Unaudited) (Continued)

iSHARES® TRUST

Regulation under the Alternative Investment Fund Managers Directive

The Alternative Investment Fund Managers Directive (the “Directive”) imposes detailed and prescriptive obligations on fund managers established in the European Union (the “EU”). These do not currently apply to managers established outside of the EU, such as BFA. Rather, non-EU managers are only required to comply with certain disclosure, reporting and transparency obligations of the Directive if such managers market a fund to EU investors.

BFA has registered the iShares China Large-Cap ETF (the “Fund”) to be marketed to EU investors in the United Kingdom, the Netherlands, Finland, Sweden, and Luxembourg.

Report on Remuneration

BFA is required under the Directive to make quantitative disclosures of remuneration. These disclosures are made in line with BlackRock’s interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to both (a) the staff of BFA; and (b) staff who are senior management or who have the ability to materially affect the risk profile of the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock’s remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals’ services attributable to the Fund is included in the aggregate figures disclosed.

BlackRock has a clear and well defined pay-for-performance philosophy, and compensation programmes which support that philosophy. For senior management, a significant percentage of variable remuneration is deferred over time. All employees are subject to a claw-back policy.

Compensation decisions for employees are made based on full-year financial results and other non-financial goals and objectives. Alongside financial performance, individual compensation is also based on strategic and operating results and other considerations such as management and leadership capabilities. No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. Bonus pools are reviewed by BlackRock’s independent compensation committee, taking into account both actual and projected financial information together with information provided by the Operational Risk and Regulatory Compliance departments in relation to any activities, incidents or events that warrant consideration in making compensation decisions.

Functions such as Finance, Operational Risk, Legal & Compliance, and Human Resources each have their own organisational structures which are independent of the business units. Functional bonus pools are determined with reference to the performance of each individual function and the remuneration of the senior members of control functions is directly overseen by BlackRock’s independent compensation committee. No individual is involved in setting his or her own remuneration.

The figures disclosed are a sum of each individual’s portion of remuneration attributable to the Fund according to an objective apportionment methodology. Accordingly the figures are not representative of any individual’s actual remuneration or their remuneration structure.

Supplemental Information (Unaudited) (Continued)

iSHARES® SERIES

The amount of the total remuneration awarded by BFA to its staff which has been attributed to the iShares China Large-Cap ETF in respect of BFA's financial year ending December 31, 2013 was USD 935,161. This figure is comprised of fixed remuneration of USD 367,701 and variable remuneration of USD 567,460. There were a total of 436 beneficiaries of the remuneration described above.

The amount of the aggregate remuneration awarded by BFA to its senior management and members of its staff whose actions have a material impact on the risk profile of the iShares China Large-Cap ETF which has been attributed to the Fund in respect of BFA's financial year ending December 31, 2013 was USD 150,241.

Trustee and Officer Information

iSHARES® TRUST

The Board of Trustees has responsibility for the overall management and operations of the Trust, including general supervision of the duties performed by BFA and other service providers. Each Trustee serves until he or she resigns, is removed, dies, retires or becomes incapacitated. The President, Chief Compliance Officer, Treasurer and Secretary shall each hold office until their successors are chosen and qualify, and all other officers shall hold office until he or she resigns or is removed. Trustees who are not “interested persons” (as defined in the 1940 Act) of the Trust are referred to as independent trustees (“Independent Trustees”).

The registered investment companies advised by BFA or its affiliates are organized into one complex of closed-end funds, two complexes of open-end funds and one complex of exchange-traded funds (“Exchange-Traded Fund Complex”) (each, a “BlackRock Fund Complex”). Each Fund is included in the BlackRock Fund Complex referred to as the Exchange-Traded Fund Complex. Each Trustee also serves as a Director of iShares, Inc., a Director of iShares MSCI Russia Capped ETF, Inc. and a Trustee of iShares U.S. ETF Trust and, as a result, oversees a total of 311 funds (as of July 31, 2014) within the Exchange-Traded Fund Complex. With the exception of Robert S. Kapito and Mark Wiedman the address of each Trustee and officer is c/o BlackRock, Inc., 400 Howard Street, San Francisco, CA 94105. The address of Mr. Kapito and Mr. Wiedman is c/o BlackRock, Inc., Park Avenue Plaza, 55 East 52nd Street, New York, NY 10055. The Board has designated Robert H. Silver as its Independent Chairman. Additional information about the Funds’ Trustees and officers may be found in the Funds’ combined Statement of Additional Information, which is available without charge, upon request, by calling toll-free 1-800-iShares (1-800-474-2737).

