

2009 SEMI-ANNUAL REPORT TO SHAREHOLDERS  
**iSHARES® S&P ALLOCATION SERIES**  
**iSHARES® S&P TARGET DATE SERIES**  
JANUARY 31, 2009

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iShares S&P Conservative Allocation Fund  
iShares S&P Moderate Allocation Fund  
iShares S&P Growth Allocation Fund  
iShares S&P Aggressive Allocation Fund  
iShares S&P Target Date Retirement Income Index Fund  
iShares S&P Target Date 2010 Index Fund  
iShares S&P Target Date 2015 Index Fund  
iShares S&P Target Date 2020 Index Fund  
iShares S&P Target Date 2025 Index Fund  
iShares S&P Target Date 2030 Index Fund  
iShares S&P Target Date 2035 Index Fund  
iShares S&P Target Date 2040 Index Fund





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# Fund Performance Overview

## *i*SHARES® S&P ALLOCATION SERIES

Performance as of January 31, 2009

|                                 | Cumulative Total Returns |          |          |
|---------------------------------|--------------------------|----------|----------|
|                                 | Inception to 1/31/09     |          |          |
|                                 | NAV                      | MARKET   | INDEX    |
| <i>i</i> SHARES ALLOCATION FUND |                          |          |          |
| S&P Conservative                | (1.53)%                  | 0.21%    | (1.50)%  |
| S&P Moderate                    | (4.95)%                  | (4.51)%  | (4.93)%  |
| S&P Growth                      | (9.18)%                  | (9.10)%  | (9.16)%  |
| S&P Aggressive                  | (14.01)%                 | (13.98)% | (14.01)% |

"Cumulative Total Returns" represent the total change in value of an investment over the period(s) indicated and are calculated from an inception date of 11/4/08 for each of the Funds.

Each Fund's per share net asset value or "NAV" is the value of one share of such Fund as calculated in accordance with the standard formula for valuing mutual fund shares. The NAV return is based on the NAV of each Fund, and the market return is based on the market price per share of each Fund. The price used to calculate market return ("Market Price") is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which the shares of each Fund are listed for trading, as of the time that each Fund's NAV is calculated. Since shares of each Fund did not trade in the secondary market until after each Fund's inception, for the period from inception to the first day of secondary market trading in shares of the Funds (11/7/08), the NAV of each Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested in the Fund at Market Price and NAV, respectively.

An index is a statistical composite that tracks a specified financial market or sector. Unlike each Fund, an index does not actually hold a portfolio of securities and therefore does not incur the expenses incurred by each Fund. These expenses negatively impact the performance of each Fund. Also, market returns do not include brokerage commissions that may be payable on secondary market transactions. If brokerage commissions were included, market returns would be lower. The returns shown in the table(s) above do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption or sale of fund shares. The investment return and principal value of shares of each Fund will vary with changes in market conditions. Shares of each Fund may be worth more or less than their original cost when they are redeemed or sold in the market. Each Fund's past performance is no guarantee of future results.

The **iShares S&P Conservative Allocation Fund** (the "Conservative Allocation Fund") seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Risk Conservative Index (the "Conservative Allocation Index"). The Conservative Allocation Index seeks to measure the performance of an asset allocation strategy targeted to a conservative risk profile. The Conservative Allocation Fund is designed for investors seeking current income, capital preservation and avoidance of excessive volatility of returns. The Conservative Allocation Fund invests in a representative sample of securities included in the Conservative Allocation Index that collectively has an investment profile similar to the Conservative Allocation Index. Due to the use of representative sampling, the Conservative Allocation Fund may or may not hold all of the securities that are included in the Conservative Allocation Index. For the period from November 4, 2008 (inception date of the Conservative Allocation Fund) through January 31, 2009, the total return for the Conservative Allocation Fund was (1.53)%, while the total return for the Conservative Allocation Index was (1.50)%.

The **iShares S&P Moderate Allocation Fund** (the "Moderate Allocation Fund") seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Risk Moderate Index (the "Moderate Allocation Index"). The Moderate Allocation Index seeks to measure the performance of an asset allocation strategy targeted to a moderate risk profile. The Moderate Allocation Fund is designed for investors seeking current income, some capital preservation and an opportunity for moderate to low capital appreciation. The Moderate Allocation Fund invests in a representative sample of securities included in the Moderate Allocation Index that collectively has an investment profile similar to the Moderate Allocation Index. Due to the use of representative sampling, the Moderate Allocation Fund may or may not hold all of the securities that are included in the Moderate Allocation Index. For the period from November 4, 2008 (inception date of the Moderate Allocation Fund) through January 31, 2009, the total return for the Moderate Allocation Fund was (4.95)%, while the total return for the Moderate Allocation Index was (4.93)%.

The **iShares S&P Growth Allocation Fund** (the "Growth Allocation Fund") seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Risk Growth Index (the "Growth Allocation Index"). The Growth Allocation Index seeks to measure the performance of an asset allocation strategy targeted to a growth focused risk profile. The Growth Allocation Fund is designed for investors seeking moderate capital appreciation and some opportunity for current income and capital

# Fund Performance Overview (Continued)

## iSHARES® S&P ALLOCATION SERIES

preservation. The Growth Allocation Fund invests in a representative sample of securities included in the Growth Allocation Index that collectively has an investment profile similar to the Growth Allocation Index. Due to the use of representative sampling, the Growth Allocation Fund may or may not hold all of the securities that are included in the Growth Allocation Index. For the period from November 4, 2008 (inception date of the Growth Allocation Fund) through January 31, 2009, the total return for the Growth Allocation Fund was (9.18)%, while the total return for the Growth Allocation Index was (9.16)%.

The **iShares S&P Aggressive Allocation Fund** (the “Aggressive Allocation Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Risk Aggressive Index (the “Aggressive Allocation Index”). The Aggressive Allocation Index seeks to measure the performance of an asset allocation strategy targeted to an aggressive risk profile. The Aggressive Allocation Fund is designed for investors seeking long-term capital appreciation. The Aggressive Allocation Fund invests in a representative sample of securities included in the Aggressive Allocation Index that collectively has an investment profile similar to the Aggressive Allocation Index. Due to the use of representative sampling, the Aggressive Allocation Fund may or may not hold all of the securities that are included in the Aggressive Allocation Index. For the period from November 4, 2008 (inception date of the Aggressive Allocation Fund) through January 31, 2009, the total return for both the Aggressive Allocation Fund and Aggressive Allocation Index was (14.01)%.

### UNDERLYING FUND ALLOCATION WEIGHTS\* (as of January 31, 2009)

| <i>Underlying Funds</i>                         | <i>Conservative<br/>Allocation<br/>Fund</i> | <i>Moderate<br/>Allocation<br/>Fund</i> | <i>Growth<br/>Allocation<br/>Fund</i> | <i>Aggressive<br/>Allocation<br/>Fund</i> |
|---|---|---|---------------------------------------|---|
| <i>Domestic Equity</i>                          |   |   |                                       |   |
| iShares S&P 500 Index Fund                      | 8.86%                                       | 17.79%                                  | 20.95%                                | 26.87%                                    |
| iShares S&P MidCap 400 Index Fund               | 2.96%                                       | 2.97%                                   | 8.93%                                 | 21.90%                                    |
| iShares S&P SmallCap 600 Index Fund             | 0.99%                                       | 1.98%                                   | 4.95%                                 | 7.95%                                     |
| <b>Total Domestic Equity</b>                    | <b>12.81%</b>                               | <b>22.74%</b>                           | <b>34.83%</b>                         | <b>56.72%</b>                             |
| <i>International Equity</i>                     |   |   |                                       |   |
| iShares MSCI EAFE Index Fund                    | 4.69%                                       | 10.90%                                  | 17.77%                                | 19.98%                                    |
| iShares MSCI Emerging Markets Index Fund        | –   | 1.01%                                   | 2.02%                                 | 4.05%                                     |
| <b>Total International Equity</b>               | <b>4.69%</b>                                | <b>11.91%</b>                           | <b>19.79%</b>                         | <b>24.03%</b>                             |
| <i>Domestic Fixed Income</i>                    |   |   |                                       |   |
| iShares Barclays Aggregate Bond Fund            | 27.45%                                      | 26.26%                                  | 23.26%                                | 14.18%                                    |
| iShares Barclays Short Treasury Bond Fund       | 29.96%                                      | 24.03%                                  | 11.03%                                | –   |
| iShares Barclays TIPS Bond Fund                 | 22.15%                                      | 12.11%                                  | 10.11%                                | 5.07%                                     |
| <b>Total Domestic Fixed Income</b>              | <b>79.56%</b>                               | <b>62.40%</b>                           | <b>44.40%</b>                         | <b>19.25%</b>                             |
| <i>Domestic Real Estate</i>                     |   |   |                                       |   |
| iShares Cohen & Steers Realty Majors Index Fund | 2.94%                                       | 2.95%                                   | 0.98%                                 | –   |
| <b>Total Domestic Real Estate</b>               | <b>2.94%</b>                                | <b>2.95%</b>                            | <b>0.98%</b>                          | <b>–</b>                                  |
| <b>Fund Total</b>                               | <b>100.00%</b>                              | <b>100.00%</b>                          | <b>100.00%</b>                        | <b>100.00%</b>                            |

\* Calculated as a percentage of total long-term investments. The asset allocation presented for each Fund is as of January 31, 2009, and will vary over time. Holdings are subject to change.

# Fund Performance Overview

## *iSHARES*® S&P TARGET DATE SERIES

Performance as of January 31, 2009

|                                   | Cumulative Total Returns    |               |              |
|-----------------------------------|-----------------------------|---------------|--------------|
|                                   | <i>Inception to 1/31/09</i> |               |              |
|                                   | <i>NAV</i>                  | <i>MARKET</i> | <i>INDEX</i> |
| <i>iSHARES INDEX FUND</i>         |                             |               |              |
| S&P Target Date Retirement Income | (2.40)%                     | 2.13%         | (2.38)%      |
| S&P Target Date 2010              | (4.46)%                     | (1.80)%       | (4.43)%      |
| S&P Target Date 2015              | (6.45)%                     | (6.53)%       | (6.43)%      |
| S&P Target Date 2020              | (8.35)%                     | (8.31)%       | (8.33)%      |
| S&P Target Date 2025              | (10.09)%                    | (10.05)%      | (10.07)%     |
| S&P Target Date 2030              | (11.83)%                    | (11.79)%      | (11.79)%     |
| S&P Target Date 2035              | (13.19)%                    | (10.39)%      | (13.17)%     |
| S&P Target Date 2040              | (14.09)%                    | (10.45)%      | (14.09)%     |

"Cumulative Total Returns" represent the total change in value of an investment over the period(s) indicated and are calculated from an inception date of 11/4/08 for each of the Funds.

Each Fund's per share net asset value or "NAV" is the value of one share of such Fund as calculated in accordance with the standard formula for valuing mutual fund shares. The NAV return is based on the NAV of each Fund, and the market return is based on the market price per share of each Fund. The price used to calculate market return ("Market Price") is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which the shares of each Fund are listed for trading, as of the time that each Fund's NAV is calculated. Since shares of each Fund did not trade in the secondary market until after each Fund's inception, for the period from inception to the first day of secondary market trading in shares of the Funds (11/7/08), the NAV of each Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested in the Fund at Market Price and NAV, respectively.

An index is a statistical composite that tracks a specified financial market or sector. Unlike each Fund, an index does not actually hold a portfolio of securities and therefore does not incur the expenses incurred by each Fund. These expenses negatively impact the performance of each Fund. Also, market returns do not include brokerage commissions that may be payable on secondary market transactions. If brokerage commissions were included, market returns would be lower. The returns shown in the table(s) above do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption or sale of fund shares. The investment return and principal value of shares of each Fund will vary with changes in market conditions. Shares of each Fund may be worth more or less than their original cost when they are redeemed or sold in the market. Each Fund's past performance is no guarantee of future results.

The **iShares S&P Target Date Retirement Income Index Fund** (the "Retirement Income Fund") seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Date Retirement Income Index (the "Retirement Income Index"). The Retirement Income Index seeks to represent asset allocations which target an immediate retirement horizon. The Retirement Income Fund invests in a representative sample of securities included in the Retirement Income Index that collectively has an investment profile similar to the Retirement Income Index. Due to the use of representative sampling, the Retirement Income Fund may or may not hold all of the securities that are included in the Retirement Income Index. For the period from November 4, 2008 (inception date of the Retirement Income Fund) through January 31, 2009, the total return for the Retirement Income Fund was (2.40)%, while the total return for the Retirement Income Index was (2.38)%.

The **iShares S&P Target Date 2010 Index Fund** (the "2010 Fund") seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Date 2010 Index (the "2010 Index"). The 2010 Index seeks to represent asset allocations which target an approximate 2010 retirement horizon. The 2010 Fund invests in a representative sample of securities included in the 2010 Index that collectively has an investment profile similar to the 2010 Index. Due to the use of representative sampling, the 2010 Fund may or may not hold all of the securities that are included in the 2010 Index. For the period from November 4, 2008 (inception date of the 2010 Fund) through January 31, 2009, the total return for the 2010 Fund was (4.46)%, while the total return for the 2010 Index was (4.43)%.

The **iShares S&P Target Date 2015 Index Fund** (the "2015 Fund") seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Date 2015 Index (the "2015 Index"). The 2015 Index seeks to represent the market consensus for asset allocations which target an approximate 2015 retirement horizon. The 2015 Fund invests in a representative sample of securities included in the 2015 Index that collectively has an investment profile similar to the 2015 Index. Due

# Fund Performance Overview (Continued)

## *iSHARES*<sup>®</sup> S&P TARGET DATE SERIES

to the use of representative sampling, the 2015 Fund may or may not hold all of the securities that are included in the 2015 Index. For the period from November 4, 2008 (inception date of the 2015 Fund) through January 31, 2009, the total return for the 2015 Fund was (6.45)%, while the total return for the 2015 Index was (6.43)%.

The **iShares S&P Target Date 2020 Index Fund** (the “2020 Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Date 2020 Index (the “2020 Index”). The 2020 Index seeks to represent the market consensus for asset allocations which target an approximate 2020 retirement horizon. The 2020 Fund invests in a representative sample of securities included in the 2020 Index that collectively has an investment profile similar to the 2020 Index. Due to the use of representative sampling, the 2020 Fund may or may not hold all of the securities that are included in the 2020 Index. For the period from November 4, 2008 (inception date of the 2020 Fund) through January 31, 2009, the total return for the 2020 Fund was (8.35)%, while the total return for the 2020 Index was (8.33)%.

The **iShares S&P Target Date 2025 Index Fund** (the “2025 Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Date 2025 Index (the “2025 Index”). The 2025 Index seeks to represent the market consensus for asset allocations which target an approximate 2025 retirement horizon. The 2025 Fund invests in a representative sample of securities included in the 2025 Index that collectively has an investment profile similar to the 2025 Index. Due to the use of representative sampling, the 2025 Fund may or may not hold all of the securities that are included in the 2025 Index. For the period from November 4, 2008 (inception date of the 2025 Fund) through January 31, 2009, the total return for the 2025 Fund was (10.09)%, while the total return for the 2025 Index was (10.07)%.

The **iShares S&P Target Date 2030 Index Fund** (the “2030 Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Date 2030 Index (the “2030 Index”). The 2030 Index seeks to represent the market consensus for asset allocations which target an approximate 2030 retirement horizon. The 2030 Fund invests in a representative sample of securities included in the 2030 Index that collectively has an investment profile similar to the 2030 Index. Due to the use of representative sampling, the 2030 Fund may or may not hold all of the securities that are included in the 2030 Index. For the period from November 4, 2008 (inception date of the 2030 Fund) through January 31, 2009, the total return for the 2030 Fund was (11.83)%, while the total return for the 2030 Index was (11.79)%.

