Prepared on: 27/04/15

This Product Highlights Sheet is an important document.

- **It highlights the key terms and risks of the iShares J.P. Morgan USD Asia Credit Bond Index ETF (the "Fund") and complements the prospectus of the Fund, as supplemented or replaced from time to time (the "Prospectus").[1]**
- **It is important to read the Prospectus before deciding whether to purchase units in the Fund ("Units"). If you do not have a copy, please contact us to ask for one.**
- **You should not invest in the Fund if you do not understand it or are not comfortable with the accompanying risks.**
- **If you wish to purchase Units in the Fund, you will need to make an application in the manner set out in the Prospectus.**

iSHARES J.P. MORGAN USD ASIA CREDIT BOND INDEX ETF
a sub-fund of the iShares Southeast Asia Trust

SGX counter names (SGX stock codes)	**IS ASIA BND 100US$ (N6M)** **IS ASIA BND 100S$D (QL2)**	**SGX-ST Listing Date**	**2 June 2011**
Product Type	**Exchange Traded Fund and EIP[2]**	**Designated Market Maker**	**Citigroup Global Markets Singapore Securities Pte Ltd**
Manager	**BlackRock (Singapore) Limited**	**Underlying Reference Asset**	**J.P. Morgan Asia Credit Index - Core**
Expense ratio (for the financial year ended 31 December 2013)	**0.29%**	**Traded Currency**	**Primary Currency: USD** **Secondary Currency: SGD**
PRODUCT SUITABILITY			
WHO IS THE PRODUCT SUITABLE FOR? • The Fund is only suitable for investors who: ○ prefer income rather than capital growth; ○ seek an investment that tracks the performance of the J.P. Morgan Asia Credit Index - Core (the "**JACI Core**") in US dollar terms; and ○ are comfortable with a passively managed index tracking fund which value will rise and fall in correlation with its underlying index.			Refer to "*Investment Objective*" and "*Investment Strategy*" in the "*Introduction*" section and the "*Descriptions of the Index Funds – USD Asia Credit Bond Index ETF*" section of the Prospectus for further information on product suitability.

[1] The Prospectus is available for collection at the Manager's office at #18-01, Twenty Anson, 20 Anson Road, Singapore 079912, during normal Singapore business hours or accessible at https://www.blackrock.com/sg/en/ishares.

[2] The units in the Fund qualify as an "Excluded Investment Product" ("**EIP**") as defined in Notice on the Sale of Investment Products (SFA 04-N12) issued by the MAS and last updated on 11 December 2012.

PRODUCT HIGHLIGHTS SHEET

KEY PRODUCT FEATURES	
WHAT ARE YOU INVESTING IN? • You are investing in an exchange traded fund constituted as a sub-fund of an umbrella unit trust in Singapore. • The investment objective of the Fund is to provide investment results that, before fees and expenses, closely correspond to the performance of the JACI Core in US dollar terms. The JACI Core consists of liquid US dollar denominated debt instruments issued out of Asia ex Japan by Asia-domiciled sovereigns, quasi-sovereigns and corporates and may include bonds rated at or below investment grade. The JACI Core is based on the established J.P. Morgan Asia Credit Index and follows its methodology closely. • The Manager intends to make quarterly distributions (to the extent that there is a distributable amount under the trust deed of the Fund).	Details on the values and construction methodology of the JACI Core are available online at https://www.blackrock.com/sg/en/ishares Refer to the "*Descriptions of the Index Funds – USD Asia Credit Bond Index ETF*" section of the Prospectus for further information on the JACI Core.
Investment Strategy	
• The investment strategy of the Fund is to use a Representative Sampling Strategy (i.e. an indexing strategy that involves investing in a representative sample of securities that collectively has an investment profile similar to the JACI Core). • The Fund may also invest in securities not included in the JACI Core but which the Manager believes will help the Fund track the JACI Core. • The Fund will not use derivatives, nor will it engage in securities lending or repurchase transactions.	Refer to "*Investment Strategy*" in the "*Descriptions of the Index Funds – USD Asia Credit Bond Index ETF*" section of the Prospectus for further information on the Manager's investment strategy.
PARTIES INVOLVED	
WHO ARE YOU INVESTING WITH? • The Manager is BlackRock (Singapore) Limited. • The Trustee and Registrar is HSBC Institutional Trust Services (Singapore) Limited. • The Custodian is The Hong Kong and Shanghai Banking Corporation Limited.	Refer to "*The Manager*" and "*Trustee and Custodian*" in the "*Management of the Trust*" section of the Prospectus for further information on their roles and responsibilities.
KEY RISKS	
WHAT ARE THE KEY RISKS OF THIS INVESTMENT? **The value of the Fund and its distributions, if any, may rise or fall. These risk factors may cause you to lose some or all of your investment:**	Refer to "*Specific Risks*" in the "*Descriptions of the Index Funds – USD Asia Credit Bond Index ETF*" section and the "*Risk Factors*" section of the Prospectus for further information on the risks of investing in the Fund.

