

## 2016年3月期 決算短信 (2015年4月1日~2016年3月31日)

Earnings Report for Fiscal Year ended March 2016 (April 1, 2015– March 31, 2016)

2016年6月27日

June 27, 2016

ファンド名	iシェアーズ 米国超大型株 ETF (S&P100)	上場取引所	東
コード番号	1587	売買単位	1口
連動対象指標	S&P 100		
主要投資資産	有価証券		
管理会社	ブラックロック・ファンド・アドバイザーズ		
URL	<a href="http://www.blackrock.com/jp/products/269024/">http://www.blackrock.com/jp/products/269024/</a>		
代表者	(役職名) マネージング・ディレクター	(氏名)	ジャック・ジー
問合せ先責任者	(役職名) 代理人	(氏名)	濃川 耕平 (TEL) 03(6250)6200
Fund name:	iShares S&P 100 ETF-JDR	Listed Exchange:	TSE
Code:	1587	Trading unit:	1 unit
Underlying indicator:	S&P 100®		
Primary invested assets:	Securities		
Management co.:	BlackRock Fund Advisors		
URL:	<a href="http://www.blackrock.com/jp/products/269024/">http://www.blackrock.com/jp/products/269024/</a>		
Representative:	(Title) Managing Director	(Name)	Jack Gee
Contact person:	(Title) Attorney-in-Fact	(Name)	Kohei Koikawa (TEL) 03(6250)6200
有価証券報告書提出予定日	2016年9月		
Scheduled date of submission of securities report:	September 2016		

# I ファンドの運用状況

## I Fund Management

### 1. 2016年3月期の運用状況 (2015年4月1日～2016年3月31日)

#### 1. Management Status for Year Ended March 2016 (from April 1, 2015 to March 31, 2016)

##### (1) 信託財産である外国ETFの資産内訳

(百万円未満切捨て)

##### (1) Assets of Trust Asset Foreign ETF

(amounts below 1 mil. yen are disregarded)

	主要投資資産		現金・預金・その他の資産 (負債控除後)		合計 (純資産)	
	Primary Invested Assets		Cash/Deposits/Other Assets (minus liabilities)		Total (Net Assets)	
	金額 Amount	構成比 ratio	金額 Amount	構成比 ratio	金額 Amount	構成比 ratio
	百万円 JPY mil.	%	百万円 JPY mil.	%	百万円 JPY mil.	%
2016年3月期 FY ended March 2016	503,828	99.89	530	0.11	504,359	100.00
2015年3月期 FY ended March 2015	489,465	99.87	654	0.13	490,120	100.00

##### (2) 信託財産である外国ETFの設定・交換実績

##### (2) Creation and Redemption of Trust Asset Foreign ETF

	前計算期間末 発行済口数	設定口数	交換口数	当計算期間末 発行済口数
	No. of Issued Units at End of Previous Calculation Period	No. of Units Created	No. of Units Redeemed	No. of Issued Units at End of Calculation Period
	(①)	(②)	(③)	(①+②-③)
	千口 '000 units	千口 '000 units	千口 '000 units	千口 '000 units
2016年3月期 FY ended March 2016	48,950	29,250	28,450	49,750
2015年3月期 FY ended March 2015	48,450	36,250	35,750	48,950

##### (3) 信託財産である外国ETFの基準価額

##### (3) Net Asset Value of Trust Asset Foreign ETF

	総資産	負債	純資産	1口当たり基準価額
	Total Assets	Liabilities	Net Assets	Net Asset Value per unit
	(①)	(②)	(③(①-②))	((③/当計算期間末 発行済口数)×1) ((③/No. of Issued Units at End of Calculation Period)×1)
	百万円 JPY mil.	百万円 JPY mil.	百万円 JPY mil.	円 JPY
2016年3月期 FY ended March 2016	504,457	97	504,359	10,137.88
2015年3月期 FY ended March 2015	490,214	94	490,120	10,012.66

## (4) 上場外国 ETF 信託受益証券に係る設定・交換実績

## (4) Creation and Redemption of Listed Foreign ETF Trust Beneficiary Certificates (JDR)

	前計算期間末 発行済口数 No. of Issued Units at End of Previous Calculation Period  (①)	設定口数 No. of Units Created  (②)	交換口数 No. of Units Redeemed  (③)	当計算期間末 発行済口数 No. of Issued Units at End of Calculation Period  (①+②-③)
	千口 '000 units	千口 '000 units	千口 '000 units	千口 '000 units
2016年3月期 FY ended March 2016	70.1	100	2	168.1
2015年3月期 FY ended March 2015	70.1	12.6	12.6	70.1

## (5) 上場外国 ETF 信託受益証券の分配金

## (5) Dividend Payment of Listed Foreign ETF Trust Beneficiary Certificates (JDR)

2016年3月期 FY ended March 2016	1口当たり分配金 Dividend per unit	2015年3月期 FY ended March 2015	1口当たり分配金 Dividend per unit
	円 JPY		円 JPY
※1		※1	
2015年6月26日 June 26, 2015	39	2014年6月26日 June 26, 2014	26
2015年9月25日 September 25, 2015	※2 税率(Tax Rate)10% : 50 税率(Tax Rate)30% : 39	2014年9月26日 September 26, 2014	32
2015年12月29日 December 29, 2015	※2 税率(Tax Rate)10% : 50 税率(Tax Rate)30% : 38	2014年12月29日 December 29, 2014	37
2016年3月28日 March 28, 2016	※2 税率(Tax Rate)10% : 44 税率(Tax Rate)30% : 34	2015年3月27日 March 27, 2015	38

※1 当該期間における分配のための基準日を記載しております。

※1 The record dates for distributions corresponding to the relevant period are indicated.

※2 適用される米国源泉税率毎に算出されています。

※2 These amounts of dividend per unit are shown together with, and after the application of, the respective applicable U.S. withholding tax rates.

(注) 上記(1)～(3)の表における米ドルから日本円への換算は、1米ドル=110.94円の換算率(2016年5月31日に株式会社三菱東京UFJ銀行が公表した対顧客電信売買相場の仲値)により計算されています。

(Note) Conversion from United States dollars into Japanese yen with respect to the tables in (1) through (3) above has been made at the exchange rate of \$1 = ¥110.94 (the telegraphic transfer middle exchange rate vis-à-vis customers quoted by The Bank of Tokyo-Mitsubishi UFJ, Ltd. on May 31, 2016).

## 2. 信託財産である外国ETFの会計方針の変更

## 2. Change in Accounting Policies of Trust Asset Foreign ETF

- |   |      |
|---|------|
| (1) 会計基準等の改正に伴う会計方針の変更  | : 無  |
| (1) Changes accompanying revision to accounting standards, etc. | : No |
| (2) (1)以外の会計方針の変更   | : 無  |
| (2) Changes other than those in (1)                             | : No |

2016 ANNUAL REPORT



**iShares Trust**

- ▶ iShares S&P 100 ETF | OEF | NYSE Arca
- ▶ iShares S&P 500 Growth ETF | IVW | NYSE Arca
- ▶ iShares S&P 500 Value ETF | IVE | NYSE Arca
- ▶ iShares S&P Mid-Cap 400 Growth ETF | IJK | NYSE Arca
- ▶ iShares S&P Mid-Cap 400 Value ETF | IJJ | NYSE Arca
- ▶ iShares S&P Small-Cap 600 Growth ETF | IJT | NYSE Arca
- ▶ iShares S&P Small-Cap 600 Value ETF | IJS | NYSE Arca

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# Statements of Assets and Liabilities

