

**iShares MSCI China Index ETF**  
**iShares FTSE/Xinhua A50 China Index ETF**  
**iShares BSE SENSEX India Index ETF**  
**iShares MSCI Asia APEX 50 Index ETF**  
**iShares MSCI Asia APEX Mid Cap Index ETF**  
**iShares MSCI Asia APEX Small Cap Index ETF**  
**iShares MSCI Emerging Asia Index ETF**

**(Sub-funds of iShares Asia Trust)**

# **ANNUAL REPORT**

FOR THE PERIOD ENDED 31ST DECEMBER 2009

**BLACKROCK**



# iShares Asia Trust

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## LETTER TO THE UNITHOLDERS

### » iShares Asia Trust

Dear Unitholders:

We are pleased to present the annual report and financial statements for the iShares Asia Trust (the "Trust") for the year ended 31st December 2009 (the "Year"). This report contains information about the performance of the iShares MSCI China Index ETF (the "MSCI China ETF"), the iShares FTSE/XINHUA A50 China Index ETF (the "A50 China ETF"), the iShares BSE SENSEX India Index ETF (the "SENSEX India ETF"), the iShares MSCI Asia APEX 50 Index ETF (the "MSCI Asia APEX 50 ETF"), the iShares MSCI Asia APEX Mid Cap Index ETF (the "MSCI Asia APEX Mid Cap ETF"), the iShares MSCI Asia APEX Small Cap Index ETF (the "MSCI Asia APEX Small Cap ETF"), the iShares MSCI Emerging Asia Index ETF (the "MSCI Emerging Asia ETF"), the first 7 Sub-Funds established under the Trust, the portfolio manager's discussion and analysis, as well as other important financial information.

iShares Asia Trust offers investors who seek to gain exposure to markets in the Asia ex-Japan region with cost effective, transparent and convenient choices.

The MSCI China ETF, the first of our Hong Kong listed ETFs, commenced trading on The Stock Exchange of Hong Kong Limited (the "SEHK") on 28th November 2001 and holds H-shares and red chips which are China related stocks listed in Hong Kong.

The A50 China ETF which invests in access products linked to the Chinese A-Share market was first traded on the SEHK on 18th November 2004. As at 31st December 2009, its AUM stood at approximately HKD 47.3 billion, up from approximately HKD 29.3 billion at the end of 2008. This fund remains the most actively traded ETF on the SEHK and is consistently one of the top 10 most heavily traded stocks on the SEHK<sup>1</sup>.

The SENSEX India ETF provides investors exposure to the performance of the 30 largest companies listed on the Bombay Stock Exchange. The fund was first traded on the SEHK on 2nd November 2006. As at 31st December 2009, its AUM had increased to approximately HKD 1.8 billion, from approximately HKD 911 million at the end of 2008.

In April 2009, we expanded our product offerings in Hong Kong by launching the iShares Asia ETF Series comprising 4 new iShares ETFs (namely, the MSCI Emerging Asia ETF, the MSCI Asia APEX Small Cap ETF, the MSCI Asia APEX 50 ETF and the MSCI Asia APEX Mid Cap ETF). The Asia ETF Series allows investors to extend their exposure to markets in the emerging Asian region, including South Korea, Taiwan, Malaysia, Indonesia, Thailand and the Philippines.

More recently in November 2009, we launched our iShares CSI series including the world's first China sector ETFs. The iShares CSI series includes iShares CSI 300 A-Share Index ETF, iShares CSI A-Share Energy Index ETF, iShares CSI A-Share Materials Index ETF, iShares CSI A-Share Financials Index ETF and iShares CSI A-Share Infrastructure Index ETF<sup>2</sup>, bringing the total product offerings in Hong Kong to 12 iShares ETFs. Together, they offer efficient access to market segments across the region. The financial information about the iShares CSI series has not been included in this annual report but will be included in the semi-annual report for 2010.

Finally, we are pleased to announce that on 1st December 2009, BlackRock, Inc. completed its acquisition of Barclays Global Investors, including the market-leading iShares ETF business. The combined firm now operates under the BlackRock name. With nearly US\$3.2 trillion<sup>3</sup> under management, BlackRock offers products that span the risk spectrum to meet clients' needs, including active, enhanced and index strategies across markets and asset classes.

Thank you for your continuing support and confidence in iShares.

Sincerely,

Nick Good  
Director  
BlackRock Asset Management North Asia Limited

<sup>1</sup> Source: Bloomberg, as at March 2010

<sup>2</sup> The initial issue date of each of these CSI ETFs was 12th November 2009 and the date of listing on the SEHK was 18th November 2009. The financial information relating to these funds has not been included in this annual report but will be included in the Semi-Annual Report for the period ending 30th June 2010.

<sup>3</sup> Data is as of 30th September 2009, is subject to change, and is based on a pro-forma estimate of assets under management at BlackRock, Inc. and Barclays Global Investors.

## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares MSCI China Index ETF

(a Sub-Fund of iShares Asia Trust)

#### Introduction

The iShares MSCI China Index ETF (the "MSCI China ETF"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 23rd November 2001 and commenced trading under the stock code 2801 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 28th November 2001. The MSCI China ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI China ETF is benchmarked against the MSCI China Index. The Manager of the MSCI China ETF is BlackRock Asset Management North Asia Limited (formerly known as "Barclays Global Investors North Asia Limited") (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

The MSCI China ETF invests in shares of companies in People's Republic of China ("PRC") listed on overseas stock exchanges including the H-shares listed in Hong Kong on the SEHK ("H-shares"). Under the PRC Corporate Income Tax Law, the MSCI China ETF may be liable to pay PRC tax on the capital gains realized in the trading of H-shares. However, no provision was made for taxation from such gains in the financial statements as the Manager believes that the MSCI China ETF can sustain a position for not filing a tax return based on the existing tax regulations and that the enforcement of such PRC tax on capital gains is not probable.

#### Fund Performance

The MSCI China ETF seeks to provide investment results, before fees and taxes, that closely correspond to the performance of the MSCI China Index in Hong Kong dollar ("HKD") terms. As at 31st December 2009, the Net Asset Value ("NAV") per unit of the MSCI China ETF was HKD21.44, and 59,400,000 units were outstanding. The total size of the fund was approximately HKD1,273.5 million.

A summary of the performance of the MSCI China ETF<sup>(a)</sup> is given below.

<b>Total Return<sup>(b)</sup> in HKD (as at 31st December 2009)</b>	<b>1 month</b>	<b>3 months</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>Since Inception<sup>(f)</sup></b>
<b>MSCI China Index<sup>(c)</sup></b>	0.51%	9.62%	62.37%	-51.12%	66.67%	83.43%	19.47%	2.01%	21.12%
<b>MSCI China ETF NAV-to-NAV<sup>(d)</sup></b>	<b>0.46%</b>	<b>8.84%</b>	<b>59.16%</b>	<b>-51.19%</b>	<b>64.22%</b>	<b>79.10%</b>	<b>19.09%</b>	<b>1.50%</b>	<b>19.87%</b>
<b>MSCI China ETF Market-to-Market (MKT)<sup>(e)</sup></b>	-0.02%	7.70%	56.86%	-50.65%	62.84%	78.99%	19.93%	0.17%	20.19%

The MSCI China ETF consists of H-shares and red chips which are China related stocks listed in Hong Kong. The difference in performance between the MSCI China Index and the MSCI China ETF is mainly attributed to fees and expenses, and security misweights.

#### Fund Activities

The average daily trading volume for the MSCI China ETF during the Year was reported by Bloomberg to be approximately 451,670 units. As at 31st December 2009, the MSCI China ETF comprised of 59,400,000 outstanding units.

#### Index Activities

The MSCI China Index underwent four regular reviews during the year. As at 31st December 2009, the MSCI China ETF held 99 stocks versus the 117 constituents in the MSCI China Index.

<sup>(a)</sup> Past performance figures shown are not indicative of the future performance of the Fund.

<sup>(b)</sup> Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December 2009.

<sup>(c)</sup> An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns.

<sup>(d)</sup> Units in the Fund are issued and redeemed at NAV. Therefore, the Fund does not publish a bid price and the Fund's returns have been calculated from NAV.

<sup>(e)</sup> Market returns are calculated using historical market closing prices (when NAV is normally determined for the Fund), and do not represent the returns you would receive if you traded units at other times.

<sup>(f)</sup> Fund inception date is 23rd November 2001.

## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

#### Introduction

The iShares FTSE/XINHUA A50 China Index ETF (the "A50 China ETF"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 15th November 2004 and commenced trading under the stock code 2823 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 18th November 2004. The A50 China ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The A50 China ETF is benchmarked against the FTSE/Xinhua China A50 Index (the "A50 Index"). The Manager of the A50 China ETF is BlackRock Asset Management North Asia Limited (formerly known as "Barclays Global Investors North Asia Limited") (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

The A50 China ETF does not hold A shares directly but rather gains access to the A50 Index through China A Share Access Products ("CAAPs"), being derivative instruments linked to A shares, issued by one or more Qualified Foreign Institutional Investors ("QFIIs") or their affiliates ("CAAP Issuers").

Under the general taxing provision of the PRC corporate tax law, a QFII is subject to 10% withholding tax on interest income, dividends and capital gains from PRC listed securities. To date, however PRC withholding tax has only been enforced on dividend and interest payments from PRC listed securities. The PRC State Administration of Taxation (the "SAT") has not collected and has not evinced an intent to collect the tax that applies to sales of A Shares held by QFIIs under PRC law.

The Manager has considered (i) the current position of the SAT and PRC income tax on QFIIs, (ii) the possible implications for the A50 China ETF should an income tax ruling for QFIIs be enacted in the PRC, (iii) the independent advice of tax and legal counsel and (iv) current market practice, and concluded that there are currently insufficient grounds to reasonably justify making an adjustment for potential tax on gains on A Shares in determining the CAAP returns as at 31st December 2009<sup>4</sup> as the Manager considers that:

- (a) it is uncertain whether the PRC will enforce tax on QFII gains;
- (b) if the PRC were to enforce the tax, it is uncertain from which date the tax would be calculated and payable and the extent to which the QFIIs may benefit from tax treaties;
- (c) at present, uncertainty remains as to the obligations of the A50 China ETF to bear such tax.

