

1 December 2017

Market Announcements Office  
ASX Limited

## SEMI ANNUAL REPORT TO SHAREHOLDERS: AS OF 30 SEPTEMBER 2017

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

Attached is a copy of a “2017 Semi-annual report (unaudited)” (**Semi-Annual Report**) relating to certain funds of iShares Trust, which has been lodged with the US Securities and Exchange Commission.

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

ASX Code	Fund
IAA	iShares Asia 50 ETF
IEU	iShares Europe ETF

The Semi-Annual Report has not been prepared specifically for Australian investors. It contains references to dollar amounts which are not Australian dollars. It contains financial information which is not prepared in accordance with Australian law or practices.

### Important notice

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

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

For more information about iShares ETFs go to [www.blackrock.com/au/ishares](http://www.blackrock.com/au/ishares) or call 1300 474 273.

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## 2017 SEMI-ANNUAL REPORT (UNAUDITED)

**iShares**<sup>®</sup>  
by BLACKROCK<sup>®</sup>

### **iShares Trust**

- ▶ iShares Asia 50 ETF | AIA | NASDAQ
- ▶ iShares Emerging Markets Infrastructure ETF | EMIF | NASDAQ
- ▶ iShares Europe ETF | IEV | NYSE Arca
- ▶ iShares International Developed Property ETF | WPS | NYSE Arca
- ▶ iShares International Dividend Growth ETF | IGRO | BATS
- ▶ iShares Latin America 40 ETF | ILF | NYSE Arca



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# Fund Performance Overview

## iSHARES® ASIA 50 ETF

Performance as of September 30, 2017

The iShares Asia 50 ETF (the "Fund") seeks to track the investment results of an index composed of 50 of the largest Asian equities, as represented by the S&P Asia 50™ (the "Index"). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2017, the total return for the Fund was 16.24%, net of fees, while the total return for the Index was 16.70%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	25.13%	25.22%	25.90%	25.13%	25.22%	25.90%
5 Years	8.64%	9.00%	9.25%	51.35%	53.89%	55.65%
Since Inception	4.50%	4.58%	5.09%	54.47%	55.75%	63.32%

The inception date of the Fund was 11/13/07. The first day of secondary market trading was 11/16/07.

Past performance is no guarantee of future results. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. See "About Fund Performance" on page 11 for more information.

### Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Annualized Expense Ratio
\$ 1,000.00	\$ 1,162.40	\$ 2.71	\$ 1,000.00	\$ 1,022.60	\$ 2.54	0.50%

<sup>a</sup> Expenses are calculated using the Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 11 for more information.

### ALLOCATION BY SECTOR As of 9/30/17

Sector	Percentage of Total Investments*
Information Technology	41.88%
Financials	30.89
Telecommunication Services	5.13
Materials	4.50
Real Estate	4.44
Consumer Discretionary	3.71
Utilities	3.19
Energy	2.98
Industrials	2.63
Consumer Staples	0.65
<b>TOTAL</b>	<b>100.00%</b>

### ALLOCATION BY COUNTRY As of 9/30/17

Country	Percentage of Total Investments*
China	34.26%
South Korea	24.29
Hong Kong	17.94
Taiwan	17.52
Singapore	5.99
<b>TOTAL</b>	<b>100.00%</b>

\* Excludes money market funds.

# Fund Performance Overview

## iSHARES® EMERGING MARKETS INFRASTRUCTURE ETF

Performance as of September 30, 2017

The iShares Emerging Markets Infrastructure ETF (the "Fund") seeks to track the investment results of an index composed of 30 of the largest emerging market equities in the infrastructure industry, as represented by the S&P Emerging Markets Infrastructure Index™ (the "Index"). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2017, the total return for the Fund was 7.85%, net of fees, while the total return for the Index was 8.92%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	12.73%	12.45%	14.56%	12.73%	12.45%	14.56%
5 Years	3.32%	3.42%	4.33%	17.71%	18.33%	23.60%
Since Inception	6.62%	6.65%	6.85%	70.16%	70.62%	73.22%

The inception date of the Fund was 6/16/09. The first day of secondary market trading was 6/19/09.

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 11 for more information.

### Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Annualized Expense Ratio
\$ 1,000.00	\$ 1,078.50	\$ 3.91	\$ 1,000.00	\$ 1,021.30	\$ 3.80	0.75%

<sup>a</sup> Expenses are calculated using the Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 11 for more information.

### ALLOCATION BY SECTOR As of 9/30/17

Sector	Percentage of Total Investments*
Transportation Infrastructure	40.24%
Electric Utilities	20.66
Oil, Gas & Consumable Fuels	15.45
Water Utilities	8.02
Gas Utilities	6.74
Independent Power and Renewable Electricity Producers	6.01
Energy Equipment & Services	2.88
<b>TOTAL</b>	<b>100.00%</b>

### ALLOCATION BY COUNTRY As of 9/30/17

Country	Percentage of Total Investments*
China	36.12%
Brazil	22.12
Mexico	10.07
Thailand	7.98
Malaysia	7.42
South Korea	6.03
Chile	6.02
Russia	4.24
<b>TOTAL</b>	<b>100.00%</b>

\* Excludes money market funds.

# Fund Performance Overview

## iSHARES® EUROPE ETF

Performance as of September 30, 2017

The iShares Europe ETF (the "Fund") seeks to track the investment results of an index composed of European equities, as represented by the S&P Europe 350™ (the "Index"). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2017, the total return for the Fund was 14.17%, net of fees, while the total return for the Index was 14.29%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	22.07%	22.19%	22.50%	22.07%	22.19%	22.50%
5 Years	8.17%	8.16%	8.58%	48.07%	48.03%	50.90%
10 Years	0.87%	0.89%	1.22%	9.05%	9.22%	12.86%

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

Past performance is no guarantee of future results. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. See "About Fund Performance" on page 11 for more information.

### Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Annualized Expense Ratio
\$ 1,000.00	\$ 1,141.70	\$ 3.22	\$ 1,000.00	\$ 1,022.10	\$ 3.04	0.60%

<sup>a</sup> Expenses are calculated using the Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 11 for more information.

### ALLOCATION BY SECTOR As of 9/30/17

Sector	Percentage of Total Investments*
Financials	21.49%
Consumer Staples	14.03
Industrials	13.20
Health Care	12.98
Consumer Discretionary	10.25
Materials	7.88
Energy	7.22
Information Technology	4.31
Utilities	3.78
Telecommunication Services	3.76
Real Estate	1.10
<b>TOTAL</b>	<b>100.00%</b>

### TEN LARGEST COUNTRIES As of 9/30/17

Country	Percentage of Total Investments*
United Kingdom	27.59%
France	15.72
Germany	14.73
Switzerland	13.25
Netherlands	5.54
Spain	5.49
Sweden	4.65
Italy	4.00
Denmark	2.86
Belgium	2.25
<b>TOTAL</b>	<b>96.08%</b>

\* Excludes money market funds.



# Fund Performance Overview

## iSHARES® INTERNATIONAL DEVELOPED PROPERTY ETF

Performance as of September 30, 2017

The iShares International Developed Property ETF (the “Fund”) seeks to track the investment results of an index composed of real estate equities in developed non-U.S. markets, as represented by the S&P Developed ex-U.S. Property Index™ (the “Index”). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2017, the total return for the Fund was 9.01%, net of fees, while the total return for the Index was 9.05%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	6.26%	5.83%	6.36%	6.26%	5.83%	6.36%
5 Years	6.82%	6.94%	6.87%	39.11%	39.84%	39.42%
10 Years	0.96%	0.94%	0.89%	10.02%	9.79%	9.29%

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 11 for more information.

### Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Annualized Expense Ratio
\$ 1,000.00	\$ 1,090.10	\$ 2.51	\$ 1,000.00	\$ 1,022.70	\$ 2.43	0.48%

<sup>a</sup> Expenses are calculated using the Fund’s annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See “Shareholder Expenses” on page 11 for more information.

### ALLOCATION BY SECTOR As of 9/30/17

Sector	Percentage of Total Investments*
Diversified Real Estate Activities	25.98%
Real Estate Operating Companies	19.02
Retail REITs	17.72
Diversified REITs	13.45
Office REITs	8.29
Industrial REITs	5.85
Real Estate Development	5.12
Residential REITs	2.14
Hotel & Resort REITs	0.94
Health Care REITs	0.85
Specialized REITs	0.64
<b>TOTAL</b>	<b>100.00%</b>

### TEN LARGEST COUNTRIES As of 9/30/17

Country	Percentage of Total Investments*
Japan	26.25%
Hong Kong	16.76
Australia	11.94
United Kingdom	8.56
Singapore	7.66
Germany	6.76
France	6.49
Canada	3.02
Sweden	2.53
Switzerland	1.79
<b>TOTAL</b>	<b>91.76%</b>

\* Excludes money market funds.

# Fund Performance Overview

## iSHARES® INTERNATIONAL DIVIDEND GROWTH ETF

Performance as of September 30, 2017

The iShares International Dividend Growth ETF (the "Fund") seeks to track the investment results of an index composed of international equities with a history of consistently growing dividends, as represented by the Morningstar® Global ex-US Dividend Growth Index<sup>SM</sup> (the "Index"). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2017, the total return for the Fund was 11.16%, net of fees, while the total return for the Index was 11.26%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	15.50%	16.44%	15.35%	15.50%	16.44%	15.35%
Since Inception	14.15%	14.57%	14.25%	19.96%	20.58%	20.04%

The inception date of the Fund was 5/17/16. The first day of secondary market trading was 5/19/16.

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 11 for more information.

### Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Annualized Expense Ratio
\$ 1,000.00	\$ 1,111.60	\$ 1.16	\$ 1,000.00	\$ 1,024.00	\$ 1.12	0.22%

<sup>a</sup> Expenses are calculated using the Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 11 for more information.

### ALLOCATION BY SECTOR As of 9/30/17

Sector	Percentage of Total Investments*
Financials	22.35%
Health Care	15.35
Consumer Staples	14.73
Consumer Discretionary	12.68
Industrials	11.13
Materials	7.24
Telecommunication Services	4.52
Information Technology	4.40
Utilities	3.37
Energy	2.27
Real Estate	1.96
<b>TOTAL</b>	<b>100.00%</b>

### TEN LARGEST COUNTRIES As of 9/30/17

Country	Percentage of Total Investments*
Canada	17.09%
United Kingdom	16.43
Switzerland	12.84
Japan	11.98
Germany	9.52
France	8.50
Netherlands	3.48
Hong Kong	3.35
Sweden	2.00
Denmark	1.91
<b>TOTAL</b>	<b>87.10%</b>

\* Excludes money market funds.

# Fund Performance Overview

## iSHARES® LATIN AMERICA 40 ETF

Performance as of September 30, 2017

The iShares Latin America 40 ETF (the "Fund") seeks to track the investment results of an index composed of 40 of the largest Latin American equities, as represented by the S&P Latin America 40™ (the "Index"). The Fund invests in a representative sample of securities included in the Index that collectively has an investment profile similar to the Index. Due to the use of representative sampling, the Fund may or may not hold all of the securities that are included in the Index. For the six-month reporting period ended September 30, 2017, the total return for the Fund was 12.22%, net of fees, while the total return for the Index was 12.48%.

	Average Annual Total Returns			Cumulative Total Returns		
	NAV	MARKET	INDEX	NAV	MARKET	INDEX
1 Year	27.96%	27.81%	28.62%	27.96%	27.81%	28.62%
5 Years	(1.45)%	(1.41)%	(0.96)%	(7.06)%	(6.87)%	(4.72)%
10 Years	(0.58)%	(0.59)%	(0.27)%	(5.70)%	(5.77)%	(2.64)%

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

Past performance is no guarantee of future results. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. See "About Fund Performance" on page 11 for more information.

### Shareholder Expenses

Actual			Hypothetical 5% Return			
Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Beginning Account Value (4/1/17)	Ending Account Value (9/30/17)	Expenses Paid During Period <sup>a</sup>	Annualized Expense Ratio
\$ 1,000.00	\$ 1,122.20	\$ 2.61	\$ 1,000.00	\$ 1,022.60	\$ 2.48	0.49%

<sup>a</sup> Expenses are calculated using the Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days) and divided by the number of days in the year (365 days). See "Shareholder Expenses" on page 11 for more information.

### ALLOCATION BY SECTOR As of 9/30/17

Sector	Percentage of Total Investments*
Financials	35.76%
Consumer Staples	15.99
Materials	15.20
Energy	11.69
Consumer Discretionary	6.82
Telecommunication Services	4.46
Industrials	4.27
Utilities	3.15
Information Technology	1.66
Real Estate	1.00
<b>TOTAL</b>	<b>100.00%</b>

### ALLOCATION BY COUNTRY As of 9/30/17

Country	Percentage of Total Investments*
Brazil	58.49%
Mexico	24.90
Chile	11.36
Peru	3.68
Colombia	1.57
<b>TOTAL</b>	<b>100.00%</b>

\* 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](http://www.ishares.com). Performance results assume reinvestment of all dividends and capital gain distributions and do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. The investment return and principal value of shares will vary with changes in market conditions. Shares may be worth more or less than their original cost when they are redeemed or sold in the market. Performance for certain funds may reflect a waiver of a portion of investment advisory fees. Without such a waiver, performance would have been lower.

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

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

## Shareholder Expenses

As a shareholder of a Fund, you incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of fund shares and (2) ongoing costs, including management fees and other fund expenses. The expense example, which is based on an investment of \$1,000 invested on April 1, 2017 and held through September 30, 2017, is intended to help you understand your ongoing costs (in dollars and cents) of investing in a Fund and to compare these costs with the ongoing costs of investing in other funds.

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

## iSHARES® ASIA 50 ETF

September 30, 2017

Security	Shares	Value
<b>COMMON STOCKS — 99.52%</b>		
<b>CHINA — 34.07%</b>		
Bank of China Ltd. Class H	20,174,000	\$ 9,944,038
China Construction Bank Corp. Class H	28,490,960	23,636,988
China Life Insurance Co. Ltd. Class H	1,925,000	5,730,120
China Mobile Ltd.	1,463,000	14,825,361
China Overseas Land & Investment Ltd.	1,078,000	3,505,601
China Petroleum & Chemical Corp. Class H	6,469,600	4,845,553
CNOOC Ltd.	4,277,000	5,519,628
Industrial & Commercial Bank of China Ltd. Class H	20,559,115	15,266,605
PetroChina Co. Ltd. Class H	5,544,000	3,513,488
Ping An Insurance Group Co. of China Ltd. Class H	1,347,500	10,342,559
Tencent Holdings Ltd.	1,455,300	62,641,231
		159,771,172
<b>HONG KONG — 17.85%</b>		
AIA Group Ltd.	3,187,800	23,508,428
CK Asset Holdings Ltd.	693,148	5,737,260
CK Hutchison Holdings Ltd.	731,648	9,353,202
CLP Holdings Ltd.	539,000	5,524,083
Galaxy Entertainment Group Ltd.	693,000	4,879,844
Hang Seng Bank Ltd.	192,500	4,692,537
Hong Kong & China Gas Co. Ltd.	2,156,548	4,053,174
Hong Kong Exchanges & Clearing Ltd.	300,300	8,073,924
Link REIT	577,500	4,680,214
Power Assets Holdings Ltd.	346,500	3,001,104
Sands China Ltd. <sup>a</sup>	646,800	3,366,206
Sun Hung Kai Properties Ltd.	419,000	6,807,469
		83,677,445
<b>SINGAPORE — 5.96%</b>		
DBS Group Holdings Ltd.	477,400	7,319,465
Oversea-Chinese Banking Corp. Ltd. <sup>a</sup>	1,047,274	8,606,781
Singapore Telecommunications Ltd.	2,079,000	5,634,022
United Overseas Bank Ltd.	369,600	6,396,112
		27,956,380

Security	Shares	Value
<b>SOUTH KOREA — 24.15%</b>		
Hyundai Mobis Co. Ltd.	18,326	\$ 3,840,084
Hyundai Motor Co.	39,655	5,210,702
KB Financial Group Inc.	106,645	5,223,542
Korea Electric Power Corp.	67,452	2,296,790
KT&G Corp.	32,879	3,028,537
LG Chem Ltd.	12,474	4,269,270
NAVER Corp.	7,700	5,008,513
POSCO	21,200	5,867,551
Samsung C&T Corp. <sup>a</sup>	24,640	2,904,265
Samsung Electronics Co. Ltd.	26,334	58,951,740
Shinhan Financial Group Co. Ltd.	125,433	5,508,604
SK Hynix Inc.	154,154	11,157,608
		113,267,206
<b>TAIWAN — 17.49%</b>		
Cathay Financial Holding Co. Ltd.	2,233,866	3,550,730
Chunghwa Telecom Co. Ltd.	1,001,551	3,451,460
CTBC Financial Holding Co. Ltd.	5,236,359	3,280,927
Formosa Chemicals & Fibre Corp.	1,078,804	3,280,099
Formosa Plastics Corp.	1,309,071	3,962,957
Fubon Financial Holding Co. Ltd.	1,925,000	3,002,655
Hon Hai Precision Industry Co. Ltd.	4,081,066	14,400,279
Largan Precision Co. Ltd.	26,000	4,569,977
MediaTek Inc.	395,112	3,706,944
Nan Ya Plastics Corp.	1,463,510	3,605,204
Taiwan Semiconductor Manufacturing Co. Ltd.	4,928,343	35,186,198
		81,997,430
<b>TOTAL COMMON STOCKS</b>		
<b>(Cost: \$340,303,730)</b>		466,669,633
<b>SHORT-TERM INVESTMENTS — 0.65%</b>		
<b>MONEY MARKET FUNDS — 0.65%</b>		
BlackRock Cash Funds: Institutional, SL Agency Shares 1.32% <sup>b,c,d</sup>	2,688,277	2,689,084
BlackRock Cash Funds: Treasury, SL Agency Shares 0.97% <sup>b,c</sup>	371,145	371,145
		3,060,229
<b>TOTAL SHORT-TERM INVESTMENTS</b>		
<b>(Cost: \$3,060,120)</b>		3,060,229

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® ASIA 50 ETF

September 30, 2017

	<i>Value</i>
<b>TOTAL INVESTMENTS</b>	
<b>IN SECURITIES — 100.17%</b>	
<b>(Cost: \$343,363,850)<sup>e</sup></b>	<b>\$ 469,729,862</b>
<b>Other Assets, Less Liabilities — (0.17)%</b>	<b>(785,924)</b>
<b>NET ASSETS — 100.00%</b>	<b>\$ 468,943,938</b>

- <sup>a</sup> All or a portion of this security represents a security on loan. See Note 1.  
<sup>b</sup> Affiliated issuer. See Schedule 1.  
<sup>c</sup> The rate quoted is the annualized seven-day yield of the fund at period end.  
<sup>d</sup> All or a portion of this security represents an investment of securities lending collateral. See Note 1.  
<sup>e</sup> The cost of investments (including short positions and derivatives, if any) for federal income tax purposes was \$350,515,670. Net unrealized appreciation was \$119,214,192, of which \$135,378,409 represented gross unrealized appreciation on investments and \$16,164,217 represented gross unrealized depreciation on investments.

### Schedule 1 — Affiliates (Note 2)

Investments in issuers considered to be affiliates of the Fund during the six months ended September 30, 2017, for purposes of Section 2(a)(3) of the 1940 Act, and/or related parties of the Fund were as follows:

<i>Affiliated issuer</i>	<i>Shares held at 03/31/17</i>	<i>Shares purchased</i>	<i>Shares sold</i>	<i>Shares held at 09/30/17</i>	<i>Value at 09/30/17</i>	<i>Net realized gain (loss)<sup>a</sup></i>	<i>Change in unrealized appreciation (depreciation)<sup>a</sup></i>	<i>Income</i>
BlackRock Cash Funds: Institutional, SL Agency Shares	9,258,697	—	(6,570,420) <sup>b</sup>	2,688,277	\$2,689,084	\$ 308	\$ (978)	\$ — <sup>c</sup>
BlackRock Cash Funds: Treasury, SL Agency Shares	90,364	280,781 <sup>b</sup>	—	371,145	371,145	—	—	2,289
					<u>\$3,060,229</u>	<u>\$ 308</u>	<u>\$ (978)</u>	<u>\$ 2,289</u>

<sup>a</sup> Includes realized capital gain distributions from an affiliated fund, if any.

<sup>b</sup> Net of shares purchased and sold.

<sup>c</sup> Does not include income earned on the investment of securities lending cash collateral which is not direct income of the Fund and is reflected as a component of securities lending income in the statement of operations.

### Schedule 2 — Fair Value Measurements

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

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2017. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Investments:				
Assets:				
Common stocks	\$466,669,633	\$ —	\$ —	\$466,669,633
Money market funds	3,060,229	—	—	3,060,229
Total	<u>\$469,729,862</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$469,729,862</u>

See notes to financial statements.

## Schedule of Investments (Unaudited)

## iSHARES® EMERGING MARKETS INFRASTRUCTURE ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
<b>COMMON STOCKS — 99.18%</b>			Grupo Aeroportuario del Sureste SAB de CV Series B ADR		
<b>BRAZIL — 21.94%</b>				10,382	\$ 1,981,093
CCR SA	640,900	\$ 3,588,302			4,886,808
Cia. de Saneamento Basico do Estado de Sao Paulo ADR	115,768	1,210,933	<b>RUSSIA — 4.20%</b>		
CPFL Energia SA ADR	72,442	1,243,105	Novatek PJSC GDR <sup>c</sup>	8,381	983,091
Ultrapar Participacoes SA ADR	196,794	4,687,633	RusHydro PJSC ADR	491,492	705,291
		10,729,973	TMK PJSC GDR <sup>c</sup>	76,821	366,820
<b>CHILE — 5.97%</b>					2,055,202
Enel Americas SA ADR	190,240	1,944,253	<b>SOUTH KOREA — 5.98%</b>		
Enel Generacion Chile SA ADR	37,033	976,190	Korea Electric Power Corp. ADR	174,464	2,924,017
		2,920,443			2,924,017
<b>CHINA — 35.82%</b>			<b>THAILAND — 7.91%</b>		
Beijing Capital International Airport Co. Ltd. Class H	754,000	1,123,659	Airports of Thailand PCL NVDR	2,186,600	3,868,348
Beijing Enterprises Water Group Ltd.	1,682,000	1,354,524			3,868,348
CGN Power Co. Ltd. Class H <sup>a</sup>	3,219,000	890,194	<b>TOTAL COMMON STOCKS</b>		
China Gas Holdings Ltd.	754,000	2,258,901	(Cost: \$38,969,362)		48,502,201
China Merchants Port Holdings Co. Ltd.	616,000	1,900,675	<b>SHORT-TERM INVESTMENTS — 0.93%</b>		
China Oilfield Services Ltd. Class H	696,000	637,126	<b>MONEY MARKET FUNDS — 0.93%</b>		
China Resources Gas Group Ltd.	290,000	1,009,897	BlackRock Cash Funds: Institutional, SL Agency Shares		
China Resources Power Holdings Co. Ltd.	580,000	1,047,025	1.32% <sup>d,e,f</sup>	422,629	422,756
COSCO SHIPPING Ports Ltd.	870,000	967,941	BlackRock Cash Funds: Treasury, SL Agency Shares		
Guangdong Investment Ltd.	928,000	1,323,559	0.97% <sup>d,e</sup>	32,260	32,260
Jiangsu Expressway Co. Ltd. Class H	638,000	976,927			455,016
Kunlun Energy Co. Ltd.	1,508,000	1,473,113	<b>TOTAL SHORT-TERM INVESTMENTS</b>		
Shenzhen Expressway Co. Ltd. Class H	348,000	337,721	(Cost: \$454,945)		455,016
Shenzhen International Holdings Ltd.	493,499	927,518			
Sinopec Kantons Holdings Ltd.	522,000	351,533			
Zhejiang Expressway Co. Ltd. Class H	754,000	937,347			
		17,517,660			
<b>MALAYSIA — 7.36%</b>					
Sapura Energy Bhd <sup>b</sup>	1,093,300	393,562			
Tenaga Nasional Bhd	945,400	3,206,188			
		3,599,750			
<b>MEXICO — 10.00%</b>					
Grupo Aeroportuario del Centro Norte SAB de CV ADR	21,518	955,184			
Grupo Aeroportuario del Pacifico SAB de CV ADR	19,024	1,950,531			



# Schedule of Investments (Unaudited) (Continued)

## iSHARES® EMERGING MARKETS INFRASTRUCTURE ETF

September 30, 2017

	<i>Value</i>
<b>TOTAL INVESTMENTS</b>	
<b>IN SECURITIES — 100.11%</b>	
<b>(Cost: \$39,424,307)<sup>g</sup></b>	\$48,957,217
<b>Other Assets, Less Liabilities — (0.11)%</b>	(52,991)
<b>NET ASSETS — 100.00%</b>	<u>\$48,904,226</u>

ADR — American Depositary Receipts  
GDR — Global Depositary Receipts  
NVDR — Non-Voting Depositary Receipts

<sup>a</sup> This security may be resold to qualified institutional buyers under Rule 144A of the Securities Act of 1933.

