

4 January 2016

Market Announcements Office

ASX Limited

iSHARES, INC. AUSTRALIAN PROSPECTUS – EFFECTIVE 4 JANUARY 2016

BlackRock Investment Management (Australia) Limited, on behalf of iShares (iShares, Inc.), makes this announcement regarding the following iShares[®] exchange traded funds (“Funds”).

Attached is the iShares, Inc. Australian Prospectus for the following Funds listed on the ASX which has been lodged with the Australian Securities & Investments Commission (“ASIC”):

ASX Code	Issuer	Fund
IBK	iShares, Inc.	iShares MSCI BRIC ETF
IEM	iShares, Inc.	iShares MSCI Emerging Markets ETF
IHK	iShares, Inc.	iShares MSCI Hong Kong ETF
IJP	iShares, Inc.	iShares MSCI Japan ETF
ISG	iShares, Inc.	iShares MSCI Singapore ETF
IKO	iShares, Inc.	iShares MSCI South Korea Capped ETF
ITW	iShares, Inc.	iShares MSCI Taiwan 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 go to www.blackrock.com/au/ishares or call 1300 474 273.

*** END ***

iShares, Inc. Australian Prospectus



Dated: 4 January 2016

iShares MSCI BRIC ETF (ASX: IBK)

iShares MSCI Emerging Markets ETF (ASX: IEM)

iShares MSCI Hong Kong ETF (ASX: IHK)

iShares MSCI Japan ETF (ASX: IJP)

iShares MSCI Singapore ETF (ASX: ISG)

iShares MSCI South Korea Capped ETF (ASX: IKO)

iShares MSCI Taiwan ETF (ASX: ITW)

iShares, Inc.

ARBN: 125 632 279

iShares, Inc. Australian Prospectus

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1. Before you start

1.1 Important information

This Prospectus concerns classes of shares (known as those **Funds** as described in the table at the start of section 2 of this Prospectus) issued by iShares, Inc. (**Company**), which are quoted on the Australian Securities Exchange (**ASX**). The table at the start of section 2 of this Prospectus provides details for each Fund's name, investment objective, investment strategy and ASX code.

This Prospectus refers to and includes parts of each Fund's US Prospectus and parts of the Company's Statement of Additional Information relating to each Fund (Included Documents). Before making a decision to invest in a Fund you should read in full this Prospectus and the Included Documents. Please refer to sections 1.2 and 6 of this Prospectus for further information on the Included Documents.

Several expressions used throughout this Prospectus are defined in the Glossary in section 9 of this Prospectus.

The Funds are each an iShares Exchange Traded Fund (**iShares ETF**), which is an exchange traded fund whose shares trade like other listed securities on ASX. The buying and selling (i.e. trading) of shares of the Funds on ASX is settled by way of CHESS Depository Interests (or **CDIs**). CDIs are "securities" for the purposes of the Corporations Act 2001 (**Act**).

This is a Prospectus relating to shares of common stock with a par value of US\$0.001 per share (**Shares**) and relating to CDIs over such Shares of the Company issued in respect of each Fund.

The main purpose of this Prospectus is to enable secondary trading on ASX of:

- (a) to the extent it is Shares that are traded on ASX:
 - (i) Shares issued from time to time in the US outside the Offer and after the date of this Prospectus, but before the Offer closes; and
 - (ii) Shares issued in the US primary market in the 12 months up to the date of this Prospectus;
- (b) to the extent it is CDIs that are traded on ASX, CDIs issued after the date of this Prospectus but before the Offer closes.

This Prospectus is dated and was lodged with the Australian Securities & Investments Commission (**ASIC**) on 4 January 2016. ASIC takes no responsibility for the content of this Prospectus. No Shares will be offered, issued or transferred on the basis of this Prospectus after the Expiry Date, being 3 February 2017, the date 13 months after the date of this Prospectus.

The CDIs are issued in Australia in reliance of a class order issued by ASIC, Class Order CO 14/827. ASIC has also issued an instrument of relief, INS 07/810 dated 8 October 2007, relating to offers for sale of CDIs on ASX.

Admission by ASX of the Company and quotation of the Shares (or CDIs) on ASX is not an endorsement by ASX (or a related body of ASX) of the Company or the Funds. ASX takes no responsibility for the content of this Prospectus.

The performance of an iShares ETF (including the Funds) is not guaranteed by any foreign or Australian regulatory or depository institution, or by BlackRock, Inc.® or any of its subsidiary or associated entities.

There is no guarantee that the Funds will declare distributions in the future, or that if declared, the amount of any distribution will remain constant or increase at any time. Refer to section 2.8 of this Prospectus for further information about the payment of distributions, if declared.

This Prospectus is prepared by, or on behalf of, and is used by the Company. The Company is the person offering the Shares. The information contained in this Prospectus may be limited having regard to the matters that Eligible Investors may reasonably be expected to know and the fact that certain matters may reasonably be expected to be known to likely investors' professional advisers. Each of the Directors has consented to the lodgement of this Prospectus with ASIC.

1.2 Included Documents

The following Included Documents are referred to and are included in this Prospectus under section 712(3) of the Act:

- (a) parts of each Fund's US Prospectus (**US Prospectus**);
- (b) parts of the Company's Statement of Additional Information relating to iShares MSCI BRIC ETF, iShares MSCI Emerging Markets ETF, iShares MSCI South Korea Capped ETF and MSCI Taiwan ETF (**SAI**); and
- (c) parts of the Company's Statement of Additional Information relating to iShares MSCI Hong Kong ETF, iShares MSCI Japan ETF and MSCI Singapore ETF (**SAI**).

Please refer to section 6 of this Prospectus for further information on the Included Documents. Copies of the Included Documents are available free of charge upon request by calling BlackRock Investment Management (Australia) Limited (**BIMAL**) or Computershare (refer to section 10 of this Prospectus for contact details) and are available at www.blackrock.com.au.

Each Fund's US Prospectus and the SAIs have been lodged with ASIC, and this Prospectus simply refers to parts of these documents instead of setting out the information that is contained in them.

The information set out in section 6 of this Prospectus is provided to allow a person to whom the Offer is made to decide whether to obtain a copy of the relevant Fund's US Prospectus or the relevant SAI. For convenience, a copy of the relevant Fund's US Prospectus will be distributed together with this Prospectus.

Further details of the offers and issues of Shares and CDIs are set out in section 4 of this Prospectus and in each Fund's US Prospectus, which is updated and filed with the Securities Exchange Commission at least annually.

The full text of this Prospectus (as well as the Included Documents) should be read, as the information contained in individual sections of this Prospectus is not intended to and does not provide a comprehensive review of the Funds or the Shares or CDIs to which this Prospectus relates.

1.3 Need help?

If you have questions about the Funds described in this Prospectus speak to your financial adviser.

Any general (non-financial advisory) assistance regarding iShares ETFs can be obtained by calling BIMAL (refer to section 10 of this Prospectus for contact details). Further information on the different iShares ETFs listed on ASX is available at www.blackrock.com.au or from your financial adviser.