Any adverse change in taxation imposed on QFIIs is likely to have a subsequent impact on the CAAP returns and the net assets attributable to unitholders of the A50 China ETF. Should retrospective tax be applied, the A50 China ETF might be exposed to a charge relating to crystallised gains on the QFIIs' holdings from 15th November 2004 (date of inception) to the year ended 31st December 2009. The Manager estimates, on the basis of information provided by the relevant QFIIs/CAAP Issuers, the uncrystallized gains and the crystallized gains which could be exposed to PRC taxation at the rate of 10% as at 31st December 2009 to be approximately HKD11,159 million (2008: HKD383 million) and approximately HK\$20,939 million (2008: HK\$13,567 million) respectively. The payment of any charge is at all times subject to the Manager's duty to act in the best interests of the Fund and its unitholders.

The Manager continues to monitor the situation and will make an appropriate adjustment if and when it is considered that there are sufficient grounds to do so. Such adjustment could be significant as indicated above.

Since November 2008, certain CAAP Issuers have indicated their intention to withhold an amount representing the PRC capital gains tax that would be payable on an actual sale of the underlying A share of each CAAP issued on or after 28th November 2008. As at 31st December 2009, approximately HKD274 million (2008: HKD nil) has been withheld by certain QFIIs/CAAP Issuers on crystallised gains who have arrangements with the A50 China ETF to withhold the amount. Under the relevant arrangements, the amounts withheld will be retained for a period of up to 5 years and could be refunded to the A50 China ETF in the future, pending further clarification of the tax rules and tax collection measures adopted by the PRC authorities. In the event that, at the end of the 5 year period, the tax is not enforced against the CAAP Issuer (or its affiliate), or the amount withheld is greater than the actual capital gains tax liability, the amount withheld (or the excess withholding) will be returned to the A50 China ETF, although the A50 China ETF will remain liable for any attributable tax. Accrued interest is receivable on the amounts withheld and is receivable from the CAAP Issuers by the A50 China ETF on a periodic basis. In practice, any amount to be withheld by CAAP Issuers will be taken either at the quarterly portfolio rebalancing, ad-hoc CAAP sales or on a redemption of Units.

<sup>4</sup> Please refer to the notes to the Financial Statements for further details.

## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

#### Fund Performance

The A50 China ETF seeks to provide investment results, before fees and taxes, that closely correspond to the performance of the A50 Index in Hong Kong dollar ("HKD") terms. As of 31st December 2009, the NAV per unit of the A50 China ETF was HKD14.78, and 3,198,000,000 units were outstanding. The total size of the fund was approximately HKD47,260.3 million.

A summary of the performance of the A50 China ETF<sup>(a)</sup> is given below.

Total Return <sup>(b)</sup> In HKD (As at 31st December 2009)	1 month	3 months	2009	2008	2007	2006	2005	2004 <sup>(f)</sup>	Since Inception <sup>(g)</sup>
FTSE/Xinhua China A50 Index <sup>(c)</sup>	3.16%	16.29%	85.76%	-65.50%	139.92%	150.60%	-1.56%	-5.90%	28.18%
A50 China ETF NAV-to-NAV <sup>(d)</sup>	<b>2.83%</b>	<b>15.52%</b>	<b>80.93%</b>	<b>-66.20%</b>	<b>135.71%</b>	<b>149.08%</b>	<b>2.65%</b>	<b>-5.97%</b>	<b>27.44%</b>
A50 China ETF Market-to-Market (MKT) <sup>(e)</sup>	2.39%	11.84%	79.80%	-65.215%	113.41%	160.49%	6.61%	-6.05%	27.63%

The difference in performance between the A50 Index and the A50 China ETF is mainly attributed to fees and expenses, and a different currency exchange rate used for fund valuation and index calculation.

#### Fund Activities

The trading volume for the A50 China ETF reflected continued interest in the domestic A-Share markets from investors. The average daily trading volume surged to approximately 108 million units during the Year according to Bloomberg. Its high liquidity often placed A50 China ETF in the top 10 most heavily traded stocks on the Stock Exchange of Hong Kong. As at 31st December 2009, there were 3,198,000,000 units outstanding.

#### Index Activities

The A50 Index underwent four regular quarterly reviews during the year. As at 31st December 2009, the A50 China ETF had exposure to all 50 index constituents indirectly.

<sup>(a)</sup> Past performance figures shown are not indicative of the future performance of the Fund.

<sup>(b)</sup> Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December 2009.

<sup>(c)</sup> An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns.

<sup>(d)</sup> Units in the Fund are issued and redeemed at NAV. Therefore, the Fund does not publish a bid price and the Fund's returns have been calculated from NAV.

<sup>(e)</sup> Market returns are calculated using historical market closing prices (when NAV is normally determined for the Fund), and do not represent the returns you would receive if you traded units at other times.

<sup>(f)</sup> The performance shown for 2004 covers the period from the date of inception of the Fund (15th November 2004) to 31st December 2004.

<sup>(g)</sup> Fund inception date is 15th November 2004.



## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares BSE SENSEX India Index ETF

(a Sub-Fund of iShares Asia Trust)

#### Introduction

The iShares BSE SENSEX India Index ETF (the "SENSEX India ETF"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 31st October 2006 and commenced trading under the stock code 2836 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 2nd November 2006. The SENSEX India ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The SENSEX India ETF is benchmarked against the BSE SENSEX Index (the "SENSEX Index"). The Manager of the SENSEX India ETF is BlackRock Asset Management North Asia Limited (formerly known as "Barclays Global Investors North Asia Limited") (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

Until June 2009, the SENSEX India ETF gained access to the Indian market solely through India Access Products ("IAPs"), being derivative instruments linked to the underlying Indian shares, as issued by a third party. On 10th June 2009, the Manager announced its intention to restructure the SENSEX India ETF to invest directly in Indian securities rather than IAPs. The restructuring involved the establishment of iShares BSE SENSEX Mauritius Company, a wholly owned subsidiary of the SENSEX India ETF incorporated in Mauritius (the "Mauritius Subsidiary"), to hold Indian securities and IAPs on behalf of the SENSEX India ETF.

The restructure was completed on 22nd June 2009.

Following the restructure: (a) the underlying investments of the Mauritius Subsidiary, together with the direct investments made by the SENSEX India ETF, must in aggregate comply with the SENSEX India ETF's investment restrictions; (b) the SENSEX India ETF will not incur additional fees and expenses as a result of the establishment of the Mauritius Subsidiary as the Manager will rebate to the SENSEX India ETF the amount of ordinary fees and expenses incurred by the Mauritius Subsidiary (other than IAP commissions); and (c) the various reports required to be prepared for the SENSEX India ETF will be prepared in a consolidated form so as to include the assets (including the underlying investment portfolio) and liabilities of the Mauritius Subsidiary.

Following the restructure, the maximum holding of IAPs will be 15% of the SENSEX India ETF's net asset value; with a maximum exposure to any single issuer of 10% of the net asset value.

The consolidated assets and liabilities and profits of the SENSEX India ETF and the Mauritius Subsidiary are included in this annual report.

## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares BSE SENSEX India Index ETF

(a Sub-Fund of iShares Asia Trust)

#### Fund Performance

The SENSEX India ETF seeks to provide investment results, before fees and taxes, that closely correspond to the performance of the SENSEX Index in Hong Kong dollar ("HKD") terms. As at 31st December 2009, the Net Asset Value ("NAV") per unit of the SENSEX India ETF was HKD16.44, and 107,200,000 units were outstanding. The total size of the fund was approximately HKD1,762.5 million.

A summary of the performance of the SENSEX India ETF<sup>(a)</sup> is given below.

Total Return <sup>(b)</sup> in HKD (as at 31st December 2009)	1 month	3 months	2009	2008	2007	2006 <sup>(f)</sup>	Since Inception <sup>(g)</sup>
<b>BSE SENSEX Index<sup>(c)</sup></b>	3.24%	5.65%	91.42%	-61.13%	68.98%	8.59%	10.34%
<b>BSE SENSEX India ETF NAV-to-NAV<sup>(d)</sup></b>	<b>2.75%</b>	<b>4.91%</b>	<b>87.00%</b>	<b>-61.58%</b>	<b>64.65%</b>	<b>8.17%</b>	<b>8.10%</b>
<b>BSE SENSEX India ETF Market-to-Market<sup>(e)</sup></b>	1.81%	3.86%	84.85%	-60.33%	58.36%	7.23%	7.18%

The difference in performance between the SENSEX Index and the SENSEX India ETF is mainly attributed to fees and expenses, and a different currency exchange rate used for fund valuation and index calculation.

#### Fund Activities

The average daily trading volume for the SENSEX India ETF during the Year was reported by Bloomberg to be approximately 927,812 units. As at 31st December 2009, a total of 107,200,000 units were outstanding.

#### Index Activities

The SENSEX Index had two index changes during the Year. As at 31st December 2009, the SENSEX India ETF had exposure to all index constituents.

<sup>(a)</sup> Past performance figures shown are not indicative of the future performance of the Fund.

<sup>(b)</sup> Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December 2009.

<sup>(c)</sup> An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns.

<sup>(d)</sup> Units in the Fund are issued and redeemed at NAV. Therefore, the Fund does not publish a bid price and the Fund's returns have been calculated from NAV.

<sup>(e)</sup> Market returns are calculated using historical market closing prices (when NAV is normally determined for the Fund), and do not represent the returns you would receive if you traded units at other times.

<sup>(f)</sup> The performance shown for 2006 covers the period from the date of inception of the Fund (31st October 2006) to 31st December 2006.

<sup>(g)</sup> Fund inception date is 31st October 2006.





## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares MSCI Asia APEX 50 Index ETF

(a Sub-Fund of iShares Asia Trust)

#### Introduction

The iShares MSCI Asia APEX 50 Index ETF (the "MSCI Asia APEX 50 ETF"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 12th March 2009 and commenced trading under the stock code 3010 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 23rd April 2009. The MSCI Asia APEX 50 ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI Asia APEX 50 ETF is benchmarked against the MSCI Asia APEX 50 Index. The Manager of the MSCI Asia APEX 50 ETF is BlackRock Asset Management North Asia Limited (formerly known as "Barclays Global Investors North Asia Limited") (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

#### Fund Performance

The MSCI Asia APEX 50 ETF seeks to provide investment results, before fees and taxes, that closely correspond to the performance of the MSCI Asia APEX 50 Index in Hong Kong dollar ("HKD") terms. As at 31st December 2009, the Net Asset Value ("NAV") per unit of the MSCI Asia APEX 50 ETF was HKD35.19, and 13,600,000 units were outstanding. The total size of the fund was approximately HKD478.6 million.

A summary of the performance of the MSCI Asia APEX 50 ETF<sup>(a)</sup> is given below.

<b>Total Return<sup>(b)</sup> in HKD (as at 31st December 2009)</b>	<b>1 month</b>	<b>3 months</b>	<b>Since listing<sup>(f)</sup></b>
<b>MSCI Asia APEX 50 Index<sup>(c)</sup></b>	3.73%	5.93%	79.62%
<b>MSCI Asia APEX 50 ETF NAV-to-NAV<sup>(d)</sup></b>	<b>3.56%</b>	<b>5.68%</b>	<b>78.15%</b>
<b>MSCI Asia APEX 50 ETF Market-to-Market (MKT)<sup>(e)</sup></b>	3.16%	5.46%	44.05%

The MSCI Asia APEX 50 ETF consists of 50 largest stocks which are listed in Hong Kong, South Korea, Singapore and Taiwan. The difference in performance between the MSCI Asia APEX 50 Index and the MSCI Asia APEX 50 ETF is mainly attributed to fees and expenses, and security misweights.

#### Fund Activities

The average daily trading volume for the MSCI Asia APEX 50 ETF during the Year was reported by Bloomberg to be approximately 8,036 units. As at 31st December 2009, the MSCI Asia APEX 50 ETF comprised of 13,600,000 outstanding units.

#### Index Activities

The MSCI Asia APEX 50 Index underwent three regular reviews since inception. As at 31st December 2009, the MSCI Asia APEX 50 ETF held all 50 constituent stocks in the MSCI Asia APEX 50 Index.

<sup>(a)</sup> Past performance figures shown are not indicative of the future performance of the Fund.

<sup>(b)</sup> Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December 2009.

<sup>(c)</sup> An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns.

<sup>(d)</sup> Units in the Fund are issued and redeemed at NAV. Therefore, the Fund does not publish a bid price and the Fund's returns have been calculated from NAV.

<sup>(e)</sup> Market returns are calculated using historical market closing prices (when NAV is normally determined for the Fund), and do not represent the returns you would receive if you traded units at other times.

<sup>(f)</sup> Fund was established on 12th March 2009 and listed on 23rd April 2009.

## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares MSCI Asia APEX Mid Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

#### Introduction

The iShares MSCI Asia APEX Mid Cap Index ETF (the "MSCI Asia APEX Mid Cap ETF"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 12th March 2009 and commenced trading under the stock code 3032 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 23rd April 2009. The MSCI Asia APEX Mid Cap ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI Asia APEX Mid Cap ETF is benchmarked against the MSCI Asia APEX Mid Cap 50 Index. The Manager of the MSCI Asia APEX Mid Cap ETF is BlackRock Asset Management North Asia Limited (formerly known as "Barclays Global Investors North Asia Limited") (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

#### Fund Performance

The MSCI Asia APEX Mid Cap ETF seeks to provide investment results, before fees and taxes, that closely correspond to the performance of the MSCI Asia APEX Mid Cap 50 Index in Hong Kong dollar ("HKD") terms. As at 31st December 2009, the Net Asset Value ("NAV") per unit of the MSCI Asia APEX Mid Cap ETF was HKD41.04, and 5,600,000 units were outstanding. The total size of the fund was approximately HKD229.9million.

A summary of the performance of the MSCI Asia APEX Mid Cap ETF<sup>(a)</sup> is given below.

<b>Total Return<sup>(b)</sup> in HKD (as at 31st December 2009)</b>	<b>1 month</b>	<b>3 months</b>	<b>Since listing<sup>(f)</sup></b>
<b>MSCI Asia APEX Mid Cap 50 Index<sup>(c)</sup></b>	4.20%	9.82%	110.94%
<b>MSCI Asia APEX Mid Cap ETF NAV-to-NAV<sup>(d)</sup></b>	<b>3.95%</b>	<b>9.39%</b>	<b>106.35%</b>
<b>MSCI Asia APEX Mid Cap ETF Market-to-Market (MKT)<sup>(e)</sup></b>	5.22%	11.52%	60.75%

The MSCI Asia APEX Mid Cap ETF consists of the largest 50 Mid Cap stocks which are listed in Hong Kong, South Korea, Singapore and Taiwan. The difference in performance between the MSCI Asia APEX Mid Cap 50 Index and the MSCI Asia APEX Mid Cap ETF is mainly attributed to fees and expenses, and security misweights.

#### Fund Activities

The average daily trading volume for the MSCI Asia APEX Mid Cap ETF during the Year was reported by Bloomberg to be approximately 17,666 units. As at 31st December 2009, the MSCI Asia APEX Mid Cap ETF comprised of 5,600,000 outstanding units.

#### Index Activities

The MSCI Asia APEX Mid Cap 50 Index underwent three regular reviews since inception. As at 31st December 2009, the MSCI Asia APEX Mid Cap ETF held all 50 constituent stocks in the MSCI Asia APEX Mid Cap 50 Index.

<sup>(a)</sup> Past performance figures shown are not indicative of the future performance of the Fund.

<sup>(b)</sup> Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December 2009.

<sup>(c)</sup> An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns.

<sup>(d)</sup> Units in the Fund are issued and redeemed at NAV. Therefore, the Fund does not publish a bid price and the Fund's returns have been calculated from NAV.

<sup>(e)</sup> Market returns are calculated using historical market closing prices (when NAV is normally determined for the Fund), and do not represent the returns you would receive if you traded units at other times.

<sup>(f)</sup> Fund was established on 12th March 2009 and listed on 23rd April 2009.



## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

#### Introduction

The iShares MSCI Asia APEX Small Cap Index ETF (the "MSCI Asia APEX Small Cap ETF"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 12th March 2009 and commenced trading under the stock code 3004 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 23rd April 2009. The MSCI Asia APEX Small Cap ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI Asia APEX Small Cap ETF is benchmarked against the MSCI Asia APEX Small Cap 200 Index. The Manager of the MSCI Asia APEX Small Cap ETF is BlackRock Asset Management North Asia Limited (formerly known as "Barclays Global Investors North Asia Limited") (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

#### Fund Performance

The MSCI Asia APEX Small Cap ETF seeks to provide investment results, before fees and taxes, that closely correspond to the performance of the MSCI Asia APEX Small Cap 200 Index in Hong Kong dollar ("HKD") terms. As at 31st December 2009, the Net Asset Value ("NAV") per unit of the MSCI Asia APEX Small Cap ETF was HKD40.98, and 3,200,000 units were outstanding. The total size of the fund was approximately HKD131.1 million.

A summary of the performance of the MSCI Asia APEX Small Cap ETF<sup>(a)</sup> is given below.

<b>Total Return<sup>(b)</sup> in HKD (as at 31st December 2009)</b>	<b>1 month</b>	<b>3 months</b>	<b>Since listing<sup>(f)</sup></b>
MSCI Asia APEX Small Cap 200 Index <sup>(c)</sup>	6.36%	11.96%	119.30%
MSCI Asia APEX Small Cap ETF NAV-to-NAV <sup>(d)</sup>	<b>6.01%</b>	<b>11.26%</b>	<b>106.35%</b>
MSCI Asia APEX Small Cap ETF Market-to-Market (MKT) <sup>(e)</sup>	5.63%	10.76%	53.13%

The MSCI Asia APEX Small Cap ETF consists of the largest Small Cap stocks which are listed in Hong Kong, South Korea, Singapore and Taiwan. The difference in performance between the MSCI Asia APEX Small Cap 200 Index and the MSCI Asia APEX Small Cap ETF is mainly attributed to fees and expenses, and security misweights.

#### Fund Activities

The average daily trading volume for the MSCI Asia APEX Small Cap ETF during the Year was reported by Bloomberg to be approximately 7,813 units. As at 31st December 2009, the MSCI Asia APEX Small Cap ETF comprised of 3,200,000 outstanding units.

#### Index Activities

The MSCI Asia APEX Small Cap 200 Index underwent three regular reviews since inception. As at 31st December 2009, the MSCI Asia APEX Small Cap ETF held 130 stocks versus the 200 constituents in the MSCI Asia APEX Small Cap 200 Index.

<sup>(a)</sup> Past performance figures shown are not indicative of the future performance of the Fund.

<sup>(b)</sup> Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December 2009.

<sup>(c)</sup> An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns.

<sup>(d)</sup> Units in the Fund are issued and redeemed at NAV. Therefore, the Fund does not publish a bid price and the Fund's returns have been calculated from NAV.

<sup>(e)</sup> Market returns are calculated using historical market closing prices (when NAV is normally determined for the Fund), and do not represent the returns you would receive if you traded units at other times.

<sup>(f)</sup> Fund was established on 12th March 2009 and listed on 23rd April 2009.

## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares MSCI Emerging Asia Index ETF

(a Sub-Fund of iShares Asia Trust)

#### Introduction

The iShares MSCI Emerging Asia Index ETF (the "MSCI Emerging Asia ETF"), a sub-fund of the iShares Asia Trust (the "Trust"), was launched on 12th March 2009 and commenced trading under the stock code 2802 on The Stock Exchange of Hong Kong Limited (the "SEHK") on 23rd April 2009. The MSCI Emerging Asia ETF is a Hong Kong unit trust authorized under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The MSCI Emerging Asia ETF is benchmarked against the MSCI EM Asia Index. The Manager of the MSCI Emerging Asia ETF is BlackRock Asset Management North Asia Limited (formerly known as "Barclays Global Investors North Asia Limited") (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

#### Fund Performance

The MSCI Emerging Asia ETF seeks to provide investment results, before fees and taxes, that closely correspond to the performance of the MSCI EM Asia Index in Hong Kong dollar ("HKD") terms. As at 31st December 2009, the Net Asset Value ("NAV") per unit of the MSCI Emerging Asia ETF was HKD38.07, and 6,400,000 units were outstanding. The total size of the fund was approximately HKD243.7 million.

A summary of the performance of the MSCI Emerging Asia ETF<sup>(a)</sup> is given below.

<b>Total Return<sup>(b)</sup> in HKD (as at 31st December 2009)</b>	<b>1 month</b>	<b>3 months</b>	<b>Since listing<sup>(f)</sup></b>
<b>MSCI EM Asia Index<sup>(c)</sup></b>	4.61%	6.80%	93.32%
<b>MSCI Emerging Asia ETF NAV-to-NAV<sup>(d)</sup></b>	<b>3.93%</b>	<b>5.18%</b>	<b>92.02%</b>
<b>MSCI Emerging Asia ETF Market-to-Market (MKT)<sup>(e)</sup></b>	3.05%	4.32%	50.02%

The MSCI Emerging Asia ETF consists of Large and Mid Cap stocks which are listed in the Emerging Asia Region. The difference in performance between the MSCI EM Asia Index and the MSCI Emerging Asia ETF is mainly attributed to fees and expenses, and security misweights.

#### Fund Activities

The average daily trading volume for the MSCI Emerging Asia ETF during the Year was reported by Bloomberg to be approximately 43,400 units. As at 31st December 2009, the MSCI Emerging Asia ETF comprised of 6,400,000 outstanding units.

#### Index Activities

The MSCI EM Asia Index underwent three regular reviews since inception. As at 31st December 2009, the MSCI Emerging Asia ETF held 110\* stocks versus the 489 constituents in the MSCI EM Asia Index.

<sup>(a)</sup> Past performance figures shown are not indicative of the future performance of the Fund.

<sup>(b)</sup> Total returns represent the rate that an investor would have earned (or lost) on an investment, assuming reinvestment of all dividends and distributions. Calculated as at 31st December 2009.

<sup>(c)</sup> An investor cannot invest directly in an index and the index performance returns do not reflect management fees, transaction costs or other expenses, which would reduce performance returns.

<sup>(d)</sup> Units in the Fund are issued and redeemed at NAV. Therefore, the Fund does not publish a bid price and the Fund's returns have been calculated from NAV.

<sup>(e)</sup> Market returns are calculated using historical market closing prices (when NAV is normally determined for the Fund), and do not represent the returns you would receive if you traded units at other times.

<sup>(f)</sup> Fund was established on 12th March 2009 and listed on 23rd April 2009.

\* The MSCI Emerging Asia ETF directly held 80 stocks and indirectly held 30 stocks through SENSEX India ETF out of 489 shares comprising the MSCI EM Asia Index.



## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares Asia Trust

#### Market Overview\*

Following a dismal year in 2008 in which the Asia ex-Japan region (the "Region")<sup>5</sup> fell 52.7%<sup>6</sup>, the Region rebounded with a 72.1%<sup>6</sup> return in 2009.

Global markets continued to trend lower in early 2009 before initial signs of economic stabilization appeared to boost investor confidence and revived hope of a rebound in exports, particularly in the Asia ex-Japan markets. Coordinated domestic stimulus plans by governments globally helped to arrest the economic downturn and ease the credit crunch from 2008. Accommodative monetary policy, cheap valuations, improved liquidity and positive cyclical conditions helped sustain a rally in the global markets throughout 2009. The rally in the Asia ex-Japan markets was further underpinned by strong fund flows into emerging markets as risk appetite increased. The 100% return recovery in the Region from the March low reflected investor confidence and increased appetite for risk.

All markets represented in the MSCI AC Asia ex-Japan Index delivered strong positive returns. Emerging Asia markets outperformed their developed Asian counterparts, with Indonesia, India, Taiwan and Thailand outperforming both Hong Kong and Singapore.

While aggressive stimulus policies were the central theme throughout the year, countries such as Korea benefitted from having a highly competitive currency. Taiwan also benefitted from being rerated on improved cross-straits economic ties and expectations of potential capital inflow from mainland China through Qualified Domestic Institutional Investors (QDII) funds. India also benefitted from the optimism following the larger-than-expected election victory of the Congress Party in May. Korea, Taiwan and India returned 71.4%<sup>7</sup>, 79.3%<sup>8</sup> and 102.9%<sup>9</sup> respectively during the year.

On average, developed Asian markets underperformed the Region. Hong Kong and Singapore returned 60.2%<sup>10</sup> and 74.0%<sup>11</sup> respectively for the year. Widely followed domestic indices such as the Hang Seng Index and Straits Times Index returned 56.6%<sup>12</sup> and 75.2%<sup>13</sup> for the year.

Hong Kong economic figures continued to show signs of stabilizing. November's unemployment number edged lower to 5.1%<sup>14</sup>. Retail sales registered further solid gains, mainly driven by strong sales of luxury and durable goods. Trade activities expanded as well. Conversely, the equity market remained sluggish in December amid concerns over the pace of global economic recovery and the US dollar strengthening.

Nevertheless, sector selection mattered more than country selection in 2009. For the one-year period, regional sector returns<sup>15</sup> ranged between 4.6% and 111.9% while the country returns<sup>16</sup> ranged between 47.2% and 128.7%. The MSCI AC Asia ex-Japan Consumer Discretionary (+111.9%), Information Technology (+109.0%), Materials (+97.3%), Energy (+74.4%) and Financials (+69.1%) outperformed the MSCI AC Asia ex-Japan Index while defensive sectors such as Consumer Staples (+57.1%), Industrials (+53.6%), Healthcare (+53.5%), Utilities (+26.1%) and Telecommunications Services (+4.6%) underperformed significantly.

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\* All returns are measured and expressed in Hong Kong Dollar (HKD) terms unless indicated otherwise.

<sup>5</sup> Measured by the MSCI AC Asia ex-Japan Net Total Return Index.

<sup>6</sup> Source: MSCI Barra.

<sup>7</sup> Measured by the MSCI Korea Net Total Return Index.

<sup>8</sup> Measured by the MSCI Taiwan Net Total Return Index.

<sup>9</sup> Measured by the MSCI India Net Total Return Index.

<sup>10</sup> Measured by the MSCI Hong Kong Net Total Return Index.

<sup>11</sup> Measured by the MSCI Singapore Net Total Return Index.

<sup>12</sup> Source: Hong Kong Exchange, Bloomberg.

<sup>13</sup> Source: Singapore Exchange, Bloomberg.

<sup>14</sup> Source: Census and Statistics department, HKSAR Government.

<sup>15</sup> Measured by the MSCI AC Asia ex-Japan sector indices.

<sup>16</sup> Measured by the MSCI AC Asia ex-Japan country indices.

## REPORT OF THE MANAGER TO THE UNITHOLDERS

### » iShares Asia Trust

#### China

As at 31st December 2009, the one-year return of FTSE/Xinhua China A50 total return index was 85.8%<sup>17</sup>. The currency return of the Chinese Renminbi (RMB) against Hong Kong Dollar (HKD) was approximately flat for the year.

China continued to outperform in the region, after leading the global economy on a steady recovery path. Fiscal spending remained the major driver of economic recovery. Domestically, various fiscal support measures, especially with regard to the auto industry and rural households' purchase of electronic appliances, have helped to ensure that China's retail sales and general consumption expenditure held up solidly through the downturn. Regarding household income, both urban household disposable income and rural cash income have outperformed headline GDP growth in 2009. This reflects the impact of various fiscal stimulus measures on household income.

All sectors recorded positive performance in 2009 with the Consumer Discretionary, IT and Utilities sectors outperforming the broad market index while Industrial, Energy and Telecommunications Service sectors underperformed the broad market index.

#### India

It was also a very good year for Indian equities, especially after 2008 where the Indian equity market was among the worst performing markets. The BSE SENSEX Total Return Index rose 91.4%<sup>18</sup> for the year, recording the third best year for the Indian market over the last three decades. The Indian Rupee appreciated approximately 4.5%<sup>19</sup> against the HKD during the period.

Along with markets globally, the Indian equity market benefitted from an easing monetary policy and fiscal stimulus being maintained through most of 2009. The larger than expected election victory of the Congress Party in May further fueled hopes of optimism and policy reforms, and helped sustain the rally.

The best sectors<sup>20</sup> were Materials, Consumer Discretionary, Information Technology and Industrials whereas the worst-performing sectors were Telecoms, Consumer Staples and Utilities.

BlackRock Asset Management North Asia Limited

21 April 2010

<sup>17</sup> Source: FTSE/Xinhua A50. Measured by the FTSE/Xinhua A50 Index in Chinese Renminbi (RMB) as well as in Hong Kong dollar (HKD) terms.

<sup>18</sup> Source: Mumbai Stock Exchange. Measured in HKD terms. The Index was up 82.2% in Indian Rupee (INR) terms.

<sup>19</sup> Source: WM Company/Reuters.

<sup>20</sup> Measured by the MSCI Global Industry Classification Standard (GICS).



## **REPORT OF THE TRUSTEE TO THE UNITHOLDERS**

### **» iShares Asia Trust**

We hereby confirm that, in our opinion, the Manager of the iShares MSCI China Index ETF, iShares FTSE/XINHUA A50 China Index ETF, iShares BSE SENSEX India Index ETF, iShares MSCI Asia APEX 50 Index ETF, iShares MSCI Asia APEX Mid Cap Index ETF, iShares MSCI Asia APEX Small Cap Index ETF and iShares MSCI Emerging Asia Index ETF (the first seven Sub-Funds of iShares Asia Trust, the "Sub-Funds") has, in all material respects, managed the Sub-Funds in accordance with the provisions of the Trust Deed dated 16th November 2001, as amended, for the period ended 31st December 2009.

