

**ISHARES III PUBLIC LIMITED COMPANY**  
**CONSOLIDATED SIMPLIFIED PROSPECTUS**  
**4 December 2009**

This Consolidated Simplified Prospectus contains key information in relation to the sub-funds (the "Funds") of iShares III public limited company (the "Company"). The Company is an open-ended umbrella investment company with variable capital and having segregated liability between its funds incorporated in Ireland on 22 January 2008 and authorised on 6 March 2008 by the Irish Financial Services Regulatory Authority pursuant to the European Communities (UCITS) Regulations, 2003, as amended. The Company has twenty-eight Funds which are listed below with the Base Currency of the Funds:

iShares S&P SmallCap 600	US Dollars	iShares Citigroup Global Government Bond	US Dollars
iShares MSCI Japan SmallCap	US Dollars	iShares Barclays Global Aggregate Bond	US Dollars
iShares Global Inflation-Linked Bond	US Dollars	iShares MSCI Europe ex-EMU	US Dollars
iShares € Covered Bond	Euro	iShares MSCI Pacific ex- Japan	US Dollars
iShares MSCI Emerging Markets SmallCap	US Dollars	iShares FTSE Developed World ex-UK	US Dollars
iShares MSCI GCC Countries ex-Saudi Arabia	US Dollars	iShares Barclays Euro Treasury Bond	Euro
iShares Barclays Euro Treasury Bond 0-1	Euro	iShares Barclays Euro Government Bond 5-7	Euro
iShares Barclays Euro Corporate Bond	Euro	iShares Barclays Euro Government Bond 10-15	Euro
iShares Barclays Euro Aggregate Bond	Euro	iShares FTSE Gilts UK 0-5	Sterling
iShares DJ Euro STOXX 50 (Acc)	Euro	iShares MSCI Emerging Markets (Acc)	US Dollars
iShares MSCI Japan (Acc)	US Dollars	iShares Barclays Euro Corporate Bond 1-5	Euro
iShares S&P 500 (Acc)	US Dollars	iShares Barclays Euro Corporate Bond ex-Financials	Euro
iShares MSCI World (Acc)	US Dollars	iShares Barclays Euro Corporate Bond ex-Financials 1-5	Euro
iShares MSCI Europe (Acc)	Euro	iShares iBoxx £ Corporate Bond ex-Financials	Sterling

Potential investors are advised to read the full prospectus dated 4 December 2009 and, if applicable, any relevant Fund supplement, global supplement and addendum (the "Full Prospectus") before making an investment decision. The rights and duties of the investor as well as the investor's legal relationship with the Company are laid down in the Full Prospectus.

**Investment Objectives and Policies of the Funds:**

<b>Fixed Income Funds</b>	
<b>Corporate Bond Funds</b>	
<i>Investment Objective:</i>	
<b>iShares Barclays Euro Corporate Bond</b>	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Corporate Bond Index.
<b>iShares Barclays Euro Corporate Bond 1-5</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Corporate 1-5 Year Bond Index.
<b>iShares iBoxx £ Corporate Bond ex-Financials</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Markit iBoxx GBP Non-Financials Index.
<b>iShares Barclays Euro Corporate Bond ex-Financials 1-5</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Aggregate Corporate ex Financials 1-5 Year Bond Index.
<b>iShares Barclays Euro Corporate Bond ex-Financials</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Corporate ex-Financials Bond Index.
<b>Covered Bond Funds</b>	
<i>Investment Objective:</i>	
<b>iShares € Covered Bond</b>	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the total return of the Euro-denominated covered bond market.
<b>Government Bond Funds</b>	
<i>Investment Objectives:</i>	
<b>iShares Citigroup Global Government Bond</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Citigroup Group-of-Seven (G7) Index.

