

5 THINGS YOU SHOULD KNOW ABOUT iSHARES ETFs

iShares launched its first suite of Exchange Traded Funds (ETFs) in 1996 and has since become the largest ETF provider in the world.¹ Below are the top five things every investor should know about iShares ETFs.



1. THEY'RE PART OF THE LARGEST ETF PROVIDER—GLOBALLY

iShares is the largest ETF provider in the world, having more than 700 ETFs and more than \$1 trillion in assets under management.¹ iShares covers a diverse range of investments, from broad markets to specific sectors or countries.



2. THEY HAVE LOW EXPENSE RATIOS

iShares funds have expense ratios between 0.07% and 0.94%.^{*} Actively managed mutual fund ratios can run twice as high.



3. THEY'RE HIGHLY TAX EFFICIENT

95% of iShares funds did not pay capital gains in 2014 and more than 230 iShares ETFs have never paid capital gains.²



4. THEY'RE SUITABLE FOR MANY INVESTMENT STRATEGIES

iShares ETFs can be used for long-term core investing, which appeals to many investors. They can also be used for medium-term tactical positioning, and short-term trading, allowing you the flexibility to choose an ETF that fits your particular investment goals.



5. THEY'RE OVERSEEN BY EXPERIENCED MANAGERS

With over 40 years of index experience, iShares ETFs are managed by some of the most experienced teams of portfolio managers in the industry.

^{*} Fees as of 5/2015. Subject to change.

¹ Based on number of ETFs, AUM and market share. Source: Morningstar, BlackRock Investment Institute as of 12/31/14.

² BlackRock, Morningstar as of 12/2014. There is no guarantee that distributions will not be paid in the future.

TO LEARN MORE, VISIT www.iShares.com
OR CALL 1-800-iSHARES TO SPEAK WITH A REPRESENTATIVE.

KNOW THE DIFFERENCES

	iShares ETFs	Active Mutual Funds
Strategy	Passive—generally seek to track an index and holdings are not altered during rising/falling markets	Active—seek to outperform an index
Trading	Trade on exchanges during the day	Accessed directly through a fund company or broker
Buying & Selling	Shares bought or sold either at current market price of the ETF or when the ETF meets a price specified by the investor, which may differ from net asset value	Shares bought or sold at a price reflecting the end-of day total value of securities in the portfolio divided by shares outstanding, less applicable fees
Fees	Expense ratio plus brokerage transaction costs from buying or selling shares	Expense ratios (typically higher than index ETF products*); may charge sales load or redemption fees
Tax Implications	Distribute taxable capital gains when the ETF incurs them. Additional capital gains may be paid out when investors sell their own shares at a profit.	Distribute taxable capital gains when the fund incurs them. Selling activity by exiting investors may increase capital gains for all remaining shareholders.
Transparency	Daily holdings disclosure	Generally quarterly holdings disclosure

* Active funds typically charge higher fees than index ETFs due to increased trading and research expenses that may be incurred. Morningstar, 2014.

Carefully consider the iShares Funds' investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Funds' prospectuses and, if available, summary prospectuses, which may be obtained by calling 1-800-iShares (1-800-474-2737) or by visiting www.iShares.com. Read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal.

Transactions in shares of ETFs will result in brokerage commissions and will generate tax consequences. All regulated investment companies are obliged to distribute portfolio gains to shareholders. Certain traditional mutual funds can also be tax efficient.

Investment comparisons are for illustrative purposes only. To better understand the similarities and differences between investments, including investment objectives, risks, fees and expenses, it is important to read the products' prospectuses.

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