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Investments involve risks, including the loss of principal. You are advised to consider your investment objectives and circumstances in determining the suitability of an investment in the Trust. An investment in the Trust may not be suitable for everyone.

SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

iShares Asia Trust

(a Hong Kong umbrella unit trust authorised under

Section 104 of the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong)

**iShares Core KOSPI 200 Index ETF (HKD Counter Stock Code: 03170)
(RMB Counter Stock Code: 83170) (USD Counter Stock Code: 09170)**

**iShares Core MSCI Taiwan Index ETF (HKD Counter Stock Code: 03074)
(RMB Counter Stock Code: 83074) (USD Counter Stock Code: 09074)**

**iShares DAX Index ETF (HKD Counter Stock Code: 03146)
(RMB Counter Stock Code: 83146) (USD Counter Stock Code: 09146)**

**iShares EURO STOXX 50 Index ETF (HKD Counter Stock Code: 03155)
(RMB Counter Stock Code: 83155) (USD Counter Stock Code: 09155)**

**iShares FTSE 100 Index ETF (HKD Counter Stock Code: 02847)
(RMB Counter Stock Code: 82847) (USD Counter Stock Code: 09847)**

**iShares NASDAQ 100 Index ETF (HKD Counter Stock Code: 02834)
(RMB Counter Stock Code: 82834) (USD Counter Stock Code: 09834)**

**iShares Core Hang Seng Index ETF (HKD Counter Stock Code: 03115)
(RMB Counter Stock Code: 83115) (USD Counter Stock Code: 09115)**

**sub-funds of the iShares Asia Trust (the “Trust”)
(each a “Sub-Fund”, collectively the “Sub-Funds”)**

Announcement

Change of Trading Board Lot Size and Units Consolidations

Unless specified otherwise, capitalised terms have the same meaning as stated in the Prospectuses of the Sub-Funds.

The Manager of the Trust and the Sub-Funds announces the following proposed changes to the Sub-Funds (collectively the “**Changes**”) with effect from 18 January 2019 (the “**Effective Date**”):

- in respect of iShares Core Hang Seng Index ETF (the “**HSI ETF**”), the increase of the trading board lot size from 10 Units to 100 Units (the “**Board Lot Change**”); and
- in respect of each of the iShares Core KOSPI 200 Index ETF, iShares Core MSCI Taiwan Index ETF, iShares DAX Index ETF, iShares EURO STOXX 50 Index ETF, iShares FTSE 100 Index ETF and iShares NASDAQ 100 Index ETF (each a “**Relevant Sub-Fund**”, collectively the “**Relevant Sub-Funds**”), the consolidation of every 10 Units in each Relevant Sub-Fund into one consolidated Unit (the “**Unit Consolidations**”).

The Prospectuses (including the Product Key Facts Statements) of the Sub-Funds will be revised to reflect these changes.

A. Board Lot Change

From the Effective Date, the trading board lot size of the HSI ETF will be increased from 10 Units to 100 Units. The Trust Deed does not require Unitholders’ approval to effect the Board Lot Change.

The Manager believes that the Board Lot Change is in the best interest of the HSI ETF and Unitholders as a whole, as it will reduce certain operational fees chargeable based on the number of board lots involved, with a potential to reduce the pass-through costs to end investors trading in the HSI ETF.

B. Unit Consolidations

With effect from the Effective Date, every 10 existing Units in each of the Relevant Sub-Funds will be consolidated into one consolidated Unit, for all of the HKD, RMB and USD counters (such Unit(s) issued by the Relevant Sub-Funds upon completion of the Unit Consolidations referred to as “**Consolidated Unit(s)**”).

Pursuant to Clause 29.8 of the Trust Deed, the Manager may, upon giving reasonable notice to the Registrar, with the prior written approval of the Trustee, and upon the Manager or the Trustee giving to each Unitholder not less than one month’s (or such longer notice period as required by the SFC or SEHK) prior written notice, determine that two or more Units in any Sub-Fund shall be consolidated into one or more Consolidated Units. HSBC Institutional Trust Services (Asia) Limited, the Trustee of the Trust and the Sub-Funds, has approved the Unit Consolidations. The Trust Deed does not require Unitholders’ approval to effect the Unit Consolidations.

The Manager believes that the Unit Consolidations will benefit the Relevant Sub-Funds and Unitholders as a whole by reducing the minimum spread for trading applicable to the Relevant Sub-Funds (in particular for the USD trading counters), given that the applicable spread as a portion of the Unit price decreases when the Unit price falls within a higher range.

This change allows for a potential to reduce bid/offer spread, and by extension, the trading costs, when investors trade in and out of the respective Relevant Sub-Funds.

Therefore, the Manager considers the Unit Consolidations to be in the best interests of the Relevant Sub-Funds and its Unitholders.