<b>iShares Barclays Global Aggregate Bond</b>	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Global Aggregate Bond Index.
<b>iShares Barclays Euro Aggregate Bond</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Aggregate Bond Index.
<b>iShares Barclays Euro Treasury Bond 0-1</b>	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the total return of the Barclays Capital Euro Treasury 0-12 Months Index.
<b>iShares Barclays Euro Treasury Bond</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Treasury Bond Index.
<b>iShares Barclays Euro Government Bond 5-7</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Government Bond 5-7 Yr Term Index.
<b>iShares Barclays Euro Government Bond 10-15</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Government Bond 10-15 Yr Term Index.
<b>iShares FTSE Gilts UK 0-5</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE UK Conventional Gilts - Up To 5 Years Index.
<b>Inflation Linked Bond Funds</b>	
<i>Investment Objective:</i>	
<b>iShares Global Inflation-Linked Bond</b>	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return on government inflation-linked bonds issued globally.
<i>Investment Policies:</i> The objectives of the fixed income Funds are achieved by investing in a portfolio of corporate, covered, government or inflation-linked bond issues that are component securities of each Fund's Benchmark Index. The fixed income Funds may utilise optimisation techniques extensively and may be able to provide a return similar to that of their Benchmark Indices by investing only in a relatively small number of the constituents of their Benchmark Indices. Derivatives can be used for efficient portfolio management and direct investment purposes.  The portfolios are passively managed and cannot exceed the exposure limits set out in the Regulations and outlined in Schedule III of the Full Prospectus.	

<b>Equity Funds</b>	
<b>Developed Equity</b>	
<i>Investment Objectives:</i>	
<b>iShares MSCI Japan (Acc)</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Japan Index.
<b>iShares S&amp;P 500 (Acc)</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the S&P 500 Index.
<b>iShares MSCI Europe (Acc)</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Europe Index.
<b>iShares MSCI World (Acc)</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI World Index.
<b>iShares MSCI Europe ex-EMU</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Europe ex EMU Index.
<b>Emerging Equity</b>	
<i>Investment Objectives:</i>	
<b>iShares MSCI GCC Countries ex-Saudi Arabia</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI GCC Countries ex Saudi Arabia 10/40 Index.

<b>iShares MSCI Emerging Markets (Acc)</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Emerging Markets Index.
<b>Size/Style Equity</b>	
<i>Investment Objectives:</i>	
<b>iShares MSCI Emerging Markets SmallCap</b>	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Emerging Markets SmallCap Index.
<b>iShares MSCI Japan SmallCap</b>	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Japan SmallCap Index.
<b>iShares S&amp;P SmallCap 600</b>	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the S&P SmallCap 600 Index.
<b>iShares MSCI Pacific ex-Japan</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Pacific ex Japan Index.
<b>iShares FTSE Developed World ex-UK</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE Developed ex UK Index.
<b>iShares DJ Euro STOXX 50 (Acc)</b>	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Dow Jones Euro STOXX 50 Index <sup>SM</sup> .
<i>Investment Policies:</i> The objectives of the equity Funds are achieved by investing in portfolios of equity securities that so far as practicable and possible consist of the component securities of each Fund's Benchmark Index. Derivatives can be used for efficient portfolio management and direct investment purposes.  The portfolios are passively managed and cannot have more than 10% exposure to any one issuer, except for iShares MSCI Pacific ex-Japan and iShares DJ Euro STOXX 50 (Acc) where the portfolios can, in exceptional market conditions, have up to 35% exposure to any one issuer.	

## **Risk Profile**

**Investors' attention is drawn to the following risk factors in relation to the Funds. A more detailed description of the risk factors that apply to the Company is set out in the Full Prospectus.**

### ***Investment Risk***

The value of investments may fall as well as rise, and investors may not receive back the amount invested.

The performance of the Funds is measured against specific indices. It should be noted that to comply with certain tax and regulatory constraints the Funds may not be able to track the constituent holdings of the indices which could give rise to a difference between the performance of the Benchmark Indices and the Funds (please see the section "Benchmark Indices" in the Full Prospectus for more information).

The attention of Shareholders and potential investors is drawn to the taxation risks associated with investing in the Company (please see the section "Taxes" in the Full Prospectus for more information). Investors should note that exemptions, thresholds and rates of tax are subject to change.

The Funds will be exposed to a credit risk on parties with whom they trade and may also bear the risk of settlement default. To the extent that the Company invests in derivatives, the use of such derivatives may also expose the Funds to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties.

The Company is structured as an umbrella fund with segregated liability between its Funds. As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation.

### **Secondary Trading Risk**

If the shares are listed on one or more stock exchanges there can be no certainty that there will be liquidity in the shares on any one or more of the stock exchanges or that the market price at which shares may be traded on a stock exchange will be the same as the Net Asset Value per share. There can be no guarantee that once the shares are listed on a stock exchange they will remain listed on that stock exchange.

