KEY INVESTOR INFORMATION

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

Objectives and Investment Policy

- The Share Class is a share class of a Fund which aims to achieve a return on your investment, through a combination of capital growth and income on the Fund’s assets, which reflects the return of the Bloomberg Barclays Euro Treasury Bond Index, the Fund’s benchmark index (Index).
- The Share Class, via the Fund, aims to invest so far as possible and practicable in the fixed income (FI) securities (such as bonds) that make up the Index and comply with its credit rating requirements. If the credit ratings of the FI securities are downgraded, the Fund may continue to hold them until they cease to form part of the Index and it is practicable to sell them.
- The Index measures the performance of Euro denominated bonds issued or guaranteed by member states of the Economic and Monetary Union of the European Union (EMU). The bonds are issued in Euro or the legacy currencies of sovereign countries of the EMU and will, at the time of inclusion in the Index, be investment grade (i.e. meet a specified level of creditworthiness). They will pay income according to a fixed rate of interest and will have at least one year remaining until maturity (i.e. the time until they become due for repayment) and a minimum amount outstanding of €300 million. The Index is market capitalisation weighted. Market capitalisation is the market value of the outstanding bond issuance.
- The Fund uses optimising techniques to achieve a similar return to its Index. These may include the strategic selection of certain securities that make up the Index or other FI securities which provide similar performance to certain constituent securities. These may also include the use of financial derivative instruments (FDIs) (i.e. investments the prices of which are based on one or more underlying assets). FDIs may be used for direct investment purposes. The use of FDIs is expected to be limited for this Share Class.
- The Fund may also engage in short-term secured lending of its investments to certain eligible third parties to generate additional income to off-set the costs of the Fund.
- Recommendation: This Fund may not be appropriate for short-term investment.
- Your shares will be distributing shares (i.e. dividend income will be paid on the shares semi-annually).
- Your shares will be denominated in Euro, the Fund’s base currency.
- The shares are listed on one or more stock exchanges and may be traded in currencies other than their base currency. The performance of your shares may be affected by this currency difference. In normal circumstances, only authorised participants (e.g. select financial institutions) may deal in shares (or interests in shares) directly with the Fund. Other investors can deal in shares (or interests in shares) daily through an intermediary on stock exchange (s) on which the shares are traded.

For more information on the Fund, Share Class, risks and charges, please see the Fund’s prospectus, available on the product pages at www.blackrock.com

Risk and Reward Profile

- Credit risk, changes to interest rates and/or issuer defaults will have a significant impact on the performance of fixed income securities. Potential or actual credit rating downgrades may increase the level of risk.
- Particular risks not adequately captured by the risk indicator include:
  - Counterparty Risk: The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Share Class to financial loss.
  - Credit Risk: The issuer of a financial asset held within the Fund may not pay income or repay capital to the Fund when due.
  - Liquidity Risk: Lower liquidity means there are insufficient buyers or sellers to allow the Fund to sell or buy investments readily.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Share Class.

The risk category shown is not guaranteed and may change over time.

The lowest category does not mean risk free.

The Share Class is rated three due to the nature of its investments which include the risks listed below. These factors may impact the value of the Share Class or expose the Share Class to losses.
**Charges**

The charges are used to pay the costs of running the Share Class, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

*Not applicable to secondary market investors. Investors dealing on a stock exchange will pay fees charged by their stock brokers. Such charges are publicly available on exchanges on which the shares are listed and traded, or can be obtained from stock brokers.

*Authorised participants dealing directly with the Fund will pay related transaction costs.

The ongoing charges figure is based on the fixed annualised fee charged to the Share Class in accordance with the Fund’s prospectus. This figure excludes portfolio trade related costs, except costs paid to the custodian and any entry/exit charge paid to an underlying collective investment scheme (if any).

**Past Performance**

Past performance is not a guide to future performance.

The chart shows the Share Class’s annual performance in EUR for each full calendar year over the period displayed in the chart. It is expressed as a percentage change of the Share Class’s net asset value at each year-end. The Fund was launched in 2009. The Share Class was launched in 2009. Performance is shown after deduction of ongoing charges. Any entry/exit charges are excluded from the calculation.

† Benchmark: Bloomberg Barclays Euro Treasury Bond Index (EUR)

**Historic performance to 31 December 2017**

<table>
<thead>
<tr>
<th>Year</th>
<th>Fund</th>
<th>Benchmark†</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>1.2</td>
<td>1.1</td>
</tr>
<tr>
<td>2009</td>
<td>3.2</td>
<td>3.4</td>
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<tr>
<td>2010</td>
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<td>11.0</td>
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<tr>
<td>2013</td>
<td>1.4</td>
<td>1.6</td>
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<td>2014</td>
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<tr>
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<td>0.2</td>
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<tr>
<td>2016</td>
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<tr>
<td>2017</td>
<td></td>
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</tbody>
</table>

**Practical Information**

- The custodian of the Fund is State Street Custodial Services (Ireland) Limited.
- Further information about the Fund and the Share Class can be obtained from the latest annual report and half-yearly reports of iShares III plc. These documents are available free of charge in English and certain other languages. These can be found, along with other information, such as details of the key underlying investments of the Share Class and share prices, on the iShares website at www.ishares.com or by calling +44 (0)845 357 7000 or from your broker or financial adviser.
- Investors should note that the tax legislation that applies to the Fund and Share Class may have an impact on the personal tax position of your investment.
- The Fund is a sub-fund of iShares III plc, an umbrella structure comprising different sub-funds. The Fund has one or more share classes. This document is specific to the Fund and Share Class stated at the beginning of this document. However, the prospectus, annual and half-yearly reports are prepared for the umbrella.
- iShares III plc may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Fund’s prospectus.
- Under Irish law, iShares III plc has segregated liability between its sub-funds (i.e. the Fund’s assets will not be used to discharge the liabilities of other sub-funds within iShares III plc). In addition, the Fund’s assets are held separately from the assets of other sub-funds. Assets and liabilities specific to a share class would be attributable to only that share class, however there is no segregation of liabilities between share classes under Irish law.
- Switching of shares between the Fund and other sub-funds within iShares III plc is not available to investors. Only Authorised Participants dealing directly with the Fund may switch shares between share classes of the Fund subject to meeting certain conditions in the Fund’s prospectus.
- The Remuneration Policy of the Management Company, which describes how remuneration and benefits are determined and awarded, and the associated governance arrangements, is available at www.blackrock.com/Remunerationpolicy or on request from the registered office of the Management Company.