The **iShares S&P Target Date 2035 Index Fund** (the “2035 Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Date 2035 Index (the “2035 Index”). The 2035 Index seeks to represent the market consensus for asset allocations which target an approximate 2035 retirement horizon. The 2035 Fund invests in a representative sample of securities included in the 2035 Index that collectively has an investment profile similar to the 2035 Index. Due to the use of representative sampling, the 2035 Fund may or may not hold all of the securities that are included in the 2035 Index. For the period from November 4, 2008 (inception date of the 2035 Fund) through January 31, 2009, the total return for the 2035 Fund was (13.19)%, while the total return for the 2035 Index was (13.17)%.

The **iShares S&P Target Date 2040 Index Fund** (the “2040 Fund”) seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the S&P Target Date 2040 Index (the “2040 Index”). The 2040 Index seeks to represent the market consensus for asset allocations which target an approximate 2040 retirement horizon. The 2040 Fund invests in a representative sample of securities included in the 2040 Index that collectively has an investment profile similar to the 2040 Index. Due to the use of representative sampling, the 2040 Fund may or may not hold all of the securities that are included in the 2040 Index. For the period from November 4, 2008 (inception date of the 2040 Fund) through January 31, 2009, the total return for both the 2040 Fund and 2040 Index was (14.09)%.

# Fund Performance Overview (Continued)

## iSHARES® S&P TARGET DATE SERIES

### UNDERLYING FUND ALLOCATION WEIGHTS\* (as of January 31, 2009)

| <i>Underlying Funds</i>                         | <i>Retirement</i>  | <i>2010</i>    | <i>2015</i>    | <i>2020</i>    | <i>2025</i>    | <i>2030</i>    | <i>2035</i>    | <i>2040</i>    |
|---|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|   | <i>Income Fund</i> | <i>Fund</i>    | <i>Fund</i>    | <i>Fund</i>    | <i>Fund</i>    | <i>Fund</i>    | <i>Fund</i>    | <i>Fund</i>    |
| <i>Domestic Equity</i>                          |                    |                |                |                |                |                |                |                |
| iShares S&P 500 Index Fund                      | 20.40%             | 25.45%         | 30.78%         | 36.14%         | 41.33%         | 47.07%         | 51.88%         | 56.10%         |
| iShares S&P MidCap 400 Index Fund               | 1.93%              | 2.56%          | 3.16%          | 3.81%          | 4.40%          | 4.94%          | 5.39%          | 5.79%          |
| iShares S&P SmallCap 600 Index Fund             | 1.16%              | 1.62%          | 2.03%          | 2.39%          | 2.76%          | 3.16%          | 3.46%          | 3.63%          |
| <b>Total Domestic Equity</b>                    | <b>23.49%</b>      | <b>29.63%</b>  | <b>35.97%</b>  | <b>42.34%</b>  | <b>48.49%</b>  | <b>55.17%</b>  | <b>60.73%</b>  | <b>65.52%</b>  |
| <i>International Equity</i>                     |                    |                |                |                |                |                |                |                |
| iShares MSCI EAFE Index Fund                    | 4.26%              | 6.39%          | 8.46%          | 10.41%         | 12.23%         | 13.87%         | 15.16%         | 16.07%         |
| iShares MSCI Emerging Markets Index Fund        | 0.66%              | 1.10%          | 1.59%          | 1.99%          | 2.36%          | 2.67%          | 2.91%          | 3.04%          |
| <b>Total International Equity</b>               | <b>4.92%</b>       | <b>7.49%</b>   | <b>10.05%</b>  | <b>12.40%</b>  | <b>14.59%</b>  | <b>16.54%</b>  | <b>18.07%</b>  | <b>19.11%</b>  |
| <i>Domestic Fixed Income</i>                    |                    |                |                |                |                |                |                |                |
| iShares Barclays Aggregate Bond Fund            | 49.31%             | 44.90%         | 40.29%         | 35.37%         | 30.46%         | 25.45%         | 20.45%         | 15.37%         |
| iShares Barclays Short Treasury Bond Fund       | 14.97%             | 11.93%         | 9.02%          | 6.32%          | 3.90%          | 2.04%          | -              | -              |
| iShares Barclays TIPS Bond Fund                 | 6.48%              | 5.17%          | 3.80%          | 2.66%          | 1.67%          | -              | -              | -              |
| <b>Total Domestic Fixed Income</b>              | <b>70.76%</b>      | <b>62.00%</b>  | <b>53.11%</b>  | <b>44.35%</b>  | <b>36.03%</b>  | <b>27.49%</b>  | <b>20.45%</b>  | <b>15.37%</b>  |
| <i>Domestic Real Estate</i>                     |                    |                |                |                |                |                |                |                |
| iShares Cohen & Steers Realty Majors Index Fund | 0.83%              | 0.88%          | 0.87%          | 0.91%          | 0.89%          | 0.80%          | 0.75%          | -              |
| <b>Total Domestic Real Estate</b>               | <b>0.83%</b>       | <b>0.88%</b>   | <b>0.87%</b>   | <b>0.91%</b>   | <b>0.89%</b>   | <b>0.80%</b>   | <b>0.75%</b>   | <b>-</b>       |
| <b>Fund Total</b>                               | <b>100.00%</b>     | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> | <b>100.00%</b> |

\* Calculated as a percentage of total long-term investments. The asset allocation presented for each Fund is as of January 31, 2009, and will vary over time. Holdings are subject to change.

# Shareholder Expenses (Unaudited)

## iSHARES® TRUST

As a shareholder of a Fund, you incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares and (2) ongoing costs, including management fees and other Fund expenses. The following Example is intended to help you understand your ongoing costs (in dollars and cents) of investing in a Fund and to compare these costs with the ongoing costs of investing in other Funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from November 4, 2008 (commencement of operations) to January 31, 2009.

### ACTUAL EXPENSES

The first line under each Fund in the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line for your Fund under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

### HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The second line under each Fund in the table below provides information about hypothetical account values and hypothetical expenses based on each Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in your Fund and other Funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other Funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as brokerage commissions paid on purchases and sales of Fund shares. Therefore, the second line under each Fund in the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different Funds. In addition, if these transactional costs were included, your costs would have been higher.

| <i>iShares Allocation/Index Fund</i>     | <i>Beginning<br/>Account Value<br/>(11/4/08)</i> | <i>Ending<br/>Account Value<br/>(1/31/09)</i> | <i>Annualized<br/>Expense Ratio<sup>a</sup></i> | <i>Expenses Paid<br/>During Period<sup>a,b</sup><br/>(11/4/08 to 1/31/09)</i> |
|--|--|---|---|---|
| <i>S&amp;P Conservative</i>              |  |   |   |   |
| Actual                                   | \$1,000.00                                       | \$ 984.70                                     | 0.11%   | \$0.26  |
| Hypothetical (5% return before expenses) | 1,000.00   | 1,024.70                                      | 0.11  | 0.56  |
| <i>S&amp;P Moderate</i>                  |  |   |   |   |
| Actual                                   | 1,000.00   | 950.50  | 0.11  | 0.26  |
| Hypothetical (5% return before expenses) | 1,000.00   | 1,024.70                                      | 0.11  | 0.56  |
| <i>S&amp;P Growth</i>                    |  |   |   |   |
| Actual                                   | 1,000.00   | 908.20  | 0.11  | 0.25  |
| Hypothetical (5% return before expenses) | 1,000.00   | 1,024.70                                      | 0.11  | 0.56  |
| <i>S&amp;P Aggressive</i>                |  |   |   |   |
| Actual                                   | 1,000.00   | 859.90  | 0.11  | 0.25  |
| Hypothetical (5% return before expenses) | 1,000.00   | 1,024.70                                      | 0.11  | 0.56  |

# Shareholder Expenses (Unaudited) (Continued)

## iSHARES® TRUST

| <i>iShares Allocation/Index Fund</i>         | <i>Beginning<br/>Account Value<br/>(11/4/08)</i> | <i>Ending<br/>Account Value<br/>(1/31/09)</i> | <i>Annualized<br/>Expense Ratio <sup>a</sup></i> | <i>Expenses Paid<br/>During Period <sup>a,b</sup><br/>(11/4/08 to 1/31/09)</i> |
|--|--|---|--|--|
| <i>S&amp;P Target Date Retirement Income</i> |  |   |  |  |
| Actual                                       | \$1,000.00                                       | \$ 976.00                                     | 0.11%  | \$0.26   |
| Hypothetical (5% return before expenses)     | 1,000.00   | 1,024.70                                      | 0.11   | 0.56   |
| <i>S&amp;P Target Date 2010</i>              |  |   |  |  |
| Actual                                       | 1,000.00   | 955.40  | 0.11   | 0.26   |
| Hypothetical (5% return before expenses)     | 1,000.00   | 1,024.70                                      | 0.11   | 0.56   |
| <i>S&amp;P Target Date 2015</i>              |  |   |  |  |
| Actual                                       | 1,000.00   | 935.50  | 0.11   | 0.26   |
| Hypothetical (5% return before expenses)     | 1,000.00   | 1,024.70                                      | 0.11   | 0.56   |
| <i>S&amp;P Target Date 2020</i>              |  |   |  |  |
| Actual                                       | 1,000.00   | 916.50  | 0.11   | 0.25   |
| Hypothetical (5% return before expenses)     | 1,000.00   | 1,024.70                                      | 0.11   | 0.56   |
| <i>S&amp;P Target Date 2025</i>              |  |   |  |  |
| Actual                                       | 1,000.00   | 899.10  | 0.11   | 0.25   |
| Hypothetical (5% return before expenses)     | 1,000.00   | 1,024.70                                      | 0.11   | 0.56   |
| <i>S&amp;P Target Date 2030</i>              |  |   |  |  |
| Actual                                       | 1,000.00   | 881.70  | 0.11   | 0.25   |
| Hypothetical (5% return before expenses)     | 1,000.00   | 1,024.70                                      | 0.11   | 0.56   |
| <i>S&amp;P Target Date 2035</i>              |  |   |  |  |
| Actual                                       | 1,000.00   | 868.10  | 0.11   | 0.25   |
| Hypothetical (5% return before expenses)     | 1,000.00   | 1,024.70                                      | 0.11   | 0.56   |
| <i>S&amp;P Target Date 2040</i>              |  |   |  |  |
| Actual                                       | 1,000.00   | 859.10  | 0.11   | 0.25   |
| Hypothetical (5% return before expenses)     | 1,000.00   | 1,024.70                                      | 0.11   | 0.56   |

<sup>a</sup> Annualized expense ratios and expenses paid during the period do not include fees and expenses of the underlying funds in which each Fund invests.

<sup>b</sup> Actual expenses for the Funds, which commenced operations on November 4, 2008, are calculated using each Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (88 days) and divided by the number of days in the year (365 days). Hypothetical expenses, which are based on a hypothetical half-year, are calculated using each Fund's annualized expense ratio (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (184 days) and divided by the number of days in the year (365 days).

# Schedule of Investments (Unaudited)

## iSHARES® S&P CONSERVATIVE ALLOCATION FUND

January 31, 2009

| <i>Security</i>                                 | <i>Shares</i> | <i>Value</i>               |
|---|---------------|----------------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.78%</b>           |               |                            |
| <b>DOMESTIC FIXED INCOME – 79.39%</b>           |               |                            |
| iShares Barclays Aggregate Bond Fund            | 6,698         | \$ 683,866                 |
| iShares Barclays Short Treasury Bond Fund       | 6,764         | 746,272                    |
| iShares Barclays TIPS Bond Fund                 | 5,567         | 551,690                    |
|   |               | <u>1,981,828</u>           |
| <b>DOMESTIC EQUITY – 15.71%</b>                 |               |                            |
| iShares Cohen & Steers Realty Majors Index Fund | 2,024         | 73,188                     |
| iShares S&P 500 Index Fund                      | 2,664         | 220,659                    |
| iShares S&P MidCap 400 Index Fund               | 1,484         | 73,799                     |
| iShares S&P SmallCap 600 Index Fund             | 634           | 24,586                     |
|   |               | <u>392,232</u>             |
| <b>INTERNATIONAL EQUITY – 4.68%</b>             |               |                            |
| iShares MSCI EAFE Index Fund                    | 3,020         | 116,874                    |
|   |               | <u>116,874</u>             |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>              |               |                            |
|   |               | <b>(Cost: \$2,554,206)</b> |
|   |               | <u>2,490,934</u>           |

| <i>Security</i>  | <i>Shares</i> | <i>Value</i>               |
|--|---------------|----------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.10%</b>  |               |                            |
| <b>MONEY MARKET FUNDS – 0.10%</b>  |               |                            |
| Barclays Global Investors Funds Treasury Money Market Fund, Institutional Shares | 2,433         | \$ 2,433                   |
| 0.09% <sup>a</sup>   |               | <u>2,433</u>               |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>  |               |                            |
|  |               | <b>(Cost: \$2,433)</b>     |
|  |               | <u>2,433</u>               |
| <b>TOTAL INVESTMENTS</b>   |               |                            |
| <b>IN SECURITIES – 99.88%</b>  |               |                            |
|  |               | <b>(Cost: \$2,556,639)</b> |
|  |               | 2,493,367                  |
| <b>Other Assets, Less Liabilities – 0.12%</b>                                    |               |                            |
|  |               | <u>2,963</u>               |
| <b>NET ASSETS – 100.00%</b>  |               |                            |
|  |               | <u><u>\$2,496,330</u></u>  |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P MODERATE ALLOCATION FUND

January 31, 2009

| <i>Security</i>                                 | <i>Shares</i> | <i>Value</i>               |
|---|---------------|----------------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.82%</b>           |               |                            |
| <b>DOMESTIC FIXED INCOME – 62.29%</b>           |               |                            |
| iShares Barclays Aggregate Bond Fund            | 15,536        | \$1,586,226                |
| iShares Barclays Short Treasury Bond Fund       | 13,153        | 1,451,171                  |
| iShares Barclays TIPS Bond Fund                 | 7,381         | 731,457                    |
|   |               | <u>3,768,854</u>           |
| <b>DOMESTIC EQUITY – 25.64%</b>                 |               |                            |
| iShares Cohen & Steers Realty Majors Index Fund | 4,919         | 177,871                    |
| iShares S&P 500 Index Fund                      | 12,974        | 1,074,636                  |
| iShares S&P MidCap 400 Index Fund               | 3,608         | 179,426                    |
| iShares S&P SmallCap 600 Index Fund             | 3,081         | 119,481                    |
|   |               | <u>1,551,414</u>           |
| <b>INTERNATIONAL EQUITY – 11.89%</b>            |               |                            |
| iShares MSCI EAFE Index Fund                    | 17,006        | 658,132                    |
| iShares MSCI Emerging Markets Index Fund        | 2,690         | 60,875                     |
|   |               | <u>719,007</u>             |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>              |               |                            |
|   |               | <b>(Cost: \$6,291,098)</b> |
|   |               | <u>6,039,275</u>           |

| <i>Security</i>  | <i>Shares</i> | <i>Value</i>               |
|--|---------------|----------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.09%</b>  |               |                            |
| <b>MONEY MARKET FUNDS – 0.09%</b>  |               |                            |
| Barclays Global Investors Funds Treasury Money Market Fund, Institutional Shares | 5,376         | \$ 5,376                   |
| 0.09% <sup>a</sup>   |               | <u>5,376</u>               |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>  |               |                            |
|  |               | <b>(Cost: \$5,376)</b>     |
|  |               | <u>5,376</u>               |
| <b>TOTAL INVESTMENTS</b>   |               |                            |
| <b>IN SECURITIES – 99.91%</b>  |               |                            |
|  |               | <b>(Cost: \$6,296,474)</b> |
|  |               | 6,044,651                  |
| <b>Other Assets, Less Liabilities – 0.09%</b>                                    |               |                            |
|  |               | <u>5,601</u>               |
| <b>NET ASSETS – 100.00%</b>  |               |                            |
|  |               | <u><u>\$6,050,252</u></u>  |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P GROWTH ALLOCATION FUND