Since foreign exchanges are open on days when the shares of the Funds are not priced, the value of the securities in the Funds' portfolios may change on days when Shareholders will not be able to purchase or sell the Funds' shares.

Prospective investors are reminded that in certain circumstances their right to redeem shares may be suspended (please see the section "Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Conversions" in the Full Prospectus for more information).

#### **Performance Data:**

There is no performance data available as the Funds are less than one full financial year old.

**Please note that past performance should not be taken as an indicator of future performance. The data attached does not include subscription or redemption charges.**

#### **Profile of a Typical Investor:**

The Funds are suitable for investors seeking a total return for a period of 5 to 10 years.

Appendix I attached outlines the level of volatility an investor should expect when investing in the Funds.

#### **Dividend Policy:**

##### ***Dividends***

The Company intends to declare dividends on the shares of the Funds (with the exception of iShares Global Inflation-Linked Bond, iShares DJ Euro STOXX 50 (Acc), iShares MSCI Japan (Acc), iShares S&P 500 (Acc), iShares MSCI World (Acc), iShares MSCI Europe (Acc) and iShares MSCI Emerging Markets (Acc)) in respect of each financial year, which are normally equal to the total income of the Funds, net of any expenses for that financial year. Dividends on shares will normally be declared with a view to their being paid either monthly, quarterly (January, April, July and October) or semi-annually (January and July) each year. Dividends will be declared in the Base Currency of the applicable Funds.

Appendix I attached outlines the frequency at which dividends are paid by the Funds.

#### **Fees and Expenses:**

##### ***Shareholder Expenses***

###### ***Subscription Fee***

It is not intended to charge a subscription fee.

###### ***Redemption Fee***

It is not intended to charge a redemption fee.

###### ***Switching Fee***

The switching charge for the switching of shares in a Fund into shares of another Fund may be up to 3% of the Net Asset Value per share.

##### ***Annual Operating Expenses***

###### ***Total Expense Ratio***

The total expense ratio for the Funds is set out in Appendix I attached.

The Company employs an "all-in-one" fee structure for its Funds, with each Fund paying all of its fees, costs and expenses as a single flat fee (the "Total Expense Ratio" or "TER"). The Manager is responsible for discharging all operational expenses, including, but not limited to, fees and expenses of the Directors, Investment Manager, Custodian, Transfer Agent and Registrar from the amounts received by the Manager from the TER. Such operational expenses include regulatory and audit fees. In the event that a Fund's costs and expenses in connection with the operation of the Funds exceed the stated TER, the Manager will discharge any excess amounts out of its own assets.

##### ***Portfolio Turnover Rate***

There is no portfolio turnover rate data available as the Funds are less than one full financial year old.

#### **Taxation:**

The Company is resident in Ireland for tax purposes and is not subject to Irish taxation charges on incomes or gains. Generally, no Irish stamp duty is payable on the issue, transfer or redemption of shares in the Company.

**Potential investors should consult with their professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of shares under the laws of the jurisdiction in which they may be subject to tax.**

#### **Publication of Share Price:**

The Net Asset Value per share for the Funds is published daily on the Business Day following the Valuation Point for the applicable Funds by means of a Regulatory Information Service as well as the official iShares website on ([www.iShares.com](http://www.iShares.com)) and shall be made available at the registered office of the Administrator on or before the close of business of each Dealing Day.

## **How to Buy/Sell Shares:**

### **Subscriptions/Redemptions on the Primary Market**

Subscriptions/redemptions for shares in the primary market may be made, subject to the charges listed above and provided they are received in the correct format, to the Administrator at: -

Bank of Ireland Securities Services Ltd  
New Century House, International Financial Services Centre  
Mayor Street Lower  
Dublin 1  
Ireland

Tel: 00 353 1 6737221

Fax: 00 353 1 6071976

(Hours of business 9 am to 5 pm (Irish time) Mon-Fri)

### **Subscriptions /Redemptions on the Secondary Market**

It is intended to apply to have the shares of Funds admitted for trading on the London Stock Exchange, the Borsa Italiana, the Frankfurt Stock Exchange (Xetra), the SWX Swiss Exchange, Euronext Amsterdam by NYSE Euronext and Euronext Paris by NYSE Euronext. However, the Company does not warrant or guarantee that such listings will take place. Shares may be bought and sold on these exchanges where the Fund is listed on that exchange. Please consult your professional advisor or broker for more information.

