

IMPORTANT: If you are in any doubt about this announcement, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

The Singapore Exchange Securities Trading Limited takes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement.

ISHARES SOUTHEAST ASIA TRUST

A Singapore unit trust with the following sub-funds authorised under
Section 286 of the Securities and Futures Act, Chapter 289 of Singapore

iShares Barclays Asia Local Currency Bond Index ETF
(Stock Codes: N6L and QL1)

iShares Barclays Asia Local Currency 1-3 Year Bond Index ETF
(Stock Codes: O9Q and QL0)

(collectively, the "**Funds**")

Announcement and Notice – Forthcoming Termination and Delisting of the Funds

We, BlackRock (Singapore) Limited, as the manager of the Funds (the "**Manager**"), refer to our previous announcement dated 22 December 2014 (the "**First Announcement**").

In our First Announcement, we had announced our intention to terminate the Funds and to delist them from the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), subject to obtaining the approval of the SGX-ST for the delisting. An application to delist the Funds was submitted to the SGX-ST on 22 December 2014 and the SGX-ST has on 8 January 2015 granted its approval of the delisting of the Funds from the Official List of the SGX-ST subject to compliance with certain conditions. The SGX-ST's decision is not an indication of the merits of the proposed voluntary delisting.

Rationale for the termination and delisting of the Funds

Clause 33.6(A) of the trust deed constituting the Funds, as amended (the "**Trust Deed**") (read with Clause 33.9) gives the manager discretion to terminate a Fund by notice in writing to the trustee if the Net Asset Value ("**NAV**") of the Fund is less than US\$15 million on any date after three years from the date of creation of the Fund, provided at least three months' notice in writing is given to the unitholders of the Fund. As of 19 January 2015, the NAV of the iShares Barclays Asia Local Currency Bond Index ETF was US\$7,453,901, and the NAV of the iShares Barclays Asia Local Currency 1-3 Year Bond Index ETF was US\$952,829, both of which are lower than the minimum NAV of US\$15 million set out in the Trust Deed. We continually review our product range to ensure it meets the evolving needs of our clients and the proposed termination and delistings of the Funds are based on ongoing reviews and limited investor interest in the Funds.

In view of the above, we have decided to terminate the Funds pursuant to Clause 33.6(A) of the Trust Deed. Pursuant to Clause 33.9 of the Trust Deed, holders of units of the Funds ("**Unitholders**") are hereby notified that the Funds will be terminated on 27 April 2015 (the "**Termination Date**"). The Funds will be subsequently delisted from the Official List of the SGX-ST with effect from 12 May 2015.

All costs and expenses in relation to the termination and delisting of the Funds (excluding normal operating expenses such as transaction costs and taxes (if any) relating to the liquidation of assets of the Funds) will be borne by the Manager.

Summary of procedures for termination and the delisting of the Funds

It is intended that the last trading day of the units of the Funds (the “**Units**”) on the SGX-ST will be on 23 April 2015 (the “**Last Trading Day**”). The last day on which redemption applications may be made will be the Last Trading Day. Unitholders should note that during the period from the date of this announcement to the Last Trading Day, the Funds may liquidate a portion or all of their assets as a result of redemption applications and as a result may hold higher amounts of cash than usual, hence the Funds may be subject to a larger tracking error than usual during this period and may no longer be able to meet their investment objectives of tracking their respective benchmark index performance.

In view of the forthcoming termination of the Funds, and taking into account the best interests of Unitholders and to reduce transaction costs, with effect from the date of this announcement: (a) creation applications for Units will no longer be accepted; (b) the Funds will cease to be rebalanced; and (c) the Funds will not make any further quarterly dividend distributions.

In view of the foregoing, Unitholders will have the following options:

Option 1

Up to the Last Trading Day, Unitholders may choose to sell their Units on the SGX-ST and pay the usual fees and expenses associated with trading the Units on SGX-ST. Macquarie Capital Securities Ltd, the designated market maker of the Funds, will stand ready to buy the Units from Unitholders who wish to sell their Units on the SGX-ST.

Option 2

Unitholders who have not sold their Units on the SGX-ST before the close of trading hours of the SGX-ST on the Last Trading Day (based on the CDP’s list of Unitholders as of 28 April 2015 (“**Book Closure Date**”)) will be able to receive their distribution proceeds (in cash) in the same proportion as their holdings of Units based on the final NAV per Unit as calculated on 30 April 2015 (the “**Last NAV Calculation Date**”). As the Manager will liquidate the remaining assets of the Funds, the final NAV per Unit for each Fund will be inclusive of transactions costs and taxes (if any) associated with the final liquidation of that Fund’s remaining assets. An announcement of the final NAV per Unit will be made on the SGXNET and the iShares Singapore website at <http://sg.ishares.com/> after the close of trading hours of the SGX-ST on 4 May 2015.

Following the Last NAV Calculation Date, we will work with the trustee and registrar of the Funds (i.e. HSBC Institutional Trust Services (Singapore) Limited) to arrange for payment of the distribution proceeds to the CDP. The CDP will then arrange for the distribution proceeds to be paid to Unitholders on or around 11 May 2015 (the “**Final Payment Date**”).

It is intended that the Funds will be officially delisted from the Official List of the SGX-ST on the following business day after the Final Payment Date i.e. on 12 May 2015 and an announcement of the official delisting date of the Funds will be made on the SGXNET.

Indicative timetable of the termination and delisting of the Funds

We set out below a summary of the indicative timetable of the termination and delisting of the Funds:

Event	Indicative Date
Last Trading Day	23 April 2015
Termination Date	27 April 2015
Book Closure Date	28 April 2015
Last NAV Calculation Date	30 April 2015
Final Payment Date	11 May 2015
Date of delisting from the Official List of the SGX-ST	12 May 2015

A subsequent announcement will be made on the SGX-ST should there be any material change to the information or dates provided in this announcement.

Waiver from Rule 1309(2) of the Listing Manual of the SGX-ST (the “Listing Manual”)

In connection with the delisting of the Funds, for the reasons stated below, we had also applied to the SGX-ST for a waiver from the requirement under Rule 1309(2) of the Listing Manual to appoint an independent financial adviser to advise on the exit offer for the following reasons:

- (a) the designated market maker of the Funds, Macquarie Capital Securities Ltd., will continue to quote “bid” prices up to and until the Last Trading Day to ensure that Unitholders are able to liquidate their position any time before the close of the Last Trading Day; and
- (b) Unitholders who have not sold their Units by the Last Trading Day will be able to receive their distribution proceeds (in cash) in the same proportion as their holdings of Units based on the final NAV per Unit as calculated on the Last NAV Calculation Date.

The SGX-ST has granted us a waiver from the requirement under Rule 1309(2) of the Listing Manual on 8 January 2015, subject to the following conditions:

- (i) the Manager must announce the waiver, the reasons for seeking the waiver and the conditions for the waiver; and
- (ii) the Manager must submit a written confirmation to the SGX-ST that the waiver does not contravene any laws and regulations governing the Manager and the Funds.

If you have any questions concerning this Announcement and Notice, please contact your brokers or contact us at +65 6411 3388.

BlackRock (Singapore) Limited
as Manager of the Funds

Singapore, 23 January 2015