<sup>b</sup> All or a portion of this security represents a security on loan. See Note 1.

<sup>c</sup> This security may be resold to qualified foreign investors and foreign institutional buyers under Regulation S of the Securities Act of 1933.

<sup>d</sup> Affiliated issuer. See Schedule 1.

<sup>e</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

<sup>f</sup> All or a portion of this security represents an investment of securities lending collateral. See Note 1.

<sup>g</sup> The cost of investments (including short positions and derivatives, if any) for federal income tax purposes was \$39,990,393. Net unrealized appreciation was \$8,966,824, of which \$12,579,026 represented gross unrealized appreciation on investments and \$3,612,202 represented gross unrealized depreciation on investments.

### Schedule 1 — Affiliates (Note 2)

Investments in issuers considered to be affiliates of the Fund during the six months ended September 30, 2017, for purposes of Section 2(a)(3) of the 1940 Act, and/or related parties of the Fund were as follows:

<i>Affiliated issuer</i>	<i>Shares held at 03/31/17</i>	<i>Shares purchased</i>	<i>Shares sold</i>	<i>Shares held at 09/30/17</i>	<i>Value at 09/30/17</i>	<i>Net realized gain (loss) <sup>a</sup></i>	<i>Change in unrealized appreciation (depreciation)</i>	<i>Income</i>
BlackRock Cash Funds: Institutional, SL Agency Shares	2,043,400	—	(1,620,771) <sup>b</sup>	422,629	\$422,756	\$ 240	\$ (567)	\$ — <sup>c</sup>
BlackRock Cash Funds: Treasury, SL Agency Shares	26,573	5,687 <sup>b</sup>	—	32,260	32,260	—	—	254
					<u>\$455,016</u>	<u>\$ 240</u>	<u>\$ (567)</u>	<u>\$ 254</u>

<sup>a</sup> Includes realized capital gain distributions from an affiliated fund, if any.

<sup>b</sup> Net of shares purchased and sold.

<sup>c</sup> Does not include income earned on the investment of securities lending cash collateral which is not direct income of the Fund and is reflected as a component of securities lending income in the statement of operations.

### Schedule 2 — Fair Value Measurements

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

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2017. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Investments:				
Assets:				
Common stocks	\$48,502,201	\$ —	\$ —	\$48,502,201
Money market funds	455,016	—	—	455,016
Total	<u>\$48,957,217</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$48,957,217</u>

See notes to financial statements.



# Schedule of Investments (Unaudited)

## iSHARES® EUROPE ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
<b>COMMON STOCKS — 98.57%</b>			Wartsila OYJ Abp	54,048	\$ 3,827,341
					47,327,085
<b>AUSTRIA — 0.32%</b>			<b>FRANCE — 15.63%</b>		
Erste Group Bank AG	119,544	\$ 5,164,716	Accor SA	65,754	3,267,563
OMV AG	51,157	2,980,950	Air Liquide SA	138,277	18,447,701
Voestalpine AG	39,422	2,010,758	Airbus SE	213,584	20,303,434
		10,156,424	Alstom SA	55,410	2,353,946
<b>BELGIUM — 2.23%</b>			Arkema SA	25,828	3,167,886
Ageas	70,867	3,331,050	Atos SE	32,785	5,087,041
Anheuser-Busch InBev SA/NV	352,958	42,269,120	AXA SA	689,067	20,845,987
Colruyt SA	21,692	1,111,294	BNP Paribas SA	404,173	32,610,742
Groupe Bruxelles Lambert SA	28,630	3,012,327	Bouygues SA	72,612	3,446,551
KBC Group NV	120,604	10,222,841	Capgemini SE	56,726	6,649,813
Proximus SADP	52,974	1,825,856	Carrefour SA	203,802	4,118,777
Solvay SA	26,062	3,894,445	Casino Guichard Perrachon SA	18,997	1,126,955
UCB SA	45,767	3,258,787	Christian Dior SE	3,966	1,270,377
Umicore SA	34,010	2,814,060	Cie. de Saint-Gobain	196,572	11,716,968
		71,739,780	Cie. Generale des Etablissements		
<b>DENMARK — 2.84%</b>			Michelin Class B	64,153	9,366,442
AP Moller – Maersk A/S Class A	1,135	2,086,158	Credit Agricole SA	436,450	7,935,633
AP Moller – Maersk A/S Class B	2,325	4,417,456	Danone SA	223,763	17,557,021
Carlsberg A/S Class B	37,471	4,101,404	Dassault Systemes SE	48,150	4,872,031
Chr Hansen Holding A/S	34,279	2,940,627	Edenred	76,027	2,067,219
Coloplast A/S Class B	40,968	3,325,705	Electricite de France SA	125,647	1,526,246
Danske Bank A/S	259,638	10,385,850	Engie SA	575,423	9,775,404
DONG Energy A/S <sup>a</sup>	74,396	4,259,439	Essilor International SA	71,366	8,837,636
DSV A/S	67,397	5,099,636	Hermes International	10,498	5,293,797
Genmab A/S <sup>b</sup>	21,761	4,805,203	Kering	26,425	10,529,313
ISS A/S	65,640	2,640,282	Klepierre SA	73,953	2,903,457
Novo Nordisk A/S Class B	639,643	30,585,967	L'Oreal SA	87,475	18,603,979
Novozymes A/S Class B	79,648	4,088,179	Lagardere SCA	42,171	1,412,130
Pandora A/S	39,871	3,936,555	Legrand SA	93,758	6,770,147
TDC A/S	287,022	1,682,062	LVMH Moet Hennessy Louis		
Vestas Wind Systems A/S	76,470	6,863,689	Vuitton SE	95,559	26,372,798
		91,218,212	Orange SA	766,058	12,552,077
<b>FINLAND — 1.47%</b>			Pernod Ricard SA	74,917	10,366,748
Fortum OYJ	155,044	3,095,817	Peugeot SA	190,348	4,534,340
Kone OYJ Class B	142,060	7,523,857	Publicis Groupe SA	73,804	5,155,664
Metso OYJ	44,941	1,649,131	Renault SA	68,383	6,718,807
Nokia OYJ	2,067,441	12,416,168	Safran SA	115,954	11,849,260
Nokian Renkaat OYJ	41,223	1,833,853	Sanofi	406,596	40,381,720
Sampo OYJ Class A	170,589	9,018,692	Schneider Electric SE	198,517	17,279,980
Stora Enso OYJ Class R	201,815	2,851,098	SES SA	135,699	2,969,435
UPM-Kymmene OYJ	188,548	5,111,128	Societe Generale SA	267,333	15,655,086
			Sodexo SA	32,510	4,054,713

## Schedule of Investments (Unaudited) (Continued)

## iSHARES® EUROPE ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
STMicroelectronics NV	74,591	\$ 1,443,530	Osram Licht AG	28,292	\$ 2,257,992
STMicroelectronics NV New	161,276	3,117,297	ProSiebenSat.1 Media		
Suez	141,858	2,590,195	SE Registered	82,973	2,828,443
Thales SA	36,867	4,174,489	QIAGEN NV <sup>c</sup>	82,024	2,582,277
TOTAL SA	883,480	47,465,008	RWE AG <sup>b</sup>	175,385	3,985,076
Unibail-Rodamco SE	35,360	8,600,879	SAP SE	351,643	38,532,358
Valeo SA	84,797	6,293,504	Siemens AG Registered	300,640	42,365,638
Veolia Environnement SA	195,527	4,519,020	Symrise AG	43,524	3,306,952
Vinci SA	182,790	17,373,976	thyssenkrupp AG	125,241	3,712,600
Vivendi SA	270,380	6,846,755	Volkswagen AG	11,376	1,926,526
		502,179,477	Vonovia SE	170,750	7,266,980
			Wirecard AG <sup>c</sup>	40,877	3,740,820
<b>GERMANY — 13.89%</b>					446,206,172
adidas AG	64,538	14,603,205	<b>IRELAND — 0.90%</b>		
Allianz SE Registered	159,233	35,757,167	Bank of Ireland Group PLC <sup>b</sup>	331,342	2,714,566
BASF SE	325,273	34,623,760	CRH PLC	295,858	11,288,606
Bayer AG Registered	292,970	39,934,034	Irish Bank Resolution Corp. Ltd. <sup>b,d</sup>	211,770	3
Bayerische Motoren Werke AG	114,730	11,641,444	Kerry Group PLC Class A	53,427	5,134,387
Beiersdorf AG	34,938	3,759,874	Paddy Power Betfair PLC	29,665	2,960,605
Brenntag AG	54,973	3,061,959	Ryanair Holdings PLC ADR <sup>b</sup>	39,786	4,194,240
Commerzbank AG <sup>b</sup>	373,846	5,086,966	Smurfit Kappa Group PLC	82,489	2,584,239
Continental AG	38,242	9,708,776			28,876,646
Daimler AG Registered	352,444	28,111,988	<b>ITALY — 3.89%</b>		
Deutsche Bank AG Registered	732,734	12,673,057	Assicurazioni Generali SpA	481,498	8,971,012
Deutsche Boerse AG	68,394	7,415,244	Atlantia SpA	166,956	5,271,894
Deutsche Lufthansa			Banco BPM SpA <sup>b,c</sup>	540,007	2,239,493
AG Registered	82,584	2,295,299	CNH Industrial NV	353,760	4,249,063
Deutsche Post AG Registered	339,533	15,118,569	Enel SpA	2,749,323	16,560,013
Deutsche Telekom AG Registered	1,146,937	21,403,011	Eni SpA	912,921	15,109,565
Deutsche Wohnen SE Bearer	125,859	5,344,552	Ferrari NV	44,721	4,943,264
E.ON SE	780,996	8,841,454	Fiat Chrysler Automobiles NV <sup>b</sup>	385,377	6,906,782
Fresenius Medical Care AG &			Intesa Sanpaolo SpA	5,097,866	18,031,869
Co. KGaA	75,250	7,363,261	Italgas SpA	180,810	1,015,329
Fresenius SE & Co. KGaA	144,655	11,671,504	Leonardo SpA	118,829	2,226,601
GEA Group AG	62,501	2,843,974	Luxottica Group SpA	49,981	2,794,248
HeidelbergCement AG	47,250	4,858,050	Mediobanca SpA	211,108	2,266,111
Infineon Technologies AG	399,850	10,054,381	Prysmian SpA	74,688	2,523,503
K+S AG Registered <sup>c</sup>	68,633	1,870,228	Saipem SpA <sup>b,c</sup>	206,485	890,500
Lanxess AG	32,677	2,578,988	Snam SpA	822,912	3,965,321
Linde AG	65,825	13,731,035	Telecom Italia SpA/Milano <sup>b</sup>	4,061,205	3,804,915
MAN SE	12,066	1,362,109	Tenaris SA	167,944	2,382,520
Merck KGaA	45,881	5,105,115	Terna Rete Elettrica		
METRO AG <sup>b</sup>	57,981	1,225,929	Nazionale SpA	498,886	2,914,706
Muenchener Rueckversicherungs-			UniCredit SpA <sup>b</sup>	747,700	15,928,427
Gesellschaft AG in			Unione di Banche Italiane SpA <sup>c</sup>	367,387	1,904,948
Muenchen Registered	54,501	11,655,577			124,900,084

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® EUROPE ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
<b>NETHERLANDS — 5.51%</b>			Banco de Sabadell SA	1,990,338	\$ 4,155,356
ABN AMRO Group NV <sup>a</sup>	146,334	\$ 4,383,718	Banco Santander SA	5,694,721	39,767,671
Aegon NV	493,520	2,875,188	Bankia SA	346,722	1,672,370
Akzo Nobel NV	89,318	8,248,822	CaixaBank SA	1,279,892	6,415,491
Altice NV Class A <sup>b</sup>	148,264	2,970,079	Distribuidora Internacional de		
Altice NV Class B <sup>b</sup>	34,453	688,342	Alimentacion SA	225,416	1,315,112
ArcelorMittal <sup>b</sup>	222,905	5,751,284	Enagas SA	70,279	1,979,471
ASML Holding NV	152,877	26,034,314	Endesa SA	113,210	2,552,937
Gemalto NV	30,282	1,353,037	Ferrovial SA	180,340	3,970,810
Heineken Holding NV	40,813	3,835,804	Gas Natural SDG SA	128,213	2,838,968
Heineken NV	75,398	7,456,182	Grifols SA	102,099	2,975,289
ING Groep NV	1,367,722	25,223,954	Iberdrola SA	2,123,879	16,501,296
Koninklijke Ahold Delhaize NV	453,321	8,478,188	Industria de Diseno Textil SA	398,168	15,008,715
Koninklijke DSM NV	64,302	5,264,992	International Consolidated Airlines		
Koninklijke KPN NV	1,517,157	5,210,356	Group SA	303,898	2,419,846
Koninklijke Philips NV	331,732	13,698,616	Red Electrica Corp. SA	133,338	2,802,699
NN Group NV	108,134	4,526,671	Repsol SA	443,948	8,182,178
Randstad Holding NV	44,260	2,738,646	Telefonica SA	1,575,675	17,122,509
RELX NV	360,783	7,681,579			175,379,902
Unilever NV CVA	607,598	35,943,831	<b>SWEDEN — 4.62%</b>		
Wolters Kluwer NV	102,053	4,716,694	Alfa Laval AB	103,489	2,521,818
		177,080,297	Assa Abloy AB Class B	351,544	8,010,828
<b>NORWAY — 1.03%</b>			Atlas Copco AB Class A	226,628	9,576,163
DNB ASA	329,204	6,637,594	Atlas Copco AB Class B	137,841	5,333,046
Marine Harvest ASA	146,010	2,888,908	Boliden AB	97,360	3,288,532
Norsk Hydro ASA	483,807	3,519,016	Electrolux AB Class B	82,811	2,806,241
Orkla ASA	290,424	2,980,747	Essity AB Class B <sup>b</sup>	215,629	5,854,121
Statoil ASA	383,942	7,683,374	Hennes & Mauritz AB Class B	320,399	8,282,442
Subsea 7 SA	92,638	1,521,021	Hexagon AB Class B	92,524	4,576,126
Telenor ASA	244,130	5,164,566	Industrivarden AB Class A	60,597	1,613,970
Yara International ASA	62,339	2,793,403	Industrivarden AB Class C	59,489	1,503,560
		33,188,629	Investor AB Class B	160,770	7,923,915
<b>PORTUGAL — 0.18%</b>			Kinnevik AB Class B	83,416	2,714,327
EDP – Energias de Portugal SA	864,638	3,255,626	Millicom International Cellular		
Galp Energia SGPS SA	142,571	2,527,367	SA SDR	22,294	1,468,085
		5,782,993	Nordea Bank AB	1,130,641	15,292,504
<b>SPAIN — 5.46%</b>			Sandvik AB	392,139	6,749,959
Abertis Infraestructuras SA	263,969	5,336,294	Securitas AB Class B	112,011	1,871,802
Acciona SA	9,398	756,057	Skandinaviska Enskilda Banken		
ACS Actividades de Construcción			AB Class A	608,218	7,995,466
y Servicios SA	95,861	3,553,362	Skanska AB Class B	142,425	3,292,630
Aena SME SA <sup>a</sup>	26,181	4,727,790	SKF AB Class B	133,549	2,904,182
Amadeus IT Group SA	156,297	10,160,734	Svenska Cellulosa AB		
Banco Bilbao Vizcaya			SCA Class B	216,689	1,831,769
Argentaria SA	2,367,812	21,164,947			

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® EUROPE ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
Svenska Handelsbanken			Swiss Re AG	113,826	\$ 10,316,805
AB Class A	536,751	\$ 8,081,827	Swisscom AG Registered	8,961	4,595,337
Swedbank AB Class A	365,157	10,074,716	UBS Group AG	1,357,179	23,213,427
Swedish Match AB	64,757	2,266,636	Zurich Insurance Group AG	53,261	16,260,128
Tele2 AB Class B	124,639	1,423,163			423,231,936
Telefonaktiebolaget LM			<b>UNITED KINGDOM — 27.43%</b>		
Ericsson Class B	1,078,226	6,178,200	3i Group PLC	345,932	4,237,412
Telia Co. AB	962,692	4,524,293	Aggreko PLC	89,120	1,122,742
Volvo AB Class B	553,080	10,638,304	Amec Foster Wheeler PLC	140,430	959,938
		148,598,625	Anglo American PLC	499,409	8,975,078
<b>SWITZERLAND — 13.17%</b>			Antofagasta PLC	125,349	1,595,976
ABB Ltd. Registered	684,603	16,938,193	Ashtead Group PLC	178,539	4,309,267
Adecco Group AG Registered	60,640	4,725,358	Associated British Foods PLC	127,042	5,442,337
Baloise Holding AG Registered	17,493	2,769,665	AstraZeneca PLC	448,693	29,828,548
Chocoladefabriken Lindt & Spruengli AG			Aviva PLC	1,441,998	9,953,807
Participation Certificates	372	2,124,122	Babcock International Group PLC	179,584	1,993,769
Chocoladefabriken Lindt & Spruengli AG Registered	39	2,706,542	BAE Systems PLC	1,141,297	9,669,660
Cie. Financiere Richemont SA			Barclays PLC	5,634,224	14,615,627
Class A Registered	184,753	16,898,140	Barratt Developments PLC	355,936	2,934,492
Clariant AG Registered	101,922	2,443,769	BHP Billiton PLC	750,633	13,238,153
Credit Suisse Group			BP PLC	6,995,859	44,799,343
AG Registered	857,633	13,587,757	British American Tobacco PLC	811,643	50,875,307
Geberit AG Registered	13,168	6,234,251	British Land Co. PLC (The)	363,488	2,935,795
Givaudan SA Registered	2,810	6,118,923	BT Group PLC	2,943,533	11,211,751
Julius Baer Group Ltd.	79,483	4,706,879	Bunzl PLC	119,760	3,642,524
Kuehne + Nagel International			Burberry Group PLC	156,725	3,700,753
AG Registered	19,945	3,695,885	Capita PLC	240,809	1,825,410
LafargeHolcim Ltd. Registered	169,759	9,930,094	Carnival PLC	76,995	4,899,534
Lonza Group AG Registered	26,401	6,930,399	Centrica PLC	1,951,313	4,895,620
Nestle SA Registered	1,102,067	92,370,436	Cobham PLC	895,693	1,750,886
Novartis AG Registered	930,389	79,711,914	Compass Group PLC	566,712	12,036,008
Partners Group Holding AG	6,609	4,487,508	Daily Mail & General Trust		
Roche Holding AG	248,800	63,562,795	PLC Class A NVS	100,839	877,360
Schindler Holding AG			DCC PLC	31,519	3,063,726
Participation Certificates	14,485	3,202,089	Diageo PLC	889,198	29,264,101
Schindler Holding AG Registered	7,053	1,518,334	Direct Line Insurance Group PLC	480,536	2,344,169
SGS SA Registered	1,872	4,494,270	easyJet PLC	92,835	1,515,799
Sika AG Bearer	762	5,674,049	Experian PLC	333,744	6,712,036
Sonova Holding AG Registered	19,558	3,320,979	Ferguson PLC	90,254	5,928,530
Swatch Group AG (The) Bearer	10,908	4,540,866	G4S PLC	549,693	2,052,450
Swatch Group AG			GKN PLC	615,287	2,856,229
(The) Registered	26,383	2,103,605	GlaxoSmithKline PLC	1,733,707	34,622,921
Swiss Life Holding AG Registered	11,487	4,049,417	Glencore PLC	4,255,436	19,525,822
			Hammerson PLC	282,542	2,035,619
			Hays PLC	486,223	1,235,534

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® EUROPE ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
HSBC Holdings PLC	7,243,817	\$ 71,636,283	Standard Chartered PLC <sup>b</sup>	976,603	\$ 9,716,882
IMI PLC	96,807	1,614,422	Standard Life Aberdeen PLC	959,632	5,581,269
Imperial Brands PLC	342,438	14,628,311	Tate & Lyle PLC	162,262	1,411,777
InterContinental Hotels Group PLC	70,353	3,726,481	Taylor Wimpey PLC	1,171,197	3,071,962
Intertek Group PLC	57,059	3,813,880	Tesco PLC <sup>b</sup>	2,909,354	7,305,090
ITV PLC	1,285,193	3,012,315	Travis Perkins PLC	87,332	1,696,607
J Sainsbury PLC	599,624	1,913,871	Tullow Oil PLC <sup>b,c</sup>	484,618	1,209,999
Johnson Matthey PLC	70,205	3,221,316	UBM PLC	140,855	1,289,775
Kingfisher PLC	783,271	3,136,863	Unilever PLC	464,120	26,893,830
Land Securities Group PLC	266,715	3,479,976	United Utilities Group PLC	244,816	2,806,668
Legal & General Group PLC	2,094,518	7,303,475	Vodafone Group PLC	9,415,916	26,377,415
Lloyds Banking Group PLC	25,335,136	23,022,023	Weir Group PLC (The)	76,121	2,006,810
London Stock Exchange Group PLC	112,573	5,784,585	Whitbread PLC	64,752	3,271,694
Man Group PLC	604,968	1,362,769	William Hill PLC	307,823	1,042,388
Marks & Spencer Group PLC	576,053	2,731,292	Wm Morrison Supermarkets PLC	812,542	2,552,034
Mondi PLC	130,563	3,512,155	WPP PLC	471,608	8,763,349
National Grid PLC	1,286,211	15,955,311			<u>881,268,398</u>
Next PLC	52,467	3,702,637	<b>TOTAL COMMON STOCKS</b>		
Old Mutual PLC	1,758,163	4,580,865	(Cost: \$3,196,232,202)		3,167,134,660
Pearson PLC	290,911	2,388,640	<b>PREFERRED STOCKS — 0.85%</b>		
Persimmon PLC	109,598	3,796,628	<b>GERMANY — 0.76%</b>		
Prudential PLC	918,217	22,008,351	Bayerische Motoren Werke AG,		
Randgold Resources Ltd.	32,934	3,232,198	Preference Shares	19,176	1,708,854
Reckitt Benckiser Group PLC	238,215	21,774,423	Henkel AG & Co. KGaA,		
RELX PLC	378,181	8,305,916	Preference Shares	63,259	8,611,464
Rentokil Initial PLC	659,647	2,660,356	Porsche Automobil Holding SE,		
Rio Tinto PLC	424,638	19,786,218	Preference Shares	54,525	3,487,255
Rolls-Royce Holdings PLC	654,511	7,788,965	Volkswagen AG,		
Royal Bank of Scotland Group PLC <sup>b</sup>	1,174,231	4,226,816	Preference Shares	65,124	<u>10,624,558</u>
Royal Dutch Shell PLC					24,432,131
Class A ADR	1,588,556	47,921,961	<b>ITALY — 0.09%</b>		
Royal Dutch Shell PLC Class B	1,327,468	40,864,979	Intesa Sanpaolo SpA,		
RSA Insurance Group PLC	360,720	3,015,070	Preference Shares	329,280	1,089,969
Sage Group PLC (The)	383,138	3,590,549	Telecom Italia SpA/Milano,		
Schroders PLC	41,252	1,856,849	Preference Shares	2,132,764	<u>1,603,580</u>
Segro PLC	352,472	2,534,712			<u>2,693,549</u>
Severn Trent PLC	83,958	2,447,716	<b>TOTAL PREFERRED STOCKS</b>		
Shire PLC	322,325	16,381,102	(Cost: \$31,398,180)		27,125,680
Sky PLC	374,814	4,601,252	<b>SHORT-TERM INVESTMENTS — 0.36%</b>		
Smith & Nephew PLC	319,780	5,783,362	<b>MONEY MARKET FUNDS — 0.36%</b>		
Smiths Group PLC	139,679	2,955,303	BlackRock Cash Funds: Institutional,		
SSE PLC	358,890	6,726,620	SL Agency Shares		
			1.32% <sup>e,f,g</sup>	11,612,817	11,616,300



# Schedule of Investments (Unaudited) (Continued)

## iSHARES® EUROPE ETF

September 30, 2017

<i>Security</i>	<i>Shares</i>	<i>Value</i>
BlackRock Cash Funds: Treasury, SL Agency Shares 0.97% <sup>e,f</sup>	58,092	\$ 58,092
		<u>11,674,392</u>
<b>TOTAL SHORT-TERM INVESTMENTS</b> <b>(Cost: \$11,673,300)</b>		<u>11,674,392</u>
<b>TOTAL INVESTMENTS</b> <b>IN SECURITIES — 99.78%</b> <b>(Cost: \$3,239,303,682)<sup>h</sup></b>	3,205,934,732	
<b>Other Assets, Less Liabilities — 0.22%</b>		<u>7,229,102</u>
<b>NET ASSETS — 100.00%</b>		<u>\$3,213,163,834</u>

ADR – American Depositary Receipts  
NVS – Non-Voting Shares  
SDR – Swedish Depositary Receipts

- <sup>a</sup> This security may be resold to qualified institutional buyers under Rule 144A of the Securities Act of 1933.  
<sup>b</sup> Non-income earning security.  
<sup>c</sup> All or a portion of this security represents a security on loan. See Note 1.  
<sup>d</sup> Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.  
<sup>e</sup> Affiliated issuer. See Schedule 1.  
<sup>f</sup> The rate quoted is the annualized seven-day yield of the fund at period end.  
<sup>g</sup> All or a portion of this security represents an investment of securities lending collateral. See Note 1.  
<sup>h</sup> The cost of investments (including short positions and derivatives, if any) for federal income tax purposes was \$3,298,950,836. Net unrealized depreciation was \$92,740,345, of which \$314,579,391 represented gross unrealized appreciation on investments and \$407,319,736 represented gross unrealized depreciation on investments.