## **Additional Important Information:**

### **Directors of the Company**

Mr William Roberts  
Ms Eimear Cowhey  
Mr John Donohoe  
Mr Tom O'Connor  
Mr Barry O'Dwyer  
Mr Michael Rawson

### **Manager**

BlackRock Asset Management Ireland Limited  
JP Morgan House, International Financial Services Centre, Dublin  
1, Ireland

### **Custodian**

The Governor and Company of the Bank of Ireland  
Lower Baggot Street, Dublin 2, Ireland

### **Administrator**

Bank of Ireland Securities Services Limited

### **Registrar and Transfer Agent**

Computershare Investor Services (Ireland) Ltd

### **Investment Manager and Promoter**

BlackRock Advisors (UK) Limited

### **Auditors**

PricewaterhouseCoopers Chartered Accountants Dublin  
One Spencer Dock, North Wall Quay, Dublin 1, Ireland

### **Legal Advisers to the Company**

William Fry

### **Secretary**

JP Morgan Administration Services (Ireland) Limited

Additional information and copies of the Full Prospectus, and the latest annual and half yearly reports once produced, may be obtained (free of charge) from:

Bank of Ireland Securities Services Limited  
New Century House  
International Financial Services Centre  
Mayor Street Lower  
Dublin 1  
Ireland

Tel 00 353 1 673 7221

Fax 00 353 1 607 1979

(Hours of business 9am to 5pm (Irish Time) Mon – Fri)

## Index Disclaimers

© Barclays Bank 2009. All rights reserved. The iShares Global Inflation-Linked Bond, iShares Barclays Euro Government Bond 5-7 and iShares Barclays Euro Government Bond 10-15 (the "Funds")<sup>1</sup> are not sponsored, endorsed, sold or promoted by Barclays Capital, the investment banking division of Barclays Bank PLC ("Barclays Capital"). With a distinctive business model, Barclays Capital provides corporates, financial institutions, governments and supranational organisations with solutions to their financing and risk management needs. Barclays Capital does not make any representation regarding the advisability of the Funds or the advisability of investing in securities generally. Barclays Capital only relationship with the Investment Manager (the "Licensee") is the licensing of the index which is determined, composed and calculated by Barclays Capital without regard to the Licensee or the Funds. Barclays Capital has no obligation to take the needs of the Licensee or the shareholders of the Funds into consideration in determining, composing or calculating the Index. Barclays Capital has no obligation or liability in connection with administration, marketing or trading of the Funds.

BARCLAYS CAPITAL SHALL HAVE NO LIABILITY TO THE LICENSEE OR TO THIRD PARTIES FOR THE QUALITY, ACCURACY AND/OR COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN OR FOR INTERRUPTIONS IN THE DELIVERY OF THE INDEX. BARCLAYS CAPITAL MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY THE LICENSEE SHAREHOLDERS OF THE FUNDS OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN IN CONNECTIONS WITH THE RIGHTS LICENSED HEREUNDER OR FOR ANY OTHER USE. BARCLAYS CAPITAL MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. BARCLAYS CAPITAL SHALL NOT BE LIABLE FOR ANY DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY INDIRECT OR CONSEQUENTIAL DAMAGES, RESULTING FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN.

None of the information supplied by Barclays Capital and used in this publication may be reproduced in any manner without the prior written permission of Barclays Capital. Barclays Bank PLC is registered in England No. 1026167. Registered office: 1 Churchill Place London E14 5HP.

The iShares Citigroup Global Government Bond (the "Fund") is not sponsored, endorsed, sold or promoted by Citigroup Index LLC ("Citigroup Index") or any of its affiliates (collectively, "Citigroup"). Citigroup makes no representation or warranty, express or implied, to the owners or prospective owners of shares of the Fund or any member of the public regarding the advisability of investing in securities generally or in the Fund particularly, or the ability of the Fund to track the price and yield performance of the Citigroup Group-of-Seven (G7) Index or the ability of the Citigroup Group-of-Seven (G7) Index to track general bond market performance. Citigroup Index's only relationship to BlackRock Institutional Trust Company, N.A. ("Licensee") is the licensing of certain information, data, trademarks and trade names of Citigroup. The Citigroup Group-of-Seven (G7) Index ("the Index") is determined, composed and calculated by Citigroup Index without regard to Licensee or the Fund. Citigroup Index has no obligation to take the needs of Licensee or the owners or prospective owners of the Fund into consideration in determining, composing or calculating the Index. Citigroup Index is not responsible for and has not participated in the determination of the prices and amount of the shares to be issued by the Fund or the timing of the issuance or sale of the shares to be issued by the Fund or in the determination or calculation of the equation by which the shares to be issued by the Fund are to be converted into cash. Citigroup Index has no obligation or liability in connection with the administration, marketing or trading of the Fund.