HSBC Institutional Trust Services (Asia) Limited

21 April 2010

# STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

## » iShares Asia Trust

### Manager's Responsibilities

The Manager of the iShares MSCI China Index ETF, iShares FTSE/XINHUA A50 China Index ETF, iShares BSE SENSEX India Index ETF, iShares MSCI Asia APEX 50 Index ETF, iShares MSCI Asia APEX Mid Cap Index ETF, iShares MSCI Asia APEX Small Cap Index ETF and iShares MSCI Emerging Asia Index ETF (the Sub-Funds of iShares Asia Trust) (the "Sub-Funds") is required by the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong and the Trust Deed dated 16th November 2001, as amended, (the "Trust Deed") to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Funds at the end of that period and of the transactions for the period then ended. In preparing these financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Funds will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Sub-Funds in accordance with the Trust Deed and take reasonable steps for the prevention and detection of fraud and other irregularities.

iShares Asia Trust (the "Trust") is an umbrella unit trust governed by its Trust Deed. As at 31st December 2009, the Trust has established twelve sub-funds, namely iShares MSCI China Index ETF, iShares FTSE/XINHUA A50 China Index ETF, iShares BSE SENSEX India Index ETF, iShares MSCI Asia APEX 50 Index ETF, iShares MSCI Asia APEX Mid Cap Index ETF, iShares MSCI Asia APEX Small Cap Index ETF, iShares MSCI Emerging Asia Index ETF, iShares CSI 300 A-Share Index ETF, iShares CSI A-Share Energy Index ETF, iShares CSI A-Share Materials Index ETF, iShares CSI A-Share Financials Index ETF and iShares CSI A-Share Infrastructure Index ETF. The financial information about the iShares CSI series has not been included in this annual report but will be included in the semi-annual report for 2010.

### Trustee's Responsibilities

The Trustee of the Sub-Funds is required to:

- ensure that the Sub-Funds are managed by the Manager in accordance with the Trust Deed and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained;
- safeguard the property of the Sub-Funds and rights attaching thereto; and
- report to the Unitholders for each annual accounting period on the conduct of the Manager in the management of the Sub-Funds.





## INDEPENDENT AUDITOR'S REPORT

### » To the Unitholders of iShares MSCI China Index ETF, iShares FTSE/Xinhua A50 China Index ETF, iShares BSE SENSEX India Index ETF, iShares MSCI Asia APEX 50 Index ETF, iShares MSCI Asia APEX Mid Cap Index ETF, iShares MSCI Asia APEX Small Cap Index ETF and iShares MSCI Emerging Asia Index ETF (Sub-Funds of iShares Asia Trust)

We have audited the financial statements of iShares MSCI China Index ETF, iShares FTSE/Xinhua A50 China Index ETF, iShares BSE SENSEX India Index ETF, iShares MSCI Asia APEX 50 Index ETF, iShares MSCI Asia APEX Mid Cap Index ETF, iShares MSCI Asia APEX Small Cap Index ETF and iShares MSCI Emerging Asia Index ETF (each a separate sub-fund of iShares Asia Trust (the "Trust") and referred to individually or collectively as the "Sub-Funds") set out on pages 18 to 74, which comprise the consolidated statement of financial position as at 31st December 2009, and the consolidated statement of comprehensive income, consolidated statement of changes in net assets attributable to unitholders and consolidated statement of cash flows for the year then ended for iShares BSE SENSEX India Index ETF, and the statements of financial position as at 31st December 2009, and the statements of comprehensive income, statements of changes in net assets attributable to unitholders and statements of cash flows for the period from 12th March 2009 (date of inception) to 31st December 2009 for iShares MSCI Asia APEX 50 Index ETF, iShares MSCI Asia APEX Mid Cap Index ETF, iShares MSCI Asia APEX Small Cap Index ETF and iShares MSCI Emerging Asia Index ETF, and a summary of significant accounting policies and other explanatory notes.

#### Management's Responsibility for the Financial Statements

The Trustee and the Manager (the "Management") of the Sub-Funds are responsible for the preparation and the true and fair presentation of these financial statements in accordance with International Financial Reporting Standards and are responsible for ensuring that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 16th November 2001, as amended, (the "Trust Deed"), and the relevant financial statements disclosure provisions specified in Appendix E of the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the "SFC Code"). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Sub-Funds' preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Funds' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of each of the Sub-Funds as at 31st December 2009, and of each of their financial performance and cash flows for the year then ended for iShares MSCI China Index ETF, iShares FTSE/Xinhua A50 China Index ETF and iShares BSE SENSEX India Index ETF and for the period from 12th March 2009 (date of inception) to 31st December 2009 for iShares MSCI Asia APEX 50 Index ETF, iShares MSCI Asia APEX Mid Cap Index ETF, iShares MSCI Asia APEX Small Cap Index ETF and iShares MSCI Emerging Asia Index ETF in accordance with International Financial Reporting Standards.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

» **To the Unitholders of iShares MSCI China Index ETF, iShares FTSE/Xinhua A50 China Index ETF, iShares BSE SENSEX India Index ETF, iShares MSCI Asia APEX 50 Index ETF, iShares MSCI Asia APEX Mid Cap Index ETF, iShares MSCI Asia APEX Small Cap Index ETF and iShares MSCI Emerging Asia Index ETF (Sub-Funds of iShares Asia Trust)**

### Emphasis of matter

Without qualifying our opinion, we draw attention to Note 3 to the financial statements which indicates that Management considers that the charge for PRC tax on gains on A Shares is uncertain as at the date of approval of these financial statements and Management has exercised significant judgement in their assessment of whether the potential tax charge could affect the valuation of the China A Share Access Products ("CAAP") held by the iShares FTSE/Xinhua A50 China Index ETF as at 31st December 2009.

### Other Matters

This report, including the opinion, has been prepared for and only for you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### Report on Other Legal and Regulatory Disclosure Requirements

We report that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed and the relevant financial statements disclosure provisions specified in the SFC Code.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 21 April 2010



## Sub-Funds of iShares Asia Trust

### » Statement of Financial Position

As at 31st December 2009

NOTE	iShares MSCI China Index ETF			
	31.12.2009 HK\$	31.12.2008 HK\$ (Restated)	1.1.2008 HK\$ (Restated)	
<b>ASSETS</b>				
INVESTMENTS	12(a)	1,268,175,663	891,907,007	2,205,474,300
DIVIDENDS RECEIVABLE		–	–	–
AMOUNTS DUE FROM BROKERS		–	–	–
BANK BALANCES	8(f)	4,359,718	3,786,827	9,711,496
<b>TOTAL ASSETS</b>		<b>1,272,535,381</b>	<b>895,693,834</b>	<b>2,215,185,796</b>
<b>LIABILITIES</b>				
AMOUNTS DUE TO BROKERS		–	–	–
AMOUNTS DUE TO UNITHOLDERS FOR REDEMPTION		–	–	–
MANAGEMENT FEE PAYABLE	8(a)	1,105,687	2,019,074	6,046,656
DISTRIBUTION PAYABLE		160	–	–
SECURITIES LENDING EXPENSES PAYABLE		–	–	–
OTHER ACCOUNTS PAYABLE	8(c)	6,786	10,850	10,105
<b>TOTAL LIABILITIES</b>		<b>1,112,633</b>	<b>2,029,924</b>	<b>6,056,761</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (AT BID MARKET PRICES)</b>	4	<b>1,271,422,748</b>	<b>893,663,910</b>	<b>2,209,129,035</b>

Approved by the Trustee and the Manager on 21 April 2010.

HSBC Institutional Trust Services (Asia) Limited as the Trustee of the Trust.

BlackRock Asset Management North Asia Limited as the Manager of the Trust.

The notes on pages 31 to 74 form part of these financial statements.

## Sub-Funds of iShares Asia Trust

### » Statement of Financial Position (continued)

As at 31st December 2009

NOTE	iShares FTSE/ XINHUA A50 China Index ETF			
	31.12.2009 HK\$	31.12.2008 HK\$ (Restated)	1.1.2008 HK\$ (Restated)	
<b>ASSETS</b>				
INVESTMENTS	12(a)	46,925,702,459	28,945,932,028	12,464,741,520
DIVIDENDS RECEIVABLE		881,867	6,051,689	243,567
AMOUNTS DUE FROM BROKERS		1,354,501,420	223,505,922	–
BANK BALANCES	8(f)	410,269,560	344,075,187	85,206,168
<b>TOTAL ASSETS</b>		<b>48,691,355,306</b>	<b>29,519,564,826</b>	<b>12,550,191,255</b>
<b>LIABILITIES</b>				
AMOUNTS DUE TO BROKERS		–	12,549,139	–
AMOUNTS DUE TO UNITHOLDERS FOR REDEMPTION		1,381,806,215	214,240,000	–
MANAGEMENT FEE PAYABLE	8(a)	41,358,550	64,494,462	30,978,744
DISTRIBUTION PAYABLE		–	–	–
SECURITIES LENDING EXPENSES PAYABLE		6,600,709	–	–
OTHER ACCOUNTS PAYABLE	8(c)	36,888,065	20,531,732	9,878,581
<b>TOTAL LIABILITIES</b>		<b>1,466,653,539</b>	<b>311,815,333</b>	<b>40,857,325</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (AT BID MARKET PRICES)</b>	4	<b>47,224,701,767</b>	<b>29,207,749,493</b>	<b>12,509,333,930</b>

Approved by the Trustee and the Manager on 21 April 2010.

HSBC Institutional Trust Services (Asia) Limited as the Trustee of the Trust.

BlackRock Asset Management North Asia Limited as the Manager of the Trust.

The notes on pages 31 to 74 form part of these financial statements.