### Schedule 1 — Affiliates (Note 2)

Investments in issuers considered to be affiliates of the Fund during the six months ended September 30, 2017, for purposes of Section 2(a)(3) of the 1940 Act, and/or related parties of the Fund were as follows:

<i>Affiliated issuer</i>	<i>Shares held at 03/31/17</i>	<i>Shares purchased</i>	<i>Shares sold</i>	<i>Shares held at 09/30/17</i>	<i>Value at 09/30/17</i>	<i>Net realized gain (loss)<sup>a</sup></i>	<i>Change in unrealized appreciation (depreciation)<sup>a</sup></i>	<i>Income</i>
BlackRock Cash Funds: Institutional, SL Agency Shares	19,652,287	—	(8,039,470) <sup>b</sup>	11,612,817	\$11,616,300	\$ 1,202	\$ (2,315)	\$ — <sup>c</sup>
BlackRock Cash Funds: Treasury, SL Agency Shares	918,036	—	(859,944) <sup>b</sup>	58,092	<u>58,092</u>	<u>—</u>	<u>—</u>	<u>15,068</u>
					<u>\$11,674,392</u>	<u>\$ 1,202</u>	<u>\$ (2,315)</u>	<u>\$15,068</u>

<sup>a</sup> Includes realized capital gain distributions from an affiliated fund, if any.

<sup>b</sup> Net of shares purchased and sold.

<sup>c</sup> Does not include income earned on the investment of securities lending cash collateral which is not direct income of the Fund and is reflected as a component of securities lending income in the statement of operations.

### Schedule 2 — Futures Contracts (Note 5)

Futures contracts outstanding as of September 30, 2017 were as follows:

<i>Description</i>	<i>Number of contracts</i>	<i>Expiration date</i>	<i>Notional amount (000)</i>	<i>Value / unrealized appreciation (depreciation)</i>
Long Contracts:				
Euro STOXX 50	268	Dec 2017	\$11,330	\$ 186,993
FTSE 100 Index	74	Dec 2017	7,277	<u>88,766</u>
Total				<u>\$ 275,759</u>

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® EUROPE ETF

September 30, 2017

### Schedule 3 — Fair Value Measurements

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

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2017. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	Level 1	Level 2	Level 3	Total
Investments:				
Assets:				
Common stocks	\$3,167,134,657	\$ —	\$ 3	\$3,167,134,660
Preferred stocks	27,125,680	—	—	27,125,680
Money market funds	11,674,392	—	—	11,674,392
Total	<u>\$3,205,934,729</u>	<u>\$ —</u>	<u>\$ 3</u>	<u>\$3,205,934,732</u>
Derivative financial instruments <sup>a</sup> :				
Assets:				
Futures contracts	\$ 275,759	\$ —	\$ —	\$ 275,759
Total	<u>\$ 275,759</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 275,759</u>

<sup>a</sup> Shown at the unrealized appreciation (depreciation) on the contracts.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® INTERNATIONAL DEVELOPED PROPERTY ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
<b>COMMON STOCKS — 99.38%</b>			<b>BELGIUM — 1.01%</b>		
<b>AUSTRALIA — 11.86%</b>			Aedifica SA	2,988 \$	281,957
Abacus Property Group	48,714	\$ 144,486	Befimmo SA	3,730	235,340
Arena REIT	40,284	72,700	Cofinimmo SA	3,298	423,615
Astro Japan Property Group	9,504	53,916	Intervest Offices & Warehouses NV	2,268	59,523
Aveo Group	69,336	130,027	Retail Estates NV	1,008	87,718
BGP Holdings PLC <sup>a,b</sup>	1,986,852	23	Warehouses De Pauw CVA	2,595	292,976
BWP Trust	78,017	180,587			1,381,129
Cedar Woods Properties Ltd.	9,324	41,409	<b>BRITISH VIRGIN ISLANDS — 0.07%</b>		
Charter Hall Group	75,930	319,936	MAS Real Estate Inc.	45,108	96,246
Charter Hall Long Wale REIT <sup>c</sup>	28,134	93,158			96,246
Charter Hall Retail REIT	54,598	169,219	<b>CANADA — 3.00%</b>		
Cromwell Property Group	207,306	155,343	Agellan Commercial Real Estate		
Dexus	164,539	1,226,502	Investment Trust	2,736	26,580
Folkestone Education Trust	36,072	77,553	Allied Properties REIT	7,175	228,563
Gateway Lifestyle	48,892	75,192	Artis REIT	11,729	123,981
GDI Property Group	82,650	73,282	Boardwalk REIT	3,779	114,852
Goodman Group	259,000	1,674,568	Canadian Apartment		
GPT Group (The)	292,088	1,136,766	Properties REIT	10,909	294,215
Growthpoint Properties			Canadian REIT	6,070	223,891
Australia Ltd.	41,027	102,048	Choice Properties REIT	8,100	86,074
Hotel Property Investments	24,336	60,341	Cominar REIT	15,068	163,493
Industria REIT <sup>c</sup>	20,340	40,059	Crombie REIT	7,452	81,214
Ingenia Communities Group	32,162	66,623	CT REIT	4,847	53,832
Investa Office Fund	81,343	287,216	Dream Global REIT	12,159	107,041
LendLease Group	95,102	1,337,222	Dream Industrial REIT	5,256	38,244
Mirvac Group	602,328	1,082,292	Dream Office REIT	6,811	114,529
New South Resources Ltd. <sup>b</sup>	80,640	94,595	Dream Unlimited Corp. Class A <sup>b</sup>	10,764	62,140
Propertylink Group	83,916	61,236	First Capital Realty Inc.	26,126	411,114
Rural Funds Group	33,508	56,791	Granite REIT	3,802	152,214
Scentre Group	870,073	2,683,021	H&R REIT	23,093	397,732
Servcorp Ltd.	7,308	31,997	InterRent REIT	6,264	40,319
Shopping Centres Australasia			Killam Apartment REIT	5,904	62,267
Property Group	117,150	210,501	Morguard North American REIT	2,844	35,475
Stockland	393,162	1,326,526	Morguard REIT	4,499	51,190
Vicinity Centres	534,023	1,114,596	Northview Apartment Real Estate		
Villa World Ltd.	18,360	35,583	Investment Trust	3,852	69,115
Viva Energy REIT	69,709	115,411	NorthWest Healthcare		
Westfield Corp.	312,251	1,920,860	Properties REIT	6,048	54,791
		16,251,585	Pure Industrial Real Estate Trust	26,875	136,669
<b>AUSTRIA — 1.04%</b>			RioCan REIT	25,814	493,926
BUWOG AG	18,189	545,317	Slate Office REIT	4,644	29,855
CA Immobilien Anlagen AG	12,037	345,792	Slate Retail REIT <sup>b</sup>	3,312	35,513
IMMOFINANZ AG <sup>c</sup>	149,713	386,547	Smart REIT	10,312	242,742
S IMMO AG	8,586	152,002	Summit Industrial Income REIT	1,152	6,853
		1,429,658			



# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DEVELOPED PROPERTY ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
Tricon Capital Group Inc.	21,177	\$ 171,529	<b>HONG KONG — 16.66%</b>		
		4,109,953	Asia Standard International Group Ltd.	74,000	\$ 20,370
<b>CHINA — 0.30%</b>			Champion REIT	360,000	248,428
China Merchants Land Ltd.	216,000	43,141	Chinese Estates Holdings Ltd. <sup>c</sup>	75,000	129,630
Gemdale Properties & Investment Corp. Ltd.	792,000	89,231	CK Asset Holdings Ltd.	430,500	3,563,295
K Wah International Holdings Ltd.	207,000	124,560	CSI Properties Ltd.	728,000	35,418
Nam Tai Property Inc.	4,032	43,747	Emperor International Holdings Ltd.	145,000	51,423
Road King Infrastructure Ltd.	36,000	57,982	Far East Consortium International Ltd./HK	144,000	75,957
Spring REIT	106,000	47,228	Great Eagle Holdings Ltd.	38,000	199,956
		405,889	Greenland Hong Kong Holdings Ltd.	144,000	54,571
<b>DENMARK — 0.01%</b>			Hang Lung Group Ltd.	143,000	513,546
TK Development A/S <sup>b</sup>	11,196	16,897	Hang Lung Properties Ltd.	324,000	769,068
		16,897	Henderson Land Development Co. Ltd.	220,640	1,461,856
<b>FINLAND — 0.18%</b>			HKR International Ltd.	115,200	73,303
Citycon OYJ	60,491	159,187	Hongkong Land Holdings Ltd.	190,800	1,373,760
Technopolis OYJ	19,728	91,657	Hysan Development Co. Ltd.	71,000	334,061
		250,844	I-CABLE Communications Ltd. <sup>b</sup>	87,501	2,857
<b>FRANCE — 6.45%</b>			International Entertainment Corp. <sup>b</sup>	64,000	16,470
Altarea SCA	571	133,016	Kerry Properties Ltd.	108,000	447,309
Fonciere des Regions	8,639	897,622	Kowloon Development Co. Ltd.	72,000	81,027
Gecina SA	7,503	1,216,970	Lai Sun Development Co. Ltd.	43,360	78,052
ICADE	7,381	658,537	Langham Hospitality Investments and Langham Hospitality Investments Ltd.	123,500	52,495
Klepierre SA	34,090	1,338,402	Link REIT	360,000	2,917,536
Mercialys SA	9,148	182,769	Liu Chong Hing Investment Ltd.	30,000	50,239
Nexity SA	7,573	462,860	Man Sang International Ltd. <sup>b</sup>	68,000	4,092
Unibail-Rodamco SE	16,246	3,951,637	Master Glory Group Ltd. <sup>b</sup>	1,140,000	14,887
		8,841,813	New World Development Co. Ltd.	900,000	1,292,842
<b>GERMANY — 6.72%</b>			Prosperity REIT	216,000	91,259
ADLER Real Estate AG <sup>b,c</sup>	4,355	68,912	Sino Land Co. Ltd.	482,000	846,664
ADO Properties SA <sup>d</sup>	4,446	219,782	Soundwill Holdings Ltd.	18,000	39,914
alstria office REIT AG <sup>c</sup>	19,543	279,208	Sun Hung Kai Properties Ltd.	270,000	4,386,675
Deutsche Euroshop AG	7,930	297,464	Sunlight REIT	180,000	116,609
Deutsche Wohnen SE Bearer	57,905	2,458,913	Swire Properties Ltd.	172,800	586,273
DIC Asset AG	7,517	83,081	Wang On Properties Ltd. <sup>b,c</sup>	620,000	80,172
Grand City Properties SA	17,378	366,715	Wharf Holdings Ltd. (The)	194,000	1,728,706
Hamborner REIT AG	13,085	141,542	Wheelock & Co. Ltd.	131,000	921,614
LEG Immobilien AG	10,228	1,034,914	Yuexiu REIT	180,000	113,383
PATRIZIA Immobilien AG <sup>b</sup>	7,206	150,189	Zhuguang Holdings Group Co. Ltd. <sup>b,c</sup>	310,000	47,627
TAG Immobilien AG	24,007	403,579			22,821,344
TLG Immobilien AG	10,633	245,247			
Vonovia SE	79,256	3,373,070			
WCM Beteiligungs & Grundbesitz-AG	19,188	75,992			
		9,198,608			

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DEVELOPED PROPERTY ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
<b>IRELAND — 0.38%</b>					
Green REIT PLC	115,452	\$ 205,686	Daiwa House REIT Investment Corp.	242	\$ 579,175
Hibernia REIT PLC	117,731	212,252	Daiwa Office Investment Corp.	47	235,073
Irish Residential Properties REIT PLC	58,089	101,292	Frontier Real Estate Investment Corp.	79	320,379
		519,230	Fukuoka REIT Corp.	144	204,938
<b>ISRAEL — 1.17%</b>			Global One Real Estate Investment Corp.	36	117,212
ADO Group Ltd. <sup>b</sup>	2,181	45,040	GLP J-REIT	481	501,233
Africa Israel Properties Ltd. <sup>b</sup>	2,232	49,302	Goldcrest Co. Ltd.	3,600	85,327
Airport City Ltd. <sup>b</sup>	10,403	134,369	Hankyu REIT Inc.	108	128,470
Alony Hetz Properties & Investments Ltd.	16,668	176,938	Health Care & Medical Investment Corp.	36	30,830
Alrov Properties and Lodgings Ltd.	1,297	42,285	Heiwa Real Estate Co. Ltd.	4,600	78,339
Amot Investments Ltd.	19,242	106,979	Heiwa Real Estate REIT Inc.	180	145,516
Azrieli Group Ltd.	5,904	327,907	Hoshino Resorts REIT Inc.	28	139,297
Big Shopping Centers Ltd.	648	46,097	Hulic Co. Ltd.	79,200	776,064
Blue Square Real Estate Ltd.	792	33,092	Hulic Reit Inc.	144	212,357
Gazit-Globe Ltd.	15,474	148,975	Ichigo Hotel REIT Investment Corp.	36	34,572
Jerusalem Economy Ltd. <sup>b</sup>	25,488	63,016	Ichigo Inc.	35,300	120,735
Melison Ltd.	2,785	134,752	Ichigo Office REIT Investment	252	170,142
Norstar Holdings Inc.	2,808	50,952	Industrial & Infrastructure Fund Investment Corp.	66	279,678
Property & Building Corp. Ltd.	324	30,028	Invesco Office J-Reit Inc.	144	137,137
REIT 1 Ltd.	27,589	107,229	Invincible Investment Corp.	531	219,117
Sella Capital Real Estate Ltd.	29,088	57,960	Japan Excellent Inc.	216	256,556
Summit Real Estate Holdings Ltd.	6,876	49,109	Japan Hotel REIT Investment Corp.	646	408,036
		1,604,030	Japan Logistics Fund Inc.	144	268,005
<b>ITALY — 0.15%</b>			Japan Prime Realty Investment Corp.	144	481,002
Beni Stabili SpA SIIQ	163,944	142,260	Japan Property Management Center Co. Ltd.	3,600	49,156
Immobiliare Grande Distribuzione SIIQ SpA	55,188	57,577	Japan Real Estate Investment Corp.	211	1,014,090
		199,837	Japan Rental Housing Investments Inc.	288	203,147
<b>JAPAN — 26.09%</b>			Japan Retail Fund Investment Corp.	436	782,023
Activia Properties Inc.	109	452,210	Keihanshin Building Co. Ltd.	7,200	48,548
Advance Residence Investment Corp.	216	531,149	Kenedix Office Investment Corp.	67	368,436
Aeon Mall Co. Ltd.	17,880	318,160	Kenedix Residential Investment Corp.	72	185,045
AEON REIT Investment Corp.	216	218,562	Kenedix Retail REIT Corp.	76	157,854
Ardepro Co. Ltd. <sup>c</sup>	27,300	27,163	LaSalle Logiport REIT	180	175,259
Arealink Co. Ltd.	1,200	26,662	Leopalace21 Corp.	43,200	300,882
Comforia Residential REIT Inc.	84	177,529	MCUBS MidCity Investment Corp.	42	127,979
Daibiru Corp.	10,800	119,259	Mirai Corp.	36	55,744
Daikyo Inc.	4,400	86,386			
Daito Trust Construction Co. Ltd.	12,500	2,276,462			
Daiwa House Industry Co. Ltd.	108,500	3,744,703			

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DEVELOPED PROPERTY ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
Mitsubishi Estate Co. Ltd.	228,300	\$ 3,968,098	<b>NETHERLANDS — 0.70%</b>		
Mitsui Fudosan Co. Ltd.	162,656	3,525,791	Brack Capital Properties NV <sup>b</sup>	720	\$ 78,449
Mitsui Fudosan Logistics Park Inc.	36	104,739	Eurocommercial Properties NV	7,861	336,230
Mori Hills REIT Investment Corp.	252	302,001	NSI NV	2,925	115,253
Mori Trust Hotel Reit Inc.	72	93,194	VastNed Retail NV	2,797	124,659
Mori Trust Sogo REIT Inc.	180	269,284	Wereldhave NV	6,535	308,293
Mugen Estate Co. Ltd.	1,400	13,843			962,884
Nippon Accommodations Fund Inc.	75	291,165	<b>NEW ZEALAND — 0.60%</b>		
Nippon Building Fund Inc.	228	1,136,303	Argosy Property Ltd.	132,924	99,934
Nippon Commercial			Goodman Property Trust	159,080	147,199
Development Co. Ltd. <sup>c</sup>	1,200	18,325	Investore Property Ltd. <sup>c</sup>	38,376	37,174
Nippon Prologis REIT Inc.	327	688,773	Kiwi Property Group Ltd.	229,190	223,670
NIPPON REIT Investment Corp.	72	206,920	Precinct Properties New		
Nisshin Fudosan Co.	3,300	22,398	Zealand Ltd.	164,797	151,893
Nomura Real Estate Holdings Inc.	21,600	460,150	Stride Property Group	65,661	77,845
Nomura Real Estate Master			Vital Healthcare Property Trust	55,476	89,231
Fund Inc.	685	890,290			826,946
NTT Urban Development Corp.	18,000	179,097	<b>NORWAY — 0.22%</b>		
One REIT Inc.	31	59,844	Entra ASA <sup>d</sup>	19,507	267,109
Orix JREIT Inc.	432	619,802	Selvaag Bolig ASA	7,416	31,675
Premier Investment Corp.	203	192,603			298,784
Sakura Sogo REIT Investment Corp.	26	20,719	<b>SINGAPORE — 7.60%</b>		
SAMTY Co. Ltd.	3,600	57,375	AIMS AMP Capital Industrial REIT	96,785	100,495
Samty Residential Investment Corp.	72	54,880	Ascendas Hospitality Trust	144,000	88,545
Sekisui House Reit Inc.	144	166,304	Ascendas REIT	391,236	766,367
Sekisui House Residential			Ascott Residence Trust	195,143	168,852
Investment Corp.	180	176,218	Cache Logistics Trust	160,480	98,679
Shinoken Group Co. Ltd. <sup>c</sup>	3,600	80,465	CapitaLand Commercial Trust	352,800	429,975
Star Asia Investment Corp.	72	65,306	CapitaLand Ltd.	420,100	1,107,521
Star Mica Co. Ltd.	1,600	23,823	CapitaLand Mall Trust	438,100	645,237
Starts Proceed Investment Corp.	36	49,315	CapitaLand Retail China Trust	97,260	114,954
Sumitomo Realty & Development			CDL Hospitality Trusts	125,500	149,718
Co. Ltd.	78,000	2,359,437	City Developments Ltd.	100,600	839,352
Sun Frontier Fudousan Co. Ltd.	3,600	38,858	Croesus Retail Trust	119,571	102,581
Takara Leben Co. Ltd.	14,400	70,359	ESR-REIT	184,040	75,218
TOC Co. Ltd.	10,800	94,985	Far East Hospitality Trust	135,700	66,953
Tokyo Tatemono Co. Ltd.	36,000	460,214	First REIT	90,000	88,479
Tokyo Theatres Co. Inc.	500	6,547	Fortune REIT	216,000	253,591
Tokyu Fudosan Holdings Corp.	82,300	496,439	Frasers Centrepont Ltd.	57,100	87,882
TOKYU REIT Inc.	180	219,233	Frasers Centrepont Trust	93,100	144,660
Tosei Corp.	3,600	31,598	Frasers Commercial Trust	107,500	109,246
Tosei Reit Investment Corp.	36	35,052	Frasers Logistics & Industrial Trust	172,800	136,158
United Urban Investment Corp.	504	737,878	Global Logistic Properties Ltd.	480,700	1,168,165
Unizo Holdings Co. Ltd.	3,600	83,440	GSH Corp. Ltd.	119,600	48,441
		35,746,663			

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DEVELOPED PROPERTY ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
GuocoLand Ltd.	43,200	\$ 72,215	Klovern AB Class B	87,800	\$ 116,710
Keppel DC REIT	130,224	127,064	Kungsleden AB	30,578	209,976
Keppel REIT <sup>c</sup>	286,900	249,304	Magnolia Bostad AB <sup>c</sup>	2,880	28,933
Lippo Malls Indonesia Retail Trust	327,600	103,736	Victoria Park AB Class B	17,316	65,765
Manulife US Real Estate Investment Trust <sup>c</sup>	111,600	102,114	Wallenstam AB Class B	35,180	349,544
Mapletree Commercial Trust	293,121	328,100	Wihlborgs Fastigheter AB	11,012	268,745
Mapletree Greater China Commercial Trust <sup>c</sup>	298,000	253,463			3,450,217
Mapletree Industrial Trust	193,640	267,370	<b>SWITZERLAND — 1.78%</b>		
Mapletree Logistics Trust	251,240	229,418	Allreal Holding AG Registered	2,329	408,466
OUE Hospitality Trust	194,400	113,094	Intershop Holdings AG	252	125,010
Parkway Life REIT	64,300	127,847	Mobimo Holding AG Registered	964	260,527
Sabana Shari'ah Compliant Industrial REIT	139,020	47,604	PSP Swiss Property AG Registered	6,535	602,441
Soilbuild Business Space REIT	122,080	62,930	Swiss Prime Site AG Registered	11,562	1,040,174
SPH REIT	143,200	105,453			2,436,618
Starhill Global REIT	226,000	126,485	<b>UNITED KINGDOM — 8.51%</b>		
Suntec REIT	383,800	527,108	Assura PLC	294,300	247,569
UOL Group Ltd.	89,500	535,174	Big Yellow Group PLC	24,308	246,879
Wheelock Properties Singapore Ltd.	43,600	60,362	British Land Co. PLC (The)	168,935	1,364,443
Wing Tai Holdings Ltd.	64,850	103,153	Capital & Counties Properties PLC	121,950	433,087
Yoma Strategic Holdings Ltd.	183,633	79,108	Capital & Regional PLC	75,132	57,204
		10,412,171	Civitas Social Housing PLC	34,632	51,807
<b>SOUTH AFRICA — 0.88%</b>			Derwent London PLC	18,095	678,304
NEPI Rockcastle PLC	88,381	1,203,723	Empiric Student Property PLC	88,424	120,117
		1,203,723	F&C Commercial Property Trust Ltd.	132,763	265,579
<b>SPAIN — 1.48%</b>			Grainger PLC	69,804	251,176
Axiare Patrimonio SOCIMI SA	10,620	217,075	Great Portland Estates PLC	53,686	440,090
Hispania Activos Inmobiliarios SOCIMI SA	17,424	314,129	Hammerson PLC	128,830	928,176
Inmobiliaria Colonial SOCIMI SA	52,297	518,963	Hansteen Holdings PLC	125,255	231,907
Lar Espana Real Estate SOCIMI SA	15,177	147,485	Helical PLC	18,036	72,715
Merlin Properties SOCIMI SA	54,779	758,984	Intu Properties PLC	146,378	452,674
Quabit Inmobiliaria SA <sup>b,c</sup>	8,939	17,099	Land Securities Group PLC	122,271	1,595,336
Realia Business SA <sup>b</sup>	39,017	50,738	LondonMetric Property PLC	115,575	257,712
		2,024,473	LXI REIT PLC <sup>b</sup>	22,617	31,861
<b>SWEDEN — 2.52%</b>			NewRiver REIT PLC	47,628	216,430
Castellum AB	44,464	696,184	Picton Property Income Ltd. (The)	94,896	108,538
D. Carnegie & Co. AB <sup>b</sup>	6,284	88,151	Primary Health Properties PLC	102,405	167,961
Dios Fastigheter AB	14,145	90,114	Redefine International PLC/Isle of Man	206,149	105,100
Fabege AB	22,976	470,084	Regional REIT Ltd. <sup>d</sup>	44,939	63,307
Fastighets AB Balder Class B <sup>b,c</sup>	15,963	414,214	Safestore Holdings PLC	34,117	199,891
Hemfosa Fastigheter AB	25,381	321,835	Schroder REIT Ltd.	91,260	75,300
Hufvudstaden AB Class A	19,376	329,962	Segro PLC	162,085	1,165,593
			Shaftesbury PLC	38,188	520,547
			ST Modwen Properties PLC	30,708	154,003
			Tritax Big Box REIT PLC	222,820	425,700

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DEVELOPED PROPERTY ETF

September 30, 2017

<i>Security</i>	<i>Shares</i>	<i>Value</i>
UK Commercial Property Trust Ltd.	110,556	\$ 136,461
UNITE Group PLC (The)	38,686	356,834
Workspace Group PLC	19,281	229,582
		<u>11,651,883</u>
<b>TOTAL COMMON STOCKS</b>		
<b>(Cost: \$124,859,578)</b>		136,141,425
<b>RIGHTS — 0.02%</b>		
<b>SINGAPORE — 0.02%</b>		
CapitaLand Commercial Trust		
(Expires 10/19/17) <sup>b</sup>	58,565	12,593
Manulife US Real Estate Investment		
Trust (Expires 10/16/17) <sup>b</sup>	45,756	10,066
Mapletree Logistics Trust		
(Expires 10/04/17) <sup>b</sup>	25,124	1,758
		<u>24,417</u>
<b>TOTAL RIGHTS</b>		
<b>(Cost: \$0)</b>		24,417
<b>SHORT-TERM INVESTMENTS — 1.59%</b>		
<b>MONEY MARKET FUNDS — 1.59%</b>		
BlackRock Cash Funds: Institutional,		
SL Agency Shares		
1.32% <sup>e,f,g</sup>	2,110,435	2,111,068
BlackRock Cash Funds: Treasury,		
SL Agency Shares		
0.97% <sup>e,f</sup>	73,900	73,900
		<u>2,184,968</u>
<b>TOTAL SHORT-TERM INVESTMENTS</b>		
<b>(Cost: \$2,184,475)</b>		<u>2,184,968</u>
<b>TOTAL INVESTMENTS</b>		
<b>IN SECURITIES — 100.99%</b>		
<b>(Cost: \$127,044,053)<sup>h</sup></b>		138,350,810
<b>Other Assets, Less Liabilities — (0.99)%</b>		<u>(1,356,990)</u>
<b>NET ASSETS — 100.00%</b>		<u>\$136,993,820</u>

<sup>a</sup> Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.