CITIGROUP DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF THE CITIGROUP GROUP-OF-SEVEN (G7) INDEX OR ANY DATA INCLUDED THEREIN, OR FOR ANY COMMUNICATIONS, INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATIONS (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO, AND CITIGROUP SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS OR DELAYS THEREIN. CITIGROUP MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OR PROSPECTIVE OWNERS OF SHARES OF THE FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE CITIGROUP GROUP-OF-SEVEN (G7) INDEX OR ANY DATA INCLUDED THEREIN. CITIGROUP MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE CITIGROUP GROUP-OF-SEVEN (G7) INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL CITIGROUP HAVE ANY LIABILITY FOR ANY DIRECT, SPECIAL, PUNITIVE, INDIRECT, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE.

Copyright © 2009, Citigroup Index LLC. All rights reserved. Citigroup is a trade mark and service mark of Citigroup Inc. or its affiliates (collectively, "Citigroup"), is used and registered throughout the world, and is used under license for certain purposes by BlackRock Institutional Trust Company, N.A. and certain of its affiliates. Reproduction of the Citigroup data and information in any form is prohibited except with the prior written permission of Citigroup Index LLC.

iBoxx and Markit iBoxx Euro Covered Index are marks of International Index Co. and have been licensed for use by the Investment Manager.

The Markit iBoxx Euro Covered Index and the Markit iBoxx GBP Non-financials Index (the "Indices") referenced herein are the property of International Index Co. ("Index Sponsor") and has been licensed for use in connection with iShares € Covered Bond and iShares iBoxx £ Corporate Bond ex-Financials. Each party acknowledges and agrees that iShares € Covered Bond and iShares iBoxx £ Corporate Bond ex-Financials (the "Funds") are not sponsored, endorsed or promoted by the Index Sponsor. The Index Sponsor make no representation whatsoever, whether express or implied, and hereby expressly disclaim all warranties (including, without limitation, those of merchantability or fitness for a particular purpose or use), with respect to the Indices or any data included therein or relating thereto, and in particular disclaim any warranty either as to the quality,

accuracy and/or completeness of the Indices or any data included therein, the results obtained from the use of the Indices and/or the composition of the Indices at any particular time on any particular date or otherwise and/or the creditworthiness of any entity, or the likelihood of the occurrence of a credit event or similar event (however defined) with respect to an obligation, in the Indices at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to the parties or any other person for any error in the Indices, and the Index Sponsor is under no obligation to advise the parties or any person of any error therein.

The Index Sponsor makes no representation whatsoever, whether express or implied, as to the advisability of purchasing or selling Funds, the ability of the Indices to track relevant markets' performances, or otherwise relating to the Indices or any transaction or product with respect thereto, or of assuming any risks in connection therewith. The Index Sponsor has no obligation to take the needs of any party into consideration in determining, composing or calculating the Indices. No party purchasing or selling Funds, nor the Index Sponsor, shall have any liability to any party for any act or failure to act by the Index Sponsor in connection with the determination, adjustment, calculation or maintenance of the Indices. Each party acknowledges that the other party or one of its affiliates may be, or may be affiliated with, the Index Sponsor and, as such, may be able to affect or influence the determination, adjustment or maintenance of the Indices. The Index Sponsor and its affiliates may deal in any obligations that compose the Indices, and may, where permitted, accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with the issuers of such obligations or their affiliates, and may act with respect to such business as if the Indices did not exist, regardless of whether such action might adversely affect the Indices or Funds. The Index Sponsor and its affiliates may be in possession of information in relation to components of the Indices that may or may not be publicly available or known to any other party, and each party purchasing or selling Funds agrees that Funds does not create any obligation on the part of any Index Sponsor or its affiliates to disclose any such information.

