

LQDH

iShares Interest Rate Hedged Corporate Bond ETF

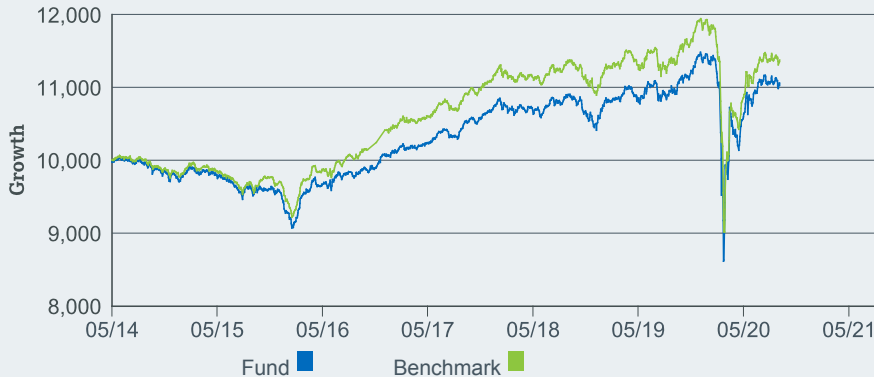
Fact Sheet as of 09/30/2020

iShares
by BLACKROCK®**ACTIVE**

The iShares Interest Rate Hedged Corporate Bond ETF seeks to mitigate the interest rate risk of a portfolio composed of U.S. dollar-denominated, investment grade corporate bonds.

WHY LQDH?

- 1 Holds shares of the iShares iBoxx \$ Investment Grade Corporate Bond ETF (LQD) and short positions in interest rate swaps
- 2 Actively managed to a rules based strategy that seeks to mitigate interest rate risk
- 3 Use to manage interest rate risk or express a view on credit spreads

GROWTH OF 10,000 USD SINCE INCEPTION

The Growth of \$10,000 chart reflects a hypothetical \$10,000 investment and assumes reinvestment of dividends and capital gains. Fund expenses, including management fees and other expenses were deducted.

PERFORMANCE

	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	0.69%	1.76%	3.04%	N/A	1.59%
Market Price	0.84%	1.78%	2.99%	N/A	1.61%
Benchmark	-0.09%	1.52%	3.47%	N/A	2.05%

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting www.iShares.com or www.blackrock.com.

Market returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. eastern time (when NAV is normally determined for most ETFs), and do not represent the returns you would receive if you traded shares at other times.

KEY FACTS

Fund Launch Date	05/27/2014
Net Expense Ratio	0.24%
Benchmark	Markit iBoxx USD Liquid Investment Grade Interest Rate Hedged Swaps Index
30 Day SEC Yield	2.82%
Unsubsidized 30-Day SEC Yield	2.62%
Number of Holdings	1
Net Assets	\$246,180,951
Ticker	LQDH
CUSIP	46431W705
Exchange	NYSE Arca

PORTFOLIO CHARACTERISTICS

Price to Earnings	12.23
Price to Book Ratio	1.22
Weighted Average Maturity	13.26 yrs
Effective Duration	0.17
Standard Deviation (3yrs)	7.66%

FEES AND EXPENSES BREAKDOWN

Expense Ratio	0.44%
Management Fee	0.30%
Acquired Fund Fees and Expenses	0.14%
Foreign Taxes and Other Expenses	0.00%
- Fee Waivers	0.20%
= Net Expense Ratio	0.24%

BlackRock Fund Advisors ("BFA"), the investment adviser to the Fund and an affiliate of BlackRock Investments, LLC, has contractually agreed to waive a portion of its management fees through February 28, 2022. Please see the Fund's prospectus for additional details.

TOP HOLDINGS (%)

ISHARES IBOXX \$ INV GRADE CORPORAT	98.81
DERIV USD BALANCE WITH R73215 CME	5.49
BLK CSH FND TREASURY SL AGENCY	0.86
SWP: USD 0.862500 30-MAR-2045	0.35
USD CASH	0.33
SWP: USD 1.060000 18-SEP-2050	0.19
SWP: USD 0.910000 25-SEP-2035	0.03

Want to learn more? www.iShares.com  www.blackrockblog.com  @iShares

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

Investing involves risk, including possible loss of principal.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments.

The Fund is actively managed and does not seek to replicate the performance of a specified index. The Fund may have a higher portfolio turnover than funds that seek to replicate the performance of an index. Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. The Fund's use of inflation hedging instruments is intended solely to mitigate inflation risk and is not intended to mitigate credit risk, interest rate risk, or other factors influencing the price of investment-grade corporate bonds, which may have a greater impact on the bonds' returns than inflation. There is no guarantee that the Fund's positions in inflation hedging instruments will reduce or completely eliminate inflation risk within the fund. The Fund's use of derivatives may reduce the Fund's returns and/or increase volatility and subject the Fund to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. The Fund could suffer losses related to its derivative positions because of a possible lack of liquidity in the secondary market and as a result of unanticipated market movements, which losses are potentially unlimited. There can be no assurance that the Fund's hedging transactions will be effective. Investment in a fund of funds is subject to the risks and expenses of the underlying funds. Performance shown reflects fee waivers and/or expense reimbursements by the investment advisor to the fund for some or all of the periods shown. Performance would have been lower without such waivers.

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Investing in long/short strategies presents the opportunity for significant losses, including the loss of your total investment. Such strategies have the potential for heightened volatility and in general, are not suitable for all investors.

"Acquired Fund Fees and Expenses" reflect the Fund's pro rata share of the indirect fees and expenses incurred by investing in one or more acquired funds, such as mutual funds, business development companies, or other pooled investment vehicles. AFFE are reflected in the prices of the acquired funds and thus included in the total returns of the Fund.

Investment in the Fund is subject to the risk of the underlying Funds.

Diversification may not protect against market risk or loss of principal. Shares of iShares Funds are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

Index returns are for illustrative purposes only. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

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The iShares Funds are distributed by BlackRock Investments, LLC (together with its affiliates, "BlackRock").

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iS-LQDH-F0920

Not FDIC Insured - No Bank Guarantee - May Lose Value

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TOP HOLDINGS (%)

SWP: USD 0.490000 22-SEP-2027	0.01
SWP: USD 0.345000 22-SEP-2025	0.00
SWP: USD 0.712500 18-AUG-2030	0.00
	<hr/>
	106.07

Holdings are subject to change.

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GLOSSARY

Weighted Average Maturity is the length of time until the average security in the fund will mature or be redeemed by its issuer. It indicates a fixed income fund's sensitivity to interest rate changes. Longer average weighted maturity implies greater volatility in response to interest rate changes.

Effective Duration is a measure of the potential responsiveness of a bond or portfolio price to small parallel shifts in interest rates. Effective Duration takes into account the possible changes in expected bond cash flows due to small parallel shifts in interest rates.