2. About the Funds

	Investment Objective	Investment Strategy	ASX Code
iShares MSCI BRIC ETF (Fund)	The Fund seeks to track the investment results of an index composed of Chinese equities that are available to international investors, and Brazilian, Russian, and Indian equities.	The Fund seeks to track the investment results of the MSCI BRIC Index (the Underlying Index), which is a free float-adjusted market capitalisation index that is designed to measure the combined equity market performance in Brazil, Russia, India and China (BRIC). The Underlying Index consists of stocks traded primarily on the BM&FBOVESPA (the Brazilian exchange), Russian Trading System Stock Exchange, Moscow Interbank Currency Exchange, National Stock Exchange of India, Shanghai Stock Exchange, Shenzhen Stock Exchange and the Stock Exchange of Hong Kong. The Underlying Index may include large-, mid- or small-capitalisation companies. Components of the Underlying Index primarily include energy, financials and information technology companies. The components of the Underlying Index, and the degree to which these components represent certain industries, are likely to change over time.	IBK
iShares MSCI Emerging Markets ETF (Fund)	The Fund seeks to track the investment results of an index composed of large- and mid-capitalisation emerging market equities.	The Fund seeks to track the investment results of the MSCI Emerging Markets Index (the Underlying Index), which is designed to measure equity market performance in the global emerging markets. As of June 30, 2015, the Underlying Index consisted of the following 23 emerging market indexes: Brazil, Chile, China, Colombia, the Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Malaysia, Mexico, Peru, the Philippines, Poland, Qatar, Russia, South Africa, South Korea, Taiwan, Thailand, Turkey and the United Arab Emirates. The Underlying Index may include large- or mid-capitalisation companies. Components of the Underlying Index primarily include consumer discretionary, financials and information technology companies. The components of the Underlying Index, and the degree to which these components represent certain industries, are likely to change over time.	IEM
iShares MSCI Hong Kong ETF (Fund)	The Fund seeks to track the investment results of an index composed of Hong Kong equities.	The Fund seeks to track the investment results of the MSCI Hong Kong Index (the Underlying Index), which consists of stocks traded primarily on the Stock Exchange of Hong Kong Limited (SEHK). The Underlying Index may include large-, mid- or small-capitalisation companies. Components of the Underlying Index primarily include financials, industrials, insurance, real estate and utilities companies. The components of the Underlying Index, and the degree to which these components represent certain industries, are likely to change over time.	IHK
iShares MSCI Japan ETF (Fund)	The Fund seeks to track the investment results of an index composed of Japanese equities.	The Fund seeks to track the investment results of the MSCI Japan Index (the Underlying Index), which consists of stocks traded primarily on the Tokyo Stock Exchange. The Underlying Index may include large-, mid- or small-capitalisation companies. Components of the Underlying Index primarily include consumer discretionary, financials and industrials companies. The components of the Underlying Index, and the degree to which these components represent certain industries, are likely to change over time.	IJP
iShares MSCI Singapore ETF (Fund)	The Fund seeks to track the investment results of an index composed of Singaporean equities.	The Fund seeks to track the investment results of the MSCI Singapore Index (the Underlying Index), which consists of stocks traded primarily on the Singapore Stock Exchange. The Underlying Index may include large-, mid- or small-capitalisation companies. Components of the Underlying Index primarily include financials, industrials and telecommunications companies. The components of the Underlying Index, and the degree to which these components represent certain industries, are likely to change over time.	ISG
iShares MSCI South Korea Capped ETF (Fund)	The Fund seeks to track the investment results of an index composed of South Korean equities.	The Fund seeks to track the investment results of the MSCI Korea 25/50 Index (the Underlying Index), which consists of stocks traded primarily on the Stock Market Division of the Korea Exchange. The Underlying Index is a free float adjusted market capitalisation-weighted index with a capping methodology applied to issuer weights so that no single issuer of a component exceeds 25% of the Underlying Index weight, and all issuers with weight above 5% do not exceed 50% of the Underlying Index weight. The Underlying Index may include large-, mid- or small-capitalisation companies. Components of the Underlying Index primarily include consumer discretionary, financials and information technology companies. The components of the Underlying Index, and the degree to which these components represent certain industries, are likely to change over time.	IKO
iShares MSCI Taiwan ETF (Fund)	The Fund seeks to track the investment results of an index composed of Taiwanese equities.	The Fund seeks to track the investment results of the MSCI Taiwan Index (the Underlying Index), which consists of stocks traded primarily on the Taiwan Stock Exchange. The Underlying Index may include large-, mid- or small-capitalisation companies. Components of the Underlying Index primarily include financials, information technology and materials companies. The components of the Underlying Index, and the degree to which these components represent certain industries, are likely to change over time.	ITW

2.1 About the Funds

The table on the previous page provides details of each Fund's name, investment objective, investment strategy and ASX code. A detailed description of each Fund, including its investment objective, fees and expenses, principal investment strategies, principal risks, portfolio holdings information, performance information, management, purchase and sale of iShares ETF shares, creations and redemptions, and payments to broker-dealers and other financial intermediaries are set out in each Fund's US Prospectus. Further information is also contained in the SAls.

Shares (or CDIs) of each Fund commenced quotation on ASX on:

	Commencement of quotation
iShares MSCI BRIC ETF	10 September 2008
iShares MSCI Emerging Markets ETF	10 October 2007
iShares MSCI Hong Kong ETF	15 November 2007
iShares MSCI Japan ETF	10 October 2007
iShares MSCI Singapore ETF	15 November 2007
iShares MSCI South Korea Capped ETF	15 November 2007
iShares MSCI Taiwan ETF	15 November 2007

2.2 About iShares ETFs

The Company and another entity called iShares Trust are listed on ASX, and have several of their iShares ETFs (classes of shares) trading on ASX. Both iShares entities are organised and operate under laws of the United States of America (US) and specific states thereof, and are registered in Australia as foreign companies under the Act.

As exchange traded funds, the shares of an iShares ETF trade on a continuous basis at prevailing market prices on various exchanges, including ASX. Each iShares ETF issues (creates) and redeems shares at net asset value (NAV) once each day, in large blocks of shares. Each block of shares is exchanged for a basket of securities and cash that generally reflects the particular iShares ETF's holdings. Only certain institutional investors in the US (Authorised Participants), who are able to settle complex baskets of securities, can purchase or redeem shares directly with each iShares ETF. All other investors may purchase or sell shares through Authorised Participants or on an exchange, including ASX. Transactions with Authorised Participants or on exchanges occur at prices established by the parties, which may differ from an iShares ETF's most recent or next determined NAV.

Each iShares ETF holds a portfolio of securities that is managed to generally correspond to the performance, before fees and expenses, of a particular index of stocks or bonds. Each index provider has licensed the use of the index in respect of the relevant iShares ETF.

BlackRock Fund Advisors (BFA) is the investment adviser to each Fund and monitors changes to each Fund's Underlying Index. In response to such changes, BFA may, pursuant to applicable US rules and regulations governing each Fund, recommend to the Company's board of Directors a change to a Fund's investment objective, Underlying Index and/or investment strategy. The investment objective and Underlying Index of a Fund may be changed without shareholder approval.

2.3 About the Index Provider

Please refer to sections headed "Principal Investment Strategies" and "Index Provider" in each Fund's US Prospectus for information regarding the index provider of each Fund. The index provider of each Fund is MSCI Inc. (MSCI).

2.4 Fees and costs

If you own shares of a Fund you will incur management fees, which vary depending on the particular Fund. In addition, you will also incur the cost of the "spread" – that is, the difference between what professional investors are willing to pay for the shares of a Fund (the "bid" price) and the price at which they are willing to sell the shares of a Fund (the "ask" price). You will also incur usual and customary brokerage commissions when buying or selling shares of a Fund on ASX.

Details of the fees and expenses are included in each Fund's US Prospectus, in the section titled "Fees and Expenses".

2.5 Key features of iShares ETFs

Diversification: In contrast to a direct investment in a single company, an iShares ETF provides exposure to the securities of a particular underlying index, the performance of which the iShares ETF seeks to track. iShares ETFs provide Australian investors with what can be an efficient way of gaining access to international markets.

Cost efficiency: As each iShares ETF is passively managed and designed to track the performance of a particular underlying index, the expense of managing an iShares ETF is generally lower than that of an actively managed investment fund.