<sup>b</sup> Non-income earning security.

<sup>c</sup> All or a portion of this security represents a security on loan. See Note 1.

<sup>d</sup> This security may be resold to qualified institutional buyers under Rule 144A of the Securities Act of 1933.

<sup>e</sup> Affiliated issuer. See Schedule 1.

<sup>f</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

<sup>g</sup> All or a portion of this security represents an investment of securities lending collateral. See Note 1.

<sup>h</sup> The cost of investments (including short positions and derivatives, if any) for federal income tax purposes was \$134,334,224. Net unrealized appreciation was \$4,016,586, of which \$18,928,626 represented gross unrealized appreciation on investments and \$14,912,040 represented gross unrealized depreciation on investments.

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DEVELOPED PROPERTY ETF

September 30, 2017

### Schedule 1 — Affiliates (Note 2)

Investments in issuers considered to be affiliates of the Fund during the six months ended September 30, 2017, for purposes of Section 2(a)(3) of the 1940 Act, and/or related parties of the Fund were as follows:

Affiliated issuer	Shares held at 03/31/17	Shares purchased	Shares sold	Shares held at 09/30/17	Value at 09/30/17	Net realized gain (loss) <sup>a</sup>	Change in unrealized appreciation (depreciation)	Income
BlackRock Cash Funds: Institutional, SL Agency Shares	2,502,357	—	(391,922) <sup>b</sup>	2,110,435	\$2,111,068	\$ 87	\$ (333)	\$ — <sup>c</sup>
BlackRock Cash Funds: Treasury, SL Agency Shares	39,506	34,394 <sup>b</sup>	—	73,900	73,900	—	—	260
					<u>\$2,184,968</u>	<u>\$ 87</u>	<u>\$ (333)</u>	<u>\$ 260</u>

<sup>a</sup> Includes realized capital gain distributions from an affiliated fund, if any.

<sup>b</sup> Net of shares purchased and sold.

<sup>c</sup> Does not include income earned on the investment of securities lending cash collateral which is not direct income of the Fund and is reflected as a component of securities lending income in the statement of operations.

### Schedule 2 — Fair Value Measurements

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

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2017. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	Level 1	Level 2	Level 3	Total
Investments:				
Assets:				
Common stocks	\$136,087,486	\$53,916	\$ 23	\$136,141,425
Rights	—	24,417	—	24,417
Money market funds	2,184,968	—	—	2,184,968
Total	<u>\$138,272,454</u>	<u>\$78,333</u>	<u>\$ 23</u>	<u>\$138,350,810</u>

See notes to financial statements.



# Schedule of Investments (Unaudited)

## iSHARES® INTERNATIONAL DIVIDEND GROWTH ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
<b>COMMON STOCKS — 99.10%</b>					
<b>AUSTRALIA — 1.77%</b>					
Amcor Ltd./Australia	12,464	\$ 148,752	Dorel Industries Inc. Class B	147	\$ 3,510
Ansell Ltd.	1,696	29,649	Emera Inc.	2,784	105,203
Aristocrat Leisure Ltd.	3,136	51,674	Empire Co. Ltd. Class A	576	10,169
Challenger Ltd./Australia	7,664	74,869	Equitable Group Inc. <sup>a</sup>	179	8,015
Computershare Ltd.	5,010	56,883	Finning International Inc.	1,440	32,849
Corporate Travel Management Ltd.	881	15,111	Fortis Inc./Canada	4,672	167,283
CSL Ltd.	1,904	200,133	Genworth MI Canada Inc.	756	22,384
Domino's Pizza Enterprises Ltd.	608	21,859	Gildan Activewear Inc.	757	23,600
Nufarm Ltd./Australia	2,448	15,924	Home Capital Group Inc. <sup>a</sup>	880	9,773
REA Group Ltd.	400	21,029	Imperial Oil Ltd.	992	31,616
Retail Food Group Ltd. <sup>a</sup>	2,528	8,490	Intact Financial Corp.	1,184	97,577
Seek Ltd.	4,544	59,222	Laurentian Bank of Canada	784	37,807
Sonic Healthcare Ltd.	4,784	78,491	Magna International Inc. Class A	2,640	140,565
TPG Telecom Ltd.	2,672	10,210	Methanex Corp.	704	35,294
		792,296	Metro Inc.	1,601	54,930
			National Bank of Canada	4,384	210,498
<b>BELGIUM — 0.01%</b>			Rogers Communications Inc. Class B	3,312	170,387
Lotus Bakeries	1	2,648	Royal Bank of Canada	16,512	1,274,592
		2,648	ShawCor Ltd.	848	18,721
<b>BRAZIL — 0.81%</b>			SNC-Lavalin Group Inc.	976	44,006
Ambev SA	43,500	289,345	Stantec Inc.	225	6,230
Ultrapar Participacoes SA	3,200	76,187	Stella-Jones Inc. <sup>a</sup>	416	15,973
		365,532	Suncor Energy Inc.	15,776	551,621
<b>CANADA — 17.03%</b>			TELUS Corp.	1,616	57,991
Agrium Inc.	1,632	174,494	Thomson Reuters Corp.	2,612	119,567
Alimentation Couche-Tard Inc. Class B	917	41,720	Toronto-Dominion Bank (The)	19,472	1,093,758
Atco Ltd./Canada Class I	784	28,711	Transcontinental Inc. Class A	240	4,949
Bank of Montreal	8,160	616,119			7,641,140
Bank of Nova Scotia (The)	14,288	916,242	<b>CHILE — 0.11%</b>		
BCE Inc.	4,641	216,937	Banco de Chile	327,618	50,045
Boyd Group Income Fund	82	6,011			50,045
Brookfield Asset Management Inc.			<b>CHINA — 1.37%</b>		
Class A	4,004	164,943	Beijing Capital International Airport Co.		
Canadian Imperial Bank of Commerce	6,144	536,313	Ltd. Class H	2,000	2,981
Canadian National Railway Co.	3,376	279,064	China Everbright International Ltd.	16,000	20,075
Canadian Tire Corp. Ltd. Class A	374	46,454	China Gas Holdings Ltd.	6,000	17,975
Canadian Utilities Ltd. Class A	1,377	42,665	China Overseas Land &		
Canadian Western Bank	1,168	31,482	Investment Ltd.	36,000	117,070
CCL Industries Inc. Class B	480	23,174	China Pacific Insurance Group Co. Ltd.		
CI Financial Corp.	4,049	88,352	Class H	22,400	96,503
Cogeco Communications Inc.	86	6,328	China Resources Gas Group Ltd.	4,000	13,930
Constellation Software Inc./Canada	64	34,836	China State Construction International		
Dollarama Inc.	352	38,427	Holdings Ltd.	32,000	46,623
			Guangdong Investment Ltd.	32,000	45,640
			Longfor Properties Co. Ltd.	16,000	40,355

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DIVIDEND GROWTH ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
Mint Group Ltd.	2,000	\$ 10,473	Valeo SA	1,376	\$ 102,125
Sinopharm Group Co. Ltd. Class H	6,400	28,187	Wendel SA	160	25,923
Tencent Holdings Ltd.	4,000	172,174			3,800,752
Tongda Group Holdings Ltd.	10,000	2,676			
		614,662	<b>GERMANY — 9.07%</b>		
<b>DENMARK — 1.90%</b>			AURELIUS Equity Opportunities SE & Co KGaA	768	50,517
Coloplast A/S Class B	944	76,632	BASF SE	10,464	1,113,843
DSV A/S	208	15,739	Bayer AG Registered	6,404	872,914
GN Store Nord A/S	864	29,620	Bayerische Motoren Werke AG	4,848	491,918
Novo Nordisk A/S Class B	14,192	678,622	BayWa AG	114	4,540
Novozymes A/S Class B	1,027	52,714	Bertrandt AG	96	9,667
		853,327	Brenntag AG	1,136	63,274
<b>FINLAND — 0.84%</b>			Continental AG	752	190,916
Amer Sports OYJ	816	21,647	Duerr AG	288	38,525
Huhtamaki OYJ	916	36,981	Fresenius Medical Care AG & Co. KGaA	736	72,018
Kone OYJ Class B	4,304	227,951	Fresenius SE & Co. KGaA	1,088	87,785
Raisio OYJ Series V	1,952	8,469	Gerresheimer AG	144	11,149
Tieto OYJ	1,157	35,275	GRENKE AG	208	19,389
Wartsila OYJ Abp	624	44,188	HeidelbergCement AG	896	92,123
		374,511	Henkel AG & Co. KGaA	656	79,840
<b>FRANCE — 8.47%</b>			Krones AG	48	6,671
Accor SA	1,824	90,641	Linde AG	1,344	280,357
Air Liquide SA	3,056	407,705	Merck KGaA	592	65,871
Airbus SE	3,648	346,781	Rational AG	1	688
Arkema SA	496	60,836	SAP SE	4,416	483,897
Christian Dior SE	55	17,617	Symrise AG	464	35,255
Cie. Plastic Omnium SA	64	2,738			4,071,157
Dassault Systemes SE	144	14,571	<b>HONG KONG — 3.34%</b>		
Essilor International SA	928	114,919	AIA Group Ltd.	55,400	408,547
Eurofins Scientific SE	34	21,488	Citic Telecom International Holdings Ltd.	80,000	23,045
Hermes International	48	24,205	CK Infrastructure Holdings Ltd.	8,000	68,829
Imerys SA	176	15,907	CLP Holdings Ltd.	17,500	179,353
Ingenico Group SA	245	23,229	Hang Seng Bank Ltd.	6,700	163,325
IPSOS	464	16,064	Henderson Land Development Co. Ltd.	2,200	14,576
L'Oreal SA	1,425	303,066	Hong Kong & China Gas Co. Ltd.	68,880	129,458
Legrand SA	1,408	101,670	Hysan Development Co. Ltd.	16,000	75,281
LVMH Moet Hennessy Louis Vuitton SE	1,568	432,744	I-CABLE Communications Ltd. <sup>b</sup>	332,475	10,855
Orpea	144	17,058	Johnson Electric Holdings Ltd.	500	1,911
Rubis SCA	640	40,804	MTR Corp. Ltd.	16,000	93,410
Safran SA	2,096	214,189	New World Development Co. Ltd.	96,000	137,903
Sanofi	12,864	1,277,608	Techtronic Industries Co. Ltd.	8,000	42,711
SEB SA	80	14,678	Wharf Holdings Ltd. (The)	16,000	142,574
Sodexo SA	640	79,822	Wheelock & Co. Ltd.	1,000	7,035
Stef SA	51	5,696			1,498,813
Teleperformance	192	28,668			



# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DIVIDEND GROWTH ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
<b>HUNGARY — 0.07%</b>			Hiroshima Bank Ltd. (The)	500 \$	4,047
OTP Bank PLC	864	\$ 32,534	HIS Co. Ltd. <sup>a</sup>	400	12,615
		32,534	Hitachi Capital Corp.	1,600	38,008
<b>INDIA — 1.75%</b>			Horiba Ltd.	100	5,650
Axis Bank Ltd. GDR <sup>c</sup>	2,486	95,960	Isuzu Motors Ltd.	4,800	63,579
Infosys Ltd. ADR	23,541	343,463	Itochu Techno-Solutions Corp.	200	7,462
Larsen & Toubro Ltd. GDR <sup>c</sup>	7,466	131,775	J Front Retailing Co. Ltd.	1,600	22,103
Reliance Industries Ltd. GDR <sup>d</sup>	9,030	215,365	Japan Tobacco Inc.	12,800	419,370
		786,563	JSR Corp.	3,200	60,779
<b>INDONESIA — 0.25%</b>			Kakaku.com Inc.	2,000	25,479
Bank Rakyat Indonesia Persero Tbk PT	96,000	108,872	Kaken Pharmaceutical Co. Ltd.	100	5,082
Indofood CBP Sukses Makmur Tbk PT	3,500	2,267	Kansai Paint Co. Ltd.	400	10,064
		111,139	Kao Corp.	3,200	188,193
<b>IRELAND — 0.49%</b>			KDDI Corp.	16,600	437,545
C&C Group PLC	8,944	32,249	Kewpie Corp.	300	7,233
Glanbia PLC	179	3,375	Kobayashi Pharmaceutical Co. Ltd.	100	5,659
Kerry Group PLC Class A	405	38,921	Koei Tecmo Holdings Co. Ltd.	1,600	33,588
Kingspan Group PLC	421	17,907	Kurita Water Industries Ltd.	200	5,774
Paddy Power Betfair PLC	646	64,472	Lawson Inc.	300	19,855
Smurfit Kappa Group PLC	2,064	64,662	Miraca Holdings Inc.	100	4,646
		221,586	MISUMI Group Inc.	200	5,265
<b>ITALY — 0.15%</b>			Mitsubishi Chemical Holdings Corp.	11,200	106,662
ACEA SpA	976	15,138	Mitsubishi Heavy Industries Ltd.	3,300	130,429
DiaSorin SpA	144	12,845	MonotaRO Co. Ltd. <sup>a</sup>	200	5,348
Luxottica Group SpA	736	41,147	Nagoya Railroad Co. Ltd.	200	4,305
		69,130	Nihon Kohden Corp.	100	2,161
<b>JAPAN — 11.94%</b>			Nikkon Holdings Co. Ltd.	100	2,471
ABC-Mart Inc.	200	10,554	Nippon Paint Holdings Co. Ltd.	300	10,194
Aeon Delight Co. Ltd.	100	3,753	Nippon Telegraph & Telephone Corp.	4,800	219,905
AEON Financial Service Co. Ltd.	700	14,620	Nissan Motor Co. Ltd.	33,600	332,672
Aica Kogyo Co. Ltd.	100	3,358	NTT DOCOMO Inc.	11,700	267,178
Alfresa Holdings Corp.	2,100	38,412	Obic Co. Ltd.	100	6,290
Asahi Group Holdings Ltd.	1,600	64,759	Otsuka Holdings Co. Ltd.	3,200	127,102
Bandai Namco Holdings Inc.	1,600	54,866	PALTAC Corp.	200	7,791
Bridgestone Corp.	6,500	294,843	Persol Holdings Co. Ltd.	300	6,991
Calbee Inc.	300	10,541	Relo Group Inc.	1,800	41,096
Central Japan Railway Co.	300	52,583	Sanwa Holdings Corp.	2,100	24,085
Daito Trust Construction Co. Ltd.	700	127,482	Sawai Pharmaceutical Co. Ltd.	100	5,677
Denso Corp.	4,800	242,761	SCSK Corp.	100	4,242
East Japan Railway Co.	1,600	147,612	Sekisui Chemical Co. Ltd.	3,200	62,940
Financial Products Group Co. Ltd.	1,800	19,972	Sekisui House Ltd.	7,100	119,621
Fuji Electric Co. Ltd.	1,000	5,543	Senko Group Holdings Co. Ltd.	4,800	34,199
Fujitec Co. Ltd.	200	2,798	Seven & i Holdings Co. Ltd.	5,200	200,720
Hakuhodo DY Holdings Inc.	500	6,565	Seven Bank Ltd.	10,200	36,789
			Shizuoka Bank Ltd. (The)	2,000	17,981

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DIVIDEND GROWTH ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
Sohgo Security Services Co. Ltd.	200	\$ 9,168	<b>NEW ZEALAND — 0.02%</b>		
Sony Financial Holdings Inc.	1,600	26,239	Ryman Healthcare Ltd.	1,504	\$ 10,079
Stanley Electric Co. Ltd.	100	3,425			10,079
Sugi Holdings Co. Ltd.	100	5,312	<b>NORWAY — 0.03%</b>		
Sumitomo Electric Industries Ltd.	5,300	86,540	Tomra Systems ASA	992	14,892
Sumitomo Mitsui Trust Holdings Inc.	4,800	173,169			14,892
Sumitomo Rubber Industries Ltd.	1,700	31,141	<b>PHILIPPINES — 0.18%</b>		
Suzuki Motor Corp.	1,600	83,891	Ayala Land Inc.	46,500	39,818
Sysmex Corp.	300	19,136	International Container Terminal		
T-Gaia Corp.	300	5,829	Services Inc.	8,320	17,033
Tadano Ltd.	1,900	22,196	Metro Pacific Investments Corp.	83,200	10,973
Terumo Corp.	1,600	62,897	SM Investments Corp.	815	14,167
Tokai Rika Co. Ltd.	1,600	31,640			81,991
Tokio Marine Holdings Inc.	6,400	250,280	<b>RUSSIA — 0.17%</b>		
Tokyo Century Corp.	200	8,990	Novatek PJSC GDR <sup>c</sup>	645	75,659
Tokyo Ohka Kogyo Co. Ltd.	100	3,554			75,659
Tokyo Seimitsu Co. Ltd.	100	3,540	<b>SINGAPORE — 0.14%</b>		
TOTO Ltd.	300	12,633	ComfortDelGro Corp. Ltd.	40,000	61,269
TS Tech Co. Ltd.	100	3,358			61,269
Unicharm Corp.	1,600	36,615	<b>SOUTH AFRICA — 1.79%</b>		
USS Co. Ltd.	2,100	42,349	AVI Ltd.	4,019	29,140
Valor Holdings Co. Ltd.	1,600	34,170	Capitec Bank Holdings Ltd.	307	19,532
West Japan Railway Co.	1,600	111,182	Discovery Ltd.	1,680	17,501
Yakult Honsha Co. Ltd.	300	21,614	Distell Group Ltd.	928	8,745
Yokogawa Electric Corp.	500	8,511	FirstRand Ltd.	52,608	202,718
		5,357,246	Foschini Group Ltd. (The)	2,115	21,264
<b>MALAYSIA — 0.24%</b>			Investec Ltd.	4,801	34,845
Public Bank Bhd	22,400	108,432	Life Healthcare Group Holdings Ltd.	21,506	37,748
		108,432	Mr. Price Group Ltd.	3,377	45,028
<b>MEXICO — 0.98%</b>			Naspers Ltd. Class N	289	62,498
Alfa SAB de CV	22,400	28,359	Nedbank Group Ltd.	3,044	45,685
America Movil SAB de CV Series L	137,600	122,451	Novus Holdings Ltd.	100	48
Grupo Financiero Banorte SAB de CV			PSG Group Ltd.	416	7,213
Series O	40,500	280,077	Rand Merchant Investment Holdings Ltd.	3,665	11,256
Grupo Financiero Inbursa SAB de CV			Remgro Ltd.	3,155	47,980
Series O	4,800	8,805	RMB Holdings Ltd.	10,116	47,574
		439,692	Sanlam Ltd.	21,952	110,000
<b>NETHERLANDS — 3.47%</b>			Shoprite Holdings Ltd.	2,401	36,789
Aalberts Industries NV	116	5,610	SPAR Group Ltd. (The)	1,536	19,006
ASML Holding NV	1,252	213,210			804,570
Koninklijke Ahold Delhaize NV	14,416	269,614	<b>SOUTH KOREA — 0.07%</b>		
RELX NV	9,283	197,648	SK Holdings Co. Ltd.	128	32,186
Unilever NV CVA	14,688	868,902			32,186
		1,554,984			

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DIVIDEND GROWTH ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
<b>SPAIN — 0.83%</b>			<b>THAILAND — 0.18%</b>		
Amadeus IT Group SA	2,486	\$ 161,613	Airports of Thailand PCL NVDR	30,400	\$ 53,781
Industria de Diseno Textil SA	5,568	209,882	Thai Union Group PCL NVDR	11,400	6,837
		371,495	Thanachart Capital PCL NVDR	14,400	21,049
					81,667
<b>SWEDEN — 1.99%</b>			<b>TURKEY — 0.06%</b>		
AAK AB	112	8,459	BIM Birlesik Magazalar AS	1,260	26,308
AF AB Class B	192	4,474			26,308
Alfa Laval AB	2,256	54,974	<b>UNITED ARAB EMIRATES — 0.30%</b>		
Assa Abloy AB Class B	4,405	100,379	DP World Ltd.	672	15,093
Atrium Ljungberg AB Class B	1,009	17,554	First Abu Dhabi Bank PJSC	43,648	121,223
Castellum AB	2,272	35,573			136,316
Hexagon AB Class B	1,042	51,536	<b>UNITED KINGDOM — 16.37%</b>		
Hexpol AB	1,234	12,956	Ashtead Group PLC	2,391	57,710
Hufvudstaden AB Class A	996	16,961	Associated British Foods PLC	1,522	65,201
Intrum Justitia AB	485	17,113	AVEVA Group PLC	352	11,500
JM AB	624	19,563	BAE Systems PLC	36,592	310,026
Loomis AB Class B	512	20,305	Bellway PLC	1,616	71,482
Modern Times Group MTG AB Class B	612	22,119	Bodycote PLC	979	12,038
Svenska Cellulosa AB SCA Class B	15,360	129,845	Bovis Homes Group PLC	2,033	29,840
Svenska Handelsbanken AB Class A	20,384	306,921	British American Tobacco PLC	20,224	1,267,678
Trelleborg AB Class B	1,520	37,989	BT Group PLC	129,538	493,403
Wihlborgs Fastigheter AB	1,440	35,143	Bunzl PLC	1,584	48,178
		891,864	Burberry Group PLC	3,136	74,051
<b>SWITZERLAND — 12.79%</b>			Close Brothers Group PLC	2,064	40,845
ABB Ltd. Registered	20,288	501,958	Compass Group PLC	10,810	229,586
Cie. Financiere Richemont SA			Cranswick PLC	544	21,545
Class A Registered	3,377	308,872	Croda International PLC	675	34,350
Geberit AG Registered	208	98,476	Daily Mail & General Trust PLC		
Givaudan SA Registered	69	150,251	Class A NVS	2,464	21,438
Nestle SA Registered	15,760	1,320,934	Dairy Crest Group PLC	2,933	24,181
Novartis AG Registered	15,792	1,352,994	Dechra Pharmaceuticals PLC	163	4,461
Partners Group Holding AG	160	108,640	Diageo PLC	18,928	622,933
Roche Holding AG	4,912	1,254,905	Domino's Pizza Group PLC	3,520	14,650
Roche Holding AG Bearer	480	122,282	DS Smith PLC	7,619	50,384
Swiss Re AG	5,504	498,864	Essentra PLC	3,378	25,040
Vifor Pharma AG	192	22,621	Experian PLC	5,760	115,841
		5,740,797	Ferguson PLC	1,504	98,794
<b>TAIWAN — 0.12%</b>			GKN PLC	11,969	55,561
Eclat Textile Co. Ltd.	1,020	12,395	Halma PLC	1,253	18,828
Phison Electronics Corp.	1,000	11,872	Hikma Pharmaceuticals PLC	768	12,478
Vanguard International			Hill & Smith Holdings PLC	560	9,497
Semiconductor Corp.	16,000	27,595	Howden Joinery Group PLC	4,464	25,813
		51,862	Inchcape PLC	4,720	54,650
			InterContinental Hotels Group PLC	1,143	60,543

