



Turn factor insights into portfolio outcomes: Seek Enhanced Returns in Corporates

iShares Edge
Investment Grade
Enhanced Bond ETF

IGEB
18 bps

Years of low interest rates have kept investment grade bond yields well below historical levels. Now, many bond investors have been forced into a difficult decision – sacrifice yield for the perceived stability of investment grade bonds or reach into historically more risky asset classes.

Why IGEB?

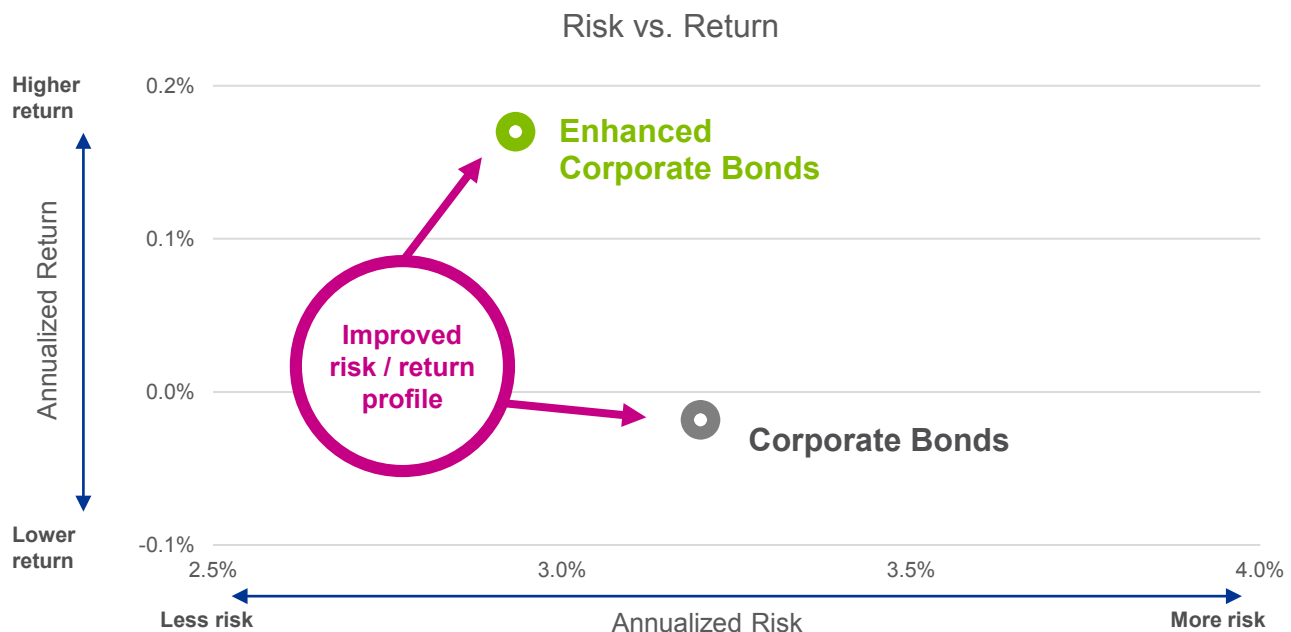
Seeks to enhance total and risk-adjusted returns relative to the broad investment grade corporate bond market

Putting factors to work

Using fixed income factors, there may be a way to get more from your investment grade bond allocation. Investors seeking income while potentially enhancing returns may consider **iShares Edge Investment-Grade Enhanced Bond ETF (IGEB)**.

The index of IGEB aims to deliver better risk-adjusted returns relative to the broader investment grade corporate bond market by using proprietary credit analytics that target high quality and undervalued bonds.

Corporate bonds with historically improved risk and return trade-off

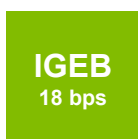
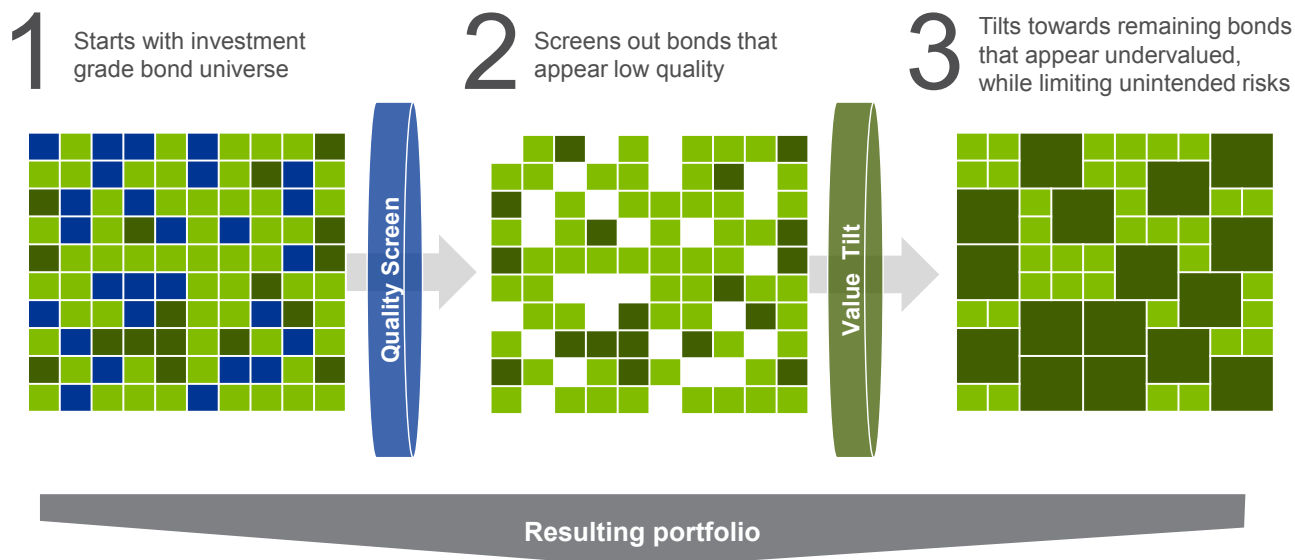


Source: BlackRock, Markit, from 5/31/17 to 9/30/18.

Enhanced Corporate Bonds represented by the BlackRock Investment Grade Enhanced Bond Index. Corporate Bonds represented by the Markit iBoxx USD Liquid Investment Grade Index. Annualized Risk based on standard deviation. Index performance is for illustrative purposes only. Index performance does 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. Index performance does not represent actual iShares Fund performance. For actual fund performance, please visit www.iShares.com or www.blackrock.com.

iShares Edge Investment Grade Enhanced Bond ETF Index Methodology

Focuses on higher quality, undervalued investment grade bonds



- ✓ Targets superior risk-adjusted and total returns versus broad investment grade market
- ✓ Seeks to mitigate risk by blending two diversifying factors – quality and value
- ✓ Tracks a systematic, rules-based index

For illustrative purposes only.
Based on the methodology of the BlackRock Investment Grade Enhanced Bond Index.

Carefully consider the 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 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. Non-investment-grade debt securities (high-yield/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated securities.

International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation and the possibility of substantial volatility due to adverse political, economic or other developments. These risks often are heightened for investments in emerging/developing markets and in concentrations of single countries.

There can be no assurance that performance will be enhanced or risk will be reduced for funds that seek to provide exposure to certain quantitative investment characteristics ("factors"). Exposure to such investment factors may detract from performance in some market environments, perhaps for extended periods. In such circumstances, a fund may seek to maintain exposure to the targeted investment factors and not adjust to target different factors, which could result in losses.

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