January 31, 2009

| <i>Security</i>                                 | <i>Shares</i> | <i>Value</i>     |
|---|---------------|------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.90%</b>           |               |                  |
| <b>DOMESTIC FIXED INCOME – 44.36%</b>           |               |                  |
| iShares Barclays Aggregate Bond Fund            | 21,186        | \$ 2,163,091     |
| iShares Barclays Short Treasury Bond Fund       | 9,305         | 1,026,621        |
| iShares Barclays TIPS Bond Fund                 | 9,494         | 940,855          |
|   |               | <u>4,130,567</u> |
| <b>DOMESTIC EQUITY – 35.78%</b>                 |               |                  |
| iShares Cohen & Steers Realty Majors Index Fund | 2,531         | 91,521           |
| iShares S&P 500 Index Fund <sup>a</sup>         | 23,529        | 1,948,907        |
| iShares S&P MidCap 400 Index Fund               | 16,708        | 830,889          |
| iShares S&P SmallCap 600 Index Fund             | 11,887        | 460,978          |
|   |               | <u>3,332,295</u> |
| <b>INTERNATIONAL EQUITY – 19.76%</b>            |               |                  |
| iShares MSCI EAFE Index Fund                    | 42,723        | 1,653,380        |
| iShares MSCI Emerging Markets Index Fund        | 8,304         | 187,919          |
|   |               | <u>1,841,299</u> |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>              |               |                  |
| <b>(Cost: \$9,764,221)</b>                      |               | <u>9,304,161</u> |

| <i>Security</i>   | <i>Shares</i> | <i>Value</i>        |
|---|---------------|---------------------|
| <b>SHORT-TERM INVESTMENTS – 14.97%</b>  |               |                     |
| <b>MONEY MARKET FUNDS – 14.97%</b>  |               |                     |
| Barclays Global Investors Funds Institutional Money Market Fund, Institutional Shares | 1,191,403     | \$1,191,403         |
| 0.93% <sup>b,c</sup>  |               |                     |
| Barclays Global Investors Funds Prime Money Market Fund, Institutional Shares         | 192,597       | 192,597             |
| 0.56% <sup>b,c</sup>  |               |                     |
| Barclays Global Investors Funds Treasury Money Market Fund, Institutional Shares      | 9,875         | 9,875               |
| 0.09% <sup>b</sup>  |               |                     |
|   |               | <u>1,393,875</u>    |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>   |               |                     |
| <b>(Cost: \$1,393,875)</b>  |               | <u>1,393,875</u>    |
| <b>TOTAL INVESTMENTS</b>  |               |                     |
| <b>IN SECURITIES – 114.87%</b>  |               |                     |
| <b>(Cost: \$11,158,096)</b>   |               | 10,698,036          |
| <b>Other Assets, Less Liabilities – (14.87)%</b>                                      |               |                     |
|   |               | <u>(1,385,187)</u>  |
| <b>NET ASSETS – 100.00%</b>   |               |                     |
|   |               | <u>\$ 9,312,849</u> |

<sup>a</sup> All or a portion of this security represents a security on loan. See Note 5.

<sup>b</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

<sup>c</sup> All or a portion of this security represents an investment of securities lending collateral. See Note 5.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P AGGRESSIVE ALLOCATION FUND

January 31, 2009

| <i>Security</i>                             | <i>Shares</i> | <i>Value</i>                  |
|---|---------------|-------------------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.99%</b>       |               |                               |
| <b>DOMESTIC EQUITY – 56.71%</b>             |               |                               |
| iShares S&P 500 Index Fund                  | 50,328        | \$ 4,168,668                  |
| iShares S&P MidCap 400 Index Fund           | 68,364        | 3,399,742                     |
| iShares S&P SmallCap 600<br>Index Fund      | 31,837        | <u>1,234,639</u><br>8,803,049 |
| <b>INTERNATIONAL EQUITY – 24.03%</b>        |               |                               |
| iShares MSCI EAFE Index Fund                | 80,124        | 3,100,799                     |
| iShares MSCI Emerging Markets<br>Index Fund | 27,801        | <u>629,137</u><br>3,729,936   |
| <b>DOMESTIC FIXED INCOME – 19.25%</b>       |               |                               |
| iShares Barclays Aggregate<br>Bond Fund     | 21,548        | 2,200,051                     |
| iShares Barclays TIPS Bond Fund             | 7,946         | <u>787,448</u><br>2,987,499   |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>          |               |                               |
| <b>(Cost: \$16,433,276)</b>                 |               | 15,520,484                    |

| <i>Security</i>  | <i>Shares</i>      | <i>Value</i>               |
|--|--------------------|----------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.16%</b>  |                    |                            |
| <b>MONEY MARKET FUNDS – 0.16%</b>  |                    |                            |
| Barclays Global Investors Funds<br>Treasury Money Market Fund,<br>Institutional Shares | 0.09% <sup>a</sup> | 24,740                     |
|  |                    | <u>\$ 24,740</u><br>24,740 |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>  |                    |                            |
| <b>(Cost: \$24,740)</b>  |                    | <u>24,740</u>              |
| <b>TOTAL INVESTMENTS</b>   |                    |                            |
| <b>IN SECURITIES – 100.15%</b>   |                    |                            |
| <b>(Cost: \$16,458,016)</b>  |                    |                            |
|  |                    | 15,545,224                 |
| <b>Other Assets, Less Liabilities – (0.15)%</b>  |                    |                            |
|  |                    | <u>(23,591)</u>            |
| <b>NET ASSETS – 100.00%</b>  |                    | <u>\$15,521,633</u>        |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P TARGET DATE RETIREMENT INCOME INDEX FUND

January 31, 2009

| <i>Security</i>                                   | <i>Shares</i> | <i>Value</i>     |
|---|---------------|------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.92%</b>             |               |                  |
| <b>DOMESTIC FIXED INCOME – 70.70%</b>             |               |                  |
| iShares Barclays Aggregate Bond Fund <sup>a</sup> | 11,964        | \$1,221,524      |
| iShares Barclays Short Treasury Bond Fund         | 3,363         | 371,040          |
| iShares Barclays TIPS Bond Fund                   | 1,621         | 160,641          |
|   |               | <u>1,753,205</u> |
| <b>DOMESTIC EQUITY – 24.31%</b>                   |               |                  |
| iShares Cohen & Steers Realty Majors Index Fund   | 571           | 20,647           |
| iShares S&P 500 Index Fund                        | 6,102         | 505,429          |
| iShares S&P MidCap 400 Index Fund                 | 964           | 47,940           |
| iShares S&P SmallCap 600 Index Fund               | 743           | 28,813           |
|   |               | <u>602,829</u>   |
| <b>INTERNATIONAL EQUITY – 4.91%</b>               |               |                  |
| iShares MSCI EAFE Index Fund                      | 2,727         | 105,535          |
| iShares MSCI Emerging Markets Index Fund          | 722           | 16,339           |
|   |               | <u>121,874</u>   |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>                |               |                  |
| <b>(Cost: \$2,555,492)</b>                        |               | <u>2,477,908</u> |

| <i>Security</i>   | <i>Shares</i> | <i>Value</i>       |
|---|---------------|--------------------|
| <b>SHORT-TERM INVESTMENTS – 8.46%</b>   |               |                    |
| <b>MONEY MARKET FUNDS – 8.46%</b>   |               |                    |
| Barclays Global Investors Funds Institutional Money Market Fund, Institutional Shares | 178,624       | \$ 178,624         |
| 0.93% <sup>b,c</sup>  |               |                    |
| Barclays Global Investors Funds Prime Money Market Fund, Institutional Shares         | 28,876        | 28,876             |
| 0.56% <sup>b,c</sup>  |               |                    |
| Barclays Global Investors Funds Treasury Money Market Fund, Institutional Shares      | 2,355         | 2,355              |
| 0.09% <sup>b</sup>  |               |                    |
|   |               | <u>209,855</u>     |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>   |               |                    |
| <b>(Cost: \$209,855)</b>  |               | <u>209,855</u>     |
| <b>TOTAL INVESTMENTS</b>  |               |                    |
| <b>IN SECURITIES – 108.38%</b>  |               |                    |
| <b>(Cost: \$2,765,347)</b>  |               |                    |
|   |               | 2,687,763          |
| <b>Other Assets, Less Liabilities – (8.38)%</b>                                       |               | <u>(207,722)</u>   |
| <b>NET ASSETS – 100.00%</b>   |               | <u>\$2,480,041</u> |

<sup>a</sup> All or a portion of this security represents a security on loan. See Note 5.

<sup>b</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

<sup>c</sup> All or a portion of this security represents an investment of securities lending collateral. See Note 5.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P TARGET DATE 2010 INDEX FUND

January 31, 2009

| <i>Security</i>                                 | <i>Shares</i> | <i>Value</i>               |
|---|---------------|----------------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.92%</b>           |               |                            |
| <b>DOMESTIC FIXED INCOME – 61.94%</b>           |               |                            |
| iShares Barclays Aggregate Bond Fund            | 10,695        | \$1,091,959                |
| iShares Barclays Short Treasury Bond Fund       | 2,630         | 290,168                    |
| iShares Barclays TIPS Bond Fund                 | 1,268         | 125,659                    |
|   |               | <u>1,507,786</u>           |
| <b>DOMESTIC EQUITY – 30.49%</b>                 |               |                            |
| iShares Cohen & Steers Realty Majors Index Fund | 591           | 21,371                     |
| iShares S&P 500 Index Fund                      | 7,474         | 619,071                    |
| iShares S&P MidCap 400 Index Fund               | 1,252         | 62,262                     |
| iShares S&P SmallCap 600 Index Fund             | 1,015         | 39,362                     |
|   |               | <u>742,066</u>             |
| <b>INTERNATIONAL EQUITY – 7.49%</b>             |               |                            |
| iShares MSCI EAFE Index Fund                    | 4,018         | 155,497                    |
| iShares MSCI Emerging Markets Index Fund        | 1,186         | 26,839                     |
|   |               | <u>182,336</u>             |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>              |               |                            |
|   |               | <b>(Cost: \$2,562,989)</b> |
|   |               | <u>2,432,188</u>           |

| <i>Security</i>  | <i>Shares</i> | <i>Value</i>               |
|--|---------------|----------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.09%</b>  |               |                            |
| <b>MONEY MARKET FUNDS – 0.09%</b>  |               |                            |
| Barclays Global Investors Funds Treasury Money Market Fund, Institutional Shares | 2,303         | \$ 2,303                   |
| 0.09% <sup>a</sup>   |               | <u>2,303</u>               |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>  |               |                            |
|  |               | <b>(Cost: \$2,303)</b>     |
|  |               | <u>2,303</u>               |
| <b>TOTAL INVESTMENTS</b>   |               |                            |
| <b>IN SECURITIES – 100.01%</b>   |               |                            |
|  |               | <b>(Cost: \$2,565,292)</b> |
|  |               | 2,434,491                  |
| <b>Other Assets, Less Liabilities – (0.01)%</b>                                  |               |                            |
|  |               | <u>(234)</u>               |
| <b>NET ASSETS – 100.00%</b>  |               |                            |
|  |               | <u><u>\$2,434,257</u></u>  |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P TARGET DATE 2015 INDEX FUND

January 31, 2009

| <i>Security</i>                                 | <i>Shares</i> | <i>Value</i>               |
|---|---------------|----------------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.92%</b>           |               |                            |
| <b>DOMESTIC FIXED INCOME – 53.07%</b>           |               |                            |
| iShares Barclays Aggregate Bond Fund            | 9,423         | \$ 962,088                 |
| iShares Barclays Short Treasury Bond Fund       | 1,953         | 215,475                    |
| iShares Barclays TIPS Bond Fund                 | 916           | 90,776                     |
|   |               | <u>1,268,339</u>           |
| <b>DOMESTIC EQUITY – 36.81%</b>                 |               |                            |
| iShares Cohen & Steers Realty Majors Index Fund | 574           | 20,756                     |
| iShares S&P 500 Index Fund                      | 8,873         | 734,951                    |
| iShares S&P MidCap 400 Index Fund               | 1,517         | 75,440                     |
| iShares S&P SmallCap 600 Index Fund             | 1,250         | 48,475                     |
|   |               | <u>879,622</u>             |
| <b>INTERNATIONAL EQUITY – 10.04%</b>            |               |                            |
| iShares MSCI EAFE Index Fund                    | 5,219         | 201,975                    |
| iShares MSCI Emerging Markets Index Fund        | 1,683         | 38,086                     |
|   |               | <u>240,061</u>             |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>              |               |                            |
|   |               | <b>(Cost: \$2,570,655)</b> |
|   |               | <u>2,388,022</u>           |

| <i>Security</i>  | <i>Shares</i> | <i>Value</i>               |
|--|---------------|----------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.09%</b>  |               |                            |
| <b>MONEY MARKET FUNDS – 0.09%</b>  |               |                            |
| Barclays Global Investors Funds Treasury Money Market Fund, Institutional Shares | 2,259         | \$ 2,259                   |
| 0.09% <sup>a</sup>   |               | <u>2,259</u>               |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>  |               |                            |
|  |               | <b>(Cost: \$2,259)</b>     |
|  |               | <u>2,259</u>               |
| <b>TOTAL INVESTMENTS</b>   |               |                            |
| <b>IN SECURITIES – 100.01%</b>   |               |                            |
|  |               | <b>(Cost: \$2,572,914)</b> |
|  |               | 2,390,281                  |
| <b>Other Assets, Less Liabilities – (0.01)%</b>                                  |               |                            |
|  |               | <u>(230)</u>               |
| <b>NET ASSETS – 100.00%</b>  |               |                            |
|  |               | <u><u>\$2,390,051</u></u>  |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P TARGET DATE 2020 INDEX FUND