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DIVIDEND GROWTH ETF

September 30, 2017

Security	Shares	Value	Security	Shares	Value
Intertek Group PLC	722	\$ 48,259	<b>PREFERRED STOCKS — 0.52%</b>		
IWG PLC	5,809	24,121	<b>COLOMBIA — 0.11%</b>		
James Fisher & Sons PLC	195	4,068	Bancolombia SA, Preference Shares	4,368	\$ 50,243
Jardine Lloyd Thompson Group PLC	1,888	31,004			50,243
John Wood Group PLC	4,496	41,048	<b>GERMANY — 0.41%</b>		
Kingfisher PLC	19,920	79,776	Bayerische Motoren Werke AG,		
Meggitt PLC	8,240	57,598	Preference Shares	480	42,775
Micro Focus International PLC	4,165	133,385	Fuchs Petrolub SE, Preference Shares	496	29,371
Moneysupermarket.com Group PLC	4,112	17,544	Henkel AG & Co. KGaA,		
National Grid PLC	51,281	636,135	Preference Shares	720	98,014
Next PLC	1,712	120,817	Sartorius AG, Preference Shares	128	12,239
Paragon Banking Group PLC	3,904	23,015			182,399
PayPoint PLC	752	9,630	<b>TOTAL PREFERRED STOCKS</b>		
Provident Financial PLC	6,752	75,234	(Cost: \$212,547)		232,642
Prudential PLC	19,760	473,619	<b>SHORT-TERM INVESTMENTS — 0.11%</b>		
PZ Cussons PLC	2,629	11,273	<b>MONEY MARKET FUNDS — 0.11%</b>		
QinetiQ Group PLC	9,745	32,281	BlackRock Cash Funds: Institutional,		
RELX PLC	7,808	171,486	SL Agency Shares		
Renishaw PLC	224	14,314	1.32% <sup>e,f,g</sup>	50,999	51,014
Rentokil Initial PLC	4,865	19,621			51,014
Rightmove PLC	195	10,583	<b>TOTAL SHORT-TERM INVESTMENTS</b>		
Schroders PLC	1,139	51,269	(Cost: \$51,014)		51,014
Schroders PLC NVS	468	15,283	<b>TOTAL INVESTMENTS</b>		
Senior PLC	5,312	19,663	IN SECURITIES — 99.73%		
Shire PLC	1,859	94,478	(Cost: \$40,823,573) <sup>h</sup>		44,755,806
SIG PLC	5,872	14,015	Other Assets, Less Liabilities — 0.27%		120,839
Sky PLC	8,912	109,405	<b>NET ASSETS — 100.00%</b>		
Smiths Group PLC	3,952	83,616			\$44,876,645
Spectris PLC	1,008	32,592			
Spirax-Sarco Engineering PLC	400	29,650			
St. James's Place PLC	4,596	70,665			
Standard Life Aberdeen PLC	35,222	204,853			
Synthomer PLC	1,283	8,405			
Ted Baker PLC	288	10,239			
Telecom Plus PLC	1,040	15,153			
Travis Perkins PLC	2,529	49,131			
Ultra Electronics Holdings PLC	1,105	26,656			
UNITE Group PLC (The)	2,992	27,598			
Victrix PLC	704	22,395			
WH Smith PLC	1,440	39,045			
Whitbread PLC	1,363	68,868			
William Hill PLC	14,551	49,274			
WPP PLC	15,360	285,417			
		7,345,006			
<b>TOTAL COMMON STOCKS</b>					
(Cost: \$40,560,012)		44,472,150			

ADR — American Depositary Receipts  
GDR — Global Depositary Receipts  
NVDR — Non-Voting Depositary Receipts  
NVS — Non-Voting Shares

<sup>a</sup> All or a portion of this security represents a security on loan. See Note 1.

<sup>b</sup> Non-income earning security.

<sup>c</sup> This security may be resold to qualified foreign investors and foreign institutional buyers under Regulation S of the Securities Act of 1933.

<sup>d</sup> This security may be resold to qualified institutional buyers under Rule 144A of the Securities Act of 1933.

<sup>e</sup> Affiliated issuer. See Schedule 1.

<sup>f</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

<sup>g</sup> All or a portion of this security represents an investment of securities lending collateral. See Note 1.

<sup>h</sup> The cost of investments (including short positions and derivatives, if any) for federal income tax purposes was \$40,834,636. Net unrealized appreciation was \$3,921,170, of which \$4,269,825 represented gross unrealized appreciation on investments and \$348,655 represented gross unrealized depreciation on investments.

# Schedule of Investments (Unaudited) (Continued)

## iSHARES® INTERNATIONAL DIVIDEND GROWTH ETF

September 30, 2017

### Schedule 1 — Affiliates (Note 2)

Investments in issuers considered to be affiliates of the Fund during the six months ended September 30, 2017, for purposes of Section 2(a)(3) of the 1940 Act, and/or related parties of the Fund were as follows:

Affiliated issuer	Shares held at 03/31/17	Shares purchased	Shares sold	Shares held at 09/30/17	Value at 09/30/17	Net realized gain (loss) <sup>a</sup>	Change in unrealized appreciation (depreciation)	Income
BlackRock Cash Funds: Institutional, SL Agency Shares	10,958	40,041 <sup>b</sup>	—	50,999	\$ 51,014	\$ —	\$ (2)	\$ — <sup>c</sup>
BlackRock Cash Funds: Treasury, SL Agency Shares	5,864	—	(5,864) <sup>b</sup>	—	—	—	—	106
					<u>\$ 51,014</u>	<u>\$ —</u>	<u>\$ (2)</u>	<u>\$ 106</u>

<sup>a</sup> Includes realized capital gain distributions from an affiliated fund, if any.

<sup>b</sup> Net of shares purchased and sold.

<sup>c</sup> Does not include income earned on the investment of securities lending cash collateral which is not direct income of the Fund and is reflected as a component of securities lending income in the statement of operations.

### Schedule 2 — Fair Value Measurements

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

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2017. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	Level 1	Level 2	Level 3	Total
Investments:				
Assets:				
Common stocks	\$44,472,150	\$ —	\$ —	\$44,472,150
Preferred stocks	232,642	—	—	232,642
Money market funds	51,014	—	—	51,014
Total	<u>\$44,755,806</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$44,755,806</u>

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® LATIN AMERICA 40 ETF

September 30, 2017

Security	Shares	Value
<b>COMMON STOCKS — 74.64%</b>		
<b>BRAZIL — 33.19%</b>		
Ambev SA ADR	12,916,357	\$ 85,118,793
B3 SA – Brasil Bolsa Balcao	6,044,900	45,769,361
Banco do Brasil SA	3,195,500	35,256,927
BRF SA ADR <sup>a</sup>	1,836,814	26,468,490
CCR SA	3,676,000	20,581,370
Cielo SA	3,269,416	22,718,418
CPFL Energia SA ADR	672,442	11,539,105
Embraer SA ADR	516,325	11,674,108
Kroton Educacional SA	4,395,100	27,858,861
Petroleo Brasileiro SA ADR <sup>a</sup>	4,370,309	43,877,902
Ultrapar Participacoes SA	1,273,200	30,313,040
Vale SA ADR	9,202,729	92,671,481
		453,847,856
<b>CHILE — 11.35%</b>		
Banco de Chile	76,505,366	11,686,541
Banco Santander Chile ADR	456,494	13,562,437
Cencosud SA	3,866,115	11,835,527
Empresas CMPC SA	3,671,217	9,677,634
Empresas COPEC SA	1,488,421	19,516,240
Enel Americas SA ADR	1,653,102	16,894,703
Enel Generacion Chile SA ADR	320,913	8,459,267
LATAM Airlines Group SA ADR <sup>b</sup>	1,122,540	14,873,655
SACI Falabella	3,430,930	33,507,302
Sociedad Quimica y Minera de Chile SA ADR	272,137	15,147,145
		155,160,451
<b>COLOMBIA — 1.57%</b>		
Bancolombia SA ADR	331,862	15,195,961
Ecopetrol SA ADR <sup>b</sup>	663,966	6,301,037
		21,496,998
<b>MEXICO — 24.86%</b>		
Alfa SAB de CV	8,809,700	11,153,269
America Movil SAB de CV		
Series L	68,485,200	60,945,294
Cemex SAB de CV CPO <sup>a</sup>	42,763,715	38,974,048
Fibra Uno Administracion SA de CV	8,106,500	13,713,765
Fomento Economico Mexicano SAB de CV	6,344,200	60,803,424
Grupo Financiero Banorte SAB de CV Series O	8,143,800	56,318,317

Security	Shares	Value
Grupo Mexico SAB de CV		
Series B	10,514,400	\$ 32,245,106
Grupo Televisa SAB <sup>b</sup>	6,422,300	31,741,478
Wal-Mart de Mexico SAB de CV	14,867,600	34,141,218
		340,035,919
<b>PERU — 3.67%</b>		
Credicorp Ltd.	196,747	40,337,070
Southern Copper Corp.	249,657	9,926,362
		50,263,432
<b>TOTAL COMMON STOCKS</b>		
<b>(Cost: \$1,034,964,351)</b>		1,020,804,656
<b>PREFERRED STOCKS — 25.23%</b>		
<b>BRAZIL — 25.23%</b>		
Banco Bradesco SA ADR,		
Preference Shares	8,978,512	99,392,128
Cia. Energetica de Minas Gerais		
ADR, Preference Shares	2,460,651	6,102,415
Gerdau SA ADR, Preference		
Shares	2,622,289	8,994,451
Itau Unibanco Holding SA ADR,		
Preference Shares <sup>b</sup>	9,485,173	129,946,870
Itausa-Investimentos Itau SA,		
Preference Shares	11,740,696	40,940,163
Petroleo Brasileiro SA ADR,		
Preference Shares <sup>a,b</sup>	6,168,003	59,582,909
		344,958,936
<b>TOTAL PREFERRED STOCKS</b>		
<b>(Cost: \$406,514,797)</b>		344,958,936
<b>SHORT-TERM INVESTMENTS — 1.66%</b>		
<b>MONEY MARKET FUNDS — 1.66%</b>		
BlackRock Cash Funds: Institutional,		
SL Agency Shares		
1.32% <sup>c,d,e</sup>	21,446,206	21,452,640
BlackRock Cash Funds: Treasury,		
SL Agency Shares		
0.97% <sup>c,d</sup>	1,245,986	1,245,986
		22,698,626
<b>TOTAL SHORT-TERM INVESTMENTS</b>		
<b>(Cost: \$22,697,321)</b>		22,698,626



# Schedule of Investments (Unaudited) (Continued)

## iSHARES® LATIN AMERICA 40 ETF

September 30, 2017

	<i>Value</i>
<b>TOTAL INVESTMENTS</b>	
<b>IN SECURITIES — 101.53%</b>	
<b>(Cost: \$1,464,176,469)<sup>f</sup></b>	\$1,388,462,218
<b>Other Assets, Less Liabilities — (1.53)%</b>	(20,890,916)
<b>NET ASSETS — 100.00%</b>	<u>\$1,367,571,302</u>

ADR — American Depositary Receipts  
CPO — Certificates of Participation (Ordinary)

- <sup>a</sup> Non-income earning security.  
<sup>b</sup> All or a portion of this security represents a security on loan. See Note 1.  
<sup>c</sup> Affiliated issuer. See Schedule 1.  
<sup>d</sup> The rate quoted is the annualized seven-day yield of the fund at period end.  
<sup>e</sup> All or a portion of this security represents an investment of securities lending collateral. See Note 1.  
<sup>f</sup> The cost of investments (including short positions and derivatives, if any) for federal income tax purposes was \$1,535,703,419. Net unrealized depreciation was \$147,241,201, of which \$106,429,803 represented gross unrealized appreciation on investments and \$253,671,004 represented gross unrealized depreciation on investments.

### Schedule 1 — Affiliates (Note 2)

Investments in issuers considered to be affiliates of the Fund during the six months ended September 30, 2017, for purposes of Section 2(a)(3) of the 1940 Act, and/or related parties of the Fund were as follows:

<i>Affiliated issuer</i>	<i>Shares held at 03/31/17</i>	<i>Shares purchased</i>	<i>Shares sold</i>	<i>Shares held at 09/30/17</i>	<i>Value at 09/30/17</i>	<i>Net realized gain (loss)<sup>a</sup></i>	<i>Change in unrealized appreciation (depreciation)<sup>a</sup></i>	<i>Income</i>
BlackRock Cash Funds: Institutional, SL Agency Shares	24,183,986	—	(2,737,780) <sup>b</sup>	21,446,206	\$21,452,640	\$ 5,188	\$ (8,368)	\$ — <sup>c</sup>
BlackRock Cash Funds: Treasury, SL Agency Shares	1,691,512	—	(445,526) <sup>b</sup>	1,245,986	1,245,986	—	—	4,617
					<u>\$22,698,626</u>	<u>\$ 5,188</u>	<u>\$ (8,368)</u>	<u>\$ 4,617</u>

<sup>a</sup> Includes realized capital gain distributions from an affiliated fund, if any.

<sup>b</sup> Net of shares purchased and sold.

<sup>c</sup> Does not include income earned on the investment of securities lending cash collateral which is not direct income of the Fund and is reflected as accomponent of securities lending income in the statement of operations.

### Schedule 2 — Fair Value Measurements

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

The following table summarizes the value of the Fund's investments according to the fair value hierarchy as of September 30, 2017. The breakdown of the Fund's investments into major categories is disclosed in the schedule of investments above.

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Investments:				
Assets:				
Common stocks	\$1,020,804,656	\$ —	\$ —	\$1,020,804,656
Preferred stocks	344,958,936	—	—	344,958,936
Money market funds	22,698,626	—	—	22,698,626
Total	<u>\$1,388,462,218</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$1,388,462,218</u>

See notes to financial statements.



# Statements of Assets and Liabilities (Unaudited)

## iSHARES® TRUST

September 30, 2017

	iShares Asia 50 ETF	iShares Emerging Markets Infrastructure ETF	iShares Europe ETF
<b>ASSETS</b>			
Investments in securities, at cost:			
Unaffiliated	\$340,303,730	\$ 38,969,362	\$3,227,630,382
Affiliated (Note 2)	3,060,120	454,945	11,673,300
Total cost of investments in securities	<u>\$343,363,850</u>	<u>\$ 39,424,307</u>	<u>\$3,239,303,682</u>
Investments in securities, at fair value (including securities on loan <sup>a</sup> ) (Note 1):			
Unaffiliated	\$466,669,633	\$ 48,502,201	\$3,194,260,340
Affiliated (Note 2)	3,060,229	455,016	11,674,392
Foreign currency, at value <sup>b</sup>	1,313,588	37,578	8,975,556
Foreign currency pledged to broker for futures contracts, at value <sup>b</sup>	—	—	1,150,173
Receivables:			
Investment securities sold	—	4,501,089	—
Dividends and interest	783,043	249,883	2,486,823
Futures variation margin	—	—	134,744
Tax reclaims	—	—	7,301,922
Foreign withholding tax claims (Note 8)	—	—	1,124,925
Total Assets	<u>471,826,493</u>	<u>53,745,767</u>	<u>3,227,108,875</u>
<b>LIABILITIES</b>			
Payables:			
Investment securities purchased	—	4,388,754	766,054
Collateral for securities on loan (Note 1)	2,688,716	422,261	11,613,691
Professional fees (Note 8)	—	—	11,249
Investment advisory fees (Note 2)	193,839	30,526	1,554,047
Total Liabilities	<u>2,882,555</u>	<u>4,841,541</u>	<u>13,945,041</u>
NET ASSETS	<u>\$468,943,938</u>	<u>\$ 48,904,226</u>	<u>\$3,213,163,834</u>
<b>Net assets consist of:</b>			
Paid-in capital	\$359,867,400	\$ 65,000,195	\$3,528,675,131
Undistributed net investment income	5,325,463	428,596	10,164,481
Accumulated net realized loss	(22,615,840)	(26,057,039)	(292,774,532)
Net unrealized appreciation (depreciation)	126,366,915	9,532,474	(32,901,246)
NET ASSETS	<u>\$468,943,938</u>	<u>\$ 48,904,226</u>	<u>\$3,213,163,834</u>
Shares outstanding <sup>c</sup>	<u>7,700,000</u>	<u>1,450,000</u>	<u>68,550,000</u>
Net asset value per share	<u>\$ 60.90</u>	<u>\$ 33.73</u>	<u>\$ 46.87</u>

<sup>a</sup> Securities on loan with values of \$2,578,476, \$196,781 and \$10,459,337, respectively. See Note 1.

<sup>b</sup> Cost of foreign currency including currency pledged to broker for future contracts: \$1,314,227, \$37,811 and \$10,230,325, respectively.

<sup>c</sup> No par value, unlimited number of shares authorized.

See notes to financial statements.

# Statements of Assets and Liabilities (Unaudited) (Continued)

## iSHARES® TRUST

September 30, 2017

	iShares International Developed Property ETF	iShares International Dividend Growth ETF	iShares Latin America 40 ETF
<b>ASSETS</b>			
Investments in securities, at cost:			
Unaffiliated	\$124,859,578	\$40,772,559	\$1,441,479,148
Affiliated (Note 2)	2,184,475	51,014	22,697,321
Total cost of investments in securities	<u>\$127,044,053</u>	<u>\$40,823,573</u>	<u>\$1,464,176,469</u>
Investments in securities, at fair value (including securities on loan <sup>a</sup> ) (Note 1):			
Unaffiliated	\$136,165,842	\$44,704,792	\$1,365,763,592
Affiliated (Note 2)	2,184,968	51,014	22,698,626
Foreign currency, at value <sup>b</sup>	219,625	83,273	562,985
Receivables:			
Investment securities sold	4,634	—	—
Due from custodian (Note 4)	—	—	596,918
Dividends and interest	559,590	84,629	474,863
Tax reclaims	35,829	27,891	—
Total Assets	<u>139,170,488</u>	<u>44,951,599</u>	<u>1,390,096,984</u>
<b>LIABILITIES</b>			
Payables:			
Investment securities purchased	2,926	385	596,918
Collateral for securities on loan (Note 1)	2,110,110	51,011	21,427,490
Due to custodian	—	15,677	—
Deferred foreign capital gains taxes (Note 1)	8,905	—	—
Investment advisory fees (Note 2)	54,727	7,881	501,274
Total Liabilities	<u>2,176,668</u>	<u>74,954</u>	<u>22,525,682</u>
NET ASSETS	<u>\$136,993,820</u>	<u>\$44,876,645</u>	<u>\$1,367,571,302</u>
<b>Net assets consist of:</b>			
Paid-in capital	\$163,327,113	\$41,098,416	\$2,071,044,312
Undistributed (distributions in excess of) net investment income	(4,081,793)	(21,966)	3,019,985
Accumulated net realized loss	(33,549,512)	(132,864)	(630,777,123)
Net unrealized appreciation (depreciation)	11,298,012	3,933,059	(75,715,872)
NET ASSETS	<u>\$136,993,820</u>	<u>\$44,876,645</u>	<u>\$1,367,571,302</u>
Shares outstanding <sup>c</sup>	<u>3,600,000</u>	<u>800,000</u>	<u>39,000,000</u>
Net asset value per share	<u>\$ 38.05</u>	<u>\$ 56.10</u>	<u>\$ 35.07</u>

<sup>a</sup> Securities on loan with values of \$1,985,036, \$48,380 and \$20,799,655, respectively. See Note 1.

<sup>b</sup> Cost of foreign currency: \$219,740, \$83,709 and \$564,070, respectively.

<sup>c</sup> No par value, unlimited number of shares authorized.

See notes to financial statements.

# Statements of Operations (Unaudited)

## iSHARES® TRUST

Six months ended September 30, 2017

	iShares Asia 50 ETF	iShares Emerging Markets Infrastructure ETF	iShares Europe ETF
<b>NET INVESTMENT INCOME</b>			
Dividends — unaffiliated <sup>a</sup>	\$ 8,752,348	\$ 812,917	\$ 58,795,704
Dividends — affiliated (Note 2)	2,289	254	15,068
Interest — unaffiliated	7	—	—
Securities lending income — affiliated — net (Note 2)	17,097	16,877	134,840
Total investment income	<u>8,771,741</u>	<u>830,048</u>	<u>58,945,612</u>
<b>EXPENSES</b>			
Investment advisory fees (Note 2)	1,058,216	182,098	8,850,269
Proxy fees	9,494	1,037	57,522
Total expenses	<u>1,067,710</u>	<u>183,135</u>	<u>8,907,791</u>
Net investment income	<u>7,704,031</u>	<u>646,913</u>	<u>50,037,821</u>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS)</b>			
Net realized gain (loss) from:			
Investments — unaffiliated	782,810	351,443	(11,389,236)
Investments — affiliated (Note 2)	308	240	1,202
In-kind redemptions — unaffiliated	12,047,720	485,377	23,070,383
Foreign currency transactions	74,499	(605)	803,739
Net realized gain	<u>12,905,337</u>	<u>836,455</u>	<u>12,486,088</u>
Net change in unrealized appreciation/depreciation on:			
Investments — unaffiliated	42,332,849	2,175,361	315,923,965
Investments — affiliated (Note 2)	(978)	(567)	(2,315)
Futures contracts	—	—	275,759
Translation of assets and liabilities in foreign currencies	(101,847)	(419)	655,025
Net change in unrealized appreciation/depreciation	<u>42,230,024</u>	<u>2,174,375</u>	<u>316,852,434</u>
Net realized and unrealized gain	<u>55,135,361</u>	<u>3,010,830</u>	<u>329,338,522</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$62,839,392</u>	<u>\$3,657,743</u>	<u>\$379,376,343</u>

<sup>a</sup> Net of foreign withholding tax of \$1,011,341, \$12,545 and \$5,546,576, respectively.

See notes to financial statements.

# Statements of Operations (Unaudited) (Continued)

## iSHARES® TRUST

Six months ended September 30, 2017

	iShares International Developed Property ETF	iShares International Dividend Growth ETF	iShares Latin America 40 ETF
<b>NET INVESTMENT INCOME</b>			
Dividends — unaffiliated <sup>a</sup>	\$ 2,815,316	\$ 478,102	\$ 13,305,598
Dividends — affiliated (Note 2)	260	106	4,617
Securities lending income — affiliated — net (Note 2)	25,839	577	55,163
	<u>2,841,415</u>	<u>478,785</u>	<u>13,365,378</u>
Less: Other foreign taxes (Note 1)	—	(33)	—
Total investment income	<u>2,841,415</u>	<u>478,752</u>	<u>13,365,378</u>
<b>EXPENSES</b>			
Investment advisory fees (Note 2)	328,188	33,761	2,662,596
Proxy fees	2,942	513	26,405
Total expenses	<u>331,130</u>	<u>34,274</u>	<u>2,689,001</u>
Net investment income	<u>2,510,285</u>	<u>444,478</u>	<u>10,676,377</u>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS)</b>			
Net realized gain (loss) from:			
Investments — unaffiliated <sup>b</sup>	94,137	(39,640)	(17,862,620)
Investments — affiliated (Note 2)	87	—	5,188
In-kind redemptions — unaffiliated	699,300	—	31,192,853
Foreign currency transactions	30,120	5,278	(134,095)
Net realized gain (loss)	<u>823,644</u>	<u>(34,362)</u>	<u>13,201,326</u>
Net change in unrealized appreciation/depreciation on:			
Investments — unaffiliated <sup>c</sup>	8,462,657	2,657,828	80,498,771
Investments — affiliated (Note 2)	(333)	(2)	(8,368)
Translation of assets and liabilities in foreign currencies	1,447	1,074	4,214
Net change in unrealized appreciation/depreciation	<u>8,463,771</u>	<u>2,658,900</u>	<u>80,494,617</u>
Net realized and unrealized gain	<u>9,287,415</u>	<u>2,624,538</u>	<u>93,695,943</u>
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<u><u>\$11,797,700</u></u>	<u><u>\$3,069,016</u></u>	<u><u>\$104,372,320</u></u>

<sup>a</sup> Net of foreign withholding tax of \$224,134, \$48,839 and \$1,349,377, respectively.