## iSHARES® TRUST

March 31, 2016

	iShares S&P 100 ETF	iShares S&P 500 Growth ETF	iShares S&P 500 Value ETF
<b>ASSETS</b>			
Investments, at cost:			
Unaffiliated	\$4,646,069,590	\$10,960,358,195	\$8,928,242,819
Affiliated (Note 2)	<u>21,628,029</u>	<u>258,713,134</u>	<u>129,149,620</u>
Total cost of investments	<u>\$4,667,697,619</u>	<u>\$11,219,071,329</u>	<u>\$9,057,392,439</u>
Investments in securities, at fair value (including securities on loan <sup>a</sup> ) (Note 1):			
Unaffiliated	\$4,520,422,642	\$13,658,377,848	\$9,577,070,961
Affiliated (Note 2)	<u>21,030,852</u>	<u>265,271,307</u>	<u>135,260,292</u>
Total fair value of investments	4,541,453,494	13,923,649,155	9,712,331,253
Cash	—	14	604,049
Cash pledged to broker	392,640	789,340	916,360
Receivables:			
Investment securities sold	—	28,057,338	2,689,414
Dividends and interest	5,245,691	12,896,548	14,371,433
Capital shares sold	<u>25,926</u>	<u>—</u>	<u>59,777</u>
Total Assets	<u>4,547,117,751</u>	<u>13,965,392,395</u>	<u>9,730,972,286</u>
<b>LIABILITIES</b>			
Payables:			
Investment securities purchased	—	28,649,597	13,007,101
Collateral for securities on loan (Note 1)	—	217,449,526	55,666,954
Capital shares redeemed	96,023	9,450	—
Futures variation margin	13,875	27,935	32,375
Investment advisory fees (Note 2)	<u>770,775</u>	<u>2,047,423</u>	<u>1,437,880</u>
Total Liabilities	<u>880,673</u>	<u>248,183,931</u>	<u>70,144,310</u>
NET ASSETS	<u>\$4,546,237,078</u>	<u>\$13,717,208,464</u>	<u>\$9,660,827,976</u>
<b>Net assets consist of:</b>			
Paid-in capital	\$5,088,218,050	\$12,129,340,396	\$9,692,624,855
Undistributed net investment income	1,443,615	14,853,556	1,780,474
Accumulated net realized loss	(417,449,699)	(1,132,105,378)	(689,006,957)
Net unrealized appreciation (depreciation)	<u>(125,974,888)</u>	<u>2,705,119,890</u>	<u>655,429,604</u>
NET ASSETS	<u>\$4,546,237,078</u>	<u>\$13,717,208,464</u>	<u>\$9,660,827,976</u>
Shares outstanding <sup>b</sup>	<u>49,750,000</u>	<u>118,300,000</u>	<u>107,450,000</u>
Net asset value per share	<u>\$ 91.38</u>	<u>\$ 115.95</u>	<u>\$ 89.91</u>

<sup>a</sup> Securities on loan with values of \$ —, \$213,139,014 and \$54,603,837, respectively. See Note 1.

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

See notes to financial statements.

# Statements of Operations

## iSHARES® TRUST

Year ended March 31, 2016

	iShares S&P 100 ETF	iShares S&P 500 Growth ETF	iShares S&P 500 Value ETF
<b>NET INVESTMENT INCOME</b>			
Dividends — unaffiliated <sup>a</sup>	\$ 100,247,407	\$ 220,008,871	\$ 226,503,957
Dividends — affiliated (Note 2)	229,431	984,113	1,457,969
Interest — affiliated (Note 2)	5,880	16,721	13,792
Securities lending income — affiliated — net (Note 2)	22,785	370,841	820,703
Payment from affiliate (Note 2)	—	12,169	—
Total investment income	<u>100,505,503</u>	<u>221,392,715</u>	<u>228,796,421</u>
<b>EXPENSES</b>			
Investment advisory fees (Note 2)	<u>8,679,231</u>	<u>23,605,956</u>	<u>15,311,872</u>
Total expenses	<u>8,679,231</u>	<u>23,605,956</u>	<u>15,311,872</u>
Net investment income	<u>91,826,272</u>	<u>197,786,759</u>	<u>213,484,549</u>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS)</b>			
Net realized gain (loss) from:			
Investments — unaffiliated	(64,097,105)	(247,801,259)	(110,759,033)
Investments — affiliated (Note 2)	(31,303)	(59,079)	(303,869)
In-kind redemptions — unaffiliated	315,089,430	947,641,630	258,979,217
In-kind redemptions — affiliated (Note 2)	34,537	2,854,585	1,172,505
Futures contracts	<u>159,800</u>	<u>(736,984)</u>	<u>732,366</u>
Net realized gain	<u>251,155,359</u>	<u>701,898,893</u>	<u>149,821,186</u>
Net change in unrealized appreciation/depreciation on:			
Investments	(195,698,866)	(569,078,189)	(366,740,450)
Futures contracts	<u>171,130</u>	<u>311,224</u>	<u>296,019</u>
Net change in unrealized appreciation/depreciation	<u>(195,527,736)</u>	<u>(568,766,965)</u>	<u>(366,444,431)</u>
Net realized and unrealized gain (loss)	<u>55,627,623</u>	<u>133,131,928</u>	<u>(216,623,245)</u>
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 147,453,895</u>	<u>\$ 330,918,687</u>	<u>\$ (3,138,696)</u>

<sup>a</sup> Net of foreign withholding tax of \$ —, \$20,447 and \$ —, respectively.

See notes to financial statements.

# Statements of Changes in Net Assets

## iSHARES® TRUST

	<i>iShares</i> S&P 100 ETF		<i>iShares</i> S&P 500 Growth ETF	
	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
<b>INCREASE (DECREASE) IN NET ASSETS</b>				
<b>OPERATIONS:</b>				
Net investment income	\$ 91,826,272	\$ 94,888,572	\$ 197,786,759	\$ 167,246,274
Net realized gain	251,155,359	575,776,999	701,898,893	841,143,472
Net change in unrealized appreciation/depreciation	(195,527,736)	(198,695,065)	(568,766,965)	585,370,150
Net increase in net assets resulting from operations	<u>147,453,895</u>	<u>471,970,506</u>	<u>330,918,687</u>	<u>1,593,759,896</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS:</b>				
From net investment income	(92,440,098)	(93,982,902)	(206,862,042)	(165,902,530)
Total distributions to shareholders	<u>(92,440,098)</u>	<u>(93,982,902)</u>	<u>(206,862,042)</u>	<u>(165,902,530)</u>
<b>CAPITAL SHARE TRANSACTIONS:</b>				
Proceeds from shares sold	2,636,598,950	3,198,959,290	3,014,370,234	2,829,686,625
Cost of shares redeemed	(2,563,260,821)	(3,172,277,197)	(2,218,609,017)	(1,347,390,531)
Net increase in net assets from capital share transactions	<u>73,338,129</u>	<u>26,682,093</u>	<u>795,761,217</u>	<u>1,482,296,094</u>
INCREASE IN NET ASSETS	<u>128,351,926</u>	<u>404,669,697</u>	<u>919,817,862</u>	<u>2,910,153,460</u>
<b>NET ASSETS</b>				
Beginning of year	<u>4,417,885,152</u>	<u>4,013,215,455</u>	<u>12,797,390,602</u>	<u>9,887,237,142</u>
End of year	<u>\$ 4,546,237,078</u>	<u>\$ 4,417,885,152</u>	<u>\$13,717,208,464</u>	<u>\$12,797,390,602</u>
Undistributed net investment income included in net assets at end of year	<u>\$ 1,443,615</u>	<u>\$ 2,057,441</u>	<u>\$ 14,853,556</u>	<u>\$ 1,782,880</u>
<b>SHARES ISSUED AND REDEEMED</b>				
Shares sold	29,250,000	36,250,000	26,100,000	25,950,000
Shares redeemed	(28,450,000)	(35,750,000)	(20,100,000)	(12,750,000)
Net increase in shares outstanding	<u>800,000</u>	<u>500,000</u>	<u>6,000,000</u>	<u>13,200,000</u>

See notes to financial statements.



