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BlackRock's cross-listed iShares to be restructured as Australian funds

Improved ease of use for Australian investors and advisors

Australia, 3 May 2018 – BlackRock is proposing, subject to investor approval, to simplify the way fourteen of our iShares ETFs are offered on the Australian Securities Exchange (ASX). The ASX offer of these fourteen U.S. domiciled iShares ETFs will be converted to new Australian domiciled iShares ETFs. The change is planned to start in July, after the Australian financial year end.

The new Australian domiciled iShares ETFs will provide a simpler tax regime to Australian investors by removing the need for investors and their advisors to complete U.S. tax filings (known as W-8BEN forms). In addition, the funds will be able to offer distribution reinvestment to clients and the overall client experience will be aligned with the rest of the iShares Australia product suite.

The proposed changes will have no impact on investment exposures and management fees.

The iShares ETFs to be converted are:

- IAA - iShares Asia 50 ETF
- IEM - iShares MSCI Emerging Markets ETF
- IEU - iShares Europe ETF
- IJH - iShares S&P Mid-Cap ETF
- IJP - iShares MSCI Japan ETF
- IJR - iShares S&P Small-Cap ETF
- IKO - iShares MSCI South Korea ETF
- IOO - iShares Global 100 ETF
- ITW - iShares MSCI Taiwan ETF
- IVE - iShares MSCI EAFE ETF
- IVV - iShares S&P 500 ETF
- IXI - iShares Global Consumer Staples ETF
- IXJ - iShares Global Healthcare ETF
- IZZ - iShares China Large-Cap ETF

The iShares ETFs that will be converted have a combined Australian AUM of over \$7 billion AUD as of 31 March 2018.

At the same time, we are announcing that the five remaining U.S. domiciled iShares ETFs currently offered on ASX will be de-listed. We believe some exposures are better served with our remaining range, and this change will allow BlackRock to focus on exposures which are relevant to Australian investors today.

The iShares ETFs to be de-listed are:

- IRU - iShares Russell 2000 ETF
- ISG - iShares MSCI Singapore ETF
- IXP - iShares Global Telecom ETF
- IHK - iShares MSCI Hong Kong ETF
- IBK - iShares MSCI BRIC ETF

After this project completes, all iShares ETFs listed in Australia will be locally domiciled.

Jon Howie, Head of BlackRock's iShares business in Australia, said:

“Over the past few years, the Australian ETF market has developed substantially through demand from Australian investors. This has led to improved ETF liquidity and trading infrastructure from market participants, allowing ETFs on a range of international exposures to attract assets and liquidity on the ASX. This provides the right environment for a broader locally domiciled range that is more efficient for advisors and investors.

“We are investing in our business to enhance our offering and provide more efficient portfolio construction tools for Australian investors and advisors. Today's changes will make investing in iShares, and building globally diversified portfolios, easier for Australian investors and advisors by reducing administration – investors will no longer require filing W-8BEN forms when investing in iShares.”

About BlackRock

BlackRock helps investors build better financial futures. As a fiduciary to our clients, we provide the investment and technology solutions they need when planning for their most important goals. As of 31 March 2018, the firm managed approximately US\$6.317 trillion in assets on behalf of investors worldwide. For additional information on BlackRock, please visit www.blackrock.com | Twitter: [@blackrock](https://twitter.com/blackrock) | Blog: www.blackrockblog.com | LinkedIn: www.linkedin.com/company/blackrock.

About iShares

iShares® is a global leader in exchange-traded funds (ETFs), with more than a decade of expertise and commitment to individual and institutional investors of all sizes. With over 800 funds globally across multiple asset classes and strategies and more than US\$1.7 trillion in assets under management as of 31 March 2018, *iShares* helps clients around the world build the core of their portfolios, meet specific investment goals and implement market views. *iShares* funds are powered by the expert portfolio and risk management of BlackRock, trusted to manage more money than any other investment firm¹.

¹ Based on US\$6.317 trillion in AUM as of 3/31/18

Important notes

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BIMAL is the responsible entity and issuer of units in the Australian domiciled iShares ETFs referred to in this material. BIMAL is the local agent and intermediary for non-Australian domiciled iShares ETFs referred to in this material that are quoted on ASX and are issued by iShares, Inc. ARBN 125632 279 formed in Maryland, USA; and iShares Trust ARBN 125 632 411 organised in Delaware, USA (International iShares ETFs). BlackRock Fund Advisors (BFA) serves as an advisor to the International iShares ETFs, which are

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