<sup>b</sup> Net of foreign capital gains taxes of \$4,132, \$ — and \$ —, respectively.

<sup>c</sup> Net of deferred foreign capital gains taxes of \$8,905, \$ — and \$ —, respectively.

See notes to financial statements.

# Statements of Changes in Net Assets

## iSHARES® TRUST

	<i>iShares</i> <i>Asia 50 ETF</i>		<i>iShares</i> <i>Emerging Markets</i> <i>Infrastructure ETF</i>	
	Six months ended September 30, 2017 (Unaudited)	Year ended March 31, 2017	Six months ended September 30, 2017 (Unaudited)	Year ended March 31, 2017
<b>INCREASE (DECREASE) IN NET ASSETS</b>				
<b>OPERATIONS:</b>				
Net investment income	\$ 7,704,031	\$ 7,369,411	\$ 646,913	\$ 1,367,737
Net realized gain (loss)	12,905,337	3,157,584	836,455	(2,643,269)
Net change in unrealized appreciation/depreciation	42,230,024	60,139,164	2,174,375	5,282,182
Net increase in net assets resulting from operations	62,839,392	70,666,159	3,657,743	4,006,650
<b>DISTRIBUTIONS TO SHAREHOLDERS:</b>				
From net investment income	(1,316,161)	(7,589,400)	(321,029)	(1,328,103)
Total distributions to shareholders	(1,316,161)	(7,589,400)	(321,029)	(1,328,103)
<b>CAPITAL SHARE TRANSACTIONS:</b>				
Proceeds from shares sold	142,982,632	22,729,563	734	235
Cost of shares redeemed	(82,327,836)	(44,096,742)	(1,668,167)	(2,904,227)
Net increase (decrease) in net assets from capital share transactions	60,654,796	(21,367,179)	(1,667,433)	(2,903,992)
INCREASE (DECREASE) IN NET ASSETS	122,178,027	41,709,580	1,669,281	(225,445)
<b>NET ASSETS</b>				
Beginning of period	346,765,911	305,056,331	47,234,945	47,460,390
End of period	\$468,943,938	\$346,765,911	\$48,904,226	\$47,234,945
Undistributed (distributions in excess of) net investment income included in net assets at end of period	\$ 5,325,463	\$ (1,062,407)	\$ 428,596	\$ 102,712
<b>SHARES ISSUED AND REDEEMED</b>				
Shares sold	2,600,000	500,000	—	—
Shares redeemed	(1,500,000)	(900,000)	(50,000)	(100,000)
Net increase (decrease) in shares outstanding	1,100,000	(400,000)	(50,000)	(100,000)

See notes to financial statements.

# Statements of Changes in Net Assets (Continued)

## iSHARES® TRUST

	<i>iShares Europe ETF</i>		<i>iShares International Developed Property ETF</i>	
	Six months ended September 30, 2017 (Unaudited)	Year ended March 31, 2017	Six months ended September 30, 2017 (Unaudited)	Year ended March 31, 2017
<b>INCREASE (DECREASE) IN NET ASSETS</b>				
<b>OPERATIONS:</b>				
Net investment income	\$ 50,037,821	\$ 76,538,929	\$ 2,510,285	\$ 4,309,184
Net realized gain (loss)	12,486,088	(25,172,097)	823,644	587,087
Net change in unrealized appreciation/depreciation	316,852,434	166,393,014	8,463,771	(4,088,189)
Net increase in net assets resulting from operations	379,376,343	217,759,846	11,797,700	808,082
<b>DISTRIBUTIONS TO SHAREHOLDERS:</b>				
From net investment income	(55,557,753)	(76,466,390)	(2,309,490)	(7,211,093)
Return of capital	—	—	—	(119,651)
Total distributions to shareholders	(55,557,753)	(76,466,390)	(2,309,490)	(7,330,744)
<b>CAPITAL SHARE TRANSACTIONS:</b>				
Proceeds from shares sold	532,479,584	113,426,448	—	15,280,844
Cost of shares redeemed	(114,469,758)	(492,538,365)	(3,833,149)	(24,385,129)
Net increase (decrease) in net assets from capital share transactions	418,009,826	(379,111,917)	(3,833,149)	(9,104,285)
INCREASE (DECREASE) IN NET ASSETS	741,828,416	(237,818,461)	5,655,061	(15,626,947)
<b>NET ASSETS</b>				
Beginning of period	2,471,335,418	2,709,153,879	131,338,759	146,965,706
End of period	\$3,213,163,834	\$2,471,335,418	\$136,993,820	\$131,338,759
Undistributed (distributions in excess of) net investment income included in net assets at end of period	\$ 10,164,481	\$ 15,684,413	\$ (4,081,793)	\$ (4,282,588)
<b>SHARES ISSUED AND REDEEMED</b>				
Shares sold	11,950,000	2,800,000	—	400,000
Shares redeemed	(2,500,000)	(12,600,000)	(100,000)	(700,000)
Net increase (decrease) in shares outstanding	9,450,000	(9,800,000)	(100,000)	(300,000)

See notes to financial statements.

# Statements of Changes in Net Assets (Continued)

## iSHARES® TRUST

	<i>iShares International Dividend Growth ETF</i>		<i>iShares Latin America 40 ETF</i>	
	Six months ended September 30, 2017 (Unaudited)	Period from May 17, 2016 <sup>a</sup> to March 31, 2017	Six months ended September 30, 2017 (Unaudited)	Year ended March 31, 2017
<b>INCREASE (DECREASE) IN NET ASSETS</b>				
<b>OPERATIONS:</b>				
Net investment income	\$ 444,478	\$ 224,611	\$ 10,676,377	\$ 17,076,267
Net realized gain (loss)	(34,362)	(99,184)	13,201,326	(23,441,734)
Net change in unrealized appreciation/depreciation	2,658,900	1,274,159	80,494,617	198,924,450
Net increase in net assets resulting from operations	3,069,016	1,399,586	104,372,320	192,558,983
<b>DISTRIBUTIONS TO SHAREHOLDERS:</b>				
From net investment income	(474,445)	(215,928)	(10,063,398)	(14,610,452)
Total distributions to shareholders	(474,445)	(215,928)	(10,063,398)	(14,610,452)
<b>CAPITAL SHARE TRANSACTIONS:</b>				
Proceeds from shares sold	21,791,693	19,306,723	448,994,415	468,070,764
Cost of shares redeemed	—	—	(257,222,741)	(239,466,430)
Net increase in net assets from capital share transactions	21,791,693	19,306,723	191,771,674	228,604,334
INCREASE IN NET ASSETS	24,386,264	20,490,381	286,080,596	406,552,865
<b>NET ASSETS</b>				
Beginning of period	20,490,381	—	1,081,490,706	674,937,841
End of period	\$44,876,645	\$20,490,381	\$1,367,571,302	\$1,081,490,706
Undistributed (distributions in excess of) net investment income included in net assets at end of period	\$ (21,966)	\$ 8,001	\$ 3,019,985	\$ 2,407,006
<b>SHARES ISSUED</b>				
Shares sold	400,000	400,000	13,250,000	16,250,000
Shares redeemed	—	—	(8,500,000)	(8,750,000)
Net increase in shares outstanding	400,000	400,000	4,750,000	7,500,000

<sup>a</sup> Commencement of operations.

See notes to financial statements.



# Financial Highlights

## iSHARES® TRUST

(For a share outstanding throughout each period)

### iShares Asia 50 ETF

	Six months ended Sep. 30, 2017 (Unaudited)	Year ended Mar. 31, 2017	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013
<b>Net asset value, beginning of period</b>	\$ 52.54	\$ 43.58	\$ 49.72	\$ 45.98	\$ 46.41	\$ 44.67
<b>Income from investment operations:</b>						
Net investment income <sup>a</sup>	1.05	1.04	1.06	1.09	0.93	0.86
Net realized and unrealized gain (loss) <sup>b</sup>	7.50	8.98	(5.98)	3.71	(0.37)	1.78
Total from investment operations	8.55	10.02	(4.92)	4.80	0.56	2.64
<b>Less distributions from:</b>						
Net investment income	(0.19)	(1.06)	(1.22)	(1.06)	(0.99)	(0.90)
Total distributions	(0.19)	(1.06)	(1.22)	(1.06)	(0.99)	(0.90)
<b>Net asset value, end of period</b>	\$ 60.90	\$ 52.54	\$ 43.58	\$ 49.72	\$ 45.98	\$ 46.41
<b>Total return</b>	16.24% <sup>c</sup>	23.38%	(9.93)%	10.58%	1.63% <sup>d</sup>	5.72% <sup>d</sup>
<b>Ratios/Supplemental data:</b>						
Net assets, end of period (000s)	\$468,944	\$346,766	\$305,056	\$387,782	\$262,077	\$245,962
Ratio of expenses to average net assets <sup>e</sup>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Ratio of net investment income to average net assets <sup>e</sup>	3.64%	2.20%	2.32%	2.27%	2.04%	1.94%
Portfolio turnover rate <sup>f</sup>	12% <sup>c</sup>	12%	10%	12%	9%	11%

<sup>a</sup> Based on average shares outstanding throughout each period.

<sup>b</sup> 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.

<sup>c</sup> Not annualized.

<sup>d</sup> The total return presented was calculated using the net asset value as of March 28, 2013 (the last day the Fund's listing exchange was open during the year ended March 31, 2013). For financial reporting purposes, the Fund's investments were fair valued as of the reporting date of March 31, 2013 which took into account certain foreign exchanges that were open for trading on March 29, 2013. As such, the total return calculated for financial reporting purposes for the years ended March 31, 2014 and March 31, 2013 were 1.35% and 6.02%, respectively.

<sup>e</sup> Annualized for periods of less than one year.

<sup>f</sup> Portfolio turnover rates exclude portfolio securities received or delivered in Creation Units but include portfolio transactions that are executed as a result of the Fund processing capital share transactions in Creation Units partially for cash in U.S. dollars. Excluding such cash transactions, the portfolio turnover rates for the six months ended September 30, 2017 and the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 were 4%, 9%, 7%, 12%, 9% and 11%, respectively. See Note 4.

See notes to financial statements.

# Financial Highlights (Continued)

## *i*SHARES® TRUST

(For a share outstanding throughout each period)

	<i>iShares Emerging Markets Infrastructure ETF</i>					
	Six months ended Sep. 30, 2017 (Unaudited)	Year ended Mar. 31, 2017	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013
<b>Net asset value, beginning of period</b>	<u>\$ 31.49</u>	<u>\$ 29.66</u>	<u>\$ 32.87</u>	<u>\$ 33.48</u>	<u>\$ 35.65</u>	<u>\$ 33.16</u>
<b>Income from investment operations:</b>						
Net investment income <sup>a</sup>	0.44	0.90	0.67	0.92	0.85	0.98
Net realized and unrealized gain (loss) <sup>b</sup>	<u>2.01</u>	<u>1.82</u>	<u>(3.32)</u>	<u>(0.53)</u>	<u>(2.04)</u>	<u>2.55</u>
Total from investment operations	<u>2.45</u>	<u>2.72</u>	<u>(2.65)</u>	<u>0.39</u>	<u>(1.19)</u>	<u>3.53</u>
<b>Less distributions from:</b>						
Net investment income	<u>(0.21)</u>	<u>(0.89)</u>	<u>(0.56)</u>	<u>(1.00)</u>	<u>(0.98)</u>	<u>(1.04)</u>
Total distributions	<u>(0.21)</u>	<u>(0.89)</u>	<u>(0.56)</u>	<u>(1.00)</u>	<u>(0.98)</u>	<u>(1.04)</u>
<b>Net asset value, end of period</b>	<u>\$ 33.73</u>	<u>\$ 31.49</u>	<u>\$ 29.66</u>	<u>\$ 32.87</u>	<u>\$ 33.48</u>	<u>\$ 35.65</u>
<b>Total return</b>	<u>7.85%<sup>c</sup></u>	<u>9.46%</u>	<u>(8.11)%</u>	<u>1.18%</u>	<u>(3.01)%<sup>d</sup></u>	<u>10.86%<sup>d</sup></u>
<b>Ratios/Supplemental data:</b>						
Net assets, end of period (000s)	\$48,904	\$47,235	\$47,460	\$80,536	\$108,806	\$140,834
Ratio of expenses to average net assets <sup>e</sup>	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Ratio of expenses to average net assets prior to waived fees <sup>e</sup>	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Ratio of net investment income to average net assets <sup>e</sup>	2.66%	3.03%	2.19%	2.66%	2.53%	2.95%
Portfolio turnover rate <sup>f</sup>	11% <sup>c</sup>	24%	12%	14%	26%	18%

<sup>a</sup> Based on average shares outstanding throughout each period.

<sup>b</sup> 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.

<sup>c</sup> Not annualized.

<sup>d</sup> The total return presented was calculated using the net asset value as of March 28, 2013 (the last day the Fund's listing exchange was open during the year ended March 31, 2013). For financial reporting purposes, the Fund's investments were fair valued as of the reporting date of March 31, 2013 which took into account certain foreign exchanges that were open for trading on March 29, 2013. As such, the total return calculated for financial reporting purposes for the years ended March 31, 2014 and March 31, 2013 were (3.12)% and 11.02%, respectively.

<sup>e</sup> Annualized for periods of less than one year.

<sup>f</sup> Portfolio turnover rates exclude portfolio securities received or delivered in Creation Units but include portfolio transactions that are executed as a result of the Fund processing capital share transactions in Creation Units partially for cash in U.S. dollars. Excluding such cash transactions, the portfolio turnover rates for the six months ended September 30, 2017 and the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 were 10%, 24%, 10%, 14%, 25% and 18%, respectively. See Note 4.

See notes to financial statements.

# Financial Highlights (Continued)

## iSHARES® TRUST

(For a share outstanding throughout each period)

### iShares Europe ETF

	Six months ended Sep. 30, 2017 (Unaudited)	Year ended Mar. 31, 2017	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013
<b>Net asset value, beginning of period</b>	\$ 41.82	\$ 39.32	\$ 44.28	\$ 48.19	\$ 39.72	\$ 37.27
<b>Income from investment operations:</b>						
Net investment income <sup>a</sup>	0.75	1.24 <sup>b</sup>	1.09	1.27	1.77 <sup>c</sup>	1.11
Net realized and unrealized gain (loss) <sup>d</sup>	5.12	2.46	(4.92)	(3.57)	7.81	2.53
Total from investment operations	5.87	3.70	(3.83)	(2.30)	9.58	3.64
<b>Less distributions from:</b>						
Net investment income	(0.82)	(1.20)	(1.13)	(1.61)	(1.11)	(1.19)
Total distributions	(0.82)	(1.20)	(1.13)	(1.61)	(1.11)	(1.19)
<b>Net asset value, end of period</b>	\$ 46.87	\$ 41.82	\$ 39.32	\$ 44.28	\$ 48.19	\$ 39.72
<b>Total return</b>	14.17% <sup>e</sup>	9.65% <sup>b</sup>	(8.94)%	(4.99)%	24.75%	10.29%
<b>Ratios/Supplemental data:</b>						
Net assets, end of period (000s)	\$3,213,164	\$2,471,335	\$2,709,154	\$2,710,221	\$3,252,807	\$1,251,078
Ratio of expenses to average net assets <sup>f</sup>	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%
Ratio of expenses to average net assets excluding professional fees for foreign withholding tax claims (Note 8) <sup>f</sup>	n/a	0.60%	n/a	n/a	n/a	n/a
Ratio of net investment income to average net assets <sup>f</sup>	3.35%	3.17% <sup>b</sup>	2.61%	2.76%	3.97% <sup>c</sup>	3.00%
Portfolio turnover rate <sup>g</sup>	2% <sup>e</sup>	5%	3%	4%	5%	6%

<sup>a</sup> Based on average shares outstanding throughout each period.

<sup>b</sup> Reflects the one-time, positive effect of foreign withholding tax claims, net of professional fees (See Note 8), which resulted in the following increases:

- Net investment income per share by \$0.02
- Total return by 0.05%
- Ratio of net investment income to average net assets by 0.04%

<sup>c</sup> Includes a one-time special distribution from Vodafone Group PLC which represented \$0.70 per share and 1.56% of average net assets.

<sup>d</sup> 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.

<sup>e</sup> Not annualized.

<sup>f</sup> Annualized for periods of less than one year.

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

See notes to financial statements.

# Financial Highlights (Continued)

## iSHARES® TRUST

(For a share outstanding throughout each period)

### iShares International Developed Property ETF

	Six months ended Sep. 30, 2017 (Unaudited)	Year ended Mar. 31, 2017	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013
<b>Net asset value, beginning of period</b>	\$ 35.50	\$ 36.74	\$ 38.14	\$ 36.37	\$ 37.82	\$ 31.45
<b>Income from investment operations:</b>						
Net investment income <sup>a</sup>	0.69	1.09	0.95	1.51	1.05	1.09
Net realized and unrealized gain (loss) <sup>b</sup>	2.50	(0.43)	(1.17)	1.66	(0.93)	7.28
Total from investment operations	3.19	0.66	(0.22)	3.17	0.12	8.37
<b>Less distributions from:</b>						
Net investment income	(0.64)	(1.87)	(1.18)	(1.40)	(1.53)	(2.00)
Return of capital	—	(0.03)	—	—	(0.04)	—
Total distributions	(0.64)	(1.90)	(1.18)	(1.40)	(1.57)	(2.00)
<b>Net asset value, end of period</b>	\$ 38.05	\$ 35.50	\$ 36.74	\$ 38.14	\$ 36.37	\$ 37.82
<b>Total return</b>	9.01% <sup>c</sup>	1.97%	(0.47)%	8.80%	0.26% <sup>d</sup>	27.79% <sup>d</sup>
<b>Ratios/Supplemental data:</b>						
Net assets, end of period (000s)	\$136,994	\$131,339	\$146,966	\$167,820	\$181,851	\$196,649
Ratio of expenses to average net assets <sup>e</sup>	0.48%	0.48%	0.48%	0.48%	0.48%	0.48%
Ratio of net investment income to average net assets <sup>e</sup>	3.67%	3.00%	2.60%	3.98%	2.82%	3.20%
Portfolio turnover rate <sup>f</sup>	5% <sup>c</sup>	8%	15%	8%	10%	9%

<sup>a</sup> Based on average shares outstanding throughout each period.

<sup>b</sup> 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.

<sup>c</sup> Not annualized.

<sup>d</sup> The total return presented was calculated using the net asset value as of March 28, 2013 (the last day the Fund's listing exchange was open during the year ended March 31, 2013). For financial reporting purposes, the Fund's investments were fair valued as of the reporting date of March 31, 2013 which took into account certain foreign exchanges that were open for trading on March 29, 2013. As such, the total return calculated for financial reporting purposes for the years ended March 31, 2014 and March 31, 2013 were 0.52% and 27.45%, respectively.

<sup>e</sup> Annualized for periods of less than one year.

<sup>f</sup> Portfolio turnover rates exclude portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## iSHARES® TRUST

(For a share outstanding throughout each period)

### *iShares International Dividend Growth ETF*

	Six months ended Sep. 30, 2017 (Unaudited)	Period from May 17, 2016 <sup>a</sup> to Mar. 31, 2017
<b>Net asset value, beginning of period</b>	<u>\$ 51.23</u>	<u>\$ 48.33</u>
<b>Income from investment operations:</b>		
Net investment income <sup>b</sup>	0.79	1.09
Net realized and unrealized gain <sup>c</sup>	<u>4.90</u>	<u>2.70</u>
Total from investment operations	<u>5.69</u>	<u>3.79</u>
<b>Less distributions from:</b>		
Net investment income	<u>(0.82)</u>	<u>(0.89)</u>
Total distributions	<u>(0.82)</u>	<u>(0.89)</u>
<b>Net asset value, end of period</b>	<u><u>\$ 56.10</u></u>	<u><u>\$ 51.23</u></u>
<b>Total return</b>	<u><u>11.16%<sup>d</sup></u></u>	<u><u>7.92%<sup>d</sup></u></u>
<b>Ratios/Supplemental data:</b>		
Net assets, end of period (000s)	\$44,877	\$20,490
Ratio of expenses to average net assets <sup>e</sup>	0.22%	0.22%
Ratio of net investment income to average net assets <sup>e</sup>	2.90%	2.56%
Portfolio turnover rate <sup>f</sup>	11% <sup>d</sup>	42% <sup>d</sup>

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout each period.

<sup>c</sup> 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.

<sup>d</sup> Not annualized.

<sup>e</sup> Annualized for periods of less than one year.

<sup>f</sup> Portfolio turnover rates exclude portfolio securities received or delivered in Creation Units but include portfolio transactions that are executed as a result of the Fund processing capital share transactions in Creation Units partially for cash in U.S. dollars. Excluding such cash transactions, the portfolio turnover rates for the six months ended September 30, 2017 and the period ended March 31, 2017 were 11% and 42%. See Note 4.

See notes to financial statements.

# Financial Highlights (Continued)

## *i*SHARES® TRUST

(For a share outstanding throughout each period)

### *i*Shares Latin America 40 ETF

	Six months ended Sep. 30, 2017 (Unaudited)	Year ended Mar. 31, 2017	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013
<b>Net asset value, beginning of period</b>	\$ 31.58	\$ 25.23	\$ 29.37	\$ 36.56	\$ 43.67	\$ 47.68
<b>Income from investment operations:</b>						
Net investment income <sup>a</sup>	0.31	0.53	0.58	0.88	0.99	1.12
Net realized and unrealized gain (loss) <sup>b</sup>	3.49	6.26	(4.03)	(7.33)	(6.87)	(3.99)
Total from investment operations	3.80	6.79	(3.45)	(6.45)	(5.88)	(2.87)
<b>Less distributions from:</b>						
Net investment income	(0.31)	(0.44)	(0.69)	(0.74)	(1.23)	(1.14)
Total distributions	(0.31)	(0.44)	(0.69)	(0.74)	(1.23)	(1.14)
<b>Net asset value, end of period</b>	\$ 35.07	\$ 31.58	\$ 25.23	\$ 29.37	\$ 36.56	\$ 43.67
<b>Total return</b>	12.22% <sup>c</sup>	27.27%	(11.70)%	(17.96)%	(13.36)%	(5.93)%
<b>Ratios/Supplemental data:</b>						
Net assets, end of period (000s)	\$1,367,571	\$1,081,491	\$674,938	\$646,094	\$950,524	\$1,473,985
Ratio of expenses to average net assets <sup>d</sup>	0.49%	0.49%	0.49%	0.49%	0.49%	0.50%
Ratio of net investment income to average net assets <sup>d</sup>	1.94%	1.87%	2.27%	2.42%	2.60%	2.59%
Portfolio turnover rate <sup>e</sup>	8% <sup>c</sup>	13%	18%	11%	18%	11%

<sup>a</sup> Based on average shares outstanding throughout each period.

<sup>b</sup> 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.

<sup>c</sup> Not annualized.

<sup>d</sup> Annualized for periods of less than one year.

<sup>e</sup> Portfolio turnover rates exclude portfolio securities received or delivered in Creation Units but include portfolio transactions that are executed as a result of the Fund processing capital share transactions in Creation Units partially for cash in U.S. dollars. Excluding such cash transactions, the portfolio turnover rates for the six months ended September 30, 2017 and the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 were 3%, 7%, 14%, 6%, 11% and 11%, respectively. See Note 4.

See notes to financial statements.

# Notes to Financial Statements (Unaudited)

## iSHARES® TRUST

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

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

<i>iShares ETF</i>	<i>Diversification Classification</i>
Asia 50	Non-diversified
Emerging Markets Infrastructure	Non-diversified
Europe	Diversified
International Developed Property	Diversified
International Dividend Growth	Non-diversified
Latin America 40	Non-diversified

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

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

### 1. SIGNIFICANT ACCOUNTING POLICIES

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

### SECURITY VALUATION

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

- Equity investments traded on a recognized securities exchange are valued at that day’s last reported trade price or the official closing price, as applicable, on the exchange where the stock is primarily traded. Equity investments traded on a recognized exchange for which there were no sales on that day are valued at the last traded price.



# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

- Open-end U.S. mutual funds (including money market funds) are valued at that day's published net asset value ("NAV").
- Futures contract notional values are determined based on 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 by the Global Valuation Committee, in accordance with policies approved by the Board. The fair valuation approaches that may be utilized by the Global Valuation Committee to determine fair value include market approach, income approach and the cost approach. The valuation techniques used under these approaches take into consideration inputs that 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 inputs, such as future cash flows, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and/or default rates. Valuations based on such inputs are reported to the Board on a quarterly basis.