# Financial Highlights

## iSHARES® TRUST

(For a share outstanding throughout each period)

	<i>iShares S&amp;P 100 ETF</i>				
	Year ended Mar. 31, 2016	Year ended Mar. 31, 2015	Year ended Mar. 31, 2014	Year ended Mar. 31, 2013	Year ended Mar. 31, 2012
<b>Net asset value, beginning of year</b>	\$ 90.25	\$ 82.83	\$ 70.50	\$ 64.12	\$ 59.34
<b>Income from investment operations:</b>					
Net investment income <sup>a</sup>	1.91	1.80	1.62	1.46	1.22
Net realized and unrealized gain <sup>b</sup>	1.14	7.39	12.36	6.38	4.78
Total from investment operations	3.05	9.19	13.98	7.84	6.00
<b>Less distributions from:</b>					
Net investment income	(1.92)	(1.77)	(1.65)	(1.46)	(1.22)
Total distributions	(1.92)	(1.77)	(1.65)	(1.46)	(1.22)
<b>Net asset value, end of year</b>	\$ 91.38	\$ 90.25	\$ 82.83	\$ 70.50	\$ 64.12
<b>Total return</b>	3.43%	11.13%	20.01%	12.41%	10.36%
<b>Ratios/Supplemental data:</b>					
Net assets, end of year (000s)	\$4,546,237	\$4,417,885	\$4,013,215	\$4,032,811	\$3,638,788
Ratio of expenses to average net assets	0.20%	0.20%	0.20%	0.20%	0.20%
Ratio of net investment income to average net assets	2.12%	2.04%	2.11%	2.25%	2.11%
Portfolio turnover rate <sup>c</sup>	7%	6%	4%	5%	7%

<sup>a</sup> Based on average shares outstanding throughout each period.

<sup>b</sup> The amounts reported for a share outstanding may not accord with the change in aggregate gains and losses in securities for the fiscal period due to the timing of capital share transactions in relation to the fluctuating market values of the Fund's underlying securities.

<sup>c</sup> Portfolio turnover rates exclude 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

## *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 following funds (each, a “Fund,” and collectively, the “Funds”):

<i>iShares ETF</i>	<i>Diversification Classification</i>
S&P 100	Diversified
S&P 500 Growth	Diversified
S&P 500 Value	Diversified
S&P Mid-Cap 400 Growth	Diversified
S&P Mid-Cap 400 Value	Diversified
S&P Small-Cap 600 Growth	Diversified
S&P Small-Cap 600 Value	Diversified

The investment objective of each Fund is to seek investment results that correspond generally to the price and yield performance, before fees and expenses, of its underlying index. The investment adviser uses a “passive” or index approach to try to achieve each Fund’s investment objective.

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 Funds in the preparation of their 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. Each Fund is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies.

### **SECURITY VALUATION**

Each Fund’s investments are valued at fair value each day that the Fund’s listing exchange is open and, for financial reporting purposes, as of the report date should the reporting period end on a day that the Fund’s listing exchange is not open. U.S. GAAP defines fair value as the price a fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The BlackRock Global Valuation Methodologies Committee (the “Global Valuation Committee”) provides oversight of the valuation of investments for the Funds. The investments of each Fund are valued pursuant to policies and procedures developed by the Global Valuation Committee and approved by the Board of Trustees of the Trust (the “Board”).

- Equity investments traded on a recognized securities exchange are valued at that day’s last reported trade price or the official closing price, as applicable, on the exchange where the stock is primarily traded. Equity investments traded on a recognized exchange for which there were no sales on that day are valued at the last traded price.

# Notes to Financial Statements (Continued)

## *iSHARES® TRUST*

- Open-end U.S. mutual funds (including money market funds) are valued at that day's published net asset value ("NAV").
- Futures contracts are valued at that day's last reported settlement price on the exchange where the contract is traded.

In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the fair value of such investment or if a price is not available, the investment will be valued based upon other available factors deemed relevant by the Global Valuation Committee, in accordance with policies approved by the Board. These factors include but are not limited to (i) attributes specific to the investment; (ii) the principal market for the investment; (iii) the customary participants in the principal market for the investment; (iv) data assumptions by market participants for the investment, if reasonably available; (v) quoted prices for similar investments in active markets; and (vi) other factors, such as future cash flows, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and/or default rates. Valuations based on such factors are reported to the Board on a quarterly basis.

The Global Valuation Committee employs various methods for calibrating valuation approaches for investments where an active market does not exist, including regular due diligence of the Trust's pricing vendors, a regular review of key inputs and assumptions, transactional back-testing or disposition analysis to compare unrealized gains and losses to realized gains and losses, reviews of missing or stale prices, reviews of large movements in market values, and reviews of market related activity.

Fair value pricing could result in a difference between the prices used to calculate a Fund's NAV 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.

Various inputs are used in determining the fair value of financial instruments. Inputs may be based on independent market data ("observable inputs") or they may be internally developed ("unobservable inputs"). These inputs are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes. The level of a value determined for a financial instrument within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement in its entirety. The categorization of a value determined for a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and is not necessarily an indication of the risk associated with investing in the instrument. The three levels of the fair value hierarchy are as follows:

- Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities;
- 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 (such as exchange rates, financing terms, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs; and
- Level 3 — Unobservable inputs for the asset or liability, including the Global Valuation Committee's assumptions used in determining the fair value of investments.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. In accordance with the Trust's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period.

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

The following table summarizes the value of each of the Funds' investments according to the fair value hierarchy as of March 31, 2016. The breakdown of each Fund's investments into major categories is disclosed in its respective schedule of investments.

<i>iShares ETF</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
<b>S&amp;P 100</b>				
Investments:				
Assets:				
Common Stocks	\$ 4,537,585,327	\$ —	\$ —	\$ 4,537,585,327
Money Market Funds	3,868,167	—	—	3,868,167
Total	<u>\$ 4,541,453,494</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 4,541,453,494</u>
Derivative Financial Instruments: <sup>a</sup>				
Assets:				
Futures Contracts	\$ 269,237	\$ —	\$ —	\$ 269,237
Total	<u>\$ 269,237</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 269,237</u>
<b>S&amp;P 500 Growth</b>				
Investments:				
Assets:				
Common Stocks	\$13,697,616,961	\$ —	\$ —	\$13,697,616,961
Money Market Funds	226,032,194	—	—	226,032,194
Total	<u>\$13,923,649,155</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$13,923,649,155</u>
Derivative Financial Instruments: <sup>a</sup>				
Assets:				
Futures Contracts	\$ 542,064	\$ —	\$ —	\$ 542,064
Total	<u>\$ 542,064</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 542,064</u>
<b>S&amp;P 500 Value</b>				
Investments:				
Assets:				
Common Stocks	\$ 9,641,828,127	\$ —	\$ —	\$ 9,641,828,127
Money Market Funds	70,503,126	—	—	70,503,126
Total	<u>\$ 9,712,331,253</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 9,712,331,253</u>
Derivative Financial Instruments: <sup>a</sup>				
Assets:				
Futures Contracts	\$ 490,790	\$ —	\$ —	\$ 490,790
Total	<u>\$ 490,790</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 490,790</u>
<b>S&amp;P Mid-Cap 400 Growth</b>				
Investments:				
Assets:				
Common Stocks	\$ 5,017,863,517	\$ —	\$ —	\$ 5,017,863,517
Money Market Funds	345,330,833	—	—	345,330,833
Total	<u>\$ 5,363,194,350</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5,363,194,350</u>