Transparency of performance: Each iShares ETF seeks investment results that correspond generally to the performance (before fees and expenses) of a particular underlying index. iShares ETFs buy/sell securities in a manner that is believed to help the iShares ETF achieve its investment objective. However, iShares ETFs may not necessarily hold all of the securities of its underlying index or hold such securities in the same weightings as the underlying index.

Tradable: Unlike unlisted managed funds and unit trusts, which can permit trades (buy/sell) to be processed only at a closing price, iShares ETFs can provide much greater trading flexibility as they are listed on ASX and can trade throughout the trading day.

2.6 Financial reports

Copies of the Semi-Annual and Annual Reports of each Fund can be obtained electronically at www.blackrock.com.au. An announcement will be made to ASX as these reports become available. Each Fund's US financial statements (included in its Annual Report) will also be lodged with ASIC annually (see section 8.2 of this Prospectus).

The following information details historical financial data for the Funds. Readers of this Prospectus must note that past performance is not a reliable indicator of future performance.

Financial information

Each Fund's financial year ends 31 August.

The table below provides details of each Fund's (audited) net assets and NAV per share as at 31 August 2015 and each Fund's (unaudited) net assets and NAV per share as at 22 December 2015, with all figures showing in US\$.

Further relevant financial information enabling an assessment of the assets and liabilities, financial position, performance, profits and losses, of each Fund is set out in the "Financial Highlights" section of each Fund's US Prospectus.

Generally, financial information is contained in each Fund's Annual and Semi-Annual Report (which are published after 31 August and 28 February of each year respectively). Unaudited NAV figures (in US\$) for the Funds are announced to ASX weekly.

2.7 Capital structure

Shares in the Company are issued and redeemed at the end of each US trading day. The table below provides details of each Fund's (audited) Shares on issue as at 31 August 2015 and each Fund's (unaudited) Shares on issue as at 22 December 2015.

Given the daily issue and redemption process it is not possible to predict the number of Shares which will be on issue at any time in the future. There is an unlimited number of Shares (or CDIs) being offered under the Offer.

2.8 Payment of distributions and details of any return of capital

The announcement by the Company of any distributions payable in respect of the Funds will be in US\$, and converted into A\$ prior to payment to holders of CDIs.

A declaration by the Company to pay a distribution will be announced to ASX. Investors holding CDIs in respect of Shares as of the record date for a distribution relating to those Shares will be entitled to participate in the distribution.

CDI holders will generally receive distribution payments (to which they are entitled) 12 business days following the record date. The value of the A\$ distribution payment is dependent on the prevailing foreign exchange rate on the date that rate is struck (usually 8 days following the record date).

Payment of distributions will generally be made by direct credit into a nominated Australian bank account. Distributions cannot be automatically reinvested into the distributing Fund.

Investors will receive a payment advice detailing the components of any distribution paid by a Fund. Details of distributions paid by the Funds is available at www.blackrock.com.au.

As soon as practical following the end of a financial year, www.blackrock.com.au will be updated to show the breakdown between "dividends" paid and "return of capital" (if any) for any distributions paid during that financial year. Until such time as the breakdown is known, the website will show the cash amount paid without any breakdown.

	Audited information as at 31 August 2015			Unaudited information as at 22 December 2015		
	Net assets (millions)	NAV per Share	Shares on issue	Net assets (millions)	NAV per Share	Shares on issue
iShares MSCI BRIC ETF	196.76	30.74	6,400,000	180.59	29.36	6,150,000
iShares MSCI Emerging Markets ETF	21,000.86	33.79	621,450,000	21,468.56	32.41	662,400,000
iShares MSCI Hong Kong ETF	2,722.22	19.42	140,175,000	2,447.16	19.79	123,675,000
iShares MSCI Japan ETF	19,147.80	12.15	1,575,600,000	19,527.39	12.11	1,612,200,000
iShares MSCI Singapore ETF	609.93	10.63	57,400,000	555.33	10.32	53,800,000
iShares MSCI South Korea Capped ETF	3,160.95	48.15	65,650,000	3,255.88	50.91	63,950,000
iShares MSCI Taiwan ETF	3,276.41	13.58	241,200,000	2,765.62	12.90	214,400,000

3. Fund risks

3.1 Fund risks

Before you make an investment decision it is important to identify your investment objectives and the level of risk that you are prepared to accept. This may be influenced by:

- ▶ the timeframe over which you are expecting a return on your investment and your need for regular income versus long-term capital growth;
- ▶ your level of comfort with volatility in returns; or
- ▶ the general and specific risks associated with investing in particular funds.

All investments have an inherent level of risk. Generally, there is a trade-off between higher expected returns for higher expected risk – represented by the variability of fund returns.

The value of your investment will fluctuate with the value of the underlying investments in a Fund. Investment risk may also result in loss of income or capital invested and possible delays in repayment. You could receive back less than you initially invested and there is no guarantee that you will receive any income.

The table below includes the principal risks (represented by a “✓”) and other risks (represented by a “•”) associated with an investment in each Fund. These risks are described in more detail in each Fund’s US Prospectus (see the “Summary of Principal Risks”, “A Further Discussion of Principal Risks” and “A Further Discussion of Other Risks” sections).

Other risks associated with some of the Company’s iShares ETFs are also mentioned in the SAls.

Fund name / risk	iShares MSCI BRIC ETF	iShares MSCI Emerging Markets ETF	iShares MSCI Hong Kong ETF	iShares MSCI Japan ETF	iShares MSCI Singapore ETF	iShares MSCI South Korea Capped ETF	iShares MSCI Taiwan ETF
African economic risk		•					
Asian economic risk	✓	✓	✓	✓	✓	✓	✓
Asset class risk	✓	✓	✓	✓	✓	✓	✓
Australasian economic risk							
Authorised participant concentration risk	✓	✓	✓	✓	✓	✓	✓
Borrowing risk	•	•					
Capital goods industry group risk			•				
Central & South American economic risk	✓	•					
Commodity risk	✓	✓					
Concentration risk	✓	✓	✓	✓	✓	✓	✓
Consumer discretionary sector risk	•	✓	•	✓	•	✓	
Consumer staples sector risk	•	•		•		•	
Consumer services industry risk			•				
Currency risk	✓	✓	✓	✓	✓	✓	✓
Custody risk	✓	✓				✓	✓
Cyber security risk	✓	✓	✓	✓	✓	✓	✓
Eastern European economic risk	•	•					
Energy sector risk	✓	•					
Equity securities risk	✓	✓	✓	✓	✓	✓	✓

✓ Principal risk • Other risk

Fund name / risk	iShares MSCI BRIC ETF	iShares MSCI Emerging Markets ETF	iShares MSCI Hong Kong ETF	iShares MSCI Japan ETF	iShares MSCI Singapore ETF	iShares MSCI South Korea Capped ETF	iShares MSCI Taiwan ETF
European economic risk	✓	✓	✓	✓			
Financials sector risk	✓	✓	✓	✓	✓	✓	✓
Geographic risk	✓	✓	✓	✓	✓	✓	✓
Healthcare sector risk				•			
Index-related risk	✓	✓	✓	✓	✓	✓	✓
Industrials sector risk	•	•	✓	✓	✓	•	
Information technology sector risk	✓	✓		•		✓	✓
Insurance industry group risk			✓				
Issuer risk	✓	✓	✓	✓	✓	✓	✓
Lack of natural resources risk			✓	✓	✓		✓
Management risk	✓	✓	✓	✓	✓	✓	✓
Market risk	✓	✓	✓	✓	✓	✓	✓
Market trading risk	✓	✓	✓	✓	✓	✓	✓
Materials sector risk	•	•		•		•	✓
Mid-capitalisation companies risk	•	•	•	✓	✓	✓	•
National closed market trading risk	✓	✓	✓	✓	✓	✓	✓
Non-diversification risk			✓		✓	✓	✓
Non-U.S. securities risk	✓	✓	✓	✓	✓	✓	✓
North American economic risk		•					
Operational risk	✓	✓	✓	✓	✓	✓	✓
Passive investment risk	✓	✓	✓	✓	✓	✓	✓
Privatisation risk	✓	✓					
Real estate company risk			✓				
Reliance on trading partners risk	✓	✓	✓	✓	✓	✓	✓
Risk of investing in Brazil	✓						
Risk of investing in China	✓	✓					
Risk of investing in developed countries			✓	✓	✓		