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

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

Various inputs are used in determining the fair value of financial instruments. Inputs may be based on independent market data ("observable inputs") or they may be internally developed ("unobservable inputs"). These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial reporting purposes 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 based on the best information available in the circumstances, to the extent observable inputs are not available, including the Global Valuation Committee's assumptions used in determining the fair value of investments.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgement exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The fair value hierarchy for each Fund's investments is included in its schedule of investments.

# Notes to Financial Statements (Unaudited) (Continued)

## *iSHARES® TRUST*

Changes in valuation techniques may result in transfers in or out of an assigned level within the fair value 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. The categorization of values determined for financial instruments are based on the pricing transparency of the financial instruments and are not necessarily an indication of the risks associated with investing in those securities.

### **SECURITY TRANSACTIONS AND INCOME RECOGNITION**

Security transactions are accounted for on trade date. Realized gains and losses on investment transactions are determined using the specific identification method. Dividend income and capital gain distributions, if any, are recognized on the ex-dividend date, net of any foreign taxes withheld at source. Any taxes withheld that are reclaimable from foreign tax authorities as of September 30, 2017 are reflected in tax reclaims receivable. Upon notification from issuers, some of the dividend income received from a real estate investment trust may be re-designated as a reduction of cost of the related investment and/or realized gain. Non-cash dividends, if any, are recognized on the ex-dividend date and recorded as non-cash 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.

### **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. Each Fund reports realized currency gains (losses) on foreign currency related transactions as components of net realized gain (loss) for financial reporting purposes, whereas such components are generally treated as ordinary income for U.S. federal income tax purposes.

### **FOREIGN TAXES**

The Funds may be subject to foreign taxes (a portion of which may be reclaimable) on income, stock dividends, capital gains on investments, or certain foreign currency transactions. All foreign taxes are recorded in accordance with the applicable foreign tax regulations and rates that exist in the foreign jurisdictions in which the Funds invest. These foreign taxes, if any, are paid by the Funds and are reflected in their statements of operations as follows: foreign taxes withheld at source are presented as a reduction of income, foreign taxes on securities lending income are presented as a reduction of securities lending income, foreign taxes on stock dividends are presented as "other foreign taxes", and foreign taxes on capital gains from sales of investments and foreign taxes on foreign currency transactions are included in their respective net realized gain (loss) categories. Foreign taxes payable or deferred as of September 30, 2017, 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.

# Notes to Financial Statements (Unaudited) (Continued)

## *iSHARES® TRUST*

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

Cash received as collateral for securities on loan may be reinvested in certain short-term instruments either directly on behalf of a fund or through one or more joint accounts or money market funds, including those managed by BlackRock Fund Advisors ("BFA"), the Funds' investment adviser, or its affiliates. As of September 30, 2017, any securities on loan were collateralized by cash and/or U.S. government obligations. Cash collateral received was invested in money market funds managed by BFA and is disclosed in the schedules of investments. Any non-cash collateral received cannot be sold, re-invested or pledged by the Fund, except in the event of borrower default. The securities on loan for each Fund are also disclosed in its schedule of investments. The total value of any securities on loan as of September 30, 2017 and the total value of the related cash collateral are disclosed in the statements of assets and liabilities. Income earned by the Funds from securities lending is disclosed in the statements of operations.

The risks of securities lending include the risk that the borrower may not provide additional collateral when required or may not return the securities when due. To mitigate these risks, the Funds benefit from a borrower default indemnity provided by BlackRock, Inc. ("BlackRock"). BlackRock's indemnity allows for full replacement of securities loaned if the collateral received does not cover the value of the securities loaned in the event of borrower default. Each Fund could incur a loss if the value of an investment purchased with cash collateral falls below the value of the loaned securities or if the value of an investment purchased with cash collateral falls below the value of the original 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 (Unaudited) (Continued)

## iSHARES® TRUST

The following table is a summary of securities lending agreements which are subject to offset under an MSLA as of September 30, 2017:

<i>iShares ETF and Counterparty</i>	<i>Market Value of Securities on Loan</i>	<i>Cash Collateral Received<sup>a</sup></i>	<i>Net Amount</i>
<i>Asia 50</i>			
Goldman Sachs & Co.	\$ 2,050,666	\$ 2,050,666	\$ —
JPMorgan Securities LLC	416,124	416,124	—
Morgan Stanley & Co. LLC	111,686	111,686	—
	<u>\$ 2,578,476</u>	<u>\$ 2,578,476</u>	<u>\$ —</u>
<i>Emerging Markets Infrastructure</i>			
JPMorgan Securities PLC	<u>\$ 196,781</u>	<u>\$ 196,781</u>	<u>\$ —</u>
<i>Europe</i>			
Citigroup Global Markets Inc.	\$ 3,740,820	\$ 3,740,820	\$ —
Merrill Lynch, Pierce, Fenner & Smith	568,793	568,793	—
Morgan Stanley & Co. LLC	5,812,615	5,812,615	—
State Street Bank & Trust Company	337,109	337,109	—
	<u>\$ 10,459,337</u>	<u>\$ 10,459,337</u>	<u>\$ —</u>
<i>International Developed Property</i>			
Barclays Capital Inc.	\$ 33,904	\$ 33,904	\$ —
Citigroup Global Markets Inc.	237,305	237,305	—
Credit Suisse Securities (USA) LLC	498,156	498,156	—
Deutsche Bank Securities Inc.	7,655	7,655	—
Goldman Sachs & Co.	594,863	594,863	—
Jefferies LLC	33,621	33,621	—
JPMorgan Securities LLC	50,407	50,407	—
Macquarie Bank Limited	11,144	11,144	—
Merrill Lynch, Pierce, Fenner & Smith	63,073	63,073	—
Morgan Stanley & Co. LLC	214,030	214,030	—
SG Americas Securities LLC	240,878	240,878	—
	<u>\$ 1,985,036</u>	<u>\$ 1,985,036</u>	<u>\$ —</u>
<i>International Dividend Growth</i>			
JPMorgan Securities LLC	\$ 8,796	\$ 8,796	\$ —
Macquarie Bank Limited	8,490	8,490	—
Morgan Stanley & Co. LLC	31,094	31,094	—
	<u>\$ 48,380</u>	<u>\$ 48,380</u>	<u>\$ —</u>

# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

<i>iShares ETF and Counterparty</i>	<i>Market Value of Securities on Loan</i>	<i>Cash Collateral Received<sup>a</sup></i>	<i>Net Amount</i>
<i>Latin America 40</i>			
Credit Suisse Securities (USA) LLC	\$ 3,705,629	\$ 3,705,629	\$ —
Goldman Sachs & Co.	1,951,742	1,951,742	—
JPMorgan Securities LLC	473,600	473,600	—
Merrill Lynch, Pierce, Fenner & Smith	834,636	834,636	—
Mizuho Securities USA Inc.	6,797,742	6,797,742	—
Morgan Stanley & Co. LLC	3,351,377	3,351,377	—
Morgan Stanley & Co. LLC (U.S. Equity Securities Lending)	400,150	400,150	—
Nomura Securities International Inc.	1,265,880	1,265,880	—
UBS Securities LLC	29,419	29,419	—
Wells Fargo Securities LLC	1,989,480	1,989,480	—
	<u>\$ 20,799,655</u>	<u>\$ 20,799,655</u>	<u>\$ —</u>

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

## 2. INVESTMENT ADVISORY AGREEMENT AND OTHER TRANSACTIONS WITH AFFILIATES

Pursuant to an Investment Advisory Agreement with the Trust, BFA manages the investment of each Fund's assets. BFA is a California corporation indirectly owned by BlackRock. Under the Investment Advisory Agreement, BFA is responsible for substantially all expenses of the Funds, except (i) interest and taxes; (ii) brokerage commissions and other expenses connected with the execution of portfolio transactions; (iii) distribution fees; (iv) the advisory fee payable to BFA; and (v) litigation expenses and any extraordinary expenses (in each case as determined by a majority of the independent trustees).

For its investment advisory services to each of the following Funds, BFA is entitled to an annual investment advisory fee, accrued daily and paid monthly by the Funds, based on the average daily net assets of each Fund as follows:

<i>iShares ETF</i>	<i>Investment Advisory Fee</i>
Asia 50	0.50%
International Developed Property	0.48
International Dividend Growth	0.22

For its investment advisory services to the iShares Emerging Markets Infrastructure ETF, BFA is entitled to an annual investment advisory fee of 0.75%, accrued daily and paid monthly by the Fund, based on the average daily net assets of the Fund. In addition, the Fund may incur its pro rata share of fees and expenses attributable to its investments in other investment companies ("acquired fund fees and expenses"). BFA has contractually agreed to waive a portion of its investment advisory fees for the Fund through July 31, 2022 in an amount equal to the acquired fund fees and expenses, if any, attributable to the Fund's investments in other iShares funds.

# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

For its investment advisory services to the iShares Europe ETF, BFA is entitled to an annual investment advisory fee, accrued daily and paid monthly by the Fund, based on the Fund's allocable portion of the aggregate of the average daily net assets of the Fund and certain other iShares funds, as follows:

<i>Investment Advisory Fee</i>	<i>Aggregate Average Daily Net Assets</i>
0.6000%	First \$12 billion
0.5700 <sup>a</sup>	Over \$12 billion, up to and including \$18 billion
0.5415 <sup>a</sup>	Over \$18 billion, up to and including \$24 billion
0.5145 <sup>a</sup>	Over \$24 billion

<sup>a</sup> Investment advisory fee level reflects a 5% reduction (rounded to the fourth decimal place) from the investment advisory fee at the prior aggregate average daily net asset level.

For its investment advisory services to the iShares Latin America 40 ETF, BFA is entitled to an annual investment advisory fee, accrued daily and paid monthly by the Fund, based on the Fund's allocable portion of the aggregate of the average daily net assets of the Fund and certain other iShares funds, as follows:

<i>Investment Advisory Fee</i>	<i>Aggregate Average Daily Net Assets</i>
0.5000%	First \$46 billion
0.4750 <sup>a</sup>	Over \$46 billion, up to and including \$81 billion
0.4513 <sup>a</sup>	Over \$81 billion, up to and including \$111 billion
0.4287 <sup>a</sup>	Over \$111 billion, up to and including \$141 billion
0.4073 <sup>a</sup>	Over \$141 billion

<sup>a</sup> Investment advisory fee level reflects a 5% reduction (rounded to the fourth decimal place) from the investment advisory fee at the prior aggregate average daily net asset level.

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. Each Fund is responsible for fees in connection with the investment of cash collateral received for securities on loan in a money market fund managed by BFA, however, BTC has agreed to reduce the amount of securities lending income it receives in order to effectively limit the collateral investment fees each Fund bears to an annual rate of 0.04% (the "collateral investment fees"). Securities lending income is equal to the total of income earned from the reinvestment of cash collateral, net of fees and other payments to and from borrowers of securities, and less the collateral investment fees. The Funds retain a portion of securities lending income and remit the remaining portion to BTC as compensation for its services as securities lending agent.

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

# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

For the six months ended September 30, 2017, the total of securities lending agent services and collateral investment fees paid were as follows:

<i>iShares ETF</i>	<i>Fees Paid to BTC</i>
Asia 50	\$ 5,034
Emerging Markets Infrastructure	4,336
Europe	35,909
International Developed Property	6,778
International Dividend Growth	142
Latin America 40	18,060

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

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

For the six months ended September 30, 2017, transactions executed by the Funds pursuant to Rule 17a-7 under the 1940 Act were as follows:

<i>iShares ETF</i>	<i>Purchases</i>	<i>Sales</i>
Asia 50	\$4,409,874	\$ 730,191
Emerging Markets Infrastructure	—	50,201
Europe	2,625,495	3,391,659
International Developed Property	429,544	145,057
International Dividend Growth	450,350	143,945
Latin America 40	179,047	—

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

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

The iShares Emerging Markets Infrastructure ETF, in order to improve its portfolio liquidity and its ability to track its underlying index, may invest in shares of other iShares funds that invest in securities in the Fund's underlying index.

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



# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

### 3. INVESTMENT PORTFOLIO TRANSACTIONS

Purchases and sales of investments (excluding in-kind transactions and short-term investments) for the six months ended September 30, 2017 were as follows:

<i>iShares ETF</i>	<i>Purchases</i>	<i>Sales</i>
Asia 50	\$ 84,159,381	\$52,039,790
Emerging Markets Infrastructure	5,155,788	5,041,334
Europe	128,640,462	68,012,630
International Developed Property	6,644,973	6,493,854
International Dividend Growth	4,336,250	3,374,400
Latin America 40	129,680,817	85,226,213

In-kind transactions (see Note 4) for the six months ended September 30, 2017 were as follows:

<i>iShares ETF</i>	<i>In-kind Purchases</i>	<i>In-kind Sales</i>
Asia 50	\$ 80,637,338	\$ 45,939,760
Emerging Markets Infrastructure	—	1,437,818
Europe	466,937,586	111,027,197
International Developed Property	—	3,714,326
International Dividend Growth	20,757,473	—
Latin America 40	349,682,889	201,537,042

### 4. CAPITAL SHARE TRANSACTIONS

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

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

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

# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

### 5. FUTURES CONTRACTS

Each Fund's use of futures contracts is generally limited to cash equitization. This involves the use of available cash to invest in index futures contracts in order to gain exposure to the equity markets represented in or by the Fund's underlying index and is intended to allow the Fund to better track its underlying index. Futures contracts are standardized, exchange-traded agreements to buy or sell a financial instrument at a set price on a future date. Upon entering into a futures contract, a 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 notional 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 notional value of the contract at the time it was opened and the notional value at the time it was closed. Losses may arise if the notional 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 Europe ETF as of September 30, 2017 and the related locations in the consolidated statements of assets and liabilities, presented by risk exposure category:

<i>Assets</i>	
Equity contracts:	
Variation margin / Net assets consist of — net unrealized appreciation (depreciation)	<u><u>\$275,759<sup>a</sup></u></u>

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

The following table shows the realized and unrealized gains (losses) on futures contracts held by the iShares Europe ETF during the six months ended September 30, 2017 and the related locations in the consolidated statements 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><u>\$ —</u></u>	<u><u>\$ 275,759</u></u>

The following table shows the average quarter-end balances of open futures contracts for the iShares Europe ETF for the six months ended September 30, 2017:

Average value of contracts purchased	<u><u>\$6,202,234</u></u>
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# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

### 6. **PRINCIPAL RISKS**

In the normal course of business, each Fund invests in securities or other instruments and may enter into certain transactions, and such activities subject the Fund to various risks, including, among others, fluctuations in the market (market risk) or failure of an issuer to meet all of its obligations. The value of securities or other instruments may also be affected by various factors, including, without limitation: (i) the general economy; (ii) the overall market as well as local, regional or global political and/or social instability; (iii) regulation, taxation or international tax treaties between various countries; or (iv) currency, interest rate or price fluctuations. Each Fund's prospectus provides details of the risks to which the Fund is subject.

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 a fund may suffer through holding market positions in the face of market movements. A fund is exposed to market risk by its investment in equity, fixed income and/or financial derivative instruments or by its investment in underlying funds. The fair value of securities held by a fund 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 a fund's exposure to market risk is the market value of the investments held as shown in the fund's schedule of investments.

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

Investing in the securities of non-U.S. issuers involves certain considerations and risks not typically associated with securities of U.S. issuers. Such risks include, but are not limited to: differences in accounting, auditing and financial reporting standards; more substantial governmental involvement in the economy; higher inflation rates, greater social, economic and political uncertainties; possible nationalization or expropriation of assets; less availability of public information about issuers; imposition of withholding or other taxes; higher transaction and custody costs and delays in settlement procedures; and lower level of regulation of the securities markets and issuers. Non-U.S. securities may be less liquid, more difficult to value, and have greater price volatility due to exchange rate fluctuations. These and other risks are heightened for investments in issuers from countries with less developed capital markets.

The economies and markets of European countries are often closely connected and interdependent, and events in one country in Europe can have an adverse impact on other European countries. The European financial markets have experienced volatility and adverse trends in recent years due to concerns about economic downturns or rising government debt levels in several European countries. These events have adversely affected the exchange rate of the euro and may continue to significantly affect European countries. The occurrence of terrorist incidents throughout Europe also could impact financial markets. In addition, the United Kingdom has voted to withdraw from the European Union. The referendum may introduce significant new uncertainties and instability in the financial markets as the United Kingdom negotiates its exit from the European Union.

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

# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

The United States and the European Union, along with the regulatory bodies of a number of countries including Japan, Australia, Norway, Switzerland and Canada, have imposed economic sanctions, which consist of asset freezes and sectorial sanctions, on certain Russian individuals and Russian corporate entities. Broader sanctions on Russia could also be instituted. These sanctions, or even the threat of further sanctions, may result in the decline of the value and liquidity of Russian securities, a weakening of the ruble or other adverse consequences to the Russian economy. Current or future sanctions may result in Russia taking counter measures or retaliatory actions, which may further impair the value and liquidity of Russian securities. These retaliatory measures may include the immediate freeze of Russian assets held by a fund.

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

## 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.

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

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

As of March 31, 2017, the Funds' fiscal year-end, 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<sup>a</sup></i>	<i>Expiring 2018</i>	<i>Expiring 2019</i>	<i>Total</i>
Asia 50	\$ 28,038,380	\$ 114,299	\$ 1,228,150	\$ 29,380,829
Emerging Markets Infrastructure	25,813,516	7,454	506,438	26,327,408
Europe	145,121,223	70,049,884	32,616,997	247,788,104
International Developed Property	17,785,324	8,281,169	5,300,031	31,366,524
International Dividend Growth	87,439	—	—	87,439
Latin America 40	372,425,578	201,370,437	—	573,796,015

<sup>a</sup> Must be utilized prior to losses subject to expiration.

# Notes to Financial Statements (Unaudited) (Continued)

## *iSHARES® TRUST*

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

Management has analyzed tax laws and regulations and their application to the Funds as of September 30, 2017, 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. FOREIGN WITHHOLDING TAX CLAIMS**

The iShares Europe ETF has filed claims to recover taxes withheld by Finland on dividend income on the basis that Finland had purportedly violated certain provisions in the Treaty on the Functioning of the European Union. The Fund has recorded a receivable for all recoverable taxes withheld by Finland based upon recent favorable determinations issued by the Finnish Tax Authority. Withholding tax claims may be for the current year and potentially for a limited number of prior calendar years, depending upon the member state’s statute of limitation on taxes. The Fund continues to evaluate developments in Finland for potential impacts to the receivables and payables recorded. Such foreign withholding tax claims are disclosed in the statement of assets and liabilities and statement of operations. Professional fees associated with the filing of these claims that result in the recovery of foreign withholding taxes have been approved by the Board as appropriate expenses of the Fund.

The Internal Revenue Service has issued guidance to address U.S. income tax liabilities attributable to fund shareholders resulting from the recovery of foreign taxes withheld in prior calendar years. These withheld foreign taxes were passed through to shareholders in the form of foreign tax credits in the year the taxes were withheld. Assuming there are sufficient foreign taxes paid which the Fund is able to pass through to its shareholders as a foreign tax credit in the current year, the Fund will be able to offset the prior years’ withholding taxes recovered against the foreign taxes paid in the current year. Accordingly, no federal income tax liability is recorded by the Fund.

### **9. LEGAL PROCEEDINGS**

On June 16, 2016, investors (the “Plaintiffs”) in certain iShares funds (iShares Core S&P Small-Cap ETF, iShares Russell 1000 Growth ETF, iShares Core S&P 500 ETF, iShares Russell Mid-Cap Growth ETF, iShares Russell Mid-Cap ETF, iShares Russell Mid-Cap Value ETF, iShares Select Dividend ETF, iShares Morningstar Mid-Cap ETF, iShares Morningstar Large-Cap ETF, iShares U.S. Aerospace & Defense ETF and iShares U.S. Preferred Stock ETF) filed a putative class action lawsuit against iShares Trust, BlackRock, Inc. and certain of its advisory affiliates, and certain directors/trustees and officers of the Funds (collectively, “Defendants”). The lawsuit alleges the Defendants violated federal securities laws by failing to adequately disclose in the prospectuses issued by the funds noted above the risks of using stop-loss orders in the event of a ‘flash crash’, such as the one that occurred on May 6, 2010. On September 18, 2017, the Court issued a Statement of Decision holding that the Plaintiffs lack standing to assert their claims. On October 11, 2017, the Court entered final judgment dismissing all of Plaintiffs’ claims with prejudice.

### **10. 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.

At a meeting held on September 14-15, 2017, the Board approved a line of credit for the iShares International Dividend Growth ETF. The Fund, along with certain other iShares funds, will be a party to a \$275 million credit agreement with State Street Bank

# Notes to Financial Statements (Unaudited) (Continued)

## *iSHARES® TRUST*

and Trust Company, which will expire on October 24, 2018. The line of credit may be used for temporary or emergency purposes, including redemptions, settlement of trades and rebalancing of portfolio holdings. The addition of the Fund to the credit agreement became effective on October 25, 2017.

# Board Review and Approval of Investment Advisory Contract

## iSHARES® TRUST

### I. iShares Asia 50 ETF

Under Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”), the Trust’s Board of Trustees (the “Board”), including a majority of Trustees who are not “interested persons” of the Trust (as that term is defined in the 1940 Act) (the “Independent Trustees”), is required annually to consider and approve the Investment Advisory Contract between the Trust and BFA (the “Advisory Contract”) on behalf of the Fund. The Independent Trustees requested, and BFA provided, such information as the Independent Trustees, with advice from independent counsel, deemed reasonably necessary to evaluate the Advisory Contract. A committee of all of the Independent Trustees (the “15(c) Committee”), with independent counsel, met with management on May 5, 2017 and May 12, 2017. At these meetings, the 15(c) Committee reviewed and discussed information provided in response to the 15(c) Committee’s initial requests, and requested certain additional information, which management agreed to provide. At a meeting held on May 18, 2017, management presented information to the Board relating to the continuance of the Advisory Contract, including information requested by the 15(c) Committee during its meetings. The Board, including the Independent Trustees, reviewed and discussed such information at length. The Independent Trustees requested from management certain additional information, which management agreed to provide. At a meeting held on June 19-21, 2017, the Board, including the Independent Trustees, reviewed the additional information provided by management in response to these requests. After extensive discussions, the Board, including all of the Independent Trustees, approved the continuance of the Advisory Contract for the Fund, based on a review of qualitative and quantitative information provided by BFA. 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 further enhancements to the 15(c) process for the coming year. The Independent Trustees were advised by their independent counsel throughout the process, including about the legal standards applicable to their review. In approving the Advisory Contract for the Fund, the Board, including the Independent Trustees, considered the following factors, no one of which was controlling, and reached the following conclusions:

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

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

In addition, to the extent that any of the comparison funds included in the Peer Group, excluding iShares funds, track the same index as the Fund, Broadridge also provided, and the Board reviewed, a comparison of the Fund’s performance for the one-, three-, five-, ten-year, and since inception periods, as applicable, and for the quarter ended December 31, 2016, to that of relevant comparison funds for the same periods.



# Board Review and Approval of Investment Advisory Contract (Continued)

## iSHARES® TRUST

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

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

**Nature, Extent and Quality of Services Provided by BFA** — Based on management's representations, including information about recent and proposed enhancements to the iShares business, including with respect to capital markets support and analysis, technology, product design, compliance and risk management, and other services, the Board expected that there would be no diminution in the scope of services required of or provided by BFA under the Advisory Contract for the coming year as compared to the scope of services provided by BFA during prior years. In reviewing the scope of these services, the Board considered BFA's investment philosophy and experience, noting that BFA and its affiliates have committed significant resources over time, including during the past year, to supporting the iShares funds and their shareholders. The Board also considered BFA's compliance program and its compliance record with respect to the Fund. In that regard, the Board noted that BFA reports to the Board about portfolio management and compliance matters on a periodic basis in connection with regularly scheduled meetings of the Board, and on other occasions as necessary and appropriate, and has provided information and made appropriate officers available as needed to provide further assistance with these matters. The Board also reviewed the background and experience of the persons responsible for the day-to-day management of the Fund, as well as the resources available to them in managing the Fund. In addition to the above considerations, the Board reviewed and considered detailed presentations regarding BFA's investment performance, investment and risk management processes and strategies provided at the June 19-21, 2017 meeting and throughout the previous year, and matters related to BFA's portfolio compliance policies and procedures. The Board noted that the Fund had met its investment objective consistently since its inception date.