Interested Trustees

Name (Age)	Position	Principal Occupation(s) During the Past 5 Years	Other Directorships Held by Trustee
Robert S. Kapito^a (57)	Trustee (since 2009).	President and Director, BlackRock, Inc. (since 2006); Vice Chairman of BlackRock, Inc. and Head of BlackRock’s Portfolio Management Group (since its formation in 1998) and BlackRock Inc.’s predecessor entities (since 1988); Trustee, University of Pennsylvania (since 2009); President of Board of Directors, Hope & Heroes Children’s Cancer Fund (since 2002); President of the Board of Directors, Periwinkle Theatre for Youth (since 1983).	Director of BlackRock, Inc. (since 2006); Director of iShares, Inc. (since 2009); Director of iShares MSCI Russia Capped ETF, Inc. (since 2010); Trustee of iShares U.S. ETF Trust (since 2011).
Mark Wiedman^b (43)	Trustee (since 2013)	Managing Director, BlackRock, Inc. (since 2007); Global Head of iShares (since 2011); Head of Corporate Strategy, BlackRock, Inc. (2009-2011).	Director of iShares, Inc. (since 2013); Director of iShares MSCI Russia Capped ETF, Inc. (since 2013); Trustee of iShares U.S. ETF Trust (since 2013); Director of PennyMac Financial Services, Inc. (since 2008).

^a Robert S. Kapito is deemed to be an “interested person” (as defined in the 1940 Act) of the Trust due to his affiliations with BlackRock, Inc.

^b Mark Wiedman is deemed to be an “interested person” (as defined in the 1940 Act) of the Trust due to his affiliations with BlackRock, Inc. and its affiliates.

Trustee and Officer Information (Continued)

iSHARES® TRUST

Independent Trustees

Name (Age)	Position	Principal Occupation(s) During the Past 5 Years	Other Directorships Held by Trustee
Robert H. Silver (59)	Trustee (since 2007); Independent Chairman (since 2012).	President and Co-Founder of The Bravitas Group, Inc. (since 2006); Director and Vice Chairman of the YMCA of Greater NYC (2001-2011); Broadway Producer (2006-2011); Co-Founder and Vice President of Parentgiving Inc. (since 2008); Director and Member of the Audit and Compensation Committee of EPAM Systems, Inc. (2006-2009); President and Chief Operating Officer of UBS Financial Services Inc. (formerly Paine Webber Inc.) (2003-2005) and various executive positions with UBS and its affiliates (1988-2005); CPA and Audit Manager of KPMG, LLP (formerly Peat Marwick Mitchell) (1977-1983).	Director of iShares, Inc. (since 2007); Director of iShares MSCI Russia Capped ETF, Inc. (since 2010); Trustee of iShares U.S. ETF Trust (since 2011); Independent Chairman of iShares, Inc., iShares MSCI Russia Capped ETF, Inc. and iShares U.S. ETF Trust (since 2012).
Cecilia H. Herbert (65)	Trustee (since 2005); Nominating and Governance Committee Chair and Equity Plus Committee Chair (since 2012).	Director (1998-2013) and President (2007-2011) of the Board of Directors, Catholic Charities CYO; Trustee (2002-2011) and Chair of the Finance and Investment Committee (2006-2010) of the Thacher School; Member (since 1992) and Chair (1994-2005) of the Investment Committee, Archdiocese of San Francisco; Trustee and Member of the Investment Committee, WNET, the New York public broadcasting/media company (since 2011).	Director of iShares, Inc. (since 2005); Director of iShares MSCI Russia Capped ETF, Inc. (since 2010); Trustee of iShares U.S. ETF Trust (since 2011); Director of Forward Funds (34 portfolios) (since 2009).
Charles A. Hurty (70)	Trustee (since 2005); Audit Committee Chair (since 2006).	Retired; Partner, KPMG LLP (1968-2001).	Director of iShares, Inc. (since 2005); Director of iShares MSCI Russia Capped ETF, Inc. (since 2010); Trustee of iShares U.S. ETF Trust (since 2011); Director of GMAM Absolute Return Strategy Fund (1 portfolio) (since 2002); Director of SkyBridge Alternative Investments Multi-Adviser Hedge Fund Portfolios LLC (2 portfolios) (since 2002).
John E. Kerrigan (59)	Trustee (since 2005); Fixed Income Plus Committee Chair (since 2012).	Chief Investment Officer, Santa Clara University (since 2002).	Director of iShares, Inc. (since 2005); Director of iShares MSCI Russia Capped ETF, Inc. (since 2010); Trustee of iShares U.S. ETF Trust (since 2011).