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

<i>iShares ETF</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Derivative Financial Instruments: <sup>a</sup>				
Assets:				
Futures Contracts	\$ 228,389	\$ —	\$ —	\$ 228,389
Total	<u>\$ 228,389</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 228,389</u>
<i>S&amp;P Mid-Cap 400 Value</i>				
Investments:				
Assets:				
Common Stocks	\$4,325,416,996	\$ —	\$ —	\$4,325,416,996
Money Market Funds	224,125,561	—	—	224,125,561
Total	<u>\$4,549,542,557</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$4,549,542,557</u>
Derivative Financial Instruments: <sup>a</sup>				
Assets:				
Futures Contracts	\$ 263,518	\$ —	\$ —	\$ 263,518
Total	<u>\$ 263,518</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 263,518</u>
<i>S&amp;P Small-Cap 600 Growth</i>				
Investments:				
Assets:				
Common Stocks	\$3,118,040,193	\$ —	\$9,592,981	\$3,127,633,174
Money Market Funds	415,345,702	—	—	415,345,702
Total	<u>\$3,533,385,895</u>	<u>\$ —</u>	<u>\$9,592,981</u>	<u>\$3,542,978,876</u>
Derivative Financial Instruments: <sup>a</sup>				
Assets:				
Futures Contracts	\$ 97,370	\$ —	\$ —	\$ 97,370
Total	<u>\$ 97,370</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 97,370</u>
<i>S&amp;P Small-Cap 600 Value</i>				
Investments:				
Assets:				
Common Stocks	\$3,421,049,228	\$ —	\$7,091,812	\$3,428,141,040
Money Market Funds	356,946,031	—	—	356,946,031
Total	<u>\$3,777,995,259</u>	<u>\$ —</u>	<u>\$7,091,812</u>	<u>\$3,785,087,071</u>
Derivative Financial Instruments: <sup>a</sup>				
Assets:				
Futures Contracts	\$ 160,882	\$ —	\$ —	\$ 160,882
Total	<u>\$ 160,882</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 160,882</u>

<sup>a</sup> Shown at the unrealized appreciation (depreciation) on the contracts.

## SECURITY TRANSACTIONS AND INCOME RECOGNITION

Security transactions are accounted for on trade date. Dividend income and capital gain distributions, if any, are recognized on the ex-dividend date, net of any foreign taxes withheld at source. Any taxes withheld that are reclaimable from foreign tax authorities as of March 31, 2016 are reflected in tax reclaims receivable. Non-cash dividends received in the form of stock in an

# Notes to Financial Statements (Continued)

## *iSHARES® TRUST*

elective dividend, if any, are recorded as dividend income at fair value. Distributions received by the Funds may include a return of capital that is estimated by management. Such amounts are recorded as a reduction of the cost of investments or reclassified to capital gains. Interest income is accrued daily. Realized gains and losses on investment transactions are determined using the specific identification method.

### **DISTRIBUTIONS TO SHAREHOLDERS**

Dividends and distributions paid by each Fund are recorded on the ex-dividend dates. 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 are paid in U.S. dollars and cannot be automatically reinvested in additional shares of the Funds.

### **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 current 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 value of the securities on loan. The market value of the loaned securities is determined at the close of each business day of the Funds. Any additional required collateral is delivered to the Funds and any excess collateral is returned by the Funds on the next business day. During the term of the loan, each Fund is entitled to all distributions made on or in respect of the loaned securities. Loans of securities are terminable at any time and the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions.

Any cash received as collateral for securities on loan 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 BlackRock Fund Advisors ("BFA"), the Funds' investment adviser, or its affiliates. As of March 31, 2016, any securities on loan were collateralized by cash. The cash collateral received was invested in money market funds managed by BFA and is disclosed in the schedules of investments. The securities on loan for each Fund are also disclosed in its schedule of investments. The total value of any securities on loan as of March 31, 2016 and the total value of the related collateral are disclosed in the statements of assets and liabilities. Income earned by the Funds from securities lending is disclosed in the statements of operations.

The risks of securities lending include the risk that the borrower may not provide additional collateral when required or may not return the securities when due. To mitigate these risks, the Funds benefit from a borrower default indemnity provided by BlackRock, Inc. ("BlackRock"). BlackRock's indemnity allows for full replacement of securities lent. Each Fund could suffer a loss if the value of the investments purchased with cash collateral falls below the value of the cash collateral received.

Securities lending transactions are entered into by the Funds under Master Securities Lending Agreements ("MSLA") which provide the right, in the event of default (including bankruptcy or insolvency) for the non-defaulting party to liquidate the collateral and calculate a net exposure to the defaulting party or request additional collateral. In the event that a borrower defaults, a Fund, as lender, would offset the market value of the collateral received against the market value of the securities loaned. The value of the collateral is typically greater than that of the market value of the securities loaned, leaving the lender with a net amount payable to the defaulting party. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of an MSLA counterparty's bankruptcy or insolvency. Under the MSLA, the borrower can resell or re-pledge the loaned securities, and a Fund can reinvest cash collateral, or, upon an event of default, resell or re-pledge the collateral.

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

The following table is a summary of securities lending agreements which are subject to offset under an MSLA as of March 31, 2016:

<i>iShares ETF and Counterparty</i>	<i>Market Value of Securities on Loan</i>	<i>Cash Collateral Received<sup>a</sup></i>	<i>Net Amount<sup>b</sup></i>
<i>S&amp;P 500 Growth</i>			
Barclays Capital Inc.	\$ 1,304,564	\$ 1,304,564	\$ —
BNP Paribas Prime Brokerage Inc.	2,935,101	2,935,101	—
Citigroup Global Markets Inc.	10,102,401	10,102,401	—
Credit Suisse Securities (USA) LLC	5,250,840	5,250,840	—
Deutsche Bank Securities Inc.	11,538,325	11,538,325	—
Goldman Sachs & Co.	32,000,187	32,000,187	—
HSBC Bank PLC	469,734	469,734	—
JPMorgan Clearing Corp.	76,314,596	76,314,596	—
Merrill Lynch, Pierce, Fenner & Smith	11,958,417	11,958,417	—
Morgan Stanley & Co. LLC (U.S. Equity Securities Lending)	8,010,028	8,010,028	—
National Financial Services LLC	2,155,970	2,155,970	—
Scotia Capital (USA) Inc.	5,107,035	5,107,035	—
State Street Bank & Trust Company	22,601,486	22,601,486	—
UBS Securities LLC	19,115,981	19,115,981	—
Wells Fargo Securities LLC	4,274,349	4,274,349	—
	<u>\$ 213,139,014</u>	<u>\$ 213,139,014</u>	<u>\$ —</u>
<i>S&amp;P 500 Value</i>			
Barclays Capital Inc.	\$ 20,556	\$ 20,556	\$ —
BNP Paribas Prime Brokerage Inc.	72,891	72,891	—
Citigroup Global Markets Inc.	219,310	219,310	—
Credit Suisse Securities (USA) LLC	11,606	11,550	(56)
Deutsche Bank Securities Inc.	3,264,999	3,264,999	—
Goldman Sachs & Co.	9,819,118	9,819,118	—
HSBC Bank PLC	2,927,018	2,927,018	—
Jefferies LLC	550,088	550,088	—
JPMorgan Clearing Corp.	14,339,832	14,339,832	—
Merrill Lynch, Pierce, Fenner & Smith	2,038,159	2,038,159	—
Morgan Stanley & Co. LLC (U.S. Equity Securities Lending)	13,283,452	13,283,452	—
SG Americas Securities LLC	106,926	106,926	—
State Street Bank & Trust Company	3,721,763	3,721,763	—
UBS Securities LLC	4,818	4,716	(102)
Wells Fargo Securities LLC	4,223,301	4,223,301	—
	<u>\$ 54,603,837</u>	<u>\$ 54,603,679</u>	<u>\$ (158)</u>