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

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

**Economies of Scale** — The Board reviewed information regarding potential economies of scale or other efficiencies that may result from increases in the Fund's assets, noting that the issue of economies of scale had been focused on by the 15(c) Committee during its meetings and addressed by management, including through supplemental information. The Board and the 15(c) Committee reviewed information provided by BFA regarding scale benefits shared with the iShares funds through relatively

# Board Review and Approval of Investment Advisory Contract (Continued)

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

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

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

***Other Benefits to BFA and/or its Affiliates*** — The Board reviewed the "fallout" benefits or ancillary revenue received by BFA and/or its affiliates in connection with the services provided to the Fund by BFA, such as payment of revenue to BTC, the Fund's securities lending agent, for loaning portfolio securities (which was included in the profit margins reviewed by the Board pursuant to BFA's profitability methodology), and payment of advisory fees and/or administration fees to BFA and BTC (or their affiliates) in connection with any investments by the Fund in other funds for which BFA (or its affiliates) provides investment advisory services and/or administration services. The Board also noted the revenue received by BFA and/or its affiliates pursuant to an agreement that permits a service provider to use certain portions of BlackRock's technology platform to service accounts managed by BFA and/or its affiliates, including the iShares funds. The Board noted that BFA generally does not use soft dollars or consider the value of research or other services that may be provided to BFA (including its affiliates) in selecting brokers for portfolio transactions for the Fund. The Board further noted that any portfolio transactions on behalf of the Fund placed through a BFA affiliate or purchased from an underwriting syndicate in which a BFA affiliate participates, are reported to the Board pursuant to

# Board Review and Approval of Investment Advisory Contract (Continued)

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Rule 17e-1 or Rule 10f-3, as applicable, under the 1940 Act. The Board concluded that any such ancillary benefits would not be disadvantageous to the Fund's shareholders and thus would not alter the Board's conclusion with respect to the appropriateness of approving the continuance of the Advisory Contract for the coming year.

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

## **II. iShares Emerging Markets Infrastructure ETF**

Under Section 15(c) of the Investment Company Act of 1940 (the "1940 Act"), the Trust's Board of Trustees (the "Board"), including a majority of Trustees who are not "interested persons" of the Trust (as that term is defined in the 1940 Act) (the "Independent Trustees"), is required annually to consider and approve the Investment Advisory Contract between the Trust and BFA (the "Advisory Contract") on behalf of the Fund. The Independent Trustees requested, and BFA provided, such information as the Independent Trustees, with advice from independent counsel, deemed reasonably necessary to evaluate the Advisory Contract. A committee of all of the Independent Trustees (the "15(c) Committee"), with independent counsel, met with management on May 5, 2017 and May 12, 2017. At these meetings, the 15(c) Committee reviewed and discussed information provided in response to the 15(c) Committee's initial requests, and requested certain additional information, which management agreed to provide. At a meeting held on May 18, 2017, management presented information to the Board relating to the continuance of the Advisory Contract, including information requested by the 15(c) Committee during its meetings. The Board, including the Independent Trustees, reviewed and discussed such information at length. The Independent Trustees requested from management certain additional information, which management agreed to provide. At a meeting held on June 19-21, 2017, the Board, including the Independent Trustees, reviewed the additional information provided by management in response to these requests. After extensive discussions, the Board, including all of the Independent Trustees, approved the continuance of the Advisory Contract for the Fund, based on a review of qualitative and quantitative information provided by BFA. 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 further enhancements to the 15(c) process for the coming year. The Independent Trustees were advised by their independent counsel throughout the process, including about the legal standards applicable to their review. In approving the Advisory Contract for the Fund, the Board, including the Independent Trustees, considered the following factors, no one of which was controlling, and reached the following conclusions:

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

# Board Review and Approval of Investment Advisory Contract (Continued)

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The Board also noted that the investment advisory fee rate and overall expenses (net of waivers and reimbursements) for the Fund were higher than the median of the investment advisory fee rates and overall expenses (net of waivers and reimbursements) of the funds in its Peer Group, excluding iShares funds. The Board further noted that the Fund's pricing reflects that it invests primarily in emerging markets companies, as compared to most of the funds in the Peer Group, which do not invest primarily in emerging markets companies.

In addition, to the extent that any of the comparison funds included in the Peer Group, excluding iShares funds, track the same index as the Fund, Broadridge also provided, and the Board reviewed, a comparison of the Fund's performance for the one-, three-, five-, ten-year, and since inception periods, as applicable, and for the quarter ended December 31, 2016, to that of relevant comparison funds for the same periods.

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

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

***Nature, Extent and Quality of Services Provided by BFA*** — Based on management's representations, including information about recent and proposed enhancements to the iShares business, including with respect to capital markets support and analysis, technology, product design, compliance and risk management, and other services, the Board expected that there would be no diminution in the scope of services required of or provided by BFA under the Advisory Contract for the coming year as compared to the scope of services provided by BFA during prior years. In reviewing the scope of these services, the Board considered BFA's investment philosophy and experience, noting that BFA and its affiliates have committed significant resources over time, including during the past year, to supporting the iShares funds and their shareholders. The Board also considered BFA's compliance program and its compliance record with respect to the Fund. In that regard, the Board noted that BFA reports to the Board about portfolio management and compliance matters on a periodic basis in connection with regularly scheduled meetings of the Board, and on other occasions as necessary and appropriate, and has provided information and made appropriate officers available as needed to provide further assistance with these matters. The Board also reviewed the background and experience of the persons responsible for the day-to-day management of the Fund, as well as the resources available to them in managing the Fund. In addition to the above considerations, the Board reviewed and considered detailed presentations regarding BFA's investment performance, investment and risk management processes and strategies provided at the June 19-21, 2017 meeting and throughout the previous year, and matters related to BFA's portfolio compliance policies and procedures. The Board noted that the Fund had met its investment objective consistently since its inception date.

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

***Costs of Services Provided to Fund and Profits Realized by BFA and Affiliates*** — The Board reviewed information about the profitability of the Fund to BlackRock, based on the fees payable to BFA and its affiliates (including fees under the Advisory Contract), and other sources of revenue and expense to BFA and its affiliates from the Fund's operations for the last calendar year. The Board reviewed BlackRock's profitability methodology for the iShares funds, including supplemental information that was responsive to requests of the 15(c) Committee. The Board noted that the 15(c) Committee had focused on the methodology

# Board Review and Approval of Investment Advisory Contract (Continued)

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and profitability presentation during its meetings. The Board discussed the sources of direct and ancillary revenue with management, including the revenues to BTC, a BFA affiliate, from securities lending by the Fund. The Board also discussed BFA's profit margin as reflected in the Fund's profitability analysis and reviewed information regarding potential economies of scale (as discussed below). Based on this review, the Board concluded that the profits realized by BFA and its affiliates under the Advisory Contract and from other relationships between the Fund and BFA and/or its affiliates, if any, were within a reasonable range in light of the factors considered.

**Economies of Scale** — The Board reviewed information regarding potential economies of scale or other efficiencies that may result from increases in the Fund's assets, noting that the issue of economies of scale had been focused on by the 15(c) Committee during its meetings and addressed by management, including through supplemental information. 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 and waivers or other fee reductions, as well as through additional investment in the iShares business and the provision of improved or additional infrastructure and services to the iShares funds and their shareholders. The Board and the 15(c) Committee received information regarding BlackRock's historical profitability, including BFA's and its affiliates' costs in providing services. The cost information distinguished, among other things, between fixed and variable costs, and explained how the level of fixed and variable costs, as well as the nature of such costs, may impact the existence or size of scale benefits. The Board noted that the Advisory Contract for the Fund did not provide for any breakpoints in the Fund's investment advisory fee rate as the assets of the Fund increase. However, the Board noted that should material economies of scale be identified in the future that are not otherwise shared, a breakpoint structure for the Fund may be appropriate, and that it would continue to monitor the sharing of economies of scale to determine the appropriateness of adding breakpoints in the future.

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

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



# Board Review and Approval of Investment Advisory Contract (Continued)

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

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

### III. iShares Europe ETF

Under Section 15(c) of the Investment Company Act of 1940 (the “1940 Act”), the Trust’s Board of Trustees (the “Board”), including a majority of Trustees who are not “interested persons” of the Trust (as that term is defined in the 1940 Act) (the “Independent Trustees”), is required annually to consider and approve the Investment Advisory Contract between the Trust and BFA (the “Advisory Contract”) on behalf of the Fund. The Independent Trustees requested, and BFA provided, such information as the Independent Trustees, with advice from independent counsel, deemed reasonably necessary to evaluate the Advisory Contract. A committee of all of the Independent Trustees (the “15(c) Committee”), with independent counsel, met with management on May 5, 2017 and May 12, 2017. At these meetings, the 15(c) Committee reviewed and discussed information provided in response to the 15(c) Committee’s initial requests, and requested certain additional information, which management agreed to provide. At a meeting held on May 18, 2017, management presented information to the Board relating to the continuance of the Advisory Contract, including information requested by the 15(c) Committee during its meetings. The Board, including the Independent Trustees, reviewed and discussed such information at length. The Independent Trustees requested from management certain additional information, which management agreed to provide. At a meeting held on June 19-21, 2017, the Board, including the Independent Trustees, reviewed the additional information provided by management in response to these requests. After extensive discussions, the Board, including all of the Independent Trustees, approved the continuance of the Advisory Contract for the Fund, based on a review of qualitative and quantitative information provided by BFA. 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 further enhancements to the 15(c) process for the coming year. The Independent Trustees were advised by their independent counsel throughout the process, including about the legal standards applicable to their review. In approving the Advisory Contract for the Fund, the Board, including the Independent Trustees, considered the following factors, no one of which was controlling, and reached the following conclusions:

**Expenses and Performance of the Fund** — The Board reviewed statistical information prepared by Broadridge Financial Solutions Inc. (“Broadridge”), an independent provider of investment company data, regarding the expense ratio components,

# Board Review and Approval of Investment Advisory Contract (Continued)

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

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

In addition, to the extent that any of the comparison funds included in the Peer Group, excluding iShares funds, track the same index as the Fund, Broadridge also provided, and the Board reviewed, a comparison of the Fund’s performance for the one-, three-, five-, ten-year, and since inception periods, as applicable, and for the quarter ended December 31, 2016, to that of relevant comparison funds for the same periods.

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

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

***Nature, Extent and Quality of Services Provided by BFA*** — Based on management’s representations, including information about recent and proposed enhancements to the iShares business, including with respect to capital markets support and analysis, technology, product design, compliance and risk management, and other services, the Board expected that there would be no diminution in the scope of services required of or provided by BFA under the Advisory Contract for the coming year as compared to the scope of services provided by BFA during prior years. In reviewing the scope of these services, the Board considered BFA’s investment philosophy and experience, noting that BFA and its affiliates have committed significant resources over time, including during the past year, to supporting the iShares funds and their shareholders. The Board also considered BFA’s compliance program and its compliance record with respect to the Fund. In that regard, the Board noted that BFA reports to the Board about portfolio management and compliance matters on a periodic basis in connection with regularly scheduled meetings of the Board, and on other occasions as necessary and appropriate, and has provided information and made appropriate officers available as needed to provide further assistance with these matters. The Board also reviewed the background and experience of the persons responsible for the day-to-day management of the Fund, as well as the resources available to them in managing the Fund. In addition to the above considerations, the Board reviewed and considered detailed presentations regarding BFA’s investment performance, investment and risk management processes and strategies provided at the June 19-21, 2017 meeting and throughout the previous year, and matters related to BFA’s portfolio compliance policies and procedures. The Board noted that the Fund had met its investment objective consistently since its inception date.



# Board Review and Approval of Investment Advisory Contract (Continued)

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

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

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

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

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

# Board Review and Approval of Investment Advisory Contract (Continued)

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compared to the Other Accounts that are institutional clients, in light of differing regulatory requirements and client-imposed mandates. The Board also acknowledged BFA's expressed business purpose for launching a suite of iShares "Core" ETFs that generally are subject to lower investment advisory fees than iShares non-Core ETFs that may provide a similar investment exposure. The Board also considered the "all-inclusive" nature of the Fund's advisory fee structure, and the Fund expenses borne by BFA under this arrangement. The Board noted that the investment advisory fee rate under the Advisory Contract for the Fund was generally higher than the investment advisory/management fee rates for certain of the Other Accounts (particularly institutional clients) and concluded that the differences appeared to be consistent with the factors discussed.

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

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

## IV. iShares International Developed Property ETF and iShares International Dividend Growth ETF

Under Section 15(c) of the Investment Company Act of 1940 (the "1940 Act"), the Trust's Board of Trustees (the "Board"), including a majority of Trustees who are not "interested persons" of the Trust (as that term is defined in the 1940 Act) (the "Independent Trustees"), is required annually to consider and approve the Investment Advisory Contract between the Trust and BFA (the "Advisory Contract") on behalf of the Funds. The Independent Trustees requested, and BFA provided, such information as the Independent Trustees, with advice from independent counsel, deemed reasonably necessary to evaluate the Advisory Contract. A committee of all of the Independent Trustees (the "15(c) Committee"), with independent counsel, met with management on May 5, 2017 and May 12, 2017. At these meetings, the 15(c) Committee reviewed and discussed information provided in response to the 15(c) Committee's initial requests, and requested certain additional information, which management agreed to provide. At a meeting held on May 18, 2017, management presented information to the Board relating to the continuance of the Advisory Contract, including information requested by the 15(c) Committee during its meetings. The Board, including the Independent Trustees, reviewed and discussed such information at length. The Independent Trustees requested from management certain additional information, which management agreed to provide. At a meeting held on June 19-21, 2017, 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. The Board noted its satisfaction with the extent and quality of information provided and its frequent interactions with management, as well as the

# Board Review and Approval of Investment Advisory Contract (Continued)

## *iSHARES® TRUST*

detailed responses and other information provided by BFA. The Board also noted that the Board and BFA agreed to discuss potential further enhancements to the 15(c) process for the coming year. The Independent Trustees were advised by their independent counsel throughout the process, including about the legal standards applicable to their review. In approving the Advisory Contract for the Funds, the Board, including the Independent Trustees, considered the following factors, no one of which was controlling, and reached the following conclusions:

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

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

In addition, to the extent that any of the comparison funds included in the Peer Group, excluding iShares funds, track the same index as any particular Fund, Broadridge also provided, and the Board reviewed, a comparison of such Fund’s performance for the one-, three-, five-, ten-year, and since inception periods, as applicable, and for the quarter ended December 31, 2016, to that of relevant comparison funds for the same periods.

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

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

**Nature, Extent and Quality of Services Provided by BFA** — Based on management’s representations, including information about recent and proposed enhancements to the iShares business, including with respect to capital markets support and analysis, technology, product design, compliance and risk management, and other services, the Board expected that there would be no diminution in the scope of services required of or provided by BFA under the Advisory Contract for the coming year as compared to the scope of services provided by BFA during prior years. In reviewing the scope of these services, the Board considered BFA’s investment philosophy and experience, noting that BFA and its affiliates have committed significant resources over time, including during the past year, to supporting the iShares funds and their shareholders. The Board also considered BFA’s compliance program and its compliance record with respect to the Funds. In that regard, the Board noted that BFA reports to the Board about portfolio management and compliance matters on a periodic basis in connection with regularly scheduled meetings of the Board, and on other occasions as necessary and appropriate, and has provided information and made

# Board Review and Approval of Investment Advisory Contract (Continued)

## iSHARES® TRUST

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 19-21, 2017 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 of the Funds to BlackRock, on a Fund-by-Fund basis and in the aggregate, based on the fees payable to BFA and its affiliates (including fees under the Advisory Contract), and 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, including supplemental information that was responsive to requests of the 15(c) Committee. The Board noted that the 15(c) Committee had focused on the methodology and profitability presentation during its meetings. The Board discussed the sources of direct and ancillary revenue with management, including the revenues to BTC, a BFA affiliate, from securities lending by the Funds. The Board also discussed BFA's profit margin as reflected in the Funds' profitability analyses and reviewed information regarding potential economies of scale (as discussed below). Based on this review, the Board concluded that the profits realized by BFA and its affiliates under the Advisory Contract and from other relationships between the Funds and BFA and/or its affiliates, if any, were within a reasonable range in light of the factors considered.

**Economies of Scale** — The Board reviewed information regarding potential economies of scale or other efficiencies that may result from increases in the Funds' assets, noting that the issue of economies of scale had been focused on by the 15(c) Committee during its meetings and addressed by management, including through supplemental information. 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 and waivers or other fee reductions, as well as through additional investment in the iShares business and the provision of improved or additional infrastructure and services to the iShares funds and their shareholders. The Board and the 15(c) Committee received information regarding BlackRock's historical profitability, including BFA's and its affiliates' costs in providing services. The cost information distinguished, among other things, between fixed and variable costs, and explained how the level of fixed and variable costs, as well as the nature of such costs, may impact the existence or size of scale benefits. The Board noted that the Advisory Contract for the Funds did not provide for any breakpoints in the Funds' investment advisory fee rates as the assets of the Funds increase. However, the Board noted that should material economies of scale be identified in the future that are not otherwise shared, a breakpoint structure for the Funds may be appropriate, and that it would continue to monitor the sharing of economies of scale to determine the appropriateness of adding breakpoints in the future.

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

**Fees and Services Provided for Other Comparable Funds/Accounts Managed by BFA and its Affiliates** — The Board received and considered information regarding the investment advisory/management fee rates for other funds/accounts in the U.S. for which BFA (or its affiliates) provides investment advisory/management services, including open-end funds registered under the 1940 Act (including sub-advised funds), collective trust funds, and institutional separate accounts (together, the "Other Accounts"), and acknowledged BFA's assertion that the iShares funds are fundamentally different investment vehicles from the

# Board Review and Approval of Investment Advisory Contract (Continued)

## iSHARES® TRUST

Other Accounts. The Board noted that BFA and its affiliates do not manage Other Accounts with substantially the same investment objectives and strategies as the Funds and that track the same index as the Funds. The Board further noted that BFA provided the Board with detailed information regarding how the Other Accounts (particularly institutional clients) generally differ from the Funds, including in terms of the different and generally more extensive services provided to the Funds, as well as other significant differences. In that regard, the Board considered that the pricing of services to institutional clients is typically based on a number of factors beyond the nature and extent of the specific services to be provided and often depends on the overall relationship between the client and its affiliates and the adviser and its affiliates. In addition, the Board considered the relative complexity and inherent risks and challenges of managing and providing other services to the Funds, as publicly traded ETFs, as compared to the Other Accounts that are institutional clients in light of differing regulatory requirements and client-imposed mandates. The Board also acknowledged BFA's expressed business purpose for launching a suite of iShares "Core" ETFs that generally are subject to lower investment advisory fees than iShares non-Core ETFs that may provide a similar investment exposure. The Board also considered the "all-inclusive" nature of the Funds' advisory fee structure, and the Fund expenses borne by BFA under this arrangement. The Board noted that the investment advisory fee rates under the Advisory Contract for the Funds were generally higher than the investment advisory/management fee rates for certain of the Other Accounts (particularly institutional clients) and concluded that the differences appeared to be consistent with the factors discussed.

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

**Conclusion** — 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 to approve the continuance of the Advisory Contract for the coming year.

## V. iShares Latin America 40 ETF

Under Section 15(c) of the Investment Company Act of 1940 (the "1940 Act"), the Trust's Board of Trustees (the "Board"), including a majority of Trustees who are not "interested persons" of the Trust (as that term is defined in the 1940 Act) (the "Independent Trustees"), is required annually to consider and approve the Investment Advisory Contract between the Trust and BFA (the "Advisory Contract") on behalf of the Fund. The Independent Trustees requested, and BFA provided, such information as the Independent Trustees, with advice from independent counsel, deemed reasonably necessary to evaluate the Advisory Contract. A committee of all of the Independent Trustees (the "15(c) Committee"), with independent counsel, met with management on May 5, 2017 and May 12, 2017. At these meetings, the 15(c) Committee reviewed and discussed information provided in response to the 15(c) Committee's initial requests, and requested certain additional information, which management



# Board Review and Approval of Investment Advisory Contract (Continued)

## *iSHARES® TRUST*

agreed to provide. At a meeting held on May 18, 2017, management presented information to the Board relating to the continuance of the Advisory Contract, including information requested by the 15(c) Committee during its meetings. The Board, including the Independent Trustees, reviewed and discussed such information at length. The Independent Trustees requested from management certain additional information, which management agreed to provide. At a meeting held on June 19-21, 2017, the Board, including the Independent Trustees, reviewed the additional information provided by management in response to these requests. After extensive discussions, the Board, including all of the Independent Trustees, approved the continuance of the Advisory Contract for the Fund, based on a review of qualitative and quantitative information provided by BFA. 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 further enhancements to the 15(c) process for the coming year. The Independent Trustees were advised by their independent counsel throughout the process, including about the legal standards applicable to their review. In approving the Advisory Contract for the Fund, the Board, including the Independent Trustees, considered the following factors, no one of which was controlling, and reached the following conclusions:

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

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

In addition, to the extent that any of the comparison funds included in the Peer Group, excluding iShares funds, track the same index as the Fund, Broadridge also provided, and the Board reviewed, a comparison of the Fund’s performance for the one-, three-, five-, ten-year, and since inception periods, as applicable, and for the quarter ended December 31, 2016, to that of relevant comparison funds for the same periods.

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

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

***Nature, Extent and Quality of Services Provided by BFA*** — Based on management’s representations, including information about recent and proposed enhancements to the iShares business, including with respect to capital markets support and

# Board Review and Approval of Investment Advisory Contract (Continued)

## *iSHARES® TRUST*

analysis, technology, product design, compliance and risk management, and other services, the Board expected that there would be no diminution in the scope of services required of or provided by BFA under the Advisory Contract for the coming year as compared to the scope of services provided by BFA during prior years. In reviewing the scope of these services, the Board considered BFA's investment philosophy and experience, noting that BFA and its affiliates have committed significant resources over time, including during the past year, to supporting the iShares funds and their shareholders. The Board also considered BFA's compliance program and its compliance record with respect to the Fund. In that regard, the Board noted that BFA reports to the Board about portfolio management and compliance matters on a periodic basis in connection with regularly scheduled meetings of the Board, and on other occasions as necessary and appropriate, and has provided information and made appropriate officers available as needed to provide further assistance with these matters. The Board also reviewed the background and experience of the persons responsible for the day-to-day management of the Fund, as well as the resources available to them in managing the Fund. In addition to the above considerations, the Board reviewed and considered detailed presentations regarding BFA's investment performance, investment and risk management processes and strategies provided at the June 19-21, 2017 meeting and throughout the previous year, and matters related to BFA's portfolio compliance policies and procedures. The Board noted that the Fund had met its investment objective consistently since its inception date.

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

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

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



# Board Review and Approval of Investment Advisory Contract (Continued)

## iSHARES® TRUST

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

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

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

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

# Supplemental Information (Unaudited)

## iSHARES® TRUST

### Proxy Results

A special meeting of the shareholders of each series of iShares Trust (the "Trust") was held on June 19, 2017, to elect five Trustees to the Board of Trustees of the Trust. The five nominees were Jane D. Carlin, Richard L. Fagnani, Drew E. Lawton, Madhav V. Rajan and Mark Wiedman, all of whom were elected as Trustees at the special meeting. The other Trustees whose terms of office as Trustees continued after the special meeting are Cecilia H. Herbert, Charles A. Hurty, John E. Kerrigan, John E. Martinez and Robert S. Kapito.

<i>Trustee</i>	<i>Votes For</i>	<i>Votes Withheld</i>
Jane D. Carlin	8,669,874,031	59,322,838
Richard L. Fagnani	8,672,718,914	56,477,955
Drew E. Lawton	8,670,713,236	58,483,633
Madhav V. Rajan	8,653,682,870	75,513,999
Mark Wiedman	8,664,674,816	64,522,053

### Section 19(a) Notices

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

	<i>Total Cumulative Distributions for the Fiscal Year-to-Date</i>				<i>% Breakdown of the Total Cumulative Distributions for the Fiscal Year-to-Date</i>			
	<i>Net</i>				<i>Net</i>			
<i>iShares ETF</i>	<i>Net Investment Income</i>	<i>Realized Capital Gains</i>	<i>Return of Capital</i>	<i>Total Per Share</i>	<i>Net Investment Income</i>	<i>Realized Capital Gains</i>	<i>Return of Capital</i>	<i>Total Per Share</i>
Asia 50	\$0.166100	\$ —	\$0.024648	\$0.190748	87%	— %	13%	100%
International Dividend Growth	0.791855	—	0.024918	0.816773	97	—	3	100



For more information visit [www.iShares.com](http://www.iShares.com) or call 1-800-474-2737

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

**Investing involves risk, including possible loss of principal.**

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

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

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

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

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