January 31, 2009

| <i>Security</i>                                 | <i>Shares</i> | <i>Value</i>               |
|---|---------------|----------------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.91%</b>           |               |                            |
| <b>DOMESTIC FIXED INCOME – 44.31%</b>           |               |                            |
| iShares Barclays Aggregate Bond Fund            | 8,124         | \$ 829,461                 |
| iShares Barclays Short Treasury Bond Fund       | 1,343         | 148,173                    |
| iShares Barclays TIPS Bond Fund                 | 630           | 62,433                     |
|   |               | <u>1,040,067</u>           |
| <b>DOMESTIC EQUITY – 43.21%</b>                 |               |                            |
| iShares Cohen & Steers Realty Majors Index Fund | 591           | 21,371                     |
| iShares S&P 500 Index Fund                      | 10,233        | 847,599                    |
| iShares S&P MidCap 400 Index Fund               | 1,795         | 89,265                     |
| iShares S&P SmallCap 600 Index Fund             | 1,444         | 55,998                     |
|   |               | <u>1,014,233</u>           |
| <b>INTERNATIONAL EQUITY – 12.39%</b>            |               |                            |
| iShares MSCI EAFE Index Fund                    | 6,304         | 243,965                    |
| iShares MSCI Emerging Markets Index Fund        | 2,066         | 46,754                     |
|   |               | <u>290,719</u>             |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>              |               |                            |
|   |               | <b>(Cost: \$2,577,354)</b> |
|   |               | <u>2,345,019</u>           |

| <i>Security</i>  | <i>Shares</i> | <i>Value</i>               |
|--|---------------|----------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.10%</b>  |               |                            |
| <b>MONEY MARKET FUNDS – 0.10%</b>  |               |                            |
| Barclays Global Investors Funds Treasury Money Market Fund, Institutional Shares | 2,229         | \$ 2,229                   |
| 0.09% <sup>a</sup>   |               | <u>2,229</u>               |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>  |               |                            |
|  |               | <b>(Cost: \$2,229)</b>     |
|  |               | <u>2,229</u>               |
| <b>TOTAL INVESTMENTS</b>   |               |                            |
| <b>IN SECURITIES – 100.01%</b>   |               |                            |
|  |               | <b>(Cost: \$2,579,583)</b> |
|  |               | 2,347,248                  |
| <b>Other Assets, Less Liabilities – (0.01)%</b>                                  |               |                            |
|  |               | <u>(227)</u>               |
| <b>NET ASSETS – 100.00%</b>  |               |                            |
|  |               | <u><u>\$2,347,021</u></u>  |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P TARGET DATE 2025 INDEX FUND

January 31, 2009

| <i>Security</i>                                    | <i>Shares</i> | <i>Value</i>               |
|--|---------------|----------------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.91%</b>              |               |                            |
| <b>DOMESTIC EQUITY – 49.33%</b>                    |               |                            |
| iShares Cohen & Steers Realty<br>Majors Index Fund | 1,986         | \$ 71,814                  |
| iShares S&P 500 Index Fund                         | 40,262        | 3,334,901                  |
| iShares S&P MidCap 400 Index Fund                  | 7,142         | 355,172                    |
| iShares S&P SmallCap 600<br>Index Fund             | 5,749         | <u>222,946</u>             |
|  |               | 3,984,833                  |
| <b>DOMESTIC FIXED INCOME – 36.00%</b>              |               |                            |
| iShares Barclays Aggregate<br>Bond Fund            | 24,074        | 2,457,955                  |
| iShares Barclays Short Treasury<br>Bond Fund       | 2,856         | 315,103                    |
| iShares Barclays TIPS Bond Fund                    | 1,358         | <u>134,578</u>             |
|  |               | 2,907,636                  |
| <b>INTERNATIONAL EQUITY – 14.58%</b>               |               |                            |
| iShares MSCI EAFE Index Fund                       | 25,512        | 987,314                    |
| iShares MSCI Emerging Markets<br>Index Fund        | 8,406         | <u>190,228</u>             |
|  |               | 1,177,542                  |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>                 |               |                            |
|  |               | <b>(Cost: \$8,634,124)</b> |
|  |               | 8,070,011                  |

| <i>Security</i>  | <i>Shares</i>      | <i>Value</i>               |
|--|--------------------|----------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.10%</b>  |                    |                            |
| <b>MONEY MARKET FUNDS – 0.10%</b>  |                    |                            |
| Barclays Global Investors Funds<br>Treasury Money Market Fund,<br>Institutional Shares | 0.09% <sup>a</sup> | 8,288                      |
|  |                    | <u>\$ 8,288</u>            |
|  |                    | 8,288                      |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>  |                    |                            |
|  |                    | <b>(Cost: \$8,288)</b>     |
|  |                    | <u>8,288</u>               |
| <b>TOTAL INVESTMENTS</b>   |                    |                            |
| <b>IN SECURITIES – 100.01%</b>   |                    |                            |
|  |                    | <b>(Cost: \$8,642,412)</b> |
|  |                    | 8,078,299                  |
| <b>Other Assets, Less Liabilities – (0.01)%</b>  |                    |                            |
|  |                    | <u>(576)</u>               |
| <b>NET ASSETS – 100.00%</b>  |                    |                            |
|  |                    | <u><u>\$8,077,723</u></u>  |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P TARGET DATE 2030 INDEX FUND

January 31, 2009

| <i>Security</i>                                    | <i>Shares</i> | <i>Value</i>     |
|--|---------------|------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.91%</b>              |               |                  |
| <b>DOMESTIC EQUITY – 55.93%</b>                    |               |                  |
| iShares Cohen & Steers Realty<br>Majors Index Fund | 498           | \$ 18,008        |
| iShares S&P 500 Index Fund                         | 12,873        | 1,066,270        |
| iShares S&P MidCap 400 Index Fund                  | 2,252         | 111,992          |
| iShares S&P SmallCap 600<br>Index Fund             | 1,846         | 71,588           |
|  |               | <u>1,267,858</u> |
| <b>DOMESTIC FIXED INCOME – 27.46%</b>              |               |                  |
| iShares Barclays Aggregate<br>Bond Fund            | 5,646         | 576,457          |
| iShares Barclays Short Treasury<br>Bond Fund       | 418           | 46,118           |
|  |               | <u>622,575</u>   |
| <b>INTERNATIONAL EQUITY – 16.52%</b>               |               |                  |
| iShares MSCI EAFE Index Fund                       | 8,115         | 314,050          |
| iShares MSCI Emerging Markets<br>Index Fund        | 2,673         | 60,490           |
|  |               | <u>374,540</u>   |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>                 |               |                  |
| <b>(Cost: \$2,587,841)</b>                         |               | <u>2,264,973</u> |

| <i>Security</i>  | <i>Shares</i> | <i>Value</i>              |
|--|---------------|---------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.10%</b>  |               |                           |
| <b>MONEY MARKET FUNDS – 0.10%</b>  |               |                           |
| Barclays Global Investors Funds<br>Treasury Money Market Fund,<br>Institutional Shares | 2,173         | \$ 2,173                  |
| 0.09% <sup>a</sup>   |               | <u>2,173</u>              |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>  |               |                           |
| <b>(Cost: \$2,173)</b>   |               | <u>2,173</u>              |
| <b>TOTAL INVESTMENTS</b>   |               |                           |
| <b>IN SECURITIES – 100.01%</b>   |               |                           |
| <b>(Cost: \$2,590,014)</b>   |               | 2,267,146                 |
| <b>Other Assets, Less Liabilities – (0.01)%</b>  |               | <u>(221)</u>              |
| <b>NET ASSETS – 100.00%</b>  |               | <u><u>\$2,266,925</u></u> |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P TARGET DATE 2035 INDEX FUND

January 31, 2009

| <i>Security</i>                       | <i>Shares</i> | <i>Value</i>               |
|---------------------------------------|---------------|----------------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.83%</b> |               |                            |
| <b>DOMESTIC EQUITY – 61.38%</b>       |               |                            |
| iShares Cohen & Steers Realty         |               |                            |
| Majors Index Fund                     | 466           | \$ 16,851                  |
| iShares S&P 500 Index Fund            | 13,981        | 1,158,046                  |
| iShares S&P MidCap 400 Index Fund     | 2,421         | 120,396                    |
| iShares S&P SmallCap 600              |               |                            |
| Index Fund                            | 1,993         | 77,289                     |
|                                       |               | <u>1,372,582</u>           |
| <b>DOMESTIC FIXED INCOME – 20.41%</b> |               |                            |
| iShares Barclays Aggregate            |               |                            |
| Bond Fund                             | 4,471         | 456,489                    |
|                                       |               | <u>456,489</u>             |
| <b>INTERNATIONAL EQUITY – 18.04%</b>  |               |                            |
| iShares MSCI EAFE Index Fund          |               |                            |
|                                       | 8,748         | 338,548                    |
| iShares MSCI Emerging Markets         |               |                            |
| Index Fund                            | 2,867         | 64,880                     |
|                                       |               | <u>403,428</u>             |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>    |               |                            |
|                                       |               | <b>(Cost: \$2,591,406)</b> |
|                                       |               | <u>2,232,499</u>           |

| <i>Security</i>                                 | <i>Shares</i> | <i>Value</i>               |
|---|---------------|----------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.18%</b>           |               |                            |
| <b>MONEY MARKET FUNDS – 0.18%</b>               |               |                            |
| Barclays Global Investors Funds                 |               |                            |
| Treasury Money Market Fund,                     |               |                            |
| Institutional Shares                            |               |                            |
| 0.09% <sup>a</sup>                              | 3,996         | \$ 3,996                   |
|   |               | <u>3,996</u>               |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>             |               |                            |
|   |               | <b>(Cost: \$3,996)</b>     |
|   |               | <u>3,996</u>               |
| <b>TOTAL INVESTMENTS</b>                        |               |                            |
| <b>IN SECURITIES – 100.01%</b>                  |               |                            |
|   |               | <b>(Cost: \$2,595,402)</b> |
|   |               | <u>2,236,495</u>           |
| <b>Other Assets, Less Liabilities – (0.01)%</b> |               |                            |
|   |               | <u>(212)</u>               |
| <b>NET ASSETS – 100.00%</b>                     |               |                            |
|   |               | <u><u>\$2,236,283</u></u>  |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Schedule of Investments (Unaudited)

## iSHARES® S&P TARGET DATE 2040 INDEX FUND

January 31, 2009

| <i>Security</i>                             | <i>Shares</i> | <i>Value</i>               |
|---|---------------|----------------------------|
| <b>EXCHANGE-TRADED FUNDS – 99.85%</b>       |               |                            |
| <b>DOMESTIC EQUITY – 65.42%</b>             |               |                            |
| iShares S&P 500 Index Fund                  | 14,970        | \$1,239,965                |
| iShares S&P MidCap 400 Index Fund           | 2,572         | 127,906                    |
| iShares S&P SmallCap 600<br>Index Fund      | 2,071         | <u>80,314</u>              |
|   |               | 1,448,185                  |
| <b>INTERNATIONAL EQUITY – 19.08%</b>        |               |                            |
| iShares MSCI EAFE Index Fund                | 9,179         | 355,227                    |
| iShares MSCI Emerging Markets<br>Index Fund | 2,972         | <u>67,256</u>              |
|   |               | 422,483                    |
| <b>DOMESTIC FIXED INCOME – 15.35%</b>       |               |                            |
| iShares Barclays Aggregate<br>Bond Fund     | 3,328         | <u>339,789</u>             |
|   |               | 339,789                    |
| <b>TOTAL EXCHANGE-TRADED FUNDS</b>          |               |                            |
|   |               | <u>2,210,457</u>           |
|   |               | <b>(Cost: \$2,592,861)</b> |

| <i>Security</i>  | <i>Shares</i>      | <i>Value</i>           |
|--|--------------------|------------------------|
| <b>SHORT-TERM INVESTMENTS – 0.16%</b>  |                    |                        |
| <b>MONEY MARKET FUNDS – 0.16%</b>  |                    |                        |
| Barclays Global Investors Funds<br>Treasury Money Market Fund,<br>Institutional Shares | 0.09% <sup>a</sup> | 3,502                  |
|  |                    | <u>\$ 3,502</u>        |
|  |                    | 3,502                  |
| <b>TOTAL SHORT-TERM INVESTMENTS</b>  |                    |                        |
|  |                    | <u>(Cost: \$3,502)</u> |
|  |                    | 3,502                  |
| <b>TOTAL INVESTMENTS</b>   |                    |                        |
| <b>IN SECURITIES – 100.01%</b>   |                    |                        |
|  |                    | (Cost: \$2,596,363)    |
|  |                    | 2,213,959              |
| <b>Other Assets, Less Liabilities – (0.01)%</b>  |                    |                        |
|  |                    | <u>(210)</u>           |
| <b>NET ASSETS – 100.00%</b>  |                    |                        |
|  |                    | <u>\$2,213,749</u>     |

<sup>a</sup> The rate quoted is the annualized seven-day yield of the fund at period end.

See notes to financial statements.

# Statements of Assets and Liabilities (Unaudited)

## iSHARES® TRUST

January 31, 2009

|   | <i>iShares S&amp;P Allocation Fund</i> |                    |                     |                     |
|---|--|--------------------|---------------------|---------------------|
|   | Conservative                           | Moderate           | Growth              | Aggressive          |
| <b>ASSETS</b>   |  |                    |                     |                     |
| Investments, at cost  | <u>\$2,556,639</u>                     | <u>\$6,296,474</u> | <u>\$11,158,096</u> | <u>\$16,458,016</u> |
| Investments in securities, at fair value<br>(including securities on loan <sup>a</sup> ) (Note 1) | \$2,493,367                            | \$6,044,651        | \$10,698,036        | \$15,545,224        |
| Receivables:  |  |                    |                     |                     |
| Investment securities sold  | 270,087                                | 559,080            | 1,082,173           | 1,350,308           |
| Securities lending income   | <u>2</u>                               | <u>11</u>          | <u>315</u>          | <u>730</u>          |
| Total Assets  | <u>2,763,456</u>                       | <u>6,603,742</u>   | <u>11,780,524</u>   | <u>16,896,262</u>   |
| <b>LIABILITIES</b>  |  |                    |                     |                     |
| Payables:   |  |                    |                     |                     |
| Investment securities purchased   | 266,821                                | 552,953            | 1,082,703           | 1,369,899           |
| Collateral for securities on loan (Note 5)  | -                                      | -                  | 1,384,000           | -                   |
| Capital shares redeemed   | -                                      | -                  | -                   | 2,910               |
| Investment advisory fees (Note 2)   | <u>305</u>                             | <u>537</u>         | <u>972</u>          | <u>1,820</u>        |
| Total Liabilities   | <u>267,126</u>                         | <u>553,490</u>     | <u>2,467,675</u>    | <u>1,374,629</u>    |
| NET ASSETS  | <u>\$2,496,330</u>                     | <u>\$6,050,252</u> | <u>\$ 9,312,849</u> | <u>\$15,521,633</u> |
| <b>Net assets consist of:</b>   |  |                    |                     |                     |
| Paid-in capital   | \$2,409,071                            | \$6,206,775        | \$ 9,278,262        | \$16,499,771        |
| Undistributed (distributions in excess of) net investment income                                  | (894)                                  | 118                | (2,252)             | 10,846              |
| Undistributed net realized gain (accumulated net realized loss)                                   | 151,425                                | 95,182             | 496,899             | (76,192)            |
| Net unrealized depreciation   | <u>(63,272)</u>                        | <u>(251,823)</u>   | <u>(460,060)</u>    | <u>(912,792)</u>    |
| NET ASSETS  | <u>\$2,496,330</u>                     | <u>\$6,050,252</u> | <u>\$ 9,312,849</u> | <u>\$15,521,633</u> |
| Shares outstanding <sup>b</sup>   | <u>100,000</u>                         | <u>250,000</u>     | <u>400,000</u>      | <u>700,000</u>      |
| Net asset value per share   | <u>\$ 24.96</u>                        | <u>\$ 24.20</u>    | <u>\$ 23.28</u>     | <u>\$ 22.17</u>     |

<sup>a</sup> Securities on loan with market values of \$-, \$-, \$1,355,680 and \$-, respectively. See Note 5.

<sup>b</sup> No par value, unlimited number of shares authorized.

See notes to financial statements.

