

iShares EURO STOXX Sustainability 40 (DE)

July 2010

The **iShares EURO STOXX Sustainability 40 (DE)** Investment Fund was launched on 27 March 2006 under German law. This simplified sales prospectus contains a summary of the most important information concerning the Fund. Please consult the full prospectus and the current annual report and semi-annual report for further information.

Unit class	iShares EURO STOXX Sustainability 40 (DE). (WKN (German Securities ID No.): A0F5UG; ISIN: DE000A0F5UG3)
Investment company	The fund is managed by BlackRock Asset Management Deutschland AG, Max-Joseph-Str. 6, 80333 Munich, Germany.
Term	The Investment Fund was established for an unlimited period.
Custodian bank	State Street Bank GmbH Brienner Straße 59 80333 Munich, Germany
Auditors	KPMG AG Wirtschaftsprüfungsgesellschaft Munich Office Ganghoferstr. 29 80339 Munich, Germany
Investment objective	The primary objective of the iShares EURO STOXX Sustainability 40 (DE) is to track the performance of the European stock market as measured by STOXX Limited's EURO STOXX® Sustainability 40. To achieve this objective, the fund attempts to replicate as precisely as possible the EURO STOXX® Sustainability 40 (price index).
Investment strategy	The companies included in the EURO STOXX® Sustainability 40 index are weighted based on the extent of their efforts to implement sustainable management. The index includes the 40 largest companies by market capitalisation out of the entire stock universe of the EURO STOXX® Sustainability index which contains all the companies in the Eurozone EU countries that meet certain minimum requirements with respect to their sustainable management efforts. The investment ratio is at least 95% of the value of the Investment Fund. The duplication ratio is at least 95% of the value of the Investment Fund. The Fund may acquire bank deposits and money market instruments worth up to 5% of the Fund's value. Futures contracts and warrants on the underlying index and on individual securities in the underlying index may be used only for the purpose of maintaining the investment ratio. The base currency is the Euro.

Simplified Prospectus

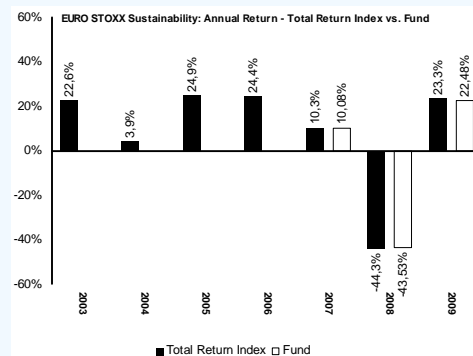


Risk profile	The unit value may fluctuate. The investor may not recover the full value of his/her investment. If the index falls in value, causing the value of the unit shares in the Investment Fund to fall, the Company's Fund management will not attempt to limit losses through hedging transactions or sales of equities (i.e. the Fund is not "actively" managed). Consequently, unit holders are fully exposed to a fall in market value of their Fund units following a reduction in the Underlying Index. Due to the close link between the Investment Fund and the Underlying Index and because certain issuer and investment limits may be exceeded as a result, risk will only be diversified to a limited extent. You can obtain a more extensive description of the risks involved in the full sales prospectus.
Market risk	The price or market value performance of financial products is especially dependent on the movements in the capital markets, which in turn are influenced by the general state of the global economy and by the economic and political conditions in the respective countries. Negative price and market developments lead to a reduction in the price and value of these financial products.
Risk of default	The default of an issuer or of counterparty may result in losses for the Investment Fund. Issuer risk describes the effect of the particular developments impacting the respective issuer which, in addition to the general trends on the capital markets, have an effect on the price of a security. Even if securities are carefully selected, losses may result if issuers become insolvent. Counterparty risk relates to the risk that a counterparty to a contract partially or completely defaults on his/her liabilities. This applies to all contracts that are entered into on behalf of an Investment Fund.
Currency risk	The value of assets denominated in foreign currencies is subject to fluctuations in price.
Concentration risk	The Underlying Index of the Investment Fund focuses on investments in a particular regional market. This makes the Investment Fund exclusively dependent on the performance of this regional market and not on the overall market.
Risk reference when using derivatives	The Company may trade in derivatives on behalf of the Investment Fund to maintain the cash quota pursuant to §11 par. 6 of the "General Terms and Conditions" This may, on occasion, increase the risk of loss for the Investment Fund.
Special reference for increased volatility	The iShares EURO STOXX Sustainability 40 (DE) does not entail any increased volatility.

Simplified Prospectus



Performance	<p>Average annual performance of the Investment Fund:</p> <p>3-year period: -8,69% (01/07/2007 – 30/06/2009)</p> <p>1-year period: 22,48% (01/07/2009 – 31/12/2009)</p> <p>From inception on 27 March 2006 to 31 December 2009: -3,97%</p> <p>Past performance of the Investment Fund does not predict the future performance of the Investment Fund.</p>
Profile of a typical investor	<p>Investment in the Investment Fund is suitable for investors with existing experience in the financial markets. The investor must be willing and able to accept significant fluctuations in the value of the units and the possibility of a significant loss of capital. The investment horizon should be at least five years.</p>
Tax basis	<p>The Investment Fund is tax-free in Germany. The tax treatment of the Fund income for the investor depends on the tax regulations applicable in individual cases. A tax adviser should be consulted for information about investors' individual tax liabilities (particularly persons not resident for tax purposes). You can obtain details about tax treatment of this Investment Fund from the full prospectus.</p>



Issue and redemption prices and expenses**Issue premium**

0% in stock exchange trading, 2% over-the-counter.