THE ISHARES MSCI GCC COUNTRIES EX-SAUDI ARABIA, THE ISHARES MSCI JAPAN SMALLCAP, THE ISHARES MSCI EMERGING MARKETS SMALLCAP, THE ISHARES MSCI EUROPE (ACC), THE ISHARES MSCI WORLD (ACC), THE ISHARES MSCI EMERGING MARKETS (ACC) AND THE ISHARES MSCI JAPAN (ACC) (THE "FUNDS") ARE NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY MORGAN STANLEY CAPITAL INTERNATIONAL INC. ("MSCI"), ANY OF ITS AFFILIATES, ANY OF ITS INFORMATION PROVIDERS OR ANY OTHER THIRD PARTY INVOLVED IN, OR RELATED TO, COMPILING, COMPUTING OR CREATING ANY MSCI INDEX (COLLECTIVELY, THE "MSCI PARTIES"). THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES ARE SERVICE MARK(S) OF MSCI OR ITS AFFILIATES AND HAVE BEEN LICENSED FOR USE FOR CERTAIN PURPOSES BY THE INVESTMENT MANAGER AND ITS AFFILIATES. NONE OF THE MSCI PARTIES MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE ISSUER OR SHAREHOLDERS OF THE FUNDS OR ANY OTHER PERSON OR ENTITY REGARDING THE ADVISABILITY OF INVESTING IN FUNDS GENERALLY OR IN THE FUNDS PARTICULARLY OR THE ABILITY OF ANY MSCI INDEX TO TRACK CORRESPONDING STOCK MARKET PERFORMANCE. MSCI OR ITS AFFILIATES ARE THE LICENSORS OF CERTAIN TRADEMARKS, SERVICE MARKS AND TRADE NAMES AND OF THE MSCI INDEXES WHICH ARE DETERMINED, COMPOSED AND CALCULATED BY MSCI WITHOUT REGARD TO THE FUNDS OR THE ISSUER OR SHAREHOLDERS OF THE FUNDS OR ANY OTHER PERSON OR ENTITY. NONE OF THE MSCI PARTIES HAS ANY OBLIGATION TO TAKE THE NEEDS OF THE ISSUER OR SHAREHOLDERS OF THE FUNDS OR ANY OTHER PERSON OR ENTITY INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE MSCI INDEXES. NONE OF THE MSCI PARTIES IS RESPONSIBLE FOR OR HAS PARTICIPATED IN THE DETERMINATION OF THE TIMING OF, PRICES AT, OR QUANTITIES OF THE FUNDS TO BE ISSUED OR IN THE DETERMINATION OR CALCULATION OF THE EQUATION BY OR THE CONSIDERATION INTO WHICH THE FUNDS ARE REDEEMABLE. FURTHER, NONE OF THE MSCI PARTIES HAS ANY OBLIGATION OR LIABILITY TO THE ISSUER OR SHAREHOLDERS OF THE FUNDS OR ANY OTHER PERSON OR ENTITY IN CONNECTION WITH THE ADMINISTRATION, MARKETING OR OFFERING OF THE FUNDS.

ALTHOUGH MSCI SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE MSCI INDEXES FROM SOURCES THAT MSCI CONSIDERS RELIABLE, NONE OF THE MSCI PARTIES WARRANTS OR GUARANTEES THE ORIGINALITY, ACCURACY AND/OR THE COMPLETENESS OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE MSCI PARTIES MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE ISSUER OF THE FUNDS, SHAREHOLDERS OF THE FUNDS, OR ANY OTHER PERSON OR ENTITY, FROM THE USE OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE MSCI PARTIES SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS OF OR IN CONNECTION WITH ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. FURTHER, NONE OF THE MSCI PARTIES MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, AND THE MSCI PARTIES HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO EACH MSCI INDEX AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL ANY OF THE MSCI PARTIES HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

No purchaser, seller, owner or holder of this security, account, product or fund, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security, account, product or fund without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI.