✓ Principal risk • Other risk

Fund name / risk	iShares MSCI BRIC ETF	iShares MSCI Emerging Markets ETF	iShares MSCI Hong Kong ETF	iShares MSCI Japan ETF	iShares MSCI Singapore ETF	iShares MSCI South Korea Capped ETF	iShares MSCI Taiwan ETF
Risk of investing in emerging markets	✓	✓				✓	✓
Risk of investing in Hong Kong			✓				
Risk of investing in India	✓	✓					
Risk of investing in Japan				✓			
Risk of investing in Russia	✓	✓					
Risk of investing in Singapore					✓		
Risk of investing in South Korea						✓	
Risk of investing in Taiwan							✓
Risk of investing in United Kingdom							
Securities lending risk	✓	✓	✓	✓	✓	✓	✓
Security risk	✓	✓		✓		✓	✓
Structural risk	✓	✓			✓	✓	✓
Technology sector risk							
Telecommunications sector risk	•	•		•	✓		
Tracking error risk	✓	✓	✓	✓	✓	✓	✓
Treaty/Tax risk	✓	✓					
U.S. economic risk	✓	✓	✓	✓	✓	✓	✓
Utilities sector risk			✓				
Valuation risk	✓	✓	✓	✓	✓	✓	✓

3.2 Australian specific risks

In addition to the aforementioned Fund risks, there are Australian specific risks investors should be aware of.

ASX listing: Admission by ASX of the Company to listing on ASX as a listed foreign company imposes various listing obligations with which the Company must comply on an ongoing basis. While the Company will seek to comply with its listing obligations, there can be no assurance that the requirements necessary to maintain the listing of the Shares will continue to be met or will remain unchanged.

Market trading risks: Despite ASX listing, there can be no assurance that an active trading market for Shares or CDIs will develop or be maintained. Further, Shares of the Funds may trade on ASX at, above or below their NAV. Trading of Shares on ASX will be executed in Australian dollars (A\$) whereas NAV is determined in US dollars (US\$).

The per share NAV (in US\$) of the Funds will fluctuate with changes in the market value of each Fund's portfolio. The trading prices in A\$ of the Shares in each Fund will fluctuate in accordance with changes in each Fund's NAV and changes in foreign exchange rates, as well as market supply and demand.

Foreign exchange risk: Trading of Shares (settled by way of CDIs) on ASX will be executed in A\$ whereas NAV is determined in US\$. Also, dividends or distributions will be determined in US\$ and then converted into A\$ prior to payment to holders of CDIs (refer to section 2.8 of this Prospectus for further details).

4. Information about CDIs and Shares

4.1 iShares will be held as CDIs

The Company is required to have CDIs issued over ASX quoted Shares and so the Company has established a suitable CDI program.

Instead of holding Shares, Australian investors will hold CDIs which are Australian financial instruments designed to give the CDI holder rights and entitlements equivalent to holding the Shares issued by the Company (CDIs are securities). A Depository Nominee holds title on behalf of CDI holders.

The Company has appointed a Depository Nominee. Beneficial title to Shares that are to be held in the form of CDIs will be vested in the Depository Nominee. There is no additional cost to the CDI holders for the provision of this service by the Depository Nominee and any associated costs are paid by BFA or its affiliates from the management fee BFA collects in respect of its investment advisory services to the Company.

Provided below is a simplified diagram that sets out the CDI holder, Depository Nominee and Company relationship.

CDIs may be held in uncertificated form on either the Issuer Sponsored Subregister or the CHESS Subregister, which together make up the Australian CDI Register (maintained by Computershare) of each Fund.

4.2 Rights attaching to CDIs

With the exception of voting arrangements (see below), CDI holders generally have rights equivalent to those of other investors in Shares (i.e. beneficial owners of Shares).

In relation to corporate actions such as bonus issues, rights issues and capital reconstructions, CDI holders will generally receive equal treatment to that of holders of Shares because under the ASX Settlement Operating Rules, all economic benefits such as dividends, bonus issues, rights issues or similar corporate actions must flow through to CDI holders as if they were the holders of the corresponding Shares. The ratio of CDIs to corresponding Shares is one-to-one. Given the nature of the Shares they are not expected to be subject to corporate takeovers. However, in the event that the Shares are subject to a takeover offer, the Depository Nominee is prohibited from accepting the offer except to the extent that acceptance is authorised by CDI holders. The Depository Nominee must ensure that the offeror processes takeover acceptances from CDI holders.

In some cases marginal differences may exist between the resulting entitlements of CDI holders and the entitlements they would have accrued if they held Shares directly. This is because, for the purposes of certain corporate actions, the Depository Nominee's holding of Shares is, for US legal reasons, treated as a single holding, rather than as a number of smaller separate holdings corresponding to the individual interests of CDI holders (meaning, for example, CDI holders will not benefit to the same extent from the rounding up of fractional entitlements as if they held Shares directly).



Regarding voting, in accordance with the ASX Settlement Operating Rules, if a meeting of holders of Shares in a Fund is convened, each holder of a CDI over Shares in that Fund will be given notice of the meeting at the same time as notice is sent to holders of Shares. The notice will include a form permitting the CDI holder to direct the Depository Nominee to cast, or authorise or arrange the casting of, proxy votes in accordance with the CDI holder's written directions. Only direct holders of Shares (being beneficial owners of Shares) or their proxies can attend and vote at meetings of holders of Shares. CDI holders wishing to attend and vote at meetings personally must first convert their CDIs into Shares (refer to section 4.6 of this Prospectus for further details).

The rest of this section 4 contains information primarily of interest to professional analysts or advisers or investors with similar specialist information needs, including potential Applicants under the Offer.

4.3 Nature of Shares

The Company's Shares are shares of common stock with a par value of US \$0.0001 per share. Each Share issued by a Fund has a pro rata interest in the assets of that Fund.

Shares can be created only in a specified number of Shares called **Creation Units**, which may be issued by a Fund at the end of each US trading day. The value of a Creation Unit varies but the approximate (unaudited) value of a Creation Unit of each Fund as at 22 December 2015 was:

	Creation Unit value (US\$)
iShares MSCI BRIC ETF	1,468,000
iShares MSCI Emerging Markets ETF	14,584,500
iShares MSCI Hong Kong ETF	1,484,250
iShares MSCI Japan ETF	7,266,000
iShares MSCI Singapore ETF	1,032,000
iShares MSCI South Korea Capped ETF	2,545,500
iShares MSCI Taiwan ETF	2,580,000

BlackRock Investments, LLC (**BlackRock Investments**), based in the US, is the distributor of Creation Units for the Funds on an agency basis.

The Company has other shares on issue (in respect of other iShares ETFs of the Company).

The Shares that trade in the secondary market are issued in the primary market at NAV and only to wholesale and sophisticated investors, such as market makers and large traders. Only Authorised Participants (all being participants in The Depository Trust Company (**DTC**) and having a specific contract with BlackRock Investments) are able to arrange the issue of Creation Units. Issues of Creation Units for each Fund occur only in the US.

As with creations of Shares, redemption of Shares can be done only in Creation Units, principally “in-kind” (i.e. “in specie” or in exchange) whereby Shares are redeemed in exchange for a basket of securities representing a Fund’s portfolio and a specified amount of cash. Except when aggregated in Creation Units, Shares are not redeemable although they may still trade on the secondary market.