Trustee and Officer Information (Continued)

iSHARES® TRUST

Independent Trustees (Continued)

Name (Age)	Position	Principal Occupation(s) During the Past 5 Years	Other Directorships Held by Trustee
John E. Martinez (53)	Trustee (since 2003); Securities Lending Committee Chair (since 2012).	Director of FirstREX Agreement Corp. (formerly EquityRock, Inc.) (since 2005).	Director of iShares, Inc. (since 2003); Director of iShares MSCI Russia Capped ETF, Inc. (since 2010); Trustee of iShares U.S. ETF Trust (since 2011).
George G.C. Parker (75)	Trustee (since 2000).	Dean Witter Distinguished Professor of Finance, Emeritus, Stanford University Graduate School of Business (Professor since 1973; Emeritus since 2006).	Director of iShares, Inc. (since 2002); Director of iShares MSCI Russia Capped ETF, Inc. (since 2010); Trustee of iShares U.S. ETF Trust (since 2011); Director of Tejon Ranch Company (since 1999); Director of Threshold Pharmaceuticals (since 2004); Director of Colony Financial, Inc. (since 2009); Director of First Republic Bank (since 2010).
Madhav V. Rajan (49)	Trustee (since 2011); 15(c) Committee Chair (since 2012).	Robert K. Jaedicke Professor of Accounting and Senior Associate Dean for Academic Affairs and Head of MBA Program, Stanford University Graduate School of Business (since 2001); Professor of Law (by courtesy), Stanford Law School (since 2005); Visiting Professor, University of Chicago (2007-2008).	Director of iShares, Inc. (since 2011); Director of iShares MSCI Russia Capped ETF, Inc. (since 2011); Trustee of iShares U.S. ETF Trust (since 2011); Director, Cavium, Inc. (since 2013).

Trustee and Officer Information (Continued)

iSHARES® TRUST

Officers

Name (Age)	Position	Principal Occupation(s) During the Past 5 Years
Manish Mehta (43)	President (since 2013).	Managing Director, BlackRock, Inc. (since 2009); Chief Operating Officer for iShares (since 2009); Head of Strategy and Corporate Development, BGI (2005-2009); Chief of Staff to the CEO, BGI (2005-2009).
Jack Gee (54)	Treasurer and Chief Financial Officer (since 2008).	Managing Director, BlackRock, Inc. (since 2009); Senior Director of Fund Administration of Intermediary Investor Business, BGI (2009); Director of Fund Administration of Intermediary Investor Business, BGI (2004-2009).
Edward B. Baer (45)	Vice President and Chief Legal Officer (since 2012).	Managing Director of Legal & Compliance, BlackRock, Inc. (since 2006); Director of Legal & Compliance, BlackRock, Inc. (2004-2006).
Eileen M. Clavere (62)	Secretary (since 2007).	Director of Global Fund Administration, BlackRock, Inc. (since 2009); Director of Legal Administration of Intermediary Investor Business, BGI (2006-2009); Legal Counsel and Vice President of Atlas Funds, Atlas Advisers, Inc. and Atlas Securities, Inc. (2005-2006); Counsel at Kirkpatrick & Lockhart LLP (2001-2005).
Scott Radell (45)	Executive Vice President (since 2012).	Managing Director, BlackRock, Inc. (since 2009); Head of Portfolio Solutions, BlackRock, Inc. (since 2009); Head of Portfolio Solutions, BGI (2007-2009); Credit Portfolio Manager, BGI (2005-2007); Credit Research Analyst, BGI (2003-2005).
Amy Schioldager (51)	Executive Vice President (since 2007).	Senior Managing Director, BlackRock, Inc. (since 2009); Global Head of Index Equity, BGI (2008-2009); Global Head of U.S. Indexing, BGI (2006-2008); Head of Domestic Equity Portfolio Management, BGI (2001-2006).
Ira P. Shapiro (51)	Vice President (since 2007).	Managing Director, BlackRock, Inc. (since 2009); Head of Strategic Product Initiatives for iShares (since 2012); Chief Legal Officer, Exchange-Traded Fund Complex (2007-2012); Associate General Counsel, BGI (2004-2009).

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

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