The Shares in the iShares S&P SmallCap 600 and iShares S&P 500 (Acc) (THE "FUNDS") are not in anyway sponsored, endorsed, sold or promoted by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"). S&P makes no representation or warranty, express or implied, to the shareholders of THE FUNDS or any member of the public regarding the advisability of investing in securities generally or in THE FUNDS particularly or the ability of the S&P SmallCap 600 Index and the S&P 500 Index (the "Indices") to track general stock market performance. S&P's only relationship to iShares III plc (the "Company") is the licensing of certain trademarks and trade names of S&P and of the indices which is determined, composed

and calculated by S&P without regard to the Company or the FUNDS. S&P has no obligation to take the needs of the Company or the Shareholders of the FUNDS into consideration in determining, composing or calculating the Indices. S&P is not responsible for and has not participated in the determination of the prices and amount of the FUNDS or the timing of the issuance or sale of the FUNDS or in the determination or calculation of the equation by which the FUNDS are to be converted into cash. S&P has no obligation or liability in connection with the administration, marketing or trading of the FUNDS.

S&P DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE Indices OR ANY DATA INCLUDED THEREIN AND S&P SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. S&P MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE COMPANY, SHAREHOLDERS OF THE FUNDS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDICES OR ANY DATA INCLUDED THEREIN. S&P MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDICES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL S&P HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), RESULTING FROM THE USE OF THE INDICES OR ANY DATA INCLUDED THEREIN, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

The iShares FTSE Developed World ex-UK, and the iShares FTSE Gilts UK 0-5 (the "Funds") are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE"), the London Stock Exchange Plc (the "Exchange") or by The Financial Times Limited ("FT") and none of FTSE, Exchange or FT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Developed ex UK Index or FTSE UK Conventional Gilts - Up To 5 Years Index (the "Indices") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The said Index are compiled and calculated by or on behalf of FTSE. All rights in the Indices vest in FTSE. However, none of FTSE, Exchange or FT shall be liable (whether in negligence or otherwise) to any person for any error in the Indices and none of FTSE, Exchange or FT shall be under any obligation to advise any person of any error therein. The Investment Manager has obtained a licence from FTSE to use such copyright and database rights in the creation of the Funds.

"FTSE®", "FT-SE®" and "Footsie®", are trade marks of the Exchange and FT and are used by FTSE under licence.

iShares are not sponsored or endorsed by Barclays Capital. Barclays Capital makes no representation or warranty, express or implied, to the owners of iShares or any member of the public regarding the advisability of investing in securities generally or in iShares particularly or the ability of the Barclays Capital Index to track general bond market performance. The Barclays Capital Index is determined, composed and calculated by Barclays Capital without regard to the Licensee or the iShares. Barclays Capital has no obligation to take the needs of the Licensee and iShares or the owners of iShares into consideration in determining, composing or calculating the Barclays Capital Index. Barclays Capital is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of iShares to be issued. Barclays Capital has no obligation of liability in connection with the administration, marketing or trading of the iShares.

BARCLAYS CAPITAL DOES NOT GUARANTEE THE QUALITY, ACCURACY AND/OR THE COMPLETENESS OF THE BARCLAYS CAPITAL INDEX OR ANY DATA INCLUDED THEREIN, OR OTHERWISE OBTAINED BY LICENSEE, OWNERS OF ISHARES, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE BARCLAYS CAPITAL INDEX IN CONNECTION WITH THE LICENSED RIGHTS OR FOR ANY OTHER USE. BARCLAYS CAPITAL MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OF FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE BARCLAYS CAPITAL INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL BARCLAYS CAPITAL HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

The iShares DJ Euro STOXX 50 (Acc) (the Fund) is not sponsored, endorsed, sold or promoted by STOXX Limited or Dow Jones & Company, Inc. Neither Dow Jones nor STOXX makes any representation or warranty, express or implied, to the owners of the Fund or any member of the public regarding the advisability of trading in the Fund). Dow Jones' and STOXX's only relationship to the Licensee is the licensing of certain trademarks and trade names and of the Dow Jones EURO STOXX 50 IndexSM which is determined, composed and calculated by STOXX without regard to the Licensee or the Fund, Dow Jones and STOXX have no obligation to take the needs of the Licensee or the owners of the Fund into consideration in determining, composing or calculating Dow Jones EURO STOXX 50 IndexSM. Neither Dow Jones nor STOXX is responsible for or has participated in the determination of the timing of, prices at, or quantities of the Fund to be listed or in the determination or calculation of the equation by which the Fund is to be converted into cash. Neither Dow Jones nor STOXX has any obligation or liability in connection with the administration, marketing or trading of the Fund.