# Statements of Assets and Liabilities (Unaudited) (Continued)

## iSHARES® TRUST

January 31, 2009

### iShares S&P Target Date Index Fund

|   | Retirement<br>Income | 2010               | 2015               | 2020               |
|---|----------------------|--------------------|--------------------|--------------------|
| <b>ASSETS</b>   |                      |                    |                    |                    |
| Investments, at cost  | <u>\$2,765,347</u>   | <u>\$2,565,292</u> | <u>\$2,572,914</u> | <u>\$2,579,583</u> |
| Investments in securities, at fair value<br>(including securities on loan <sup>a</sup> ) (Note 1) | \$2,687,763          | \$2,434,491        | \$2,390,281        | \$2,347,248        |
| Receivables:  |                      |                    |                    |                    |
| Securities lending income   | <u>15</u>            | <u>-</u>           | <u>-</u>           | <u>-</u>           |
| Total Assets  | <u>2,687,778</u>     | <u>2,434,491</u>   | <u>2,390,281</u>   | <u>2,347,248</u>   |
| <b>LIABILITIES</b>  |                      |                    |                    |                    |
| Payables:   |                      |                    |                    |                    |
| Collateral for securities on loan (Note 5)  | 207,500              | -                  | -                  | -                  |
| Investment advisory fees (Note 2)   | <u>237</u>           | <u>234</u>         | <u>230</u>         | <u>227</u>         |
| Total Liabilities   | <u>207,737</u>       | <u>234</u>         | <u>230</u>         | <u>227</u>         |
| NET ASSETS  | <u>\$2,480,041</u>   | <u>\$2,434,257</u> | <u>\$2,390,051</u> | <u>\$2,347,021</u> |
| <b>Net assets consist of:</b>   |                      |                    |                    |                    |
| Paid-in capital   | \$2,558,432          | \$2,566,411        | \$2,574,354        | \$2,581,346        |
| Distributions in excess of net investment income  | (683)                | (733)              | (732)              | (728)              |
| Accumulated net realized loss   | (124)                | (620)              | (938)              | (1,262)            |
| Net unrealized depreciation   | <u>(77,584)</u>      | <u>(130,801)</u>   | <u>(182,633)</u>   | <u>(232,335)</u>   |
| NET ASSETS  | <u>\$2,480,041</u>   | <u>\$2,434,257</u> | <u>\$2,390,051</u> | <u>\$2,347,021</u> |
| Shares outstanding <sup>b</sup>   | <u>100,000</u>       | <u>100,000</u>     | <u>100,000</u>     | <u>100,000</u>     |
| Net asset value per share   | <u>\$ 24.80</u>      | <u>\$ 24.34</u>    | <u>\$ 23.90</u>    | <u>\$ 23.47</u>    |

<sup>a</sup> Securities on loan with market values of \$202,980, \$-, \$- and \$-, respectively. See Note 5.

<sup>b</sup> No par value, unlimited number of shares authorized.

See notes to financial statements.

# Statements of Assets and Liabilities (Unaudited) (Continued)

## iSHARES® TRUST

January 31, 2009

### iShares S&P Target Date Index Fund

|   | 2025               | 2030               | 2035               | 2040               |
|---|--------------------|--------------------|--------------------|--------------------|
| <b>ASSETS</b>                                     |                    |                    |                    |                    |
| Investments, at cost                              | <u>\$8,642,412</u> | <u>\$2,590,014</u> | <u>\$2,595,402</u> | <u>\$2,596,363</u> |
| Investments in securities, at fair value (Note 1) | \$8,078,299        | \$2,267,146        | \$2,236,495        | \$2,213,959        |
| Receivables:                                      |                    |                    |                    |                    |
| Securities lending income                         | <u>189</u>         | <u>-</u>           | <u>7</u>           | <u>8</u>           |
| Total Assets                                      | <u>\$8,078,488</u> | <u>2,267,146</u>   | <u>2,236,502</u>   | <u>2,213,967</u>   |
| <b>LIABILITIES</b>                                |                    |                    |                    |                    |
| Payables:   |                    |                    |                    |                    |
| Investment advisory fees (Note 2)                 | <u>765</u>         | <u>221</u>         | <u>219</u>         | <u>218</u>         |
| Total Liabilities                                 | <u>765</u>         | <u>221</u>         | <u>219</u>         | <u>218</u>         |
| NET ASSETS  | <u>\$8,077,723</u> | <u>\$2,266,925</u> | <u>\$2,236,283</u> | <u>\$2,213,749</u> |
| <b>Net assets consist of:</b>                     |                    |                    |                    |                    |
| Paid-in capital                                   | \$8,648,515        | \$2,593,580        | \$2,598,154        | \$2,599,981        |
| Distributions in excess of net investment income  | (1,656)            | (1,712)            | (707)              | (1,309)            |
| Accumulated net realized loss                     | (5,023)            | (2,075)            | (2,257)            | (2,519)            |
| Net unrealized depreciation                       | <u>(564,113)</u>   | <u>(322,868)</u>   | <u>(358,907)</u>   | <u>(382,404)</u>   |
| NET ASSETS  | <u>\$8,077,723</u> | <u>\$2,266,925</u> | <u>\$2,236,283</u> | <u>\$2,213,749</u> |
| Shares outstanding <sup>a</sup>                   | <u>350,000</u>     | <u>100,000</u>     | <u>100,000</u>     | <u>100,000</u>     |
| Net asset value per share                         | <u>\$ 23.08</u>    | <u>\$ 22.67</u>    | <u>\$ 22.36</u>    | <u>\$ 22.14</u>    |

<sup>a</sup> No par value, unlimited number of shares authorized.

See notes to financial statements.

# Statements of Operations (Unaudited)

## *iSHARES® TRUST*

Period ended January 31, 2009

|  | <i>iShares S&amp;P Allocation Fund</i> |                             |                           |                               |
|--|--|-----------------------------|---------------------------|-------------------------------|
|  | <u>Conservative<sup>a</sup></u>        | <u>Moderate<sup>a</sup></u> | <u>Growth<sup>a</sup></u> | <u>Aggressive<sup>a</sup></u> |
| <b>NET INVESTMENT INCOME</b>   |  |                             |                           |                               |
| Dividends  | \$ 28,577                              | \$ 31,004                   | \$ 100,665                | \$ 141,791                    |
| Securities lending income  | <u>8</u>                               | <u>19</u>                   | <u>1,094</u>              | <u>1,373</u>                  |
| Total investment income  | <u>28,585</u>                          | <u>31,023</u>               | <u>101,759</u>            | <u>143,164</u>                |
| <b>EXPENSES</b>  |  |                             |                           |                               |
| Investment advisory fees (Note 2)                                      | <u>2,525</u>                           | <u>2,753</u>                | <u>5,746</u>              | <u>6,880</u>                  |
| Total expenses   | 2,525                                  | 2,753                       | 5,746                     | 6,880                         |
| Less investment advisory fees waived (Note 2)                          | <u>(1,414)</u>                         | <u>(1,542)</u>              | <u>(3,218)</u>            | <u>(3,853)</u>                |
| Net expenses   | <u>1,111</u>                           | <u>1,211</u>                | <u>2,528</u>              | <u>3,027</u>                  |
| Net investment income  | <u>27,474</u>                          | <u>29,812</u>               | <u>99,231</u>             | <u>140,137</u>                |
| <b>NET REALIZED AND UNREALIZED GAIN (LOSS)</b>                         |  |                             |                           |                               |
| Net realized gain (loss) from:   |  |                             |                           |                               |
| Investments  | (84)                                   | (31,510)                    | (118,822)                 | (248,499)                     |
| In-kind redemptions  | <u>151,509</u>                         | <u>126,692</u>              | <u>615,721</u>            | <u>172,307</u>                |
| Net realized gain (loss)   | <u>151,425</u>                         | <u>95,182</u>               | <u>496,899</u>            | <u>(76,192)</u>               |
| Net change in unrealized appreciation (depreciation)                   | <u>(63,272)</u>                        | <u>(251,823)</u>            | <u>(460,060)</u>          | <u>(912,792)</u>              |
| Net realized and unrealized gain (loss)                                | <u>88,153</u>                          | <u>(156,641)</u>            | <u>36,839</u>             | <u>(988,984)</u>              |
| <b>NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b> | <u>\$115,627</u>                       | <u>\$(126,829)</u>          | <u>\$ 136,070</u>         | <u>\$(848,847)</u>            |

<sup>a</sup> For the period from November 4, 2008 (commencement of operations) to January 31, 2009.

See notes to financial statements.

# Statements of Operations (Unaudited) (Continued)

## *iSHARES*<sup>®</sup> TRUST

Period ended January 31, 2009

|   | <i>iShares S&amp;P Target Date Index Fund</i> |                           |                           |                           |
|---|---|---------------------------|---------------------------|---------------------------|
|   | Retirement<br>Income <sup>a</sup>             | 2010 <sup>a</sup>         | 2015 <sup>a</sup>         | 2020 <sup>a</sup>         |
| <b>NET INVESTMENT INCOME</b>                                |   |                           |                           |                           |
| Dividends   | \$ 17,174                                     | \$ 17,932                 | \$ 18,639                 | \$ 19,246                 |
| Securities lending income                                   | 17  | -                         | -                         | -                         |
| Total investment income                                     | <u>17,191</u>                                 | <u>17,932</u>             | <u>18,639</u>             | <u>19,246</u>             |
| <b>EXPENSES</b>   |   |                           |                           |                           |
| Investment advisory fees (Note 2)                           | <u>1,512</u>                                  | <u>1,493</u>              | <u>1,475</u>              | <u>1,457</u>              |
| Total expenses  | 1,512   | 1,493                     | 1,475                     | 1,457                     |
| Less investment advisory fees waived (Note 2)               | <u>(847)</u>                                  | <u>(836)</u>              | <u>(826)</u>              | <u>(816)</u>              |
| Net expenses  | <u>665</u>                                    | <u>657</u>                | <u>649</u>                | <u>641</u>                |
| Net investment income                                       | <u>16,526</u>                                 | <u>17,275</u>             | <u>17,990</u>             | <u>18,605</u>             |
| <b>NET REALIZED AND UNREALIZED GAIN (LOSS)</b>              |   |                           |                           |                           |
| Net realized loss from investments                          | <u>(124)</u>                                  | <u>(620)</u>              | <u>(938)</u>              | <u>(1,262)</u>            |
| Net change in unrealized appreciation (depreciation)        | <u>(77,584)</u>                               | <u>(130,801)</u>          | <u>(182,633)</u>          | <u>(232,335)</u>          |
| Net realized and unrealized loss                            | <u>(77,708)</u>                               | <u>(131,421)</u>          | <u>(183,571)</u>          | <u>(233,597)</u>          |
| <b>NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS</b> | <u><u>\$(61,182)</u></u>                      | <u><u>\$(114,146)</u></u> | <u><u>\$(165,581)</u></u> | <u><u>\$(214,992)</u></u> |

<sup>a</sup> For the period from November 4, 2008 (commencement of operations) to January 31, 2009.

See notes to financial statements.

# Statements of Operations (Unaudited) (Continued)

## *iSHARES*<sup>®</sup> TRUST

Period ended January 31, 2009

|  | <i>iShares S&amp;P Target Date Index Fund</i> |                           |                           |                           |
|--|---|---------------------------|---------------------------|---------------------------|
|  | 2025 <sup>a</sup>                             | 2030 <sup>a</sup>         | 2035 <sup>a</sup>         | 2040 <sup>a</sup>         |
| <b>NET INVESTMENT INCOME</b>                         |   |                           |                           |                           |
| Dividends  | \$ 59,207                                     | \$ 20,178                 | \$ 20,366                 | \$ 20,002                 |
| Securities lending income                            | 645   | –                         | 12                        | 13                        |
| Total investment income                              | <u>59,852</u>                                 | <u>20,178</u>             | <u>20,378</u>             | <u>20,015</u>             |
| <b>EXPENSES</b>                                      |   |                           |                           |                           |
| Investment advisory fees (Note 2)                    | <u>4,265</u>                                  | <u>1,425</u>              | <u>1,411</u>              | <u>1,402</u>              |
| Total expenses                                       | 4,265   | 1,425                     | 1,411                     | 1,402                     |
| Less investment advisory fees waived (Note 2)        | <u>(2,389)</u>                                | <u>(798)</u>              | <u>(790)</u>              | <u>(785)</u>              |
| Net expenses   | <u>1,876</u>                                  | <u>627</u>                | <u>621</u>                | <u>617</u>                |
| Net investment income                                | <u>57,976</u>                                 | <u>19,551</u>             | <u>19,757</u>             | <u>19,398</u>             |
| <b>NET REALIZED AND UNREALIZED GAIN (LOSS)</b>       |   |                           |                           |                           |
| Net realized loss from investments                   | <u>(5,023)</u>                                | <u>(2,075)</u>            | <u>(2,257)</u>            | <u>(2,519)</u>            |
| Net change in unrealized appreciation (depreciation) | <u>(564,113)</u>                              | <u>(322,868)</u>          | <u>(358,907)</u>          | <u>(382,404)</u>          |
| Net realized and unrealized loss                     | <u>(569,136)</u>                              | <u>(324,943)</u>          | <u>(361,164)</u>          | <u>(384,923)</u>          |
| NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS | <u><u>\$(511,160)</u></u>                     | <u><u>\$(305,392)</u></u> | <u><u>\$(341,407)</u></u> | <u><u>\$(365,525)</u></u> |

<sup>a</sup> For the period from November 4, 2008 (commencement of operations) to January 31, 2009.

See notes to financial statements.

# Statements of Changes in Net Assets

## iSHARES® TRUST

|   | <u>iShares S&amp;P<br/>Conservative<br/>Allocation Fund</u>                        | <u>iShares S&amp;P<br/>Moderate<br/>Allocation Fund</u>                            |
|---|--|--|
|   | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) |
| <i>INCREASE (DECREASE) IN NET ASSETS</i>  |  |  |
| <b>OPERATIONS:</b>  |  |  |
| Net investment income   | \$ 27,474  | \$ 29,812  |
| Net realized gain   | 151,425  | 95,182   |
| Net change in unrealized appreciation (depreciation)  | <u>(63,272)</u>  | <u>(251,823)</u>   |
| Net increase (decrease) in net assets resulting from operations   | <u>115,627</u>   | <u>(126,829)</u>   |
| <b>DISTRIBUTIONS TO SHAREHOLDERS:</b>   |  |  |
| From net investment income  | <u>(28,368)</u>  | <u>(29,694)</u>  |
| Total distributions to shareholders   | <u>(28,368)</u>  | <u>(29,694)</u>  |
| <b>CAPITAL SHARE TRANSACTIONS:</b>  |  |  |
| Proceeds from shares sold   | 6,244,902  | 8,746,800  |
| Cost of shares redeemed   | <u>(3,835,831)</u>   | <u>(2,540,025)</u>   |
| Net increase in net assets from capital share transactions  | <u>2,409,071</u>   | <u>6,206,775</u>   |
| INCREASE IN NET ASSETS  | 2,496,330  | 6,050,252  |
| <i>NET ASSETS</i>   |  |  |
| Beginning of period   | <u>-</u>   | <u>-</u>   |
| End of period   | <u>\$ 2,496,330</u>  | <u>\$ 6,050,252</u>  |
| Undistributed (distributions in excess of) net investment income<br>included in net assets at end of period | <u>\$ (894)</u>  | <u>\$ 118</u>  |
| <i>SHARES ISSUED AND REDEEMED</i>   |  |  |
| Shares sold   | 250,000  | 350,000  |
| Shares redeemed   | <u>(150,000)</u>   | <u>(100,000)</u>   |
| Net increase in shares outstanding  | <u>100,000</u>   | <u>250,000</u>   |

<sup>a</sup> Commencement of operations.