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

<i>iShares ETF and Counterparty</i>	<i>Market Value of Securities on Loan</i>	<i>Cash Collateral Received<sup>a</sup></i>	<i>Net Amount<sup>b</sup></i>
<i>S&amp;P Mid-Cap 400 Growth</i>			
Barclays Capital Inc.	\$ 648,772	\$ 648,772	\$ —
BNP Paribas Prime Brokerage Inc.	789,990	789,990	—
Citigroup Global Markets Inc.	21,636,672	21,588,808	(47,864)
Credit Suisse Securities (USA) LLC	4,447,383	4,447,383	—
Deutsche Bank Securities Inc.	17,107,281	17,107,281	—
Goldman Sachs & Co.	89,828,694	89,828,694	—
HSBC Bank PLC	4,688,929	4,688,929	—
Jefferies LLC	4,684,996	4,684,996	—
JPMorgan Clearing Corp.	49,064,768	49,064,768	—
Merrill Lynch, Pierce, Fenner & Smith	18,435,312	18,435,312	—
Morgan Stanley & Co. LLC (U.S. Equity Securities Lending)	47,245,914	47,245,914	—
National Financial Services LLC	1,249	1,249	—
Scotia Capital (USA) Inc.	4,278,687	4,278,687	—
State Street Bank & Trust Company	40,141,808	40,141,808	—
Timber Hill LLC	110,969	110,969	—
UBS Securities LLC	20,922,232	20,922,232	—
	<u>\$ 324,033,656</u>	<u>\$ 323,985,792</u>	<u>\$(47,864)</u>
<i>S&amp;P Mid-Cap 400 Value</i>			
Barclays Capital Inc.	\$ 4,537,927	\$ 4,537,927	\$ —
BNP Paribas Prime Brokerage Inc.	3,312,564	3,310,091	(2,473)
Citigroup Global Markets Inc.	14,262,055	14,262,055	—
Credit Suisse Securities (USA) LLC	9,057,766	9,057,766	—
Deutsche Bank Securities Inc.	21,763,596	21,763,596	—
Goldman Sachs & Co.	49,331,392	49,331,392	—
HSBC Bank PLC	15,003,209	15,003,209	—
JPMorgan Clearing Corp.	28,680,590	28,680,590	—
Merrill Lynch, Pierce, Fenner & Smith	13,855,999	13,855,999	—
Morgan Stanley & Co. LLC (U.S. Equity Securities Lending)	23,273,924	23,273,924	—
Scotia Capital (USA) Inc.	751,753	751,753	—
SG Americas Securities LLC	1,470	1,470	—
State Street Bank & Trust Company	15,403,373	15,403,373	—
UBS Securities LLC	6,338,776	6,338,776	—
Wells Fargo Securities LLC	25,708	25,708	—
	<u>\$ 205,600,102</u>	<u>\$ 205,597,629</u>	<u>\$(2,473)</u>



# Notes to Financial Statements (Continued)

## iSHARES® TRUST

<i>iShares ETF and Counterparty</i>	<i>Market Value of Securities on Loan</i>	<i>Cash Collateral Received<sup>a</sup></i>	<i>Net Amount<sup>b</sup></i>
<i>S&amp;P Small-Cap 600 Growth</i>			
Barclays Capital Inc.	\$ 10,159,532	\$ 10,159,532	\$ —
BNP Paribas Prime Brokerage Inc.	9,239,792	9,239,792	—
Citigroup Global Markets Inc.	17,833,856	17,833,856	—
Credit Suisse Securities (USA) LLC	15,714,387	15,714,387	—
Deutsche Bank Securities Inc.	50,858,895	50,858,895	—
Goldman Sachs & Co.	81,710,422	81,710,422	—
Jefferies LLC	2,938,440	2,938,440	—
JPMorgan Clearing Corp.	72,786,058	72,786,058	—
Merrill Lynch, Pierce, Fenner & Smith	26,250,171	26,250,171	—
Morgan Stanley & Co. LLC (U.S. Equity Securities Lending)	62,946,829	62,946,829	—
National Financial Services LLC	118,149	118,082	(67)
Scotia Capital (USA) Inc.	5,111,421	5,111,421	—
SG Americas Securities LLC	104,966	104,925	(41)
State Street Bank & Trust Company	16,808,828	16,808,828	—
Timber Hill LLC	106,416	106,416	—
UBS Securities LLC	29,081,563	29,081,563	—
Wells Fargo Securities LLC	4,634,021	4,634,021	—
	<u>\$ 406,403,746</u>	<u>\$ 406,403,638</u>	<u>\$ (108)</u>
<i>S&amp;P Small-Cap 600 Value</i>			
Barclays Capital Inc.	\$ 6,312,459	\$ 6,312,459	\$ —
BMO Capital Markets	550,222	550,222	—
BNP Paribas Prime Brokerage Inc.	17,514,605	17,514,605	—
Citigroup Global Markets Inc.	17,562,124	17,562,124	—
Credit Suisse Securities (USA) LLC	19,964,760	19,964,760	—
Deutsche Bank Securities Inc.	33,069,172	33,069,172	—
Goldman Sachs & Co.	58,090,418	58,090,418	—
HSBC Bank PLC	2,924,782	2,924,782	—
Jefferies LLC	2,167,279	2,167,279	—
JPMorgan Clearing Corp.	48,597,395	48,597,395	—
Merrill Lynch, Pierce, Fenner & Smith	39,159,079	39,159,079	—
Mizuho Securities USA Inc.	6,099,954	6,099,954	—
Morgan Stanley & Co. LLC (U.S. Equity Securities Lending)	36,989,493	36,989,493	—
National Financial Services LLC	7,220,530	7,220,530	—
Scotia Capital (USA) Inc.	619,074	619,074	—
SG Americas Securities LLC	556,426	556,426	—
State Street Bank & Trust Company	7,544,463	7,544,463	—
Timber Hill LLC	54,650	54,650	—
UBS Securities LLC	31,836,134	31,836,134	—
Wells Fargo Securities LLC	7,065,365	7,065,365	—
	<u>\$ 343,898,384</u>	<u>\$ 343,898,384</u>	<u>\$ —</u>

<sup>a</sup> Collateral received in excess of the market value of securities on loan is not presented in this table. The total cash collateral received by each Fund is disclosed in each Fund's statement of assets and liabilities.

<sup>b</sup> Additional collateral is delivered to the Funds on the next business day in accordance with the MSLA. The net amount would be subject to the borrower default indemnity in the event of default by a counterparty.

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

### 2. INVESTMENT ADVISORY AGREEMENT AND OTHER TRANSACTIONS WITH AFFILIATES

Pursuant to an Investment Advisory Agreement with the Trust, BFA manages the investment of each Fund's assets. BFA is a California corporation indirectly owned by BlackRock. Under the Investment Advisory Agreement, BFA is responsible for substantially all expenses of the Funds, except interest, taxes, brokerage commissions and other expenses connected with the execution of portfolio transactions, distribution fees, litigation expenses and any extraordinary expenses.

For its investment advisory services to each of the following Funds, BFA is entitled to an annual investment advisory fee based on the average daily net assets of each Fund as follows:

<i>iShares ETF</i>	<i>Investment Advisory Fee</i>
S&P 100	0.20%
S&P 500 Growth	0.18
S&P 500 Value	0.18
S&P Small-Cap 600 Growth	0.25
S&P Small-Cap 600 Value	0.25

For its investment advisory services to the iShares S&P Mid-Cap 400 Growth ETF, BFA is entitled to an annual investment advisory fee based on the Fund's allocable portion of the aggregate of the average daily net assets of the Fund and certain other iShares funds, as follows:

<i>Investment Advisory Fee</i>	<i>Aggregate Average Daily Net Assets</i>
0.2500%	First \$121 billion
0.2375 <sup>a</sup>	Over \$121 billion, up to and including \$181 billion
0.2257 <sup>a</sup>	Over \$181 billion, up to and including \$231 billion
0.2144 <sup>a</sup>	Over \$231 billion, up to and including \$281 billion
0.2037 <sup>a</sup>	Over \$281 billion

<sup>a</sup> Investment advisory fee level reflects a 5% reduction (rounded to the fourth decimal place) from the investment advisory fee at the prior aggregate average daily net asset level.