Shares are held in book-entry form with no certificates issued. DTC or its nominee (Cede & Co.) is the record owner of all outstanding (i.e. issued) Shares and is recognised as the record owner of all Shares for all purposes. Investors (except those holding via CDIs) are beneficial owners as shown on DTC records or DTC Participant records.

For further information refer to the section headed “Shareholder Information” in each Fund’s US Prospectus and the sections headed “Additional Information Concerning the Company” and “Creation and Redemption of Creation Units” in the SAIs.

4.4 Custody agreement

Computershare Trust Company, N.A. is a DTC Participant and has entered into a Custody Agreement with the Depository Nominee, such that the Depository Nominee will become and remain a “beneficial owner” of Shares to facilitate and underpin the Company’s required Australian CDI program. Further information on the DTC system is contained in section 8.7 of this Prospectus. BIMAL has agreed to facilitate certain obligations of the Company in connection with the Custody Agreement, refer to section 5.3 of this Prospectus for further information.

4.5 CDI issuance

Each Fund’s CDIs, issued under the arrangements as described above, are transferable in CHESS, with the Company acting as Principal Issuer. A CDI Register is maintained by the Company (through Computershare) in Australia.

CDIs are created and issued from time to time in accordance with the ASX Settlement Operating Rules. Generally, this occurs when the Company through Computershare records a person in the CDI Register as the holder of CDIs, in conjunction with causing appropriate title to the underlying Shares to be vested in the Depository Nominee through the Custody Agreement mentioned in section 4.4 above. The Depository Nominee has a very passive role and it will not actively offer CDIs for issue.

4.6 Conversion of CDIs into Shares/Shares into CDIs

As the Shares are designed to trade in high volumes the Company expects that there will be demand for conversion of Shares into CDIs (and vice versa), particularly to create a supply of Shares or CDIs for secondary trading on ASX. Those Shares being converted into CDIs will generally originate from DTC Participants in the US.

Persons interested in converting existing Shares held in the DTC system into CDIs or converting CDIs into Shares should contact BIMAL (refer to section 10 of this Prospectus for contact details).

4.7 Terms and conditions of the Offer

The Company invites applications from Eligible Investors for the issue of Shares through the Offer. Applications for Shares (or CDIs over Shares) must be for a minimum quantity of Shares comprised of a Creation Unit or multiples thereof, and must be made to the Company through an Authorised Participant.

The Offer opens on the date of this Prospectus and remains open for acceptance until the Expiry Date.

However, the Company reserves the right to close the Offer early, vary any other date and time in this Prospectus, or to accept late Applications, without notice.

Any offers of Shares (or CDIs) for issue received in Australia for which this Prospectus may be used, are made in, or accompanied by, this Prospectus. The Company is offering the Shares with disclosure to investors under Part 6D.2 of the Act.

Shares to be issued under the Offer may, at the Australian holder’s election, be held:

- (a) through DTC or a DTC Participant in the US;
- (b) on the Issuer Sponsored Subregister (uncertificated) in Australia by way of CDIs; or
- (c) on the CHESS Subregister (uncertificated) in Australia by way of CDIs.

The Issue Consideration for a Creation Unit of Shares is:

- (a) the Deposit Securities; and
- (b) the Cash Component.

Applicants will need to provide the applicable Issue Consideration before being issued a Creation Unit of Shares. Applicants will, through the Authorised Participant selected by the Applicant, be advised of the exact Issue Consideration (or the method for calculating the exact Issue Consideration) they are required to provide for Shares and how it is to be provided.

The information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus and the applicable Fund’s Included Documents.

4.8 Applications

Eligible Investors interested in making an Application should contact BIMAL for details of Application procedures and requirements (including the procedure for providing the Issue Consideration).

The Company reserves the right to reject any Application for any reason or to allocate any Applicant a lesser number of Shares than applied for.

5. About the Company and governance structure

5.1 About the Company

The Company is a Maryland Corporation formed on 31 August 1994, which for Australian law purposes constitutes a body corporate. The Company is not an Australian public company. The liability of shareholders is limited.

Relevant information enabling an assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company (which may be Fund specific) is set out under section 2.6 of this Prospectus and in each Fund's US Prospectus (particularly the section headed "Financial Highlights") and the SAI.

The Company itself does not, and is not under US law required to, prepare financial statements relating solely to itself separate from its iShares ETFs. Rather, each iShares ETF of the Company (including the Funds), prepares and issues financial statements solely on behalf of such iShares ETF.

5.2 Governance and compliance structure

The business activities of the Company and the iShares ETFs it issues are governed by relevant US and Australian laws and regulations. An extensive corporate governance structure is in place. In Australia, BlackRock Investment Management (Australia) Limited (ABN 13 006 165 975, AFSL No. 230523) (**BIMAL**) is primarily responsible for ongoing compliance and communications with Australian regulators and statutory bodies.

5.3 About BIMAL

BIMAL provides a range of services to the Company in Australia in connection with the Company's listing on ASX and the quotation and trading of shares (and CDIs) in the Company on ASX.

BIMAL is an Australian related body corporate of the Company's investment adviser, BFA. BIMAL is a major investment manager in Australia offering a range of financial services to a range of clients including: Australian corporations; industry, public sector and endowment funds; master funds; and wrap account distributors.

The Company, as a registered foreign company under the Act and as required by, and for the purposes of, the Act, has appointed BIMAL as its local agent to accept on the Company's behalf service of process and notices.

Financial services licensing: intermediary authorisation

The Company does not hold an Australian financial services licence (**AFSL**). Instead, the Company relies on section 911A(2)(b) of the Act (or Corporations Regulation 7.6.01(1)(n)) for an exemption from any requirement to hold an AFSL in respect of the issuing of CDIs (or Shares) in Australia. In this regard, the Company has entered into an Instrument of Delegation and Authority and Intermediary Authorisation Agreement with BIMAL (an AFSL holder), under which BIMAL is authorised to make offers to arrange, and arrange for, the issue of CDIs by the Company (to the extent that the Company issues CDIs) and the Company will issue any CDIs it issues in accordance with such offers if they are accepted. No amounts are payable to BIMAL under this Agreement.

Other authorisation/delegations

In addition to the aforementioned intermediary authorisation:

- (a) the Company delegates to BIMAL certain powers it has under the ASX Settlement Operating Rules in connection with the Company's CDI program and authorises BIMAL to sub-delegate those powers to a professional Australian registry. BIMAL has sub-delegated these powers to Computershare; and
- (b) the Company authorises BIMAL to engage (on behalf of the Company) a professional Australian registry to provide to (or for the benefit of) the Company the Australian registry services required in connection with the Company's admission to the official list of ASX, the trading of the Company's shares on ASX and the Company's Australian CDI program (including to establish and maintain, or facilitate the establishment and maintenance, of the required registers). Pursuant to this authorisation, BIMAL has engaged Computershare.

In addition, certain employees of BIMAL have been appointed as attorneys to, among other things, do everything necessary or expedient in connection with:

- (a) the Company's ASX listing, the quotation by ASX of any of the shares issued by the Company and satisfying the Company's ongoing obligations under the ASX Listing Rules as a foreign exempt listing and under the Act as a registered foreign company;
- (b) the Company's ongoing relations with ASX and ASX Settlement;
- (c) the issue of CDIs over any of the Company's shares in accordance with the ASX Settlement Operating Rules;
- (d) satisfying the Company's obligations under the ASX Settlement Operating Rules and any applicable ASX Operating Rules; and
- (e) the engagement, appointment or removal by the Company of an Australian registry.

5.4 About BFA

BFA is the Company's investment adviser and has overall responsibility for the general management and administration of the Company (refer to the section headed "Management" in each Fund's US Prospectus).