## Sub-Funds of iShares Asia Trust

### » Statement of Financial Position (continued)

As at 31st December 2009

NOTE	iShares BSE SENSEX India Index ETF			
	31.12.2009* HK\$	31.12.2008 HK\$ (Restated)	1.1.2008 HK\$ (Restated)	
<b>ASSETS</b>				
INVESTMENTS	12(a)	1,756,540,402	906,289,288	2,361,286,356
DIVIDENDS RECEIVABLE		1,021,005	1,026,423	1,617,160
OTHER ACCOUNTS RECEIVABLE		53,449	–	–
BANK BALANCES	8(f)	7,390,732	3,252,596	15,435,417
<b>TOTAL ASSETS</b>		<b>1,765,005,588</b>	<b>910,568,307</b>	<b>2,378,338,933</b>
<b>LIABILITIES</b>				
MANAGEMENT FEE PAYABLE	8(a)	1,337,763	2,159,567	4,568,254
OTHER ACCOUNTS PAYABLE	8(d)	692,915	701,100	1,315,766
<b>TOTAL LIABILITIES</b>		<b>2,030,678</b>	<b>2,860,667</b>	<b>5,884,020</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (AT BID MARKET PRICES)</b>	4	<b>1,762,974,910</b>	<b>907,707,640</b>	<b>2,372,454,913</b>

\* Represents the Consolidated Statement of Financial Position of iShares BSE SENSEX India Index ETF and its wholly-owned subsidiary, iShares BSE SENSEX Mauritius Company.

Approved by the Trustee and the Manager on 21 April 2010.

HSBC Institutional Trust Services (Asia) Limited as the Trustee of the Trust.

BlackRock Asset Management North Asia Limited as the Manager of the Trust.

The notes on pages 31 to 74 form part of these financial statements.

## Sub-Funds of iShares Asia Trust

### » Statement of Financial Position (continued)

As at 31st December 2009

		iShares MSCI Asia APEX 50 Index ETF	iShares MSCI Asia APEX Mid Cap Index ETF	iShares MSCI Asia APEX Small Cap Index ETF	iShares MSCI Emerging Asia Index ETF
NOTE	31.12.2009 HK\$	31.12.2009 HK\$	31.12.2009 HK\$	31.12.2009 HK\$	
<b>ASSETS</b>					
INVESTMENTS	12(a)	477,415,778	228,861,578	130,383,165	242,123,188
DIVIDENDS RECEIVABLE		238,419	119,070	45,895	–
BANK BALANCES	8(f)	891,110	635,842	443,725	1,310,164
<b>TOTAL ASSETS</b>		<b>478,545,307</b>	<b>229,616,490</b>	<b>130,872,785</b>	<b>243,433,352</b>
<b>LIABILITIES</b>					
MANAGEMENT FEE PAYABLE	8(a)	341,855	229,380	80,343	207,435
OTHER ACCOUNTS PAYABLE		7,600	20,667	13,494	1,678
<b>TOTAL LIABILITIES</b>		<b>349,455</b>	<b>250,047</b>	<b>93,837</b>	<b>209,113</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (AT BID MARKET PRICES)</b>	4	<b>478,195,852</b>	<b>229,366,443</b>	<b>130,778,948</b>	<b>243,224,239</b>

Approved by the Trustee and the Manager on 21 April 2010.

HSBC Institutional Trust Services (Asia) Limited as the Trustee of the Trust.

BlackRock Asset Management North Asia Limited as the Manager of the Trust.

The notes on pages 31 to 74 form part of these financial statements.



## Sub-Funds of iShares Asia Trust

### » Statement of Comprehensive Income

For the period ended 31st December 2009

NOTE	iShares MSCI China Index ETF		iShares FTSE/ XINHUA A50 China Index ETF		
	2009 HK\$	2008 HK\$	2009 HK\$	2008 HK\$	
<b>INCOME</b>					
DIVIDEND INCOME	24,726,656	32,901,779	433,443,832	346,041,953	
INTEREST INCOME	47	24,838	1,854	717,252	
NET GAIN/(LOSS) ON INVESTMENTS	6	463,061,301	(1,084,377,045)	22,782,128,768	(21,587,119,964)
TOTAL NET INCOME/(LOSS)	487,788,004	(1,051,450,428)	23,215,574,454	(21,240,360,759)	
<b>EXPENSES</b>					
MANAGEMENT FEE	8(a)	(10,845,059)	(13,464,978)	(376,838,047)	(211,940,130)
TRANSACTION HANDLING FEE	8(b)	(27,403)	(43,247)	(1,787,915)	(230,929)
TRANSACTION COSTS ON INVESTMENTS	8(e)	(301,920)	(515,877)	(125,987,982)	(198,343,307)
SAFE CUSTODY AND BANK CHARGES	8(b)	(172,418)	(183,893)	(5,479,246)	(3,389,712)
MAINTENANCE CHARGE	8(c)&(d)	-	-	(115,624,519)	(64,946,144)
SECURITIES LENDING EXPENSES	12(b)	-	-	(89,533,465)	(9,795,759)
OTHER OPERATING EXPENSES		-	-	(659,555)	-
TOTAL OPERATING EXPENSES		(11,346,800)	(14,207,995)	(715,910,729)	(488,645,981)
OPERATING PROFIT/(LOSS)		476,441,204	(1,065,658,423)	22,499,663,725	(21,729,006,740)
<b>FINANCE COSTS</b>					
INTEREST PAID		(3)	-	(5,403)	(3,502)
PROFIT/(LOSS) BEFORE TAXATION		476,441,201	(1,065,658,423)	22,449,658,322	(21,729,010,242)
TAXATION	7	(2,178,363)	(348,902)	(43,344,383)	(34,604,195)
TOTAL COMPREHENSIVE INCOME/(LOSS)		474,262,838	(1,066,007,325)	22,456,313,939	(21,763,614,437)

The notes on pages 31 to 74 form part of these financial statements.

## Sub-Funds of iShares Asia Trust

### » Statement of Comprehensive Income (continued)

For the period ended 31st December 2009

	NOTE	iShares BSE SENSEX India Index ETF	
		2009* HK\$	2008 HK\$
<b>INCOME</b>			
DIVIDEND INCOME		16,785,929	20,108,604
INTEREST INCOME		40	27,568
NET GAIN/(LOSS) ON INVESTMENTS	6	757,195,611	(1,459,848,479)
TOTAL NET INCOME/(LOSS)		773,981,580	(1,439,712,307)
<b>EXPENSES</b>			
MANAGEMENT FEE	8(a)	(12,061,738)	(15,208,962)
TRANSACTION HANDLING FEE	8(b)	(74,058)	(10,261)
TRANSACTION COSTS ON INVESTMENTS	8(e)	(7,134,396)	(721,609)
SAFE CUSTODY AND BANK CHARGES	8(b)	(561,339)	(267,941)
MAINTENANCE CHARGE	8(c)&(d)	(1,666,913)	(4,491,289)
SECURITIES LENDING EXPENSES	12(b)	–	–
OTHER OPERATING EXPENSES		(923,443)	–
TOTAL OPERATING EXPENSES		(22,421,887)	(20,700,062)
OPERATING PROFIT/(LOSS)		751,559,693	(1,460,412,369)
<b>FINANCE COSTS</b>			
INTEREST PAID		(22,024)	(504)
PROFIT/(LOSS) BEFORE TAXATION		751,537,669	(1,460,412,873)
TAXATION	7	(209,463)	–
TOTAL COMPREHENSIVE INCOME/(LOSS)		751,328,206	(1,460,412,873)

\* Represents the Consolidated Statement of Comprehensive Income of iShares BSE SENSEX India Index ETF and its wholly-owned subsidiary, iShares BSE SENSEX Mauritius Company.

The notes on pages 31 to 74 form part of these financial statements.





## Sub-Funds of iShares Asia Trust

### » Statement of Comprehensive Income (continued)

For the period ended 31st December 2009

		iShares MSCI Asia APEX 50 Index ETF	iShares MSCI Asia APEX Mid Cap Index ETF	iShares MSCI Asia APEX Small Cap Index ETF	iShares MSCI Emerging Asia Index ETF
	NOTE	12.03.2009 (Date of inception) to 31.12.2009 HK\$	12.03.2009 (Date of inception) to 31.12.2009 HK\$	12.03.2009 (Date of inception) to 31.12.2009 HK\$	12.03.2009 (Date of inception) to 31.12.2009 HK\$
<b>INCOME</b>					
DIVIDEND INCOME		7,877,211	2,355,561	1,662,817	3,244,903
INTEREST INCOME		150	42	94	115
NET GAIN ON INVESTMENTS	6	160,428,622	92,857,116	54,794,716	104,063,843
OTHER INCOME		21	2	–	15
<b>TOTAL NET INCOME</b>		<b>168,306,004</b>	<b>95,212,721</b>	<b>56,457,627</b>	<b>107,308,876</b>
<b>EXPENSES</b>					
MANAGEMENT FEE	8(a)	(1,472,520)	(698,743)	(408,554)	(651,443)
TRANSACTION HANDLING FEE	8(b)	(23,759)	(63,133)	(53,367)	(10,155)
TRANSACTION COSTS ON INVESTMENTS	8(e)	(343,850)	(468,686)	(242,990)	(171,180)
SAFE CUSTODY AND BANK CHARGES	8(b)	(46,071)	(21,519)	(10,369)	(14,820)
<b>TOTAL OPERATING EXPENSES</b>		<b>(1,886,200)</b>	<b>(1,252,081)</b>	<b>(715,280)</b>	<b>(847,598)</b>
<b>OPERATING PROFIT</b>		<b>166,419,804</b>	<b>93,960,640</b>	<b>55,742,347</b>	<b>106,461,278</b>
<b>FINANCE COSTS</b>					
INTEREST PAID		(1,985)	(1,241)	(740)	(406)
<b>PROFIT BEFORE TAXATION</b>		<b>166,417,819</b>	<b>93,959,399</b>	<b>55,741,607</b>	<b>106,460,872</b>
TAXATION	7	(707,214)	(68,452)	(133,280)	(448,574)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>165,710,605</b>	<b>93,890,947</b>	<b>55,608,327</b>	<b>106,012,298</b>

The notes on pages 31 to 74 form part of these financial statements.