Prior to July 1, 2015, for its investment advisory services to the iShares S&P Mid-Cap 400 Growth ETF, BFA was entitled to an annual investment advisory fee based on the Fund's allocable portion of the aggregate of the average daily net assets of the Fund and certain other iShares funds, as follows:

<i>Investment Advisory Fee</i>	<i>Aggregate Average Daily Net Assets</i>
0.2500%	First \$121 billion
0.2375 <sup>a</sup>	Over \$121 billion, up to and including \$211 billion
0.2257 <sup>a</sup>	Over \$211 billion

<sup>a</sup> Investment advisory fee level reflects a 5% reduction (rounded to the fourth decimal place) from the investment advisory fee at the prior aggregate average daily net asset level.

# Notes to Financial Statements (Continued)

## *iSHARES® TRUST*

For its investment advisory services to the iShares S&P Mid-Cap 400 Value ETF, BFA is entitled to an annual investment advisory fee based on the average daily net assets of the Fund as follows:

<i>Investment Advisory Fee</i>	<i>Average Daily Net Assets</i>
0.25%	First \$5 billion
0.24	Over \$5 billion, up to and including \$7.5 billion
0.23	Over \$7.5 billion, up to and including \$10 billion
0.21	Over \$10 billion

Prior to July 1, 2015, for its investment advisory services to the iShares S&P Mid-Cap 400 Value ETF, BFA was entitled to an annual investment advisory fee of 0.25% based on the average daily net assets of the Fund.

The U.S. Securities and Exchange Commission has issued an exemptive order which permits BlackRock Institutional Trust Company, N.A. ("BTC"), an affiliate of BFA, to serve as securities lending agent for the Funds, subject to applicable conditions. As securities lending agent, BTC bears all operational costs directly related to securities lending. Each Fund is responsible for fees in connection with the investment of cash collateral received for securities on loan in a money market fund managed by BFA, however, BTC has agreed to reduce the amount of securities lending income it receives in order to effectively limit the collateral investment fees each Fund bears to an annual rate of 0.04% (the "collateral investment fees"). Securities lending income is equal to the total of income earned from the reinvestment of cash collateral, net of fees and other payments to and from borrowers of securities, and less the collateral investment fees. The Funds retain a portion of securities lending income and remit the remaining portion to BTC as compensation for its services as securities lending agent.

Pursuant to a securities lending agreement, each Fund retains 71.5% of securities lending income and the amount retained can never be less than 65% of the total of securities lending income plus the collateral investment fees. In addition, commencing the business day following the date that the aggregate securities lending income plus the collateral investment fees generated across all 1940 Act iShares exchange-traded funds (the "iShares ETF Complex") in a given calendar year exceeds the aggregate securities lending income generated across the iShares ETF Complex in the calendar year 2013, each Fund, pursuant to a securities lending agreement, will retain for the remainder of that calendar year 75% of securities lending income and the amount retained can never be less than 65% of the total of securities lending income plus the collateral investment fees.

For the year ended March 31, 2016, the total of securities lending agent services and collateral investment fees paid were as follows:

<i>iShares ETF</i>	<i>Fees Paid to BTC</i>
S&P 100	\$ 9,224
S&P 500 Growth	197,639
S&P 500 Value	340,200
S&P Mid-Cap 400 Growth	671,217
S&P Mid-Cap 400 Value	1,237,910
S&P Small-Cap 600 Growth	1,614,891
S&P Small-Cap 600 Value	1,010,723

The iShares S&P 500 Growth ETF received a payment from BFA to compensate the Fund for the impact of an incorrect processing of the elections made on a corporate action. The payment is reported in the Fund's statement of operations under "Payment from affiliate".

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

BlackRock Investments, LLC, an affiliate of BFA, is the distributor for each Fund. Pursuant to the distribution agreement, BFA is responsible for any fees or expenses for distribution services provided to the Funds.

Cross trading is the buying or selling of portfolio securities between funds to which BFA (or an affiliate) serves as investment adviser. At its regularly scheduled quarterly meetings, the Board reviews such transactions as of the most recent calendar quarter for compliance with the requirements and restrictions set forth by Rule 17a-7.

For the year ended March 31, 2016, transactions executed by the Funds pursuant to Rule 17a-7 under the 1940 Act were as follows:

<i>iShares ETF</i>	<i>Purchases</i>	<i>Sales</i>
S&P 100	\$ 50,257,527	\$ 34,503,151
S&P 500 Growth	1,692,055,188	1,983,077,057
S&P 500 Value	1,784,596,983	1,499,463,646
S&P Mid-Cap 400 Growth	1,029,873,071	1,293,317,339
S&P Mid-Cap 400 Value	972,549,694	727,360,924
S&P Small-Cap 600 Growth	573,294,075	1,054,492,370
S&P Small-Cap 600 Value	822,912,959	794,869,665

Each Fund may invest its positive cash balances in certain money market funds managed by BFA or an affiliate. The income earned on these temporary cash investments is included in "Interest – affiliated" in the statements of operations.

The PNC Financial Services Group, Inc. is the largest stockholder of BlackRock and is considered to be an affiliate of the Funds for 1940 Act purposes.

Investments in issuers considered to be affiliates of the Funds (excluding money market funds) during the year ended March 31, 2016, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

<i>iShares ETF and Name of Affiliated Issuer</i>	<i>Shares Held at Beginning of Year</i>	<i>Shares Purchased</i>	<i>Shares Sold</i>	<i>Shares Held at End of Year</i>	<i>Value at End of Year</i>	<i>Dividend Income</i>	<i>Net Realized Gain (Loss)</i>
<i>S&amp;P 100</i>							
BlackRock Inc.	—	66,867	(16,473)	50,394	<u>\$17,162,685</u>	<u>\$ 229,431</u>	<u>\$ 3,234</u>
<i>S&amp;P 500 Growth</i>							
BlackRock Inc.	107,365	29,281	(21,430)	115,216	<u>\$39,239,113</u>	<u>\$ 984,113</u>	<u>\$ 2,795,506</u>
<i>S&amp;P 500 Value</i>							
BlackRock Inc.	42,903	17,017	(6,125)	53,795	\$18,320,963	\$ 416,927	\$ (80,464)
PNC Financial Services Group Inc. (The)	489,084	173,891	(113,889)	549,086	<u>46,436,203</u>	<u>1,041,042</u>	<u>949,100</u>
					<u>\$64,757,166</u>	<u>\$1,457,969</u>	<u>\$ 868,636</u>

Certain trustees and officers of the Trust are also officers of BTC and/or BFA.