BFA is paid a management fee for its investment advisory services to the Company. For further information about the management fee for each Fund (as at the date of this Prospectus), refer to the relevant Fund's US Prospectus and the section headed "Investment Advisory, Administrative and Distribution Services" in the SAI.

5.5 Registrar

Computershare Investor Services Pty Limited (**Computershare**) has been engaged to maintain the Australian register of CDI holders and provide services to Australian holders of iShares ETFs (including facilitating payment of any distributions) in relation to their CDI holdings.

6. Included documents

6.1 Relationship between US Prospectus, SAIs and Financial statements

Each Fund's US Prospectus incorporates by reference the SAI relating to the Fund and for US legal purposes the relevant SAI is a part of the Fund's US Prospectus.

The Financial Statements and Notes contained in the Annual Reports of the Company for various iShares ETFs are incorporated by reference into and are deemed for US legal purposes to be part of a SAI. However, for the purpose of section 712 of the Act, this Prospectus does not refer to and therefore excludes the Annual Report of each Fund (and the other iShares ETFs covered by each SAI).

6.2 US Prospectus

Each Fund's US Prospectus contains information regarding:

- ▶ The Fund's investment objective.
- ▶ Fees and expenses.
- ▶ Principal investment strategies, including representative sampling, industry concentration policy and in respect of iShares MSCI BRIC ETF and iShares MSCI Emerging Markets ETF investing in a Mauritius subsidiary.
- ▶ Principal and certain other risks.
- ▶ Performance information.
- ▶ Management of the Company (including information on the investment adviser, portfolio managers, administrator, custodian and transfer agent and conflicts of interest).
- ▶ Purchase and sale of Fund shares.
- ▶ US tax information.
- ▶ Payments to broker-dealers and other financial intermediaries.
- ▶ Portfolio holdings information.
- ▶ Shareholder information, including information on buying and selling shares, book entry, share prices, determination of NAV, dividends and distributions, US taxes on distributions, US taxes when shares are sold, creations and redemptions, costs associated with creations and redemptions and householding. Shareholder information in respect of the iShares MSCI BRIC ETF US Prospectus also includes information on Brazilian tax disclosure, while shareholder information in respect of the iShares MSCI BRIC ETF and iShares MSCI Emerging Markets ETF US Prospectus also includes information on Chinese tax disclosure, Mauritius tax disclosure, Indian tax disclosure, indirect transfer and general anti avoidance rules.
- ▶ Distribution.
- ▶ Financial highlights (for a share of the Fund outstanding throughout the relevant period), including NAV and total return information.
- ▶ Index provider for the Fund.
- ▶ Disclaimers by MSCI, NYSE Arca and BFA.
- ▶ Supplemental information (including premium/discount information and total return information).

However, certain information in each Fund's US Prospectus is not referred to and therefore excluded from this Prospectus (see section 6.5 of this Prospectus for further information).

6.3 Statement of Additional Information

The SAIs contain information regarding:

- ▶ General description of the Company and its iShares ETFs.
- ▶ Exchange listing and trading.
- ▶ Investment strategies and risks.
- ▶ General considerations and risks.
- ▶ Proxy voting policy.
- ▶ Portfolio holdings information.
- ▶ Construction and maintenance of the underlying indexes.
- ▶ The MSCI indices (including information on the Underlying Index of each Fund).
- ▶ Investment limitations.
- ▶ Continuous offering.
- ▶ Management (including information on directors and officers, committees of the board of directors, remuneration of directors, control persons and principal holders of securities and potential conflicts of interest).
- ▶ Investment advisory, administrative and distribution services (including information on the investment adviser, portfolio managers, codes of ethics, anti-money laundering requirements, administrator, custodian and transfer agent, distributor and payments by BFA and its affiliates).
- ▶ Determination of Net Asset Value.
- ▶ Brokerage transactions.
- ▶ Additional information concerning the Company.
- ▶ Creation and redemption of creation units.
- ▶ US taxes and in respect of the SAI relating to iShares MSCI BRIC ETF and iShares MSCI Emerging Markets ETF US Prospectus information regarding issues related to India and Mauritius taxes.
- ▶ Financial statements – see section 6.1 of this Prospectus.
- ▶ Miscellaneous information.

The above information is set out in the order it is listed in the "Table of Contents" in the SAI. However, certain information in the SAI is not referred to and therefore excluded from this Prospectus (see section 6.4 of this Prospectus for further information).

6.4 Excluded information

For the purposes of section 712 of the Act, this Prospectus does not refer to and therefore excludes:

- (a) from each US Prospectus (see section 6.2 of this Prospectus), all the information under the headings “Tax Information”, “Taxes”, “Taxes on Distributions” and “Taxes When Shares are Sold”;
- (b) from the SAI (see section 6.3 of this Prospectus) that relates to iShares MSCI Hong Kong ETF, iShares MSCI Japan ETF and MSCI Singapore ETF, all information:
 - (i) that relates solely to an iShares ETF or iShares ETFs of the Company other than the iShares MSCI Hong Kong ETF, iShares MSCI Japan ETF and MSCI Singapore ETF, including the descriptions of the underlying indexes under the heading “The MSCI Indexes” (on pages 31 to 39 of the SAI) other than:
 - the introductory paragraphs of the section headed “The MSCI Indexes” (excluding the subsection titled MSCI 25/50 Indexes) on pages 31 to 33 of the SAI;
 - the description of the MSCI Hong Kong Index on pages 35 and 36 of the SAI;
 - the description of the MSCI Japan Index on page 36 of the SAI; and
 - the description of the MSCI Singapore Index on page 37 of the SAI;
 - (ii) in the sentence that commences with the words “In such event, distributions to individuals should be...” under the heading “Taxation of RICs” on page 97 of the SAI;
 - (iii) under the headings “Taxation of U.S. Shareholders”, “Sales of Shares”, “Back-Up Withholding”, “Qualified Dividend Income”, “Corporate Dividends Received Deduction”, “Excess Inclusion Income”, “Reporting”, “Other Taxes” and “Taxation of Non-U.S. Shareholders” on pages 98 to 104 of the SAI; and
 - (iv) in the second paragraph under the heading “Non-U.S. Investments” (except for the first sentence of that paragraph and the beginning of the second sentence up to and including the words “...before and/or thereafter”) on page 102 of the SAI.
- (c) from the SAI (see section 6.3 of this Prospectus) that relates to iShares MSCI BRIC ETF, iShares MSCI Emerging Markets ETF, iShares MSCI South Korea Capped ETF and MSCI Taiwan ETF, all information:
 - (i) that relates solely to an iShares ETF or iShares ETFs of the Company other than the iShares MSCI BRIC ETF, iShares MSCI Emerging Markets ETF, iShares MSCI South Korea Capped ETF and MSCI Taiwan ETF, including the descriptions of the underlying indexes under the heading “The MSCI Indexes” (on pages 36 to 45 of the SAI) other than:
 - the introductory paragraphs of the section headed “The MSCI Indexes” (excluding the subsection titled MSCI Global Minimum Volatility Indexes) on pages 36 to 39 of the SAI;
 - the description of the MSCI BRIC Index on page 41 of the SAI;
 - the description of the MSCI Emerging Markets Index on page 42 of the SAI;
 - the description of the MSCI Korea 25/50 Index on page 44 of the SAI; and
 - the description of the MSCI Taiwan Index on page 44 of the SAI;
 - (ii) in the sentence that commences with the words “In such event, distributions to individuals should be...” under the heading “Taxation of RICs” on page 102 of the SAI;
 - (iii) under the headings “Taxation of U.S. Shareholders”, “Sales of Shares”, “Back-Up Withholding”, “Qualified Dividend Income”, “Corporate Dividends Received Deduction”, “Excess Inclusion Income”, “Reporting”, “Other Taxes” and “Taxation of Non-U.S. Shareholders” on pages 103 to 114 of the SAI; and
 - (iv) in the second paragraph under the heading “Non-U.S. Investments” (except for the first sentence of that paragraph and the beginning of the second sentence up to and including the words “...before and/or thereafter”) on page 111 of the SAI.