See notes to financial statements.

# Statements of Changes in Net Assets (Continued)

## iSHARES® TRUST

|   | <i>iShares S&amp;P<br/>Growth<br/>Allocation Fund</i>                              | <i>iShares S&amp;P<br/>Aggressive<br/>Allocation Fund</i>                          |
|---|--|--|
|   | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) |
| <i>INCREASE (DECREASE) IN NET ASSETS</i>  |  |  |
| <b>OPERATIONS:</b>  |  |  |
| Net investment income   | \$ 99,231  | \$ 140,137   |
| Net realized gain (loss)  | 496,899  | (76,192)   |
| Net change in unrealized appreciation (depreciation)  | (460,060)  | (912,792)  |
| Net increase (decrease) in net assets resulting from operations   | <u>136,070</u>   | <u>(848,847)</u>   |
| <b>DISTRIBUTIONS TO SHAREHOLDERS:</b>   |  |  |
| From net investment income  | <u>(101,483)</u>   | <u>(129,291)</u>   |
| Total distributions to shareholders   | <u>(101,483)</u>   | <u>(129,291)</u>   |
| <b>CAPITAL SHARE TRANSACTIONS:</b>  |  |  |
| Proceeds from shares sold   | 22,905,461   | 21,080,144   |
| Cost of shares redeemed   | (13,627,199)   | (4,580,373)  |
| Net increase in net assets from capital share transactions  | <u>9,278,262</u>   | <u>16,499,771</u>  |
| INCREASE IN NET ASSETS  | 9,312,849  | 15,521,633   |
| <i>NET ASSETS</i>   |  |  |
| Beginning of period   | <u>-</u>   | <u>-</u>   |
| End of period   | <u>\$ 9,312,849</u>  | <u>\$15,521,633</u>  |
| Undistributed (distributions in excess of) net investment income<br>included in net assets at end of period | <u>\$ (2,252)</u>  | <u>\$ 10,846</u>   |
| <b>SHARES ISSUED AND REDEEMED</b>   |  |  |
| Shares sold   | 950,000  | 900,000  |
| Shares redeemed   | (550,000)  | (200,000)  |
| Net increase in shares outstanding  | <u>400,000</u>   | <u>700,000</u>   |

<sup>a</sup> Commencement of operations.

See notes to financial statements.

# Statements of Changes in Net Assets (Continued)

## iSHARES® TRUST

|  | <i>iShares S&amp;P<br/>Target Date<br/>Retirement Income<br/>Index Fund</i>                         | <i>iShares S&amp;P<br/>Target Date<br/>2010<br/>Index Fund</i>                                      |
|--|---|---|
|  | <small>Period from<br/>November 4, 2008<sup>a</sup><br/>to January 31, 2009<br/>(Unaudited)</small> | <small>Period from<br/>November 4, 2008<sup>a</sup><br/>to January 31, 2009<br/>(Unaudited)</small> |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |   |   |
| <b>OPERATIONS:</b>   |   |   |
| Net investment income  | \$ 16,526   | \$ 17,275   |
| Net realized loss  | (124)   | (620)   |
| Net change in unrealized appreciation (depreciation)                                     | (77,584)  | (130,801)   |
| Net decrease in net assets resulting from operations                                     | <u>(61,182)</u>   | <u>(114,146)</u>  |
| <b>DISTRIBUTIONS TO SHAREHOLDERS:</b>  |   |   |
| From net investment income   | <u>(17,209)</u>   | <u>(18,008)</u>   |
| Total distributions to shareholders  | <u>(17,209)</u>   | <u>(18,008)</u>   |
| <b>CAPITAL SHARE TRANSACTIONS:</b>   |   |   |
| Proceeds from shares sold  | <u>2,558,432</u>  | <u>2,566,411</u>  |
| Net increase in net assets from capital share transactions                               | <u>2,558,432</u>  | <u>2,566,411</u>  |
| INCREASE IN NET ASSETS   | 2,480,041   | 2,434,257   |
| <b>NET ASSETS</b>  |   |   |
| Beginning of period  | <u>-</u>  | <u>-</u>  |
| End of period  | <u>\$2,480,041</u>  | <u>\$2,434,257</u>  |
| Distributions in excess of net investment income included in net assets at end of period | <u>\$ (683)</u>   | <u>\$ (733)</u>   |
| <b>SHARES ISSUED</b>   |   |   |
| Shares sold  | <u>100,000</u>  | <u>100,000</u>  |
| Net increase in shares outstanding   | <u>100,000</u>  | <u>100,000</u>  |

<sup>a</sup> Commencement of operations.

See notes to financial statements.

# Statements of Changes in Net Assets (Continued)

## iSHARES® TRUST

|  | <i>iShares S&amp;P<br/>Target Date<br/>2015<br/>Index Fund</i>                     | <i>iShares S&amp;P<br/>Target Date<br/>2020<br/>Index Fund</i>                     |
|--|--|--|
|  | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) |
| <b>INCREASE (DECREASE) IN NET ASSETS</b>   |  |  |
| <b>OPERATIONS:</b>   |  |  |
| Net investment income  | \$ 17,990  | \$ 18,605  |
| Net realized loss  | (938)  | (1,262)  |
| Net change in unrealized appreciation (depreciation)                                     | (182,633)  | (232,335)  |
| Net decrease in net assets resulting from operations                                     | <u>(165,581)</u>   | <u>(214,992)</u>   |
| <b>DISTRIBUTIONS TO SHAREHOLDERS:</b>  |  |  |
| From net investment income   | <u>(18,722)</u>  | <u>(19,333)</u>  |
| Total distributions to shareholders  | <u>(18,722)</u>  | <u>(19,333)</u>  |
| <b>CAPITAL SHARE TRANSACTIONS:</b>   |  |  |
| Proceeds from shares sold  | <u>2,574,354</u>   | <u>2,581,346</u>   |
| Net increase in net assets from capital share transactions                               | <u>2,574,354</u>   | <u>2,581,346</u>   |
| INCREASE IN NET ASSETS   | 2,390,051  | 2,347,021  |
| <b>NET ASSETS</b>  |  |  |
| Beginning of period  | <u>-</u>   | <u>-</u>   |
| End of period  | <u>\$2,390,051</u>   | <u>\$2,347,021</u>   |
| Distributions in excess of net investment income included in net assets at end of period | <u>\$ (732)</u>  | <u>\$ (728)</u>  |
| <b>SHARES ISSUED</b>   |  |  |
| Shares sold  | <u>100,000</u>   | <u>100,000</u>   |
| Net increase in shares outstanding   | <u>100,000</u>   | <u>100,000</u>   |

<sup>a</sup> Commencement of operations.

See notes to financial statements.

# Statements of Changes in Net Assets (Continued)

## iSHARES® TRUST

|  | <i>iShares S&amp;P<br/>Target Date<br/>2025<br/>Index Fund</i>                     | <i>iShares S&amp;P<br/>Target Date<br/>2030<br/>Index Fund</i>                     |
|--|--|--|
|  | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) |
| <i>INCREASE (DECREASE) IN NET ASSETS</i>   |  |  |
| <b>OPERATIONS:</b>   |  |  |
| Net investment income  | \$ 57,976  | \$ 19,551  |
| Net realized loss  | (5,023)  | (2,075)  |
| Net change in unrealized appreciation (depreciation)                                     | (564,113)  | (322,868)  |
| Net decrease in net assets resulting from operations                                     | <u>(511,160)</u>   | <u>(305,392)</u>   |
| <b>DISTRIBUTIONS TO SHAREHOLDERS:</b>  |  |  |
| From net investment income   | <u>(59,632)</u>  | <u>(21,263)</u>  |
| Total distributions to shareholders  | <u>(59,632)</u>  | <u>(21,263)</u>  |
| <b>CAPITAL SHARE TRANSACTIONS:</b>   |  |  |
| Proceeds from shares sold  | <u>8,648,515</u>   | <u>2,593,580</u>   |
| Net increase in net assets from capital share transactions                               | <u>8,648,515</u>   | <u>2,593,580</u>   |
| INCREASE IN NET ASSETS   | 8,077,723  | 2,266,925  |
| <i>NET ASSETS</i>  |  |  |
| Beginning of period  | <u>-</u>   | <u>-</u>   |
| End of period  | <u>\$8,077,723</u>   | <u>\$2,266,925</u>   |
| Distributions in excess of net investment income included in net assets at end of period | <u>\$ (1,656)</u>  | <u>\$ (1,712)</u>  |
| <i>SHARES ISSUED</i>   |  |  |
| Shares sold  | <u>350,000</u>   | <u>100,000</u>   |
| Net increase in shares outstanding   | <u>350,000</u>   | <u>100,000</u>   |

<sup>a</sup> Commencement of operations.

See notes to financial statements.

# Statements of Changes in Net Assets (Continued)

## iSHARES® TRUST

|  | <i>iShares S&amp;P<br/>Target Date<br/>2035<br/>Index Fund</i>                     | <i>iShares S&amp;P<br/>Target Date<br/>2040<br/>Index Fund</i>                     |
|--|--|--|
|  | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) | Period from<br>November 4, 2008 <sup>a</sup><br>to January 31, 2009<br>(Unaudited) |
| <i>INCREASE (DECREASE) IN NET ASSETS</i>   |  |  |
| <b>OPERATIONS:</b>   |  |  |
| Net investment income  | \$ 19,757  | \$ 19,398  |
| Net realized loss  | (2,257)  | (2,519)  |
| Net change in unrealized appreciation (depreciation)                                     | (358,907)  | (382,404)  |
| Net decrease in net assets resulting from operations                                     | <u>(341,407)</u>   | <u>(365,525)</u>   |
| <b>DISTRIBUTIONS TO SHAREHOLDERS:</b>  |  |  |
| From net investment income   | <u>(20,464)</u>  | <u>(20,707)</u>  |
| Total distributions to shareholders  | <u>(20,464)</u>  | <u>(20,707)</u>  |
| <b>CAPITAL SHARE TRANSACTIONS:</b>   |  |  |
| Proceeds from shares sold  | 2,598,154  | 2,599,981  |
| Net increase in net assets from capital share transactions                               | <u>2,598,154</u>   | <u>2,599,981</u>   |
| INCREASE IN NET ASSETS   | 2,236,283  | 2,213,749  |
| <i>NET ASSETS</i>  |  |  |
| Beginning of period  | —  | —  |
| End of period  | <u>\$2,236,283</u>   | <u>\$2,213,749</u>   |
| Distributions in excess of net investment income included in net assets at end of period | <u>\$ (707)</u>  | <u>\$ (1,309)</u>  |
| <b>SHARES ISSUED</b>   |  |  |
| Shares sold  | <u>100,000</u>   | <u>100,000</u>   |
| Net increase in shares outstanding   | <u>100,000</u>   | <u>100,000</u>   |

<sup>a</sup> Commencement of operations.

See notes to financial statements.

# Financial Highlights

## iSHARES® TRUST

(For a share outstanding throughout the period)

### iShares S&P Conservative Allocation Fund

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$25.44</u>   |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.17   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(0.54)</u>  |
| Total from investment operations  | <u>(0.37)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.11)</u>  |
| Total distributions   | <u>(0.11)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$24.96</u></u>  |
| <b>Total return</b>   | <u><u>(1.53)%<sup>d</sup></u></u>  |
| <b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$2,496  |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 2.72%  |
| Portfolio turnover rate <sup>g</sup>  | 6%   |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## *iSHARES® TRUST*

(For a share outstanding throughout the period)

### *iShares S&P Moderate Allocation Fund*

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$25.60</u>   |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.16   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(1.41)</u>  |
| Total from investment operations  | <u>(1.25)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.15)</u>  |
| Total distributions   | <u>(0.15)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$24.20</u></u>  |
| <br><b>Total return</b>   | <br><u><u>(4.95)%<sup>d</sup></u></u>  |
| <br><b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$6,050  |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 2.71%  |
| Portfolio turnover rate <sup>g</sup>  | 12%  |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## iSHARES® TRUST

(For a share outstanding throughout the period)

### iShares S&P Growth Allocation Fund

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$25.79</u>   |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.25   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(2.59)</u>  |
| Total from investment operations  | <u>(2.34)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.17)</u>  |
| Total distributions   | <u>(0.17)</u>  |
| <b>Net asset value, end of period</b>                                       | <u>\$23.28</u>   |
| <br><b>Total return</b>   | <br><u>(9.18)%<sup>d</sup></u>   |
| <br><b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$9,313  |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 4.32%  |
| Portfolio turnover rate <sup>g</sup>  | 12%  |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## *iSHARES® TRUST*

(For a share outstanding throughout the period)

### *iShares S&P Aggressive Allocation Fund*

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$ 25.96</u>  |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.29   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(3.91)</u>  |
| Total from investment operations  | <u>(3.62)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.17)</u>  |
| Total distributions   | <u>(0.17)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$ 22.17</u></u>   |
| <b>Total return</b>   | <u><u>(14.01)%<sup>d</sup></u></u>   |
| <b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$15,522   |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 5.09%  |
| Portfolio turnover rate <sup>g</sup>  | 14%  |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## iSHARES® TRUST

(For a share outstanding throughout the period)

### iShares S&P Target Date Retirement Income Index Fund

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$25.58</u>   |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.17   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(0.78)</u>  |
| Total from investment operations  | <u>(0.61)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.17)</u>  |
| Total distributions   | <u>(0.17)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$24.80</u></u>  |
| <br><b>Total return</b>   | <br><u><u>(2.40)%<sup>d</sup></u></u>  |
| <br><b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$2,480  |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 2.73%  |
| Portfolio turnover rate <sup>g</sup>  | 0% <sup>h</sup>  |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

<sup>h</sup> Rounds to less than 1%.

See notes to financial statements.

