

iShares S&P/Citigroup 1-3 Year International Treasury Bond Fund



All data as of June 30, 2010

Fund Description

The iShares S&P/Citigroup 1-3 Year International Treasury Bond Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P/Citigroup International Treasury Bond Index Ex-US 1-3 Year.

Index Description

The S&P/Citigroup International Treasury Bond Index Ex-US 1-3 Year is a broad, diverse, market value-weighted index designed to measure the performance of treasury bonds issued in local currencies by developed market countries outside the U.S. that have a remaining maturity of greater than one year and less than or equal to three years. The methodology is designed to balance the weighting of each country within the index by limiting the weightings of countries with higher debt outstanding and reallocating this excess to countries with lower debt outstanding.

Fund Performance History as of June 30, 2010

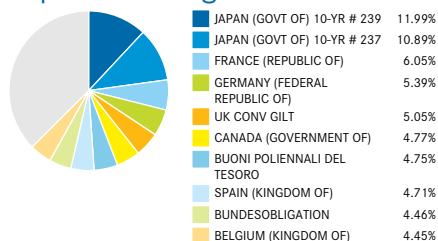
| | Quarter | 1 Year | 3 Year | 5 Year | 10 Years | Since Fund Inception |
|----------------------|---------|--------|--------|--------|----------|----------------------|
| Fund | -4.94% | -4.31% | n/a | n/a | n/a | 1.15% |
| Index | -4.93% | -3.81% | n/a | n/a | n/a | 1.65% |
| After Tax Held | n/a | -4.66% | n/a | n/a | n/a | 0.77% |
| After Tax Sold | n/a | -2.76% | n/a | n/a | n/a | 0.76% |
| Market Price Returns | -5.36% | -5.81% | n/a | n/a | n/a | 0.99% |

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 calling toll-free 1-800-iShares or by visiting www.ishares.com.

After Tax Held Returns represent return after taxes on distributions. Assumes shares have not been sold. After Tax Sold Returns represent the return after taxes on distributions and the sale of fund shares. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. Market returns are based upon the midpoint of the bid/ask spread at 4:00 PM Eastern time (when NAV is normally determined for most iShares Funds), and do not represent the returns you would receive if you traded shares at other times.

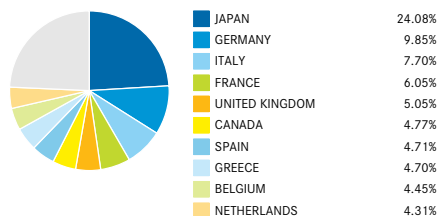
Performance information for the Index assumes reinvestment of all income and excludes management fees, transaction costs and expenses. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Top Ten Holdings



Holdings are subject to change.

Sector Breakdown



Fund Details

| | |
|--|------------------|
| Ticker | ISHG |
| Inception Date | 01/21/09 |
| Management Fees | 0.35% |
| Acquired Fund Fees & Expenses [†] | 0.00% |
| Total Annual Fund Operating Expenses | 0.35% |
| IOPV Ticker | ISHG.IV |
| CUSIP | 464288125 |
| Stock Exchange | NASDAQ |
| Net Assets | \$105.14 Million |
| Adjusted Duration | 1.82 Years |
| Wt Avg Maturity | 1.90 Years |
| # of Holdings | 30 |

IOPV, or Indicative Optimized Portfolio Value, is a calculation disseminated by the stock exchange that approximates the Fund's NAV every fifteen seconds throughout the trading day.

[†] "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. Acquired Fund Fees and Expenses are reflected in the prices of the acquired funds and thus included in the total returns of the Fund.

Index Characteristics

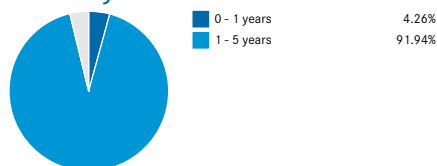
| | |
|-------------------|------------|
| Adjusted Duration | 1.78 Years |
| Wt Avg Maturity | 1.86 Years |
| Wt Avg Coupon | 3.38% |
| Wt Avg Price | \$103.29 |
| # of Holdings | 136 |

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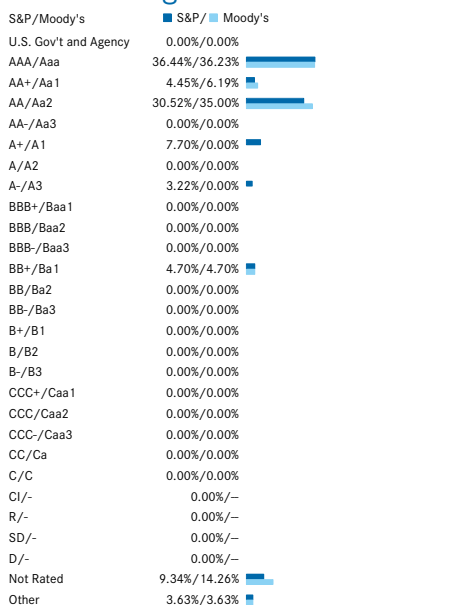


All data as of June 30, 2010

Maturity Breakdown



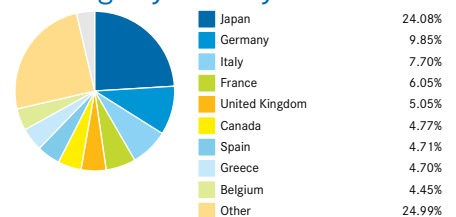
Credit Ratings



Agency and Government consists of securities that are issued by the U.S. Treasury or U.S. Government Agencies and are not rated by S&P or Moody's.

"Other" applies to securities for which ratings are not available.

Holdings by Country



Other countries include: Netherlands 4.31%, Portugal 3.22%, Australia 2.77%, Finland 2.75%, Denmark 2.47%, Austria 2.39%, Sweden 2.14%, Switzerland 2.09%, Ireland 1.90%, Norway 0.95%

Holdings are subject to change.

The iShares Funds ("Funds") are distributed by SEI Investments Distribution Co. ("SEI"). BlackRock Fund Advisors ("BFA") serves as the investment advisor to the Funds. BFA is a subsidiary of BlackRock Institutional Trust Company, N.A., neither of which is affiliated with SEI.

Investing involves risk, including possible loss of principal.

An investment in the fund(s) is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Bonds and bond funds will decrease in value as interest rates rise.

International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations.

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.

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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, 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.

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