## Sub-Funds of iShares Asia Trust

### » Statement of Changes in Net Assets Attributable to Unitholders

For the period ended 31st December 2009

NOTE	iShares MSCI China Index ETF		iShares FTSE/ XINHUA A50 China Index ETF		
	2009 HK\$	2008 HK\$	2009 HK\$	2008 HK\$	
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 1ST JANUARY (AT BID MARKET PRICES) <sup>1</sup>	893,663,910	2,209,129,035	29,207,749,493	12,509,333,930	
PROCEEDS ON ISSUE OF UNITS					
– IN-KIND	288,756,156	664,942,940	20,717,072,554	44,360,716,930	
– CASH COMPONENT AND CASH SUBSCRIPTION	5,849,844	4,261,060	7,875,443,376	2,000,663,070	
PAYMENT ON REDEMPTION OF UNITS					
– IN-KIND	(368,149,912)	(894,210,235)	(24,604,359,938)	(6,993,119,094)	
– CASH COMPONENT AND CASH REDEMPTION	(2,170,088)	(6,989,765)	(8,051,537,657)	(327,180,906)	
DISTRIBUTION TO UNITHOLDERS	(20,790,000)	(17,461,800)	(375,980,000)	(579,050,000)	
NET INCREASE/(DECREASE) FROM UNIT TRANSACTIONS	(96,504,000)	(249,457,800)	(4,439,361,665)	38,462,030,000	
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	474,262,838	(1,066,007,325)	22,456,313,939	(21,763,614,437)	
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER (AT BID MARKET PRICES)	4	1,271,422,748	893,663,910	47,224,701,767	29,207,749,493

<sup>1</sup> Prior to the adoption of the IAS 32 (Amendment), "Equity" was nil in these financial statements. On adoption of this amendment in the current year, the net assets attributable to unitholders (at bid market prices) included in the prior period's Statement of Assets and Liabilities as a liability, was retrospectively reclassified to and represent Equity in these financial statements. Refer to note 2(a) for further details.

The notes on pages 31 to 74 form part of these financial statements.



## Sub-Funds of iShares Asia Trust

### » Statement of Changes in Net Assets Attributable to Unitholders (continued)

For the period ended 31st December 2009

NOTE	iShares BSE SENSEX India Index ETF	
	2009* HK\$	2008 HK\$
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 1ST JANUARY (AT BID MARKET PRICES) <sup>1</sup>	907,707,640	2,372,454,913
PROCEEDS ON ISSUE OF UNITS		
– IN-KIND	9 55,086,247	–
– CASH COMPONENT AND CASH SUBSCRIPTION	239,796,817	–
PAYMENT ON REDEMPTION OF UNITS		
– IN-KIND	9 (67,544,840)	–
– CASH COMPONENT AND CASH REDEMPTION	(115,895,160)	–
DISTRIBUTION TO UNITHOLDERS	13 (7,504,000)	(4,334,400)
NET INCREASE/(DECREASE) FROM UNIT TRANSACTIONS	103,939,064	(4,334,400)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	751,328,206	(1,460,412,873)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER (AT BID MARKET PRICES)	4 1,762,974,910	907,707,640

<sup>1</sup> Prior to the adoption of the IAS 32 (Amendment), “Equity” was nil in these financial statements. On adoption of this amendment in the current year, the net assets attributable to unitholders (at bid market prices) included in the prior period’s Statement of Assets and Liabilities as a liability, was retrospectively reclassified to and represent Equity in these financial statements. Refer to note 2(a) for further details.

\* Represents the Consolidated Statement of Changes in Net Assets Attributable to Unitholders of iShares BSE SENSEX India Index ETF and its wholly-owned subsidiary, iShares BSE SENSEX Mauritius Company.

The notes on pages 31 to 74 form part of these financial statements.

## Sub-Funds of iShares Asia Trust

### » Statement of Changes in Net Assets Attributable to Unitholders (continued)

For the period ended 31st December 2009

		iShares MSCI Asia APEX 50 Index ETF	iShares MSCI Asia APEX Mid Cap Index ETF	iShares MSCI Asia APEX Small Cap Index ETF	iShares MSCI Emerging Asia Index ETF
	NOTE	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$
PROCEEDS ON ISSUE OF UNITS					
– CASH SUBSCRIPTION		318,374,047	136,735,496	76,082,621	139,311,141
DISTRIBUTION TO UNITHOLDERS	13	(5,888,800)	(1,260,000)	(912,000)	(2,099,200)
NET INCREASE FROM UNIT TRANSACTIONS					
		312,485,247	135,475,496	75,170,621	137,211,941
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD					
		165,710,605	93,890,947	55,608,327	106,012,298
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER (AT BID MARKET PRICES)					
	4	478,195,852	229,366,443	130,778,948	243,224,239

The notes on pages 31 to 74 form part of these financial statements.



## Sub-Funds of iShares Asia Trust

### » Statement of Cash Flows

For the period ended 31st December 2009

NOTE	iShares MSCI China Index ETF		iShares FTSE/ XINHUA A50 China Index ETF		
	2009	2008	2009	2008	
	HK\$	HK\$	HK\$	HK\$	
<b>OPERATING ACTIVITIES</b>					
PURCHASE OF INVESTMENTS	9	(106,957,109)	(191,871,422)	(24,014,319,489)	(22,009,298,358)
PROCEEDS FROM SALE OF INVESTMENTS	9	114,355,530	191,799,425	24,859,306,829	21,097,960,838
DIVIDEND RECEIVED		24,726,656	32,901,779	438,613,654	340,233,831
INTEREST RECEIVED		47	24,838	1,854	717,252
EXCHANGE GAIN/(LOSS)		468	(5,050)	(453,764)	(331,899)
MANAGEMENT FEE PAID		(11,758,446)	(17,492,560)	(399,973,959)	(178,424,412)
TAXATION PAID		(2,178,363)	(348,902)	(43,344,383)	(34,604,195)
TRANSACTION COST PAID		(301,920)	(515,877)	(125,987,982)	(198,343,307)
SECURITIES LENDING EXPENSES PAID	12(b)	-	-	(82,932,756)	(9,795,759)
OTHER FEES PAID		(203,885)	(226,395)	(107,194,902)	(57,913,634)
<hr/>					
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		17,682,978	14,265,836	523,715,102	(1,049,799,643)
<hr style="border-top: 1px dashed black;"/>					
<b>FINANCING ACTIVITIES</b>					
INTEREST PAID		(3)	-	(5,403)	(3,502)
CASH COMPONENT AND CASH SUBSCRIPTION RECEIVED ON ISSUE OF UNITS		5,849,844	4,261,060	7,875,443,376	2,000,663,070
CASH COMPONENT AND CASH REDEMPTION PAID ON REDEMPTION OF UNITS		(2,170,088)	(6,989,765)	(7,956,978,702)	(112,940,906)
FINAL DISTRIBUTION PAID		(20,789,840)	(17,461,800)	(375,980,000)	(579,050,000)
<hr/>					
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES		(17,110,087)	(20,190,505)	(457,520,729)	1,308,668,662
<hr style="border-top: 1px dashed black;"/>					
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		572,891	(5,924,669)	66,194,373	258,869,019
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		3,786,827	9,711,496	344,075,187	85,206,168
<hr/>					
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		4,359,718	3,786,827	410,269,560	344,075,187
<hr/>					
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>					
BANK BALANCES		4,359,718	3,786,827	410,269,560	344,075,187
<hr/>					

The notes on pages 31 to 74 form part of these financial statements.

## Sub-Funds of iShares Asia Trust

### » Statement of Cash Flows (continued)

For the period ended 31st December 2009

NOTE	iShares BSE SENSEX India Index ETF		
	2009* HK\$	2008 HK\$	
<b>OPERATING ACTIVITIES</b>			
PURCHASE OF INVESTMENTS	9	(1,468,591,911)	(115,328,337)
PROCEEDS FROM SALE OF INVESTMENTS	9	1,363,986,824	110,531,032
DIVIDEND RECEIVED		16,791,347	20,699,341
INTEREST RECEIVED		40	27,568
EXCHANGE GAIN/(LOSS)		(909,009)	(54,106)
MANAGEMENT FEE PAID		(12,883,542)	(17,617,649)
TAXATION PAID		(209,463)	-
TRANSACTION COST PAID		(7,134,396)	(721,609)
SECURITIES LENDING EXPENSES PAID	12(b)	-	-
OTHER FEES PAID		(3,287,387)	(5,384,157)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		(112,237,497)	(7,847,917)
<b>FINANCING ACTIVITIES</b>			
INTEREST PAID		(22,024)	(504)
CASH COMPONENT AND CASH SUBSCRIPTION RECEIVED ON ISSUE OF UNITS		239,796,817	-
CASH COMPONENT AND CASH REDEMPTION PAID ON REDEMPTION OF UNITS		(115,895,160)	-
FINAL DISTRIBUTION PAID		(7,504,000)	(4,334,400)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES		116,375,633	(4,334,904)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		4,138,136	(12,182,821)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		3,252,596	15,435,417
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		7,390,732	3,252,596
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
BANK BALANCES		7,390,732	3,252,596

\* Represents the Consolidated Statement of Cash Flows of iShares BSE SENSEX India Index ETF and its wholly-owned subsidiary, iShares BSE SENSEX Mauritius Company.

The notes on pages 31 to 74 form part of these financial statements.