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

### 3. INVESTMENT PORTFOLIO TRANSACTIONS

Purchases and sales of investments (excluding in-kind transactions and short-term investments) for the year ended March 31, 2016 were as follows:

<i>iShares ETF</i>	<i>Purchases</i>	<i>Sales</i>
S&P 100	\$ 303,611,369	\$ 305,769,947
S&P 500 Growth	3,333,105,297	3,126,334,063
S&P 500 Value	2,184,486,019	2,120,762,975
S&P Mid-Cap 400 Growth	2,659,437,723	2,333,056,723
S&P Mid-Cap 400 Value	1,465,300,453	1,341,217,285
S&P Small-Cap 600 Growth	1,565,812,057	1,498,056,100
S&P Small-Cap 600 Value	1,379,433,048	1,295,636,516

In-kind transactions (see Note 4) for the year ended March 31, 2016 were as follows:

<i>iShares ETF</i>	<i>In-kind Purchases</i>	<i>In-kind Sales</i>
S&P 100	\$2,629,093,047	\$2,552,076,652
S&P 500 Growth	3,003,542,569	2,210,025,416
S&P 500 Value	2,650,325,956	911,521,636
S&P Mid-Cap 400 Growth	952,178,773	899,894,311
S&P Mid-Cap 400 Value	655,904,339	426,728,954
S&P Small-Cap 600 Growth	1,024,170,307	1,125,873,332
S&P Small-Cap 600 Value	1,002,810,701	877,591,259

### 4. CAPITAL SHARE TRANSACTIONS

Capital shares are issued and redeemed by each Fund only in aggregations of a specified number of shares or multiples thereof ("Creation Units") at NAV. 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 in the Trust generally consists of the in-kind deposit of a designated portfolio of securities and a specified amount of cash. Certain funds in the Trust may be offered in Creation Units solely or partially for cash in U.S. dollars. Investors purchasing and redeeming Creation Units may pay a purchase transaction fee and a redemption transaction fee directly to State Street Bank and Trust Company, the Trust's administrator, to offset transfer and other transaction costs associated with the issuance and redemption of Creation Units, including Creation Units for cash. Investors transacting in Creation Units for cash may also pay an additional variable charge to compensate the relevant fund for certain transaction costs (i.e., stamp taxes, taxes on currency or other financial transactions, and brokerage costs) and market impact expenses relating to investing in portfolio securities. Such variable charges, if any, are included in "Proceeds from shares sold" in the statements of changes in net assets.

From time to time, settlement of securities related to in-kind contributions or in-kind redemptions may be delayed. In such cases, securities related to in-kind contributions are reflected as "Due from custodian" and securities related to in-kind redemptions are reflected as "Securities related to in-kind transactions" in the statements of assets and liabilities.

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

### 5. FUTURES CONTRACTS

Each Fund may purchase or sell futures contracts, in an effort to help such Fund track its underlying index. A futures contract is a standardized, exchange-traded agreement to buy or sell a financial instrument at a set price on a future date. Upon entering into a futures contract, the Fund is required to pledge to the executing broker which holds segregated from its own assets, an amount of cash, U.S. government securities or other high-quality debt and equity securities equal to the minimum initial margin requirements of the exchange on which the contract is traded. Pursuant to the contract, the Fund agrees to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as margin variation and are recorded by the Fund as unrealized appreciation or depreciation. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. Losses may arise if the value of a futures contract decreases due to an unfavorable change in the market rates or values of the underlying instrument during the term of the contract or if the counterparty does not perform under the contract. The use of futures contracts also involves the risk of an imperfect correlation in the movements in the price of futures contracts and the assets underlying such contracts.

The following table shows the value of futures contracts held as of March 31, 2016 and the related locations in the statements of assets and liabilities, presented by risk exposure category:

<i>Assets</i>				
	<i>iShares</i> S&P 100 ETF	<i>iShares</i> S&P 500 Growth ETF	<i>iShares</i> S&P 500 Value ETF	<i>iShares</i> S&P Mid-Cap 400 Growth ETF
Equity contracts:				
Variation margin / Net assets consist of – net unrealized appreciation (depreciation) <sup>a</sup>	\$269,237	\$ 542,064	\$ 490,790	\$ 228,389
	<i>iShares</i> S&P Mid-Cap 400 Value ETF	<i>iShares</i> S&P Small-Cap 600 Growth ETF	<i>iShares</i> S&P Small-Cap 600 Value ETF	
Equity contracts:				
Variation margin / Net assets consist of – net unrealized appreciation (depreciation) <sup>a</sup>	\$ 263,518	\$ 97,370	\$ 160,882	

<sup>a</sup> Represents cumulative appreciation of futures contracts as reported in the schedules of investments. Only current day's variation margin is reported separately within the statements of assets and liabilities.

The following table shows the realized and unrealized gains (losses) on futures contracts held during the year ended March 31, 2016 and the related locations in the statements of operations, presented by risk exposure category:

	<i>Net Realized Gain (Loss)</i>			
	<i>iShares</i> S&P 100 ETF	<i>iShares</i> S&P 500 Growth ETF	<i>iShares</i> S&P 500 Value ETF	<i>iShares</i> S&P Mid-Cap 400 Growth ETF
Equity contracts:				
Futures contracts	\$159,800	\$ (736,984)	\$ 732,366	\$ (227,152)

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

	<i>Net Change in Unrealized Appreciation/Depreciation</i>			
	<i>iShares S&amp;P 100 ETF</i>	<i>iShares S&amp;P 500 Growth ETF</i>	<i>iShares S&amp;P 500 Value ETF</i>	<i>iShares S&amp;P Mid-Cap 400 Growth ETF</i>
Equity contracts:				
Futures contracts	<u>\$171,130</u>	<u>\$ 311,224</u>	<u>\$ 296,019</u>	<u>\$ 94,792</u>

	<i>Net Realized Gain (Loss)</i>		
	<i>iShares S&amp;P Mid-Cap 400 Value ETF</i>	<i>iShares S&amp;P Small-Cap 600 Growth ETF</i>	<i>iShares S&amp;P Small-Cap 600 Value ETF</i>
Equity contracts:			
Futures contracts	<u>\$ (77,191)</u>	<u>\$ (508,423)</u>	<u>\$ (639,735)</u>

	<i>Net Change in Unrealized Appreciation/Depreciation</i>		
	<i>iShares S&amp;P Mid-Cap 400 Value ETF</i>	<i>iShares S&amp;P Small-Cap 600 Growth ETF</i>	<i>iShares S&amp;P Small-Cap 600 Value ETF</i>
Equity contracts:			
Futures contracts	<u>\$ 132,686</u>	<u>\$ 1,953</u>	<u>\$ 36,318</u>

The following table shows the average quarter-end balances of open futures contracts for the year ended March 31, 2016:

	<i>iShares S&amp;P 100 ETF</i>	<i>iShares S&amp;P 500 Growth ETF</i>	<i>iShares S&amp;P 500 Value ETF</i>	<i>iShares S&amp;P Mid-Cap 400 Growth ETF</i>
	Average value of contracts purchased	<u>\$6,527,204</u>	<u>\$16,608,119</u>	<u>\$17,270,750</u>

	<i>iShares S&amp;P Mid-Cap 400 Value ETF</i>	<i>iShares S&amp;P Small-Cap 600 Growth ETF</i>	<i>iShares S&amp;P Small-Cap 600 Value ETF</i>
	Average value of contracts purchased	<u>\$ 6,463,032</u>	<u>\$ 3,775,774</u>

## 6. PRINCIPAL RISKS

In the normal course of business, each Fund's investment activities expose it to various types of risk associated with the financial instruments and markets in which it invests. The significant types of financial risks each Fund is exposed to include market risk and credit risk. Each Fund's prospectus provides details of these and other types of risk.

BFA uses a "passive" or index approach to try to achieve each Fund's investment objective following the securities included in its underlying index during upturns as well as downturns. BFA does not take steps to reduce market exposure or to lessen the effects of a declining market. Divergence from the underlying index and the composition of the portfolio is monitored by BFA.

# Notes to Financial Statements (Continued)

## *iSHARES® TRUST*

### **MARKET RISK**

Market risk arises mainly from uncertainty about future values of financial instruments influenced by price, currency and interest rate movements. It represents the potential loss each Fund may suffer through holding market positions in the face of market movements. Each Fund is exposed to market risk by virtue of its investment in equity and financial derivative instruments. The fair value of securities held by the Funds may decline due to general market conditions, economic trends or events that are not specifically related to the issuers of the securities including local, regional or global political, social or economic instability or to factors that affect a particular industry or group of industries. The extent of each Fund's exposure to market risk is the market value of the investments held as shown in the Fund's schedule of investments.