6.5 Consequential filings in the US

Certain documents which may be filed or prepared by the Company in the US subsequent to the date of this Prospectus may be incorporated by reference in the US Prospectus. Such documents (if any) cannot (for legal and timing reasons) be taken to be included in this Prospectus under section 712(3) of the Act. Such documents (if any) may be given to ASX as announcements by the Company and will be made available at www.blackrock.com.au.

7. Tax considerations

7.1 General information only

The following is a general summary of the main Australian income tax implications of an investment in the iShares ETFs listed on ASX by an Australian investor holding CDIs over Shares.

The information in this summary is of a general nature only and cannot and does not address all of the tax issues which may be relevant to an investor. It is not legal, financial or tax advice. Australian taxation laws are complex and may change over time.

In addition, this section also provides limited and general information in respect of US estate tax and withholding tax obligations.

Important: Investors must seek their own professional taxation advice regarding Australian and any US tax matters applicable to their own facts and circumstances.

7.2 Assumptions

The comments outlined in this summary assume that the investor:

- ▶ is an Australian resident for income tax purposes with an income year ending on 30 June;
- ▶ is an individual taxpayer or a complying superannuation fund;
- ▶ does not carry on a business of either trading or dealing in shares or otherwise hold investments on revenue account - any subsequent disposal of the investment in an iShares ETF will therefore be subject to the capital gains tax regime; and
- ▶ reports income (including dividend distributions from holding shares in the iShares ETFs) on a cash basis (and does not report income using an accruals basis).

This summary is based on the Australian taxation laws in force and the administrative practices of the Australian Taxation Office generally accepted as at the date of this Prospectus.

Taxation laws may change in the future without notice.

The Australian Government has announced that it intends to implement a new Attribution Managed Investment Trust (AMIT) tax regime which is a proposed new tax system for MITs, and legislative changes are expected. Reforms to the taxation of trusts are generally ongoing. Investors should seek their own advice and monitor the progress of announcements and proposed legislative changes on the potential impact. The Responsible Entity will closely monitor the impact of the proposed AMIT rules on the Fund.

7.3 Distributions

The investor's assessable distribution amount should be the dividend distribution received during the financial year gross of any US withholding tax deducted. The investor should be entitled to foreign income tax offsets for the US withholding tax, up to the amount of any Australian tax payable on the dividend distribution. Please note, foreign income tax offsets may only be used to offset the Australian tax arising from your dividend distribution or your other foreign income. This may therefore result in unutilised foreign income tax offsets.

The US withholding tax rate is typically 30% but is generally reduced to 15% under the Australia/US Double Tax Agreement. Investors may be required to complete US tax forms to allow access to the reduced rate.

From time to time, an iShares ETF may return capital to investors. A return of capital is a return of part of the cost which was outlaid in making the original investment in the iShares ETF.

There is no guarantee that any distributions in respect of an iShares ETF will be declared in the future, or that if declared, the amount of any distributions will remain at current levels or increase at any time.

7.4 Capital gains/losses

General

The sale or other disposal of Shares (or CDIs) will constitute a capital gains tax (CGT) event for Australian tax purposes. A capital gain will be made if the capital proceeds received on the occurrence of the CGT event are greater than the cost base of the Shares or CDIs.

The capital gain may be able to be reduced if the investor claims the discounting concession which reduces the nominal capital gain by 50% for individuals and by 33 1/3% for complying superannuation funds. This applies where the CDIs were held for at least 12 months prior to the CGT event.

If the capital proceeds on the disposal of the CDIs are less than the investor's reduced cost base of the CDIs, the difference is treated as a capital loss. Such losses can be offset against capital gains arising in the current or future income years, but cannot be used to reduce tax payable on ordinary income (such as dividends).

Return of capital

For the purposes of calculating a capital gain/loss, an investor should reduce the cost base of their CDIs by any amounts that are characterised as a "return of capital". Where the total returns of capital exceed the cost base of the CDIs (i.e. the cost base has been reduced to zero), the excess is assessable as a capital gain, even if the investor has not sold their iShares investment.

7.5 Accruals taxation – CFC provisions

Foreign Investment Fund (FIF) accruals provisions do not apply to the investor's CDIs as the FIF accrual provisions have been repealed for the 2010/2011 income year and later income years.

7.6 US estate tax

US tax laws seek to apply estate tax on US situated assets held by individuals worldwide (including shares in US companies). This means an investor (who is not a US citizen and is not domiciled in the US) may be subject to US estate tax if at the time of their death, they beneficially own Shares.

The amount of the estate tax is determined by reference to the value of the Shares held at death. However the amount of any such tax may be reduced pursuant to an Australian/US estate tax treaty. The reduction can include a credit of US\$13,000 for the first US\$60,000 of US situated assets (including Shares). Depending on the structure/vehicle that owns the US situated assets US estate tax may not apply.

In addition to the estate tax, an investor can also be subject to US generation-skipping transfer tax where they transfer the CDIs to a grandchild or a more remote descendant at death.

The estate tax and generation-skipping tax are levied on a self-assessment basis such that the estate is responsible for making the appropriate tax filings and where applicable, paying the taxes. Investors must obtain their own advice about the impact of these taxes to their specific circumstances.

7.7 Foreign Account Tax Compliance Act (FATCA)

The Foreign Account Tax Compliance Act (**FATCA**) is a United States (US) tax law aimed at financial institutions and other financial intermediaries to prevent tax evasion by US citizens and US tax residents through use of non-US investments or accounts. The FATCA provisions were included in the HIRE Act which was signed into US law on 18 March 2010.

Australia has signed an intergovernmental agreement (IGA) with the US to implement FATCA in Australia. The FATCA provisions will be introduced into the Taxation Administration Act 1953 (Cth), to be administered by the Australian Taxation Office (**ATO**).

This information is of a general nature only. Please consult your tax advisor should you wish to understand the implications of FATCA on your particular circumstances.

8. Additional information

8.1 ASX listing

The Company has been a registered foreign company under the Act since 28 May 2007.

The Company was admitted to ASX's official list on 5 October 2007 as an ASX foreign exempt listing.

The Company acts as Principal Issuer in relation to CDIs issued or to be issued in respect of the Shares and those CDIs have been approved by ASX Settlement.

As the Company is an ASX foreign exempt entity under the ASX Listing Rules, its Shares (including the shares of its other listed iShares ETFs) are deemed not to be ED (Enhanced Disclosure) securities. This means that the Company is not a disclosing entity for the purposes of the Act.

Under the ASX Listing Rules, the Company (in respect of the Funds) must immediately provide to ASX, in English, certain information that it provides to its overseas home exchange (i.e. NYSE Arca) that is, or is to be, made public and must continue to comply with the listing rules (or their equivalent) of its overseas home exchange.

8.2 Australian financial reporting requirements

Investors should note that the Chapter 2M financial reporting regime under the Act does not apply to the Company.

The Company will annually be lodging with ASIC US financial statements for each Fund (together with unaudited cash flow statements for each Fund prepared in accordance with the Act) in compliance with the conditions of an ASIC instrument granting the Company relief from section 601CK of the Act.