Redemption fee

0% in stock exchange trading, 1% over-the-counter.

Fixed fee

0.40% p.a. of the average value of the iShares DJ EURO STOXX Sustainability 40 (DE) unit class; the unit class will be charged the fixed fee.

Breakdown of the fixed fee

The following payments and expenses are covered by the fixed fee:

- Fee for the management of the Investment Fund (fund management, administrative activities);
- custodian fee;
- expenses for the publication and mailing of the annual and semi-annual reports prepared for investors;
- expenses for the publication of the annual and semi-annual reports, issue and redemption prices and distributions, if applicable;
- the Company's auditors' fees for auditing the Investment Fund;
- expenses for the publication of the bases of taxation and the certification that the tax information was determined in accordance with German tax law;
- Licence fees for the use of the underlying index
- marketing and sales costs.

	<p>Other costs</p> <p>The following expenses may also be charged to the Investment Fund:</p> <ul style="list-style-type: none"> • Expenses resulting from the purchase and sale of assets; • Licence fees for the use of the underlying index, • Customary bank custody fees, including customary bank charges for the custody of foreign securities abroad and related taxes, if applicable, • Ongoing expenses related to account management. • Costs for applying and enforcing legal claims of the Investment Fund, • Costs for the setting up and on-going checking of an external creditworthiness rating for the Investment Fund. <p>The Company can retain up to 40% of the proceeds from entering into securities lending transactions on behalf of the Investment Fund in the form of a fixed indemnification in respect of costs arising in connection with the preparation and execution of such security-lending transactions.</p> <p>The Company can retain up to 30% of the net off-setting, net compensatory damages and/or net settlement payments arising from participation in domestic and foreign security-related class actions or related legal proceedings as a fixed indemnification towards the costs incurred by the Company in this regard.</p> <p>The Company can retain up to 40% of the earnings in excess of the net dividend payments by way of a fixed indemnification in respect of the costs arising in connection with the preparation and execution of the underlying dividend-optimisation transactions.</p> <p>Total Expense Ratio (TER) for the past year 0.42%</p> <p>You can find the breakdown of the TER in the full sales prospectus.</p>
<p>Issue, redemption and exchange of units</p>	<p>Subscription and redemption orders are accepted by the Custodian Bank and the Company. The Company is obliged to redeem the units at the currently valid redemption price corresponding to the unit value, less a redemption fee, if applicable.</p>
<p>Purchase or sale of units on the stock market</p>	<p>The units of the Investment Fund are admitted for (official) trading on the Frankfurt Stock Exchange: no issue premiums or redemption fees apply to units purchased or sold on an exchange. Normal costs and fees associated with stock exchange trading and custody are not affected by the above. You can find more details about stock exchange trading in the full sales prospectus.</p>

Simplified Prospectus



Revenues	<p>The final year-end distribution shall take place annually within four months after the end of the year. In addition, the Company may carry out interim distributions during the year.</p> <p>If units are held in custody at the Custodian Bank, the Custodian Bank's branches credit the distributions to the account at no charge. If the units are held in custody at another bank or savings bank, there may be additional expenses.</p>
Publication of price	<p>The issue and redemption prices are determined on the valuation day by the Custodian Bank with the help of the Company. They are available from the Company's head office and from the Custodian Bank and are published on the Internet at www.iShares.de. In addition, the prices on the Frankfurt Stock Exchange are regularly published in the "Börsen-Zeitung". All exchange trading days are valuation days for units of the Investment Fund.</p>
Outsourcing	<p>The Company has outsourced the following activities to other companies:</p> <ul style="list-style-type: none">• Fund Advisory• Auditing• Risk & Compliance• IT service• Financial accounting
Availability of the sales documents	<p>The full and simplified sales prospectus, the Terms and Conditions and the current annual and semi-annual reports are available free of charge from:</p> <p>BlackRock Asset Management Deutschland AG Max-Joseph-Str. 6, 80333 Munich, Germany Tel: +49 (0) 89 42729 – 5858, Fax: +49 (0) 89 42729 – 5958 info@iShares.com, www.iShares.de</p>
Regulatory Authority	<p>German Federal Financial Supervisory Authority (BaFin) Lurgiallee 12 60439 Frankfurt</p>

Registered trademarks: EURO STOXX® Sustainability is a trademark and intellectual property of STOXX Limited and SAM Indexes GmbH ("Licensor(s)"). The iShares EURO STOXX Sustainability 40 (DE) is not sponsored, issued, sold or promoted by the Licensors and none of the Licensors shall accept any liability in this regard.