Market and Credit Risks	
• **The Fund is subject to market risks in Asia** including: (i) the risk that an increase in interest rates will cause the fixed income securities' value to decline; (ii) the risk that falling interest rates can lead to a decline in the Fund's income (iii) the Fund may invest in callable fixed income securities which runs the risk of the issuer calling the security prior to maturity in a falling interest rate market, leading to the Fund investing the proceeds in lower yielding securities; (iv) difficulty in achieving fair value in a thinly traded market; and (v) the risk that the Fund's value will be adversely affected if the preset spread included in the Duties and Charges is insufficient to cover the actual trading costs. • **The Fund is subject to credit risks** including: (i) the risk of an issuer of the Fund's investments defaulting on its obligations; (ii) the risk that a deterioration of the credit quality of the Fund's investments will adversely impact their value; and (iii) the Fund may invest in below investment grade /non-rated securities which are more volatile and have higher credit risk. • **The Fund is subject to Asia market risks** including: (i) higher market/price volatility/lower trading volume as Asian bond markets are still being developed; (ii) the lack of government supervision in developing Asian markets, coupled with the risk of Asian governmental intervention, may adversely impact the Fund's value; and (iii) material changes in the political, economic or social conditions in the constituent economies of JACI Core may adversely affect the index and create higher price volatility. • **Disruptions to creations and redemptions may result in trading prices that differ from the net asset value ("NAV") of the Units.** Investors on the secondary market will incur brokerage charges and trading spread cost, hence frequent trading may detract significantly from investment results. If the Units trade in the secondary market on days when the Fund does not accept creation or redemption orders, the premiums or discounts to the trading price will be more significant.	
Liquidity Risks	
• Investors may only redeem Units through Participating Dealers in blocks of 25,000 Units. • Although the Units will be/are listed on the SGX-ST and a market maker will be appointed, there may be no liquid trading market for the Units or the market maker may cease to fulfil its role in which case liquidity will be adversely affected. • **The SGX-ST may suspend trading in the Units whenever it determines that it is appropriate in the interests of a fair and**	

orderly market to protect investors. During such suspension investors will not be able to purchase or sell Units on the SGX-ST and creation and redemption of Units will also be suspended.

- **Certain bond markets (especially secondary markets) may be relatively illiquid and the cost of dealing may be high in such markets.** The Fund's underlying fixed income securities may become more illiquid when nearing maturity.

Product-Specific Risks

- There is no guarantee that the Fund will achieve a high degree of correlation to the JACI Core and therefore achieve its investment objective. Market disruptions and regulatory restrictions could have an adverse effect on the Fund's ability to adjust its exposure to the required levels in order to track the JACI Core.
- **The Fund is not actively managed and accordingly may be affected by a decline in market segments relating to the JACI Core.** The Fund may be subject to a larger tracking error as a result of using a representative sampling strategy.
- Whether or not distributions will be made by the Fund is at the discretion of the Manager taking into account various factors, including factors beyond the control of the Manager. There can be no assurance that the distribution yield of the Fund is the same as that of the JACI Core.
- **As the JACI Core is calculated on gross-of-tax basis, its return may be impacted by tax consequences including tax law changes in the jurisdictions of the Fund's investments.**

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Refer to the "*Fees and Expenses*" section of the Prospectus for further information on fees and charges.

Fees Payable by the Fund to Manager and Trustee

Management Fee:	Currently 0.30% p.a of the NAV. Maximum 2.0% p.a.
Trustee Fee (borne by Manager out of Management Fee):	Currently up to 0.07% p.a. of the NAV subject to a monthly minimum of US$2,500. Maximum 1% p.a. Inception fee of US$5,000.

Payable directly by you:

For purchases and sales on the SGX-ST: Normal brokerage and other fees apply. Please contact your broker for further details.

CONTACT INFORMATION

HOW DO YOU CONTACT US?

- You may contact the Manager at telephone number +65 6411 3388 or visit our website at https://www.blackrock.com/sg/en/ishares.

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