# Financial Highlights (Continued)

## *i*SHARES<sup>®</sup> TRUST

(For a share outstanding throughout the period)

### *i*Shares S&P Target Date 2010 Index Fund

Period from  
Nov. 4, 2008<sup>a</sup>  
to  
Jan. 31, 2009  
(Unaudited)

|   |                                       |
|---|---------------------------------------|
| <b>Net asset value, beginning of period</b>                                 | <u>\$25.66</u>                        |
| <b>Income from investment operations:</b>                                   |                                       |
| Net investment income <sup>b</sup>  | 0.17                                  |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(1.31)</u>                         |
| Total from investment operations  | <u>(1.14)</u>                         |
| <b>Less distributions from:</b>   |                                       |
| Net investment income   | <u>(0.18)</u>                         |
| Total distributions   | <u>(0.18)</u>                         |
| <b>Net asset value, end of period</b>                                       | <u><u>\$24.34</u></u>                 |
| <br><b>Total return</b>   | <br><u><u>(4.46)%<sup>d</sup></u></u> |
| <br><b>Ratios/Supplemental data:</b>  |                                       |
| Net assets, end of period (000s)  | \$2,434                               |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%                                 |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%                                 |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 2.89%                                 |
| Portfolio turnover rate <sup>g</sup>  | 1%                                    |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## iSHARES® TRUST

(For a share outstanding throughout the period)

### iShares S&P Target Date 2015 Index Fund

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$25.74</u>   |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.18   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(1.83)</u>  |
| Total from investment operations  | <u>(1.65)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.19)</u>  |
| Total distributions   | <u>(0.19)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$23.90</u></u>  |
| <br><b>Total return</b>   | <br><u><u>(6.45)%<sup>d</sup></u></u>  |
| <br><b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$2,390  |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 3.05%  |
| Portfolio turnover rate <sup>g</sup>  | 1%   |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## *i*SHARES® TRUST

(For a share outstanding throughout the period)

### *i*Shares S&P Target Date 2020 Index Fund

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$25.81</u>   |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.19   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(2.34)</u>  |
| Total from investment operations  | <u>(2.15)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.19)</u>  |
| Total distributions   | <u>(0.19)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$23.47</u></u>  |
| <br><b>Total return</b>   | <br><u><u>(8.35)%<sup>d</sup></u></u>  |
| <br><b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$2,347  |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 3.19%  |
| Portfolio turnover rate <sup>g</sup>  | 1%   |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## iSHARES® TRUST

(For a share outstanding throughout the period)

### iShares S&P Target Date 2025 Index Fund

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$ 25.88</u>  |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.20   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(2.80)</u>  |
| Total from investment operations  | <u>(2.60)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.20)</u>  |
| Total distributions   | <u>(0.20)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$ 23.08</u></u>   |
| <br><b>Total return</b>   | <br><u><u>(10.09)%<sup>d</sup></u></u>   |
| <br><b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$ 8,078   |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 3.40%  |
| Portfolio turnover rate <sup>g</sup>  | 1%   |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## *ISHARES® TRUST*

(For a share outstanding throughout the period)

### *iShares S&P Target Date 2030 Index Fund*

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$ 25.94</u>  |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.20   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(3.26)</u>  |
| Total from investment operations  | <u>(3.06)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.21)</u>  |
| Total distributions   | <u>(0.21)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$ 22.67</u></u>   |
| <b>Total return</b>   | <u><u>(11.83)%<sup>d</sup></u></u>   |
| <b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$ 2,267   |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 3.43%  |
| Portfolio turnover rate <sup>g</sup>  | 1%   |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## iSHARES® TRUST

(For a share outstanding throughout the period)

### iShares S&P Target Date 2035 Index Fund

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$ 25.98</u>  |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.20   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(3.62)</u>  |
| Total from investment operations  | <u>(3.42)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.20)</u>  |
| Total distributions   | <u>(0.20)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$ 22.36</u></u>   |
| <br><b>Total return</b>   | <br><u><u>(13.19)%<sup>d</sup></u></u>   |
| <br><b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$ 2,236   |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 3.50%  |
| Portfolio turnover rate <sup>g</sup>  | 1%   |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Financial Highlights (Continued)

## *ISHARES® TRUST*

(For a share outstanding throughout the period)

### *iShares S&P Target Date 2040 Index Fund*

|   | Period from<br>Nov. 4, 2008 <sup>a</sup><br>to<br>Jan. 31, 2009<br>(Unaudited) |
|---|--|
| <b>Net asset value, beginning of period</b>                                 | <u>\$ 26.00</u>  |
| <b>Income from investment operations:</b>                                   |  |
| Net investment income <sup>b</sup>  | 0.19   |
| Net realized and unrealized loss <sup>c</sup>                               | <u>(3.84)</u>  |
| Total from investment operations  | <u>(3.65)</u>  |
| <b>Less distributions from:</b>   |  |
| Net investment income   | <u>(0.21)</u>  |
| Total distributions   | <u>(0.21)</u>  |
| <b>Net asset value, end of period</b>                                       | <u><u>\$ 22.14</u></u>   |
| <b>Total return</b>   | <u><u>(14.09)%<sup>d</sup></u></u>   |
| <b>Ratios/Supplemental data:</b>  |  |
| Net assets, end of period (000s)  | \$ 2,214   |
| Ratio of expenses to average net assets <sup>e,f</sup>                      | 0.11%  |
| Ratio of expenses to average net assets prior to waived fees <sup>e,f</sup> | 0.25%  |
| Ratio of net investment income to average net assets <sup>e,f</sup>         | 3.46%  |
| Portfolio turnover rate <sup>g</sup>  | 1%   |

<sup>a</sup> Commencement of operations.

<sup>b</sup> Based on average shares outstanding throughout the period.

<sup>c</sup> The amount reported may not accord with the change in aggregate gains and losses in securities due to the timing of capital share transactions.

<sup>d</sup> Not annualized.

<sup>e</sup> The Fund indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>f</sup> Annualized for periods of less than one year.

<sup>g</sup> Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.

See notes to financial statements.

# Notes to Financial Statements (Unaudited)

## *iSHARES® TRUST*

iShares Trust (the “Trust”) is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Trust was established as a Delaware statutory trust pursuant to an Agreement and Declaration of Trust dated December 16, 1999.

These financial statements relate only to the iShares S&P Conservative Allocation, iShares S&P Moderate Allocation, iShares S&P Growth Allocation and iShares S&P Aggressive Allocation Funds (each, a “Fund,” collectively, the “iShares S&P Allocation Funds”), and the iShares S&P Target Date Retirement Income, iShares S&P Target Date 2010, iShares S&P Target Date 2015, iShares S&P Target Date 2020, iShares S&P Target Date 2025, iShares S&P Target Date 2030, iShares S&P Target Date 2035 and iShares S&P Target Date 2040 Index Funds (each, a “Fund,” collectively, the “iShares S&P Target Date Funds”). The iShares S&P Allocation Funds and iShares S&P Target Date Funds (collectively, the “Funds”) commenced operations on November 4, 2008.

The investment objective of each of the iShares S&P Allocation Funds and iShares S&P Target Date Funds is to seek investment results that correspond generally to the price and yield performance, before fees and expenses, of an S&P Target Risk Index or S&P Target Date Index, respectively (each, an “Underlying Index”). Each Underlying Index is comprised entirely of securities of iShares funds (each, an “Underlying Fund”, collectively, the “Underlying Funds”) that themselves seek investment results that correspond generally to the price and yield performance, before fees and expenses, of their own respective underlying indexes. The investment adviser uses a “passive” or indexing approach to try to achieve each Fund’s investment objective. Each Fund is an exchange-traded fund (“ETF”) fund of funds and seeks its investment objective by investing primarily in the affiliated Underlying Funds.

Pursuant to the Trust’s organizational documents, the Funds’ officers and trustees are indemnified against certain liabilities that may arise out of the performance of their duties to the Funds. Additionally, in the normal course of business, the Funds enter into contracts with service providers that contain general indemnification clauses. The Funds’ maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred.

### **1. SIGNIFICANT ACCOUNTING POLICIES**

The following significant accounting policies are consistently followed by the Trust in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### **SECURITY VALUATION**

The securities and other assets of each Fund are valued pursuant to the pricing policy and procedures approved by the Board of Trustees of the Trust (the “Board”). The Funds are subject to the provisions of Financial Accounting Standards Board (“FASB”) Statement of Financial Accounting Standards No. 157 (“FAS 157”), “Fair Value Measurements.” This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Inputs may be based on independent market data (“observable inputs”) or they may be internally developed (“unobservable inputs”). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are as follows:

- Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;

# Notes to Financial Statements (Unaudited) (Continued)

## *iSHARES*<sup>®</sup> TRUST

- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not considered to be active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means;
- Level 3 – Inputs that are unobservable for the asset or liability.

The determination of what constitutes an “observable” input may require significant judgment by the Funds. As of January 31, 2009, the value of each Fund’s investment in each of its Underlying Funds was classified as a Level 1 price. The level of a value determined for an investment within the fair value hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Funds’ perceived risk of an investment in the Underlying Fund, nor the levels of the investments held within each Underlying Fund. The Funds believe more relevant disclosure regarding fair value measurements relate to the investment portfolios of the Underlying Funds.

Fair value pricing could result in a difference between the prices used to calculate a Fund’s net assets and the prices used by the Fund’s Underlying Index, which in turn could result in a difference between the Fund’s performance and the performance of the Fund’s Underlying Index.

## **SECURITY TRANSACTIONS AND INCOME RECOGNITION**

Security transactions are accounted for on trade date. Dividend income and capital gain distributions from the Underlying Funds, if any, are recognized on the ex-dividend date. Interest income is accrued daily. Realized gains and losses on investment transactions are determined using the specific identification method.

## **DISTRIBUTIONS TO SHAREHOLDERS**

Distributions to shareholders from net investment income, if any, are declared and distributed at least annually by each Fund. Distributions of net realized capital gains, if any, generally are declared and distributed once a year. Distributions are determined on a tax basis and may differ from net investment income and net realized capital gains for financial reporting purposes. Dividends and distributions cannot be automatically reinvested in additional shares of the Funds.

The tax character of current year distributions will be determined at the end of the current fiscal year.

## **FEDERAL INCOME TAXES**

Each Fund is treated as a separate entity for federal income tax purposes. It is the policy of each Fund to qualify as a regulated investment company by complying with the provisions applicable to regulated investment companies, as defined under Subchapter M of the Internal Revenue Code of 1986, as amended, and to annually distribute substantially all of its ordinary income and any net capital gains (taking into account any capital loss carryforwards) sufficient to relieve it from all, or substantially all, federal income and excise taxes. Accordingly, no provision for federal income taxes was required for the period ended January 31, 2009.

For the period ended January 31, 2009, certain Funds realized net capital gains or losses resulting from in-kind redemptions of large blocks of shares or multiples thereof (“Creation Units”). Because such gains or losses are not taxable to the Funds and are not distributed to existing Fund shareholders, the gains or losses are reclassified from accumulated net realized gains or losses to paid-in-capital at the end of the Funds’ tax year. These reclassifications have no effect on net assets or net asset values per share. The net realized in-kind gains or losses for the period ended January 31, 2009 are disclosed in the Funds’ Statements of Operations.

# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

As of January 31, 2009, gross unrealized appreciation and gross unrealized depreciation based on cost for federal income tax purposes were as follows:

| <i>iShares Allocation/Index Fund</i> | <i>Tax Cost</i> | <i>Gross Unrealized Appreciation</i> | <i>Gross Unrealized Depreciation</i> | <i>Net Unrealized Depreciation</i> |
|--------------------------------------|-----------------|--------------------------------------|--------------------------------------|------------------------------------|
| S&P Conservative                     | \$ 2,556,903    | \$ 43,604                            | \$ (107,140)                         | \$ (63,536)                        |
| S&P Moderate                         | 6,326,813       | -                                    | (282,162)                            | (282,162)                          |
| S&P Growth                           | 11,253,136      | -                                    | (555,100)                            | (555,100)                          |
| S&P Aggressive                       | 16,649,793      | -                                    | (1,104,569)                          | (1,104,569)                        |
| S&P Target Date Retirement Income    | 2,765,795       | 82,868                               | (160,900)                            | (78,032)                           |
| S&P Target Date 2010                 | 2,566,301       | 72,328                               | (204,138)                            | (131,810)                          |
| S&P Target Date 2015                 | 2,574,233       | 62,305                               | (246,257)                            | (183,952)                          |
| S&P Target Date 2020                 | 2,581,179       | 52,458                               | (286,389)                            | (233,931)                          |
| S&P Target Date 2025                 | 8,648,222       | 104,501                              | (674,424)                            | (569,923)                          |
| S&P Target Date 2030                 | 2,592,217       | 33,296                               | (358,367)                            | (325,071)                          |
| S&P Target Date 2035                 | 2,597,665       | 25,833                               | (387,003)                            | (361,170)                          |
| S&P Target Date 2040                 | 2,598,700       | 18,562                               | (403,303)                            | (384,741)                          |

Management has reviewed the tax positions as of January 31, 2009 and has determined that no provision for income tax is required in the Funds' financial statements.

## 2. AGREEMENTS AND OTHER TRANSACTIONS WITH AFFILIATES

Pursuant to an Investment Advisory Agreement with the Trust, Barclays Global Fund Advisors ("BGFA") manages the investment of each Fund's assets. BGFA is a California corporation indirectly owned by Barclays Bank PLC. Under the Investment Advisory Agreement, BGFA is responsible for all expenses ("Covered Expenses") of the Trust, including the cost of transfer agency, custody, fund administration, legal, audit and other services, except interest, taxes, brokerage commissions and other expenses connected with the execution of portfolio transactions, distribution fees and extraordinary expenses.

For its investment advisory services to each Fund, BGFA is entitled to receive an annual investment advisory fee of 0.25% of the average daily net assets of each Fund. BGFA has contractually agreed to waive a portion of the advisory fees it is entitled to receive from each Fund, in an amount equal to 0.14%, through October 31, 2009. After giving effect to the fee waiver, BGFA will receive an annual advisory fee of 0.11% of the average daily net assets of each Fund. BGFA also receives investment advisory fees from the Underlying Funds as a result of the Funds' investments in the Underlying Funds.

State Street Bank and Trust Company ("State Street") serves as administrator, custodian and transfer agent for the Trust. As compensation for its services, State Street receives certain out-of-pocket costs, transaction fees and asset-based fees which are accrued daily and paid monthly. These fees and expenses are Covered Expenses as defined above.

SEI Investments Distribution Co. ("SEI") serves as each Fund's underwriter and distributor of the shares of each Fund, pursuant to a Distribution Agreement with the Trust. SEI does not receive a fee from the Funds for its distribution services.

Pursuant to an exemptive order issued by the U.S. Securities and Exchange Commission ("SEC"), the Funds are permitted to lend portfolio securities to Barclays Capital Inc. ("BarCap"). Pursuant to the same exemptive order, Barclays Global Investors, N.A. ("BGI") serves as

# Notes to Financial Statements (Unaudited) (Continued)

## *iSHARES*<sup>®</sup> TRUST

securities lending agent for the Funds. BarCap and BGI are affiliates of BGFA, the Funds' investment adviser. As securities lending agent, BGI receives, as fees, a share of the income earned on investment of the cash collateral received for the loan of securities.

For the period ended January 31, 2009, BGI earned securities lending agent fees as follows:

| <i>iShares Allocation/Index Fund</i> | <i>Securities Lending Agent Fees</i> | <i>iShares Allocation/Index Fund</i> | <i>Securities Lending Agent Fees</i> |
|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| S&P Conservative                     | \$ 8                                 | S&P Target Date Retirement Income    | \$ 17                                |
| S&P Moderate                         | 19                                   | S&P Target Date 2025                 | 645                                  |
| S&P Growth                           | 1,094                                | S&P Target Date 2035                 | 12                                   |
| S&P Aggressive                       | 1,373                                | S&P Target Date 2040                 | 13                                   |

Each Fund may invest in the Institutional Shares of certain money market funds managed by BGFA, the Funds' investment adviser, including the Government Money Market Fund ("GMMF"), Institutional Money Market Fund ("IMMF"), Prime Money Market Fund ("PMMF") and Treasury Money Market Fund ("TMMF") of Barclays Global Investors Funds. These money market funds seek to achieve their investment objectives by investing in high-quality, short-term money market instruments that, at the time of investment, have remaining maturities of 397 calendar days or less from the date of acquisition. The GMMF, IMMF, PMMF and TMMF are feeder funds in a master/feeder fund structure that invest substantially all of their assets in the Government Money Market Master Portfolio, Money Market Master Portfolio, Prime Money Market Master Portfolio and Treasury Money Market Master Portfolio (collectively, the "Money Market Master Portfolios"), respectively, which are also managed by BGFA. While the GMMF, IMMF, PMMF and TMMF do not directly charge an investment advisory fee, the Money Market Master Portfolios in which they invest do charge an investment advisory fee. Income distributions from the GMMF, IMMF, PMMF and TMMF are declared daily and paid monthly from net investment income. Income distributions earned by the Funds from temporary cash investments are recorded as interest in the accompanying Statements of Operations. Income distributions earned by the Funds from the investment of securities lending collateral, if any, are included in securities lending income in the accompanying Statements of Operations.