A diversified portfolio, where this is appropriate and consistent with a fund's objectives, minimizes the risk that a price change of a particular investment will have a material impact on the NAV of a fund. The investment concentrations within each Fund's portfolio are disclosed in its schedule of investments.

### **CREDIT RISK**

Credit risk is the risk that an issuer or guarantor of debt instruments or the counterparty to a financial transaction, including derivatives contracts, repurchase agreements or loans of portfolio securities, is unable or unwilling to make timely interest and/or principal payments or to otherwise honor its obligations. BFA and its affiliates manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of each Fund's exposure to credit and counterparty risks with respect to those financial assets is approximated by their value recorded in its statement of assets and liabilities.

## **7. INCOME TAX INFORMATION**

Each Fund is treated as an entity separate from the Trust's other funds 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 is required.

U.S. GAAP requires that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or NAV per share. The following permanent differences as of March 31, 2016, attributable to the characterization of corporate actions, the expiration of capital loss carryforwards, distributions



# Notes to Financial Statements (Continued)

## iSHARES® TRUST

paid in excess of taxable income and realized gains (losses) from in-kind redemptions, were reclassified to the following accounts:

<i>iShares ETF</i>	<i>Paid-in Capital</i>	<i>Undistributed Net Investment Income/Distributions</i>		<i>Undistributed Net Realized Gain/Accumulated Net Realized Loss</i>
		<i>in Excess of Net Investment Income</i>		
S&P 100	\$270,795,689	\$ —	\$	(270,795,689)
S&P 500 Growth	931,384,251	22,145,959		(953,530,210)
S&P 500 Value	229,466,627	—		(229,466,627)
S&P Mid-Cap 400 Growth	227,952,698	7,134,509		(235,087,207)
S&P Mid-Cap 400 Value	140,908,181	959,014		(141,867,195)
S&P Small-Cap 600 Growth	306,299,628	2,948,191		(309,247,819)
S&P Small-Cap 600 Value	184,789,217	618,862		(185,408,079)

The tax character of distributions paid during the years ended March 31, 2016 and March 31, 2015 was as follows:

<i>iShares ETF</i>	2016	2015
<i>S&amp;P 100</i>		
Ordinary income	<u>\$ 92,440,098</u>	<u>\$ 93,982,902</u>
<i>S&amp;P 500 Growth</i>		
Ordinary income	<u>\$206,862,042</u>	<u>\$165,902,530</u>
<i>S&amp;P 500 Value</i>		
Ordinary income	<u>\$212,773,665</u>	<u>\$185,585,792</u>
<i>S&amp;P Mid-Cap 400 Growth</i>		
Ordinary income	<u>\$ 57,887,039</u>	<u>\$ 46,811,372</u>
<i>S&amp;P Mid-Cap 400 Value</i>		
Ordinary income	<u>\$ 74,430,423</u>	<u>\$ 69,557,994</u>
<i>S&amp;P Small-Cap 600 Growth</i>		
Ordinary income	<u>\$ 41,715,559</u>	<u>\$ 25,742,736</u>
<i>S&amp;P Small-Cap 600 Value</i>		
Ordinary income	<u>\$ 47,375,724</u>	<u>\$ 50,010,401</u>

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

As of March 31, 2016, the tax components of accumulated net earnings (losses) were as follows:

<i>iShares ETF</i>	<i>Undistributed Ordinary Income</i>	<i>Capital Loss Carryforwards</i>	<i>Net Unrealized Gains (Losses)<sup>a</sup></i>	<i>Qualified Late-Year Losses<sup>b</sup></i>	<i>Total</i>
S&P 100	\$ 1,443,615	\$(336,642,852)	\$ (189,391,368)	\$ (17,390,367)	\$ (541,980,972)
S&P 500 Growth	14,853,556	(767,276,318)	2,626,384,156	(286,093,326)	1,587,868,068
S&P 500 Value	1,780,474	(389,205,433)	381,374,383	(25,746,303)	(31,796,879)
S&P Mid-Cap 400 Growth	771,861	(128,724,253)	459,857,178	(185,896,815)	146,007,971
S&P Mid-Cap 400 Value	—	(89,322,808)	115,040,376	(35,527,564)	(9,809,996)
S&P Small-Cap 600 Growth	—	(24,055,745)	190,802,026	(200,811,906)	(34,065,625)
S&P Small-Cap 600 Value	—	(160,582,156)	(118,059,995)	(7,145,379)	(285,787,530)

<sup>a</sup> The difference between book-basis and tax-basis unrealized gains (losses) was attributable primarily to the tax deferral of losses on wash sales and the realization for tax purposes of unrealized gains (losses) on certain futures contracts.

<sup>b</sup> The Funds have elected to defer certain qualified late-year losses and recognize such losses in the next taxable year.

As of March 31, 2016, the following Funds had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

<i>iShares ETF</i>	<i>Non- Expiring<sup>a</sup></i>	<i>Expiring 2017</i>	<i>Expiring 2018</i>	<i>Expiring 2019</i>	<i>Total</i>
S&P 100	\$93,572,170	\$120,169,143	\$119,632,717	\$ 3,268,822	\$336,642,852
S&P 500 Growth	—	—	396,739,539	370,536,779	767,276,318
S&P 500 Value	1,041,682	30,457,793	302,437,779	55,268,179	389,205,433
S&P Mid-Cap 400 Growth	—	—	128,724,253	—	128,724,253
S&P Mid-Cap 400 Value	367,666	—	75,748,059	13,207,083	89,322,808
S&P Small-Cap 600 Growth	6,074,656	—	7,322,106	10,658,983	24,055,745
S&P Small-Cap 600 Value	29,142,594	—	131,439,562	—	160,582,156

<sup>a</sup> Must be utilized prior to losses subject to expiration.

For the year ended March 31, 2016, the following Funds utilized their capital loss carryforwards as follows:

<i>iShares ETF</i>	<i>Utilized</i>
S&P 500 Growth	\$54,879,425
S&P Mid-Cap 400 Growth	53,555,845

# Notes to Financial Statements (Continued)

## iSHARES® TRUST

As of March 31, 2016, gross unrealized appreciation and gross unrealized depreciation based on cost for federal income tax purposes were as follows:

<i>iShares ETF</i>	<i>Tax Cost</i>	<i>Gross Unrealized Appreciation</i>	<i>Gross Unrealized Depreciation</i>	<i>Net Unrealized Appreciation (Depreciation)</i>
S&P 100	\$ 4,730,844,862	\$ 205,696,381	\$(395,087,749)	\$ (189,391,368)
S&P 500 Growth	11,297,264,999	2,844,427,736	(218,043,580)	2,626,384,156
S&P 500 Value	9,330,956,870	1,072,348,255	(690,973,872)	381,374,383
S&P Mid-Cap 400 Growth	4,903,337,172	684,231,353	(224,374,175)	459,857,178
S&P Mid-Cap 400 Value	4,434,502,181	565,444,999	(450,404,623)	115,040,376
S&P Small-Cap 600 Growth	3,352,176,850	372,060,380	(181,258,354)	190,802,026
S&P Small-Cap 600 Value	3,903,147,066	353,570,878	(471,630,873)	(118,059,995)

Management has analyzed tax laws and regulations and their application to the Funds as of March 31, 2016, inclusive of the open tax return years, and does not believe there are any uncertain tax positions that require recognition of a tax liability in the Funds' financial statements.

### **8. SUBSEQUENT EVENTS**

Management has evaluated the impact of all subsequent events on the Funds through the date the financial statements were available to be issued and has determined that there were no subsequent events requiring adjustment or disclosure in the financial statements.