NEITHER DOW JONES NOR STOXX GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE Dow Jones EURO STOXX 50 IndexSM OR ANY DATA INCLUDED THEREIN AND NEITHER DOW JONES NOR STOXX SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. NEITHER DOW JONES NOR STOXX MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE LICENSEE, OWNERS OF THE FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE Dow Jones EURO STOXX 50 IndexSM OR ANY DATA INCLUDED THEREIN. NEITHER DOW JONES NOR STOXX MAKES ANY EXPRESS OR IMPLIED WARRANTIES, AND DOW JONES AND STOXX EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH TO THE Dow Jones EURO STOXX 50 IndexSM AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL DOW JONES OR STOXX HAVE ANY LIABILITY FOR ANY DAMAGES ARISING OUT OF OR RELATED TO THE Dow Jones EURO STOXX 50 IndexSM OR THE FUND, INCLUDING, WITHOUT LIMITATION, INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN DOW JONES AND THE LICENSEE.



## Appendix I

Fund name	Level of volatility	Dividend Frequency	TER	Portfolio Turnover	Minimum Subscription (In kind and cash dealings) and Minimum Redemption (In kind and cash dealings)	Minimum Subscription and Minimum Redemption (Cash only dealings)
iShares S&P SmallCap 600	High	Semi-Annually	0.40%	N/A	100,000 shares	N/A
iShares MSCI Japan SmallCap	High	Semi-Annually	0.59%	N/A	200,000 shares	N/A
iShares Global Inflation-Linked Bond	Low to Moderate	N/A	0.25%	N/A	40,000 shares	N/A
iShares € Covered Bond	Low	Semi-Annually	0.20%	N/A	40,000 shares	N/A
iShares MSCI Emerging Markets SmallCap	High	Semi-Annually	0.74%	N/A	100,000 shares	N/A
iShares MSCI GCC Countries ex-Saudi Arabia	High	Semi-Annually	0.80%	N/A	100,000 shares	N/A
iShares Citigroup Global Government Bond	Low to Moderate	Semi-Annually	0.20%	N/A	Cash dealings only	\$250,000.00/2,500 shares typically paid in cash
iShares Barclays Global Aggregate Bond	Low to Moderate	Semi-Annually	0.30%	N/A	Cash dealings only	\$250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Aggregate Bond	Low	Semi-Annually	0.25%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Corporate Bond	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Treasury Bond 0-1	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Treasury Bond	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Government Bond 5-7	Low	Semi-Annually	0.20%	N/A	20,000 share	N/A
iShares Barclays Euro Government Bond 10-15	Low	Semi-Annually	0.20%	N/A	20,000 shares	N/A
iShares FTSE Gilts UK 0-5	Low	Semi-Annually	0.20%	N/A	20,000 shares	N/A
iShares MSCI Europe ex-EMU	Moderate to High	Quarterly	0.40%	N/A	100,000 shares	N/A
iShares MSCI Pacific ex-Japan	Moderate to High	Quarterly	0.60%	N/A	100,000 shares	N/A
iShares FTSE Developed World ex-UK	Moderate to High	Quarterly	0.50%	N/A	100,000 shares	N/A
iShares DJ Euro STOXX 50 (Acc)	Moderate to High	N/A	0.35%	N/A	200,000 shares	N/A
iShares MSCI Japan (Acc)	Moderate to High	N/A	0.59%	N/A	200,000 shares	N/A
iShares S&P 500 (Acc)	Moderate to High	N/A	0.40%	N/A	200,000 shares	N/A
iShares MSCI World (Acc)	Moderate to High	N/A	0.50%	N/A	400,000 shares	N/A
iShares MSCI Europe (Acc)	Moderate to High	N/A	0.35%	N/A	200,000 shares	N/A

**Appendix I**

iShares MSCI Emerging Markets (Acc)	High	N/A	0.75%	N/A	Cash dealings only	Equivalent of 200,000 shares paid in cash
iShares Barclays Euro Corporate Bond 1-5	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Corporate Bond ex-Financials	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Corporate Bond ex-Financials 1-5	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares iBoxx £ Corporate Bond ex-Financials	Low to Moderate	Semi-Annually	0.20%	N/A	Cash dealings only	£250,000.00/2,500 shares typically paid in cash