Upon the Unit Consolidations becoming effective, the trading board lot size of each Relevant Sub-Fund will remain unchanged (i.e. at 100 Consolidated Units per board lot) and the minimum size for creation or redemption of Units by the Participating Dealers of each Relevant Sub-Fund will accordingly be reduced as follows (in order that the value of the Application Unit remains unchanged before and after the Unit Consolidations become effective):

Relevant Sub-Fund	Previous level	Reduced level
iShares Core KOSPI 200 Index ETF	600,000 Units	60,000 Units
iShares Core MSCI Taiwan Index ETF	200,000 Units	20,000 Units
iShares DAX Index ETF	200,000 Units	20,000 Units
iShares EURO STOXX 50 Index ETF	200,000 Units	20,000 Units
iShares FTSE 100 Index ETF	200,000 Units	20,000 Units
iShares NASDAQ 100 Index ETF	200,000 Units	20,000 Units

The Unit Consolidations will not alter the underlying assets, business operations, management or financial position of the Relevant Sub-Funds or the proportional interests of the Unitholders. The Manager considers that the Unit Consolidations will not have any adverse effect on the financial position of the Relevant Sub-Funds.

On the Effective Date, the total number of Units in issue for each Relevant Sub-Fund will be reduced by a factor of 10. To illustrate, the total number of Units in issue for each Relevant Sub-Fund as at 17 December 2018 and, on the assumption that no Units will be created or redeemed after 17 December 2018, the number of Consolidated Units immediately following the Unit Consolidations is set forth below. The Consolidated Units will rank *pari passu* in all respects with each other and the Unit Consolidations will not result in any change in the relative rights of the Unitholders.

Relevant Sub-Fund	Units in issue	Consolidated Units
iShares Core KOSPI 200 Index ETF	7,200,000 Units	720,000 Units
iShares Core MSCI Taiwan Index ETF	22,400,000 Units	2,240,000 Units
iShares DAX Index ETF	2,400,000 Units	240,000 Units
iShares EURO STOXX 50 Index ETF	3,000,000 Units	300,000 Units
iShares FTSE 100 Index ETF	2,600,000 Units	260,000 Units
iShares NASDAQ 100 Index ETF	7,000,000 Units	700,000 Units

Listing and Dealing

Subject to the granting of listing of, and permission to deal in, the Consolidated Units on the SEHK, the Consolidated Units will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Units on the SEHK on the Effective Date or such other date as may be determined by HKSCC. Settlement of transactions between participants of the SEHK on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Trading Arrangement for Consolidated Units

Upon the Unit Consolidations becoming effective, dealings in the Consolidated Units are expected to commence on the Effective Date. Since the Units of the Relevant Sub-Funds are not certificated, there will not need to be any period of parallel trading to facilitate any exchange of certificates.

C. Odd Lot Facilitation

The implementation of the Board Lot Change and Unit Consolidations may result in Unitholders in the Sub-Funds holding odd lots of Units from the Effective Date.

In order to enable odd lot holders of the Sub-Funds either to dispose of their odd lots of Units or to round them up to a board lot after the Unit Consolidations and the Board Lot Change, the Manager has appointed HSBC Securities Brokers (Asia) Limited to be available on the SEHK's system for odd lots trading to provide matching services on a best efforts basis to the Unitholders who wish to top up or sell their holdings of odd lots of Units during the period from 9:00 a.m. on 18 January 2019 (Friday) to 4:30 p.m. on 13 February 2019 (Wednesday), both days inclusive (the "**Facilitation Period**").

Holders of the Units in odd lots who wish to take advantage of this facility either to dispose of their odd lots of Units or to top up their odd lots of Units during the Facilitation Period should contact their brokers for assistance on how to trade odd lots.

Holders of the Units in odd lots should note that successful matching of the sale and purchase of odd lots of Units during the Facilitation Period is not guaranteed. Unitholders are recommended to consult their professional advisers if they are in doubt about the above facility.

D. Expected Timetable

The expected timetable for the Board Lot Change and Unit Consolidations and the associated trading arrangement is set forth below:

Effective Date of the Board Lot Change and Unit Consolidations	18 January 2019 (Friday)
Commencement of Dealings in the Consolidated Units on the SEHK	9:00 a.m. on 18 January 2019 (Friday)
Odd Lot Facilitation Period	9:00 a.m. on 18 January 2019 (Friday) to 4:30 p.m. on 13 February 2019 (Wednesday)

Should there be any changes in the expected timetable for the implementation of the Board Lot Change, Unit Consolidations and the associated trading arrangement from that set out above, an announcement will be made by the Manager as and when appropriate.

E. Impact on the Sub-Funds and Unitholders

The costs incurred by the Sub-Funds in implementing the Board Lot Change, Unit Consolidations and the associated trading arrangement will be borne by the Manager.

The Manager believes that: (i) the Board Lot Change and Unit Consolidations do not amount to a material change to any of the Sub-Funds; (ii) there will be no material change or increase in the overall risk profile of any of the Sub-Funds following Board Lot Change and Unit Consolidations; and (iii) the Board Lot Change and Unit Consolidations do not materially prejudice the rights or interests of investors of the Sub-Funds.

Revised Prospectuses

The revised Prospectuses of the Sub-Funds will be uploaded on the Manager's website at www.blackrock.com/hk (this website has not been reviewed by the SFC) and the Hong Kong Exchanges and Clearing Limited's website at www.hkex.com.hk on 18 January 2019.

Enquiries

If you have any questions concerning this Announcement, please contact us on +852 3903 2823 during office hours (except Hong Kong general holidays) or at 16th Floor Champion Tower, 3 Garden Road, Central, Hong Kong.

BlackRock Asset Management North Asia Limited

貝萊德資產管理北亞有限公司

as Manager of the Trust and the Sub-Funds

18 December 2018