Certain trustees and officers of the Trust are also officers of BGI and/or BGFA.

### **3. INVESTMENT PORTFOLIO TRANSACTIONS**

Purchases and sales of investments (excluding in-kind transactions and short-term investments) for the period ended January 31, 2009 were as follows:

| <i>iShares Allocation/Index Fund</i> | <i>Purchases</i> | <i>Sales</i> |
|--------------------------------------|------------------|--------------|
| S&P Conservative                     | \$ 281,187       | \$ 284,909   |
| S&P Moderate                         | 586,465          | 587,558      |
| S&P Growth                           | 1,187,254        | 1,181,545    |
| S&P Aggressive                       | 1,452,159        | 1,417,363    |
| S&P Target Date Retirement Income    | 10,229           | 10,545       |
| S&P Target Date 2010                 | 17,112           | 17,414       |
| S&P Target Date 2015                 | 17,948           | 18,209       |
| S&P Target Date 2020                 | 18,490           | 18,720       |

# Notes to Financial Statements (Unaudited) (Continued)

## iSHARES® TRUST

| <i>iShares Allocation/Index Fund</i> | <i>Purchases</i> | <i>Sales</i> |
|--------------------------------------|------------------|--------------|
| S&P Target Date 2025                 | \$ 57,251        | \$ 58,064    |
| S&P Target Date 2030                 | 19,711           | 20,875       |
| S&P Target Date 2035                 | 18,175           | 20,166       |
| S&P Target Date 2040                 | 18,566           | 20,667       |

In-kind transactions (see Note 4) for the period ended January 31, 2009 were as follows:

| <i>iShares Allocation/Index Fund</i> | <i>In-kind Purchases</i> | <i>In-kind Sales</i> |
|--------------------------------------|--------------------------|----------------------|
| S&P Conservative                     | \$ 6,238,896             | \$ 3,832,393         |
| S&P Moderate                         | 8,734,566                | 2,537,557            |
| S&P Growth                           | 22,876,549               | 13,614,936           |
| S&P Aggressive                       | 21,049,191               | 4,574,519            |
| S&P Target Date Retirement Income    | 2,555,932                | -                    |
| S&P Target Date 2010                 | 2,563,911                | -                    |
| S&P Target Date 2015                 | 2,571,854                | -                    |
| S&P Target Date 2020                 | 2,578,846                | -                    |
| S&P Target Date 2025                 | 8,639,960                | -                    |
| S&P Target Date 2030                 | 2,591,080                | -                    |
| S&P Target Date 2035                 | 2,595,654                | -                    |
| S&P Target Date 2040                 | 2,597,481                | -                    |

#### 4. CAPITAL SHARE TRANSACTIONS

Capital shares are issued and redeemed by each Fund only in Creation Units or multiples thereof. Except when aggregated in Creation Units, shares of each Fund are not redeemable. Transactions in capital shares for each Fund are disclosed in detail in the Statements of Changes in Net Assets.

The consideration for the purchase of Creation Units of a Fund generally consists of the in-kind deposit of a designated portfolio of securities, which constitutes a substantial replication, or a portfolio sampling representation, of the securities involved in the relevant Fund's Underlying Index and an amount of cash. Investors purchasing and redeeming Creation Units pay a purchase transaction fee and a redemption transaction fee directly to State Street, the administrator, to offset transfer and other transaction costs associated with the issuance and redemption of Creation Units.

#### 5. LOANS OF PORTFOLIO SECURITIES

Each Fund may lend its investment securities to approved borrowers, such as brokers, dealers and other financial institutions. The borrower pledges and maintains with the Fund collateral consisting of cash, an irrevocable letter of credit issued by a bank, or securities issued or guaranteed by the U.S. government. The initial collateral received by each Fund is required to have a value of at least 102% of the market value of the loaned securities for securities traded on U.S. exchanges and a value of at least 105% for all other securities. The collateral is maintained thereafter, at a value equal to at least 100% of the current market value of the securities on loan. The risks to the Funds of securities lending include the risk that the borrower may not provide additional collateral when required or may not return the

# Notes to Financial Statements (Unaudited) (Continued)

## *iSHARES® TRUST*

securities when due. Any securities lending cash collateral may be reinvested in certain short-term instruments either directly on behalf of a Fund or through one or more joint accounts or money market funds, including those managed by BGFA; such reinvestments are subject to investment risk.

As of January 31, 2009, certain Funds had loaned securities which were collateralized by cash. The cash collateral received was invested in money market funds managed by BGFA. The market value of the securities on loan as of January 31, 2009 and the value of the related collateral are disclosed in the Statements of Assets and Liabilities. Securities lending income, as disclosed in the Funds' Statements of Operations, represents the income earned from the investment of the cash collateral, net of rebates paid to, or fees paid by, borrowers and less the fees paid to BGI as securities lending agent.

## Notes:

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## Notes:

# The iShares® Family of Funds

The following is a list of iShares Funds being offered, along with their respective exchange trading symbols. **Please call 1-800-iShares (1-800-474-2737) to obtain a prospectus for any iShares Fund. The prospectus contains more complete information, including charges, expenses, investment objectives and risk factors that should be carefully considered to determine if the Fund(s) are an appropriate investment for you. Read the prospectus(es) carefully before investing. Investing involves risk, including possible loss of principal.**

## iShares S&P Domestic Index Funds

iShares S&P 1500 (ISI)  
iShares S&P 100 (OEF)  
iShares S&P 500 (IVV)  
iShares S&P 500 Growth (IVW)  
iShares S&P 500 Value (IVE)  
iShares S&P MidCap 400 (IJH)  
iShares S&P MidCap 400 Growth (IJK)  
iShares S&P MidCap 400 Value (IJJ)  
iShares S&P SmallCap 600 (IJR)  
iShares S&P SmallCap 600 Growth (IJT)  
iShares S&P SmallCap 600 Value (IJS)  
iShares S&P North American Natural Resources Sector (IGE)  
iShares S&P North American Technology-Multimedia Networking (IGN)  
iShares S&P North American Technology-Semiconductors (IGW)  
iShares S&P North American Technology-Software (IGV)  
iShares S&P North American Technology Sector (IGM)

## iShares Domestic Sector Index Funds

iShares Cohen & Steers Realty Majors (ICF)  
iShares Dow Jones U.S. Basic Materials Sector (IYM)  
iShares Dow Jones U.S. Consumer Services Sector (IYC)  
iShares Dow Jones U.S. Consumer Goods Sector (IYK)  
iShares Dow Jones U.S. Energy Sector (IYE)  
iShares Dow Jones U.S. Financial Sector (IYF)  
iShares Dow Jones U.S. Financial Services (IYG)  
iShares Dow Jones U.S. Healthcare Sector (IYH)  
iShares Dow Jones U.S. Industrial Sector (IYJ)  
iShares Dow Jones U.S. Real Estate (IYR)  
iShares Dow Jones U.S. Technology Sector (IYW)  
iShares Dow Jones U.S. Telecommunications Sector (IYZ)  
iShares Dow Jones Transportation Average (IYT)  
iShares Dow Jones U.S. Utilities Sector (IDU)  
iShares Dow Jones U.S. (IYY)  
iShares Nasdaq Biotechnology (IBB)

## iShares Domestic Subsector Index Funds

iShares Dow Jones U.S. Aerospace & Defense (ITA)  
iShares Dow Jones U.S. Broker-Dealers (IAI)  
iShares Dow Jones U.S. Healthcare Providers (IHF)  
iShares Dow Jones U.S. Home Construction (ITB)  
iShares Dow Jones U.S. Insurance (IAK)  
iShares Dow Jones U.S. Medical Devices (IHI)  
iShares Dow Jones U.S. Oil & Gas Exploration & Production (IEO)  
iShares Dow Jones U.S. Oil Equipment & Services (IEZ)  
iShares Dow Jones U.S. Pharmaceuticals (IHE)  
iShares Dow Jones U.S. Regional Banks (IAT)  
iShares FTSE NAREIT Industrial/Office Capped (FIO)  
iShares FTSE NAREIT Mortgage Plus Capped (REM)  
iShares FTSE NAREIT Real Estate 50 (FTY)  
iShares FTSE NAREIT Residential Plus Capped (REZ)  
iShares FTSE NAREIT Retail Capped (RTL)

## iShares Global Index Funds

iShares S&P Global 100 (IOO)  
iShares S&P Global Clean Energy (ICLN)  
iShares S&P Global Consumer Discretionary Sector (RXI)  
iShares S&P Global Consumer Staples Sector (KXI)  
iShares S&P Global Energy Sector (IXC)  
iShares S&P Global Financials Sector (IXG)  
iShares S&P Global Healthcare Sector (IXJ)  
iShares S&P Global Industrials Sector (EXI)  
iShares S&P Global Infrastructure (IGF)

iShares S&P Global Materials Sector (MXI)  
iShares S&P Global Nuclear Energy (NUCL)  
iShares S&P Global Technology Sector (IXN)  
iShares S&P Global Telecommunications Sector (IXP)  
iShares S&P Global Timber & Forestry (WOOD)  
iShares S&P Global Utilities Sector (JXI)

## iShares Russell Index Funds

iShares Russell 3000 (IWR)  
iShares Russell 3000 Growth (IWZ)  
iShares Russell 3000 Value (IWW)  
iShares Russell 1000 (IWB)  
iShares Russell 1000 Growth (IWF)  
iShares Russell 1000 Value (IWD)  
iShares Russell Midcap (IWR)  
iShares Russell Midcap Growth (IWP)  
iShares Russell Midcap Value (IWS)  
iShares Russell 2000 (IWM)  
iShares Russell 2000 Growth (IWO)  
iShares Russell 2000 Value (IWN)  
iShares Russell Microcap (IWC)

## iShares International Country Index Funds

iShares FTSE China (HK Listed) (FCHI)  
iShares FTSE/Xinhua China 25 (FXI)  
iShares MSCI Australia (EWA)  
iShares MSCI Austria Investable Market (EWO)  
iShares MSCI Belgium Investable Market (EWK)  
iShares MSCI Brazil (EWZ)  
iShares MSCI Canada (EWC)  
iShares MSCI Chile Investable Market (ECH)  
iShares MSCI France (EWO)  
iShares MSCI Germany (EWG)  
iShares MSCI Hong Kong (EWH)  
iShares MSCI Israel Capped Investable Market (EIS)  
iShares MSCI Italy (EWI)  
iShares MSCI Japan (EWJ)  
iShares MSCI Japan Small Cap (SCJ)  
iShares MSCI Malaysia (EWM)  
iShares MSCI Mexico Investable Market (EWW)  
iShares MSCI Netherlands Investable Market (EWN)  
iShares MSCI Singapore (EWS)  
iShares MSCI South Africa (EZA)  
iShares MSCI South Korea (EWY)  
iShares MSCI Spain (EWP)  
iShares MSCI Sweden (EWD)  
iShares MSCI Switzerland (EWL)  
iShares MSCI Taiwan (EWT)  
iShares MSCI Thailand Investable Market (THD)  
iShares MSCI Turkey Investable Market (TUR)  
iShares MSCI United Kingdom (EWU)  
iShares S&P/TOPIX 150 (ITF)

## iShares Bond Funds

iShares Barclays Aggregate (AGG)  
iShares Barclays MBS (MBB)  
iShares Barclays Short Treasury (SHV)  
iShares Barclays 1-3 Year Treasury (SHY)

iShares Barclays 3-7 Year Treasury (IEI)  
iShares Barclays 7-10 Year Treasury (IEF)  
iShares Barclays 10-20 Year Treasury (TLH)  
iShares Barclays 20+ Year Treasury (TLT)  
iShares Barclays TIPS (TIP)  
iShares Barclays Agency (AGZ)  
iShares Barclays Credit (CFT)  
iShares Barclays 1-3 Year Credit (CSJ)  
iShares Barclays Intermediate Credit (CIU)  
iShares iBoxx \$ Investment Grade Corporate (LQD)  
iShares iBoxx \$ High Yield Corporate (HYG)  
iShares Barclays Government/Credit (GBF)  
iShares Barclays Intermediate Government/Credit (GVI)  
iShares S&P National Municipal (MUB)  
iShares S&P Short Term National Municipal (SUB)  
iShares S&P California Municipal (CMF)  
iShares S&P New York Municipal (NYF)  
iShares JPMorgan USD Emerging Markets (EMB)  
iShares S&P/Citigroup International Treasury (IGOV)  
iShares S&P/Citigroup 1-3 Year International Treasury (ISHG)

## iShares Specialty Index Funds

iShares KLD 400 Social (DSI)  
iShares KLD Select Social<sup>SM</sup> (KLD)  
iShares Dow Jones Select Dividend (DVY)  
iShares Dow Jones EPAC Select Dividend (IDV)  
iShares S&P U.S. Preferred Stock (PFF)

## iShares International Index Funds

iShares FTSE Developed Small Cap ex-North America (IFSM)  
iShares FTSE EPRA/NAREIT Global Real Estate ex-U.S. (IFGL)  
iShares FTSE EPRA/NAREIT North America (IFNA)  
iShares FTSE EPRA/NAREIT Europe (IFEU)  
iShares FTSE EPRA/NAREIT Asia (IFAS)  
iShares MSCI ACWI (ACWI)  
iShares MSCI ACWI ex US (ACWX)  
iShares MSCI All Country Asia ex Japan (AAXJ)  
iShares MSCI BRIC (BKF)  
iShares MSCI EAFE (EFA)  
iShares MSCI EAFE Growth (EFG)  
iShares MSCI EAFE Value (EFV)  
iShares MSCI EAFE Small Cap (SCZ)  
iShares MSCI Emerging Markets (EEM)  
iShares MSCI EMU (EZU)  
iShares MSCI Kokusai (TOK)  
iShares MSCI Pacific ex-Japan (EPP)  
iShares S&P Asia 50 (AIA)  
iShares S&P Developed ex-U.S. Property (WPS)  
iShares S&P Europe 350 (IEV)  
iShares S&P Latin America 40 (ILF)

# The iShares<sup>®</sup> Family of Funds (Continued)

## iShares Morningstar Index Funds

iShares Morningstar Large Core (JKD)  
iShares Morningstar Large Growth (JKE)  
iShares Morningstar Large Value (JKF)  
iShares Morningstar Mid Core (JKG)  
iShares Morningstar Mid Growth (JKH)  
iShares Morningstar Mid Value (JKI)  
iShares Morningstar Small Core (JKJ)  
iShares Morningstar Small Growth (JKK)  
iShares Morningstar Small Value (JKL)

## iShares NYSE Index Funds

iShares NYSE Composite (NYC)  
iShares NYSE 100 (NY)

## iShares S&P Allocation Funds

iShares S&P Conservative (AOK)  
iShares S&P Moderate (AOM)  
iShares S&P Growth (AOR)  
iShares S&P Aggressive (AOA)

## iShares S&P Target Date Index Funds

iShares S&P Target Date Retirement Income (TGR)  
iShares S&P Target Date 2010 (TZD)  
iShares S&P Target Date 2015 (TZE)  
iShares S&P Target Date 2020 (TZG)  
iShares S&P Target Date 2025 (TZI)  
iShares S&P Target Date 2030 (TZL)  
iShares S&P Target Date 2035 (TZO)  
iShares S&P Target Date 2040 (TZV)

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*For more information:*

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The Funds file their complete schedules of portfolio holdings with the SEC for the first and third quarter of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the SEC's website or may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The Funds also disclose their complete schedules of portfolio holdings on a daily and monthly basis on the Funds' website.

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