8.3 Interests of Directors

The Directors of the Company as at the date of this Prospectus are:

- ▶ Robert S. Kapito
- ▶ Mark Wiedman
- ▶ Jane D. Carlin
- ▶ John E. Martinez
- ▶ Cecilia H. Herbert
- ▶ Charles A. Hurty
- ▶ John E. Kerrigan
- ▶ Robert H. Silver
- ▶ Madhav V. Rajan

Except as set out in this Prospectus or each Fund's US Prospectus or the SAs as may be updated:

- ▶ no Director has had in the last 2 years before lodgement of this Prospectus, an interest in:
 - the formation or promotion of the Company;
 - the Offer; or
 - any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; and

- ▶ no amounts, whether in cash or Shares or otherwise have been paid or agreed to be paid (by anyone), and no benefit has been given or agreed to be given (by anyone), to any Director, either to induce them to become, or to qualify as, a Director, or otherwise for services provided by them in connection with the promotion or formation of the Company or the Offer.

8.4 Interests of others parties

BIMAL is an Australian financial services licensee involved in the issue of Shares and CDIs (refer to section 5.3 of this Prospectus). BIMAL will not receive any fees or payments for services provided in connection with the Offer. In particular, it will not receive any commissions, broking or underwriting fees relating to any issues or secondary sales of Shares or CDIs. BIMAL may in the future receive payments or benefits from other entities in the corporate group of which it is part, attributable to any increased acceptance of iShares ETFs as an asset or financial product class in Australia. BIMAL may be compensated for services provided in bringing iShares ETFs to Australia.

8.5 Consents to the inclusion of information and statements

The following persons have consented to statements (as indicated below) being included in this Prospectus, in each case in the form and context in which it is included:

- ▶ BFA – all statements described as being made by, or said to be based on statements by, or otherwise attributable to BFA; and
- ▶ PricewaterhouseCoopers LLP – all statements described as being made by, or said to be based on statements by, or otherwise attributable to PricewaterhouseCoopers LLP.

8.6 Other consents

BIMAL has given and has not withdrawn its consent to be named in this Prospectus in the form and context in which all references to its name appear and takes no responsibility for any part of this Prospectus other than references to its name.

Computershare has given and has not withdrawn its consent to be named in this Prospectus in the form and context in which all references to its name appear and takes no responsibility for any part of this Prospectus other than references to its name.

8.7 DTC

DTC, a limited-purpose trust company, was created in the US to hold securities of its participants (DTC Participants) and to facilitate the clearance and settlement of securities transactions among the DTC Participants in such securities through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Excluding the Australian branch office of major overseas DTC Participants, there are few (if any) Australian entities who are DTC Participants.

For more information about DTC, refer to the section in each Fund's US Prospectus under the heading "Shareholder Information – Book Entry" and in the SAs under the heading "DTC as Securities Depository for Shares of the Funds". See also sections 4.1 to 4.4 of this Prospectus.

9. Glossary

The following definitions apply throughout this document unless the context requires otherwise.

A\$	means Australian dollars.
Act	means the Corporations Act 2001 (Cth).
Applicant	means an Eligible Investor who makes an Application for Shares (or corresponding CDIs) under this Prospectus.
Application	means an application to apply for Shares (or corresponding CDIs) under this Prospectus.
ASIC	means the Australian Securities & Investments Commission.
ASX	means ASX Limited.
ASX Settlement	means ASX Settlement Pty Limited.
ASX Settlement Operating Rules	means the operating rules of ASX Settlement.
AFSL	means an Australian financial services licence.
Authorised Participant	means a DTC Participant who has executed an agreement with BlackRock Investments with respect to creations and redemptions of Creation Units that has been delivered to a Fund and accepted by BlackRock Investments (being the only persons who are authorised to place orders with BlackRock Investments with respect to a Creation Unit of Shares of the Funds).
BFA	means BlackRock Fund Advisors.
BIMAL	means BlackRock Investment Management (Australia) Limited ABN 13 006 165 975 (Australian financial service licence number 230523).
BlackRock Investments	means BlackRock Investments, LLC.
Cash Component	means the difference, if any, between the net asset value of the Shares per Creation Unit that applies to an order to purchase or redeem a Creation Unit and the market value of the Deposit Securities at the time of the relevant NAV calculation.
CHES	means the Clearing House Electronic Subregister System operated by ASX Settlement and another ASX subsidiary.
CDIs	means CHES Depository Interests (over Shares) issued under the ASX Settlement Operating Rules and the Company's terms of issue.
CDI Register	means the register of CDI holdings maintained in Australia under the ASX Settlement Operating Rules, consisting of an Issuer Sponsored Subregister of holders of CDIs and a CHES Subregister of holders of CDIs.
Company	means iShares, Inc. ARBN 125 632 279.
Computershare	means Computershare Investor Services Pty Limited ACN 078 279 277.
Creation Unit	means (as applicable) 50,000 Shares for iShares MSCI BRIC ETF, 450,000 Shares for iShares MSCI Emerging Markets ETF, 75,000 Shares for iShares MSCI Hong Kong ETF, 600,000 Shares for iShares MSCI Japan ETF, 100,000 Shares for iShares MSCI Singapore ETF, 50,000 Shares for iShares MSCI South Korea Capped ETF and 200,000 Shares for iShares MSCI Taiwan ETF.
Deposit Securities	means the in-kind deposit of a portfolio securities specific to each Fund as designated by the Funds' investment adviser, and notified to Authorised Participants, with respect to Creation Unit transactions in the Shares of a Fund as of a particular day.

Depository Nominee	means the entity appointed as such under the ASX Settlement Operating Rules to hold beneficial title to Shares that are, or are to be, held in the form of CDIs. The Company has appointed CHESS Depository Nominees Pty Limited (ACN 071 346 506), a subsidiary of ASX, as its Depository Nominee.
Director	means a Director of the Company.
DTC	means The Depository Trust Company.
DTC Participant	means a participant of DTC.
Eligible Investor	means person who is resident, and receives this Prospectus, in Australia.
Expiry Date	means 3 February 2017, being the date 13 months after the date of this Prospectus.
Fund, Funds	means (as applicable) iShares MSCI BRIC ETF, iShares MSCI Emerging Markets ETF, iShares MSCI Hong Kong ETF, iShares MSCI Japan ETF, iShares MSCI Singapore ETF, iShares MSCI South Korea Capped ETF and/or iShares MSCI Taiwan ETF.
Included Documents	means each Fund's US Prospectus and the SAIs, excluding the material outlined in section 6.4 of this Prospectus, which are included in this Prospectus by reference pursuant to subsection 7 12(3) of the Act.
Issue Consideration	means the consideration to be provided for a Creation Unit of Shares and which comprises the Deposit Securities and the Cash Component.
Listing Rules	means the listing rules of ASX.
MSCI	means MSCI Inc..
Offer	means the offer of Shares under this Prospectus (being an invitation made by the Company for Eligible Investors to apply for such Shares) (and a corresponding offer of CDIs relating to the Shares).
Prospectus	means this prospectus dated 4 January 2016 and any supplementary or replacement prospectus in relation to this document.
SAI, SAIs	Means (as applicable) the Company's Statement of Additional Information relating to iShares MSCI BRIC ETF, iShares MSCI Emerging Markets ETF, iShares MSCI South Korea Capped ETF and MSCI Taiwan ETF and/or the Company's Statement of Additional Information relating to iShares MSCI Hong Kong ETF, iShares MSCI Japan ETF and MSCI Singapore, both dated 31 December 2015.
Share(s)	means shares of beneficial interest with no par value of the Company referable to each Fund (each Share having a pro-rata interest in the assets of the relevant Fund).
Underlying Index	means (as applicable) the MSCI BRIC Index, MSCI Hong Kong Index, MSCI Japan Index, MSCI Singapore Index, MSCI Emerging Markets Index, MSCI Korea 25/50 Index or MSCI Taiwan Index.
US\$	means United States of America dollars.
US Prospectus	means the prospectuses of the Company relating to each Fund and dated 31 December 2015.

10. Corporate directory

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