## Sub-Funds of iShares Asia Trust

### » Statement of Cash Flows (continued)

For the period ended 31st December 2009

		iShares MSCI Asia APEX 50 Index ETF	iShares MSCI Asia APEX Mid Cap Index ETF	iShares MSCI Asia APEX Small Cap Index ETF	iShares MSCI Emerging Asia Index ETF
	NOTE	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$
<b>OPERATING ACTIVITIES</b>					
PURCHASE OF INVESTMENTS	9	(330,329,565)	(235,806,363)	(123,310,020)	(149,208,297)
PROCEEDS FROM SALE OF INVESTMENTS	9	14,090,908	100,201,605	48,024,641	11,579,288
DIVIDEND RECEIVED		7,638,792	2,236,491	1,616,922	3,244,903
INTEREST RECEIVED		150	42	94	115
OTHER INCOME RECEIVED		21	2	–	15
EXCHANGE LOSS		(748,499)	(399,704)	(303,070)	(430,336)
MANAGEMENT FEE PAID		(1,130,665)	(469,363)	(328,211)	(444,008)
WITHHOLDING TAX PAID		(707,214)	(68,452)	(133,280)	(448,574)
TRANSACTION COST PAID		(343,850)	(468,686)	(242,990)	(171,180)
OTHER FEES PAID		(62,230)	(63,985)	(50,242)	(23,297)
NET CASH USED IN OPERATING ACTIVITIES		(311,592,152)	(134,838,413)	(74,726,156)	(135,901,371)
<b>FINANCING ACTIVITIES</b>					
INTEREST PAID		(1,985)	(1,241)	(740)	(406)
CASH SUBSCRIPTION RECEIVED ON ISSUE OF UNITS		318,374,047	136,735,496	76,082,621	139,311,141
FINAL DISTRIBUTION PAID		(5,888,800)	(1,260,000)	(912,000)	(2,099,200)
NET CASH GENERATED FROM FINANCING ACTIVITIES		312,483,262	135,474,255	75,169,881	137,211,535
NET INCREASE IN CASH AND CASH EQUIVALENTS		891,110	635,842	443,725	1,310,164
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		–	–	–	–
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		891,110	635,842	443,725	1,310,164
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>					
BANK BALANCES		891,110	635,842	443,725	1,310,164

The notes on pages 31 to 74 form part of these financial statements.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements

#### 1. The Trust

iShares Asia Trust (the "Trust") is an umbrella unit trust governed by its Trust Deed dated 16th November 2001, as amended, (the "Trust Deed") and authorised by the Securities & Futures Commission of Hong Kong (the "SFC") pursuant to Section 104(1) of the Securities and Futures Ordinance.

As at 31st December 2009, the Trust has established twelve sub-funds:

NAME OF SUB-FUND	LISTING DATE ON THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "SEHK")
iShares MSCI China Index ETF (formerly iShares MSCI China Tracker before 25 September 2009)	28th November 2001
iShares FTSE/XINHUA A50 China Index ETF (formerly iShares FTSE/XINHUA A50 China Tracker before 25 September 2009)	18th November 2004
iShares BSE SENSEX India Index ETF (formerly iShares BSE SENSEX India Tracker before 25 September 2009)	2nd November 2006
iShares MSCI Asia APEX 50 Index ETF	23rd April 2009
iShares MSCI Asia APEX Mid Cap Index ETF	23rd April 2009
iShares MSCI Asia APEX Small Cap Index ETF	23rd April 2009
iShares MSCI Emerging Asia Index ETF	23rd April 2009
iShares CSI 300 A-Share Index ETF	18th November 2009
iShares CSI A-Share Energy Index ETF	18th November 2009
iShares CSI A-Share Materials Index ETF	18th November 2009
iShares CSI A-Share Financials Index ETF	18th November 2009
iShares CSI A-Share Infrastructure Index ETF	18th November 2009

These financial statements relate to the first seven sub-funds (the "Sub-Funds"). The financial information about the iShares CSI series has not been included in these financial statements.

The manager of the Trust is BlackRock Asset Management North Asia Limited (the "Manager") and the trustee is HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

#### *iShares MSCI China Index ETF ("MSCI China ETF")*

The objective of the MSCI China ETF is to provide investment results that closely correspond to the performance of the MSCI China Index. The MSCI China ETF consists of H-shares and red chips which are China related stocks listed in Hong Kong.

#### *iShares FTSE/XINHUA A50 China Index ETF ("A50 China ETF")*

The objective of the A50 China ETF is to provide investment results that closely correspond to the performance of the FTSE/XINHUA China A50 Index. The A50 China ETF does not hold A shares directly but rather gain access to the FTSE/XINHUA China A50 Index through China A Share Access Products ("CAAPs"). A CAAP represents only an obligation of each CAAP Issuer ("CAAP Issuer") to provide the economic performance equivalent to holding the underlying A shares.

As at 31st December 2009, there were nine participating dealers and ten CAAP Issuers for the A50 China ETF. A list of the CAAP Issuers as at 31st December 2009 is set out in note 8(c).





## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### iShares BSE SENSEX India Index ETF ("SENSEX India ETF")

The objective of the SENSEX India ETF is to provide investment results that closely correspond to the performance of the BSE SENSEX Index.

Until June 2009, the SENSEX India ETF gained access to the Indian market solely through India Access Products ("IAPs"), being instruments linked to the underlying Indian shares, as issued by a third party. In June 2009, the Manager restructured the SENSEX India ETF to invest directly in Indian securities rather than IAPs. The restructuring involved the establishment of iShares BSE SENSEX Mauritius Company, a wholly-owned subsidiary of the SENSEX India ETF incorporated in Mauritius (the "Mauritius Subsidiary"), to hold Indian securities and IAPs on behalf of the SENSEX India ETF.

Following the restructure, the maximum holding of IAPs is 15% of the net asset value of SENSEX India ETF; with a maximum exposure to any single issuer of 10% of the net asset value.

The consolidated assets and liabilities and profits of the SENSEX India ETF and the Mauritius Subsidiary are included in these financial statements.

#### iShares MSCI Asia APEX 50 Index ETF ("MSCI Asia APEX 50 ETF")

The objective of the MSCI Asia APEX 50 ETF is to provide investment results that closely correspond to the performance of the MSCI Asia APEX 50 Index. The MSCI Asia APEX 50 ETF consists of 50 largest stocks which are listed in Hong Kong, South Korea, Singapore and Taiwan.

#### iShares MSCI Asia APEX Mid Cap Index ETF ("MSCI Asia APEX Mid Cap ETF")

The objective of the MSCI Asia APEX Mid Cap ETF is to provide investment results that closely correspond to the performance of the MSCI Asia APEX Mid Cap 50 Index. The MSCI Asia APEX Mid Cap ETF consists of the largest 50 mid cap stocks which are listed in Hong Kong, South Korea, Singapore and Taiwan.

#### iShares MSCI Asia APEX Small Cap Index ETF ("MSCI Asia APEX Small Cap ETF")

The objective of the MSCI Asia APEX Small Cap ETF is to provide investment results that closely correspond to the performance of the MSCI Asia APEX Small Cap 200 Index. The MSCI Asia APEX Small Cap ETF consists of the largest small cap stocks which are listed in Hong Kong, South Korea, Singapore and Taiwan.

#### iShares MSCI Emerging Asia Index ETF ("MSCI Emerging Asia ETF")

The objective of the MSCI Emerging Asia ETF is to provide investment results that closely correspond to the performance of the MSCI EM Asia Index. The MSCI Emerging Asia ETF consists of the large and mid cap stocks which are listed in the Emerging Asia Region.

## 2. Principal Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### (a) Basis of Preparation

The financial statements of the Sub-Funds have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Manager and the Trustee (the "Management") to exercise its judgement in the process of applying the Sub-Funds' accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The Statement of Financial Position presents assets and liabilities in increasing order of liquidity and does not distinguish between current and non-current items.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### Standards and amendments to existing standards effective 1st January 2009

IAS 1 (Revised), "Presentation of Financial Statements". The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. It requires non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement (the Statement of Comprehensive Income) or two statements (the Income Statement and Statement of Comprehensive Income). Where entities restate or reclassify comparative information, they are required to present a restated Statement of Financial Position as at the beginning comparative period, in addition to the current requirement to present Statements of Financial Position at the end of the current period and comparative period. The Sub-Funds have applied IAS 1 (Revised) from 1st January 2009, and have elected to present solely a Statement of Comprehensive Income. The adoption of this revised standard has not resulted in a significant change to the presentation of the Sub-Funds' performance statements, as the Sub-Funds have no elements of other comprehensive income.

IAS 1 (Amendment), "Presentation of Financial Statements". The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with IAS 39, "Financial Instruments: Recognition and Measurement", are example of current assets and liabilities respectively. The adoption of the amendment does not have any impact on the Sub-Funds' financial statements.

IAS 39 (Amendment), "Financial Instruments: Recognition and Measurement". The amendment was part of the IASB's annual improvements project published in May 2008. The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading was amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit taking is included in such a portfolio on initial recognition. The adoption of the amendment does not have a significant impact on the Sub-Funds' financial statements.

IFRS 7 (Amendment), "Financial Instruments: Disclosures". The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of the amendment results in additional disclosures but does not have an impact on the Sub-Funds' financial positions or performances. Refer to note 12(d).

IFRS 8, "Operating Segments". The standard replaces IAS 14, "Segment Reporting", and aligns segment reporting with the requirements of the US standard SFAS 131, "Disclosures about Segments of an Enterprise and Related Information". The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of this standard does not require additional disclosure in relation to segment information as the Management has considered that the Sub-Funds have only one operating segment. Refer to note 14.

#### Amendment adopted by the Sub-Funds

IAS 32 (Amendment), "Financial Instruments: Presentation", and IAS 1 (Amendment), "Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation" (the "Amendment"). Previously the Sub-Funds had classified its puttable instruments, represented by "net assets attributable to unitholders (at bid prices)" as financial liabilities in accordance with IAS 32, "Financial Instruments: Presentation". However, the Amendment requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met. Those criteria include: the puttable instrument must entitle the holder to a pro-rata share of net assets in the event of the entity's liquidation; the puttable instrument must be in the class of instruments that is the most subordinated class and all financial instruments in that class have identical features; there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer.



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

As the Sub-Funds' redeemable units meet the above criteria, accordingly, effective from 1st January 2009, the Sub-Funds' redeemable units have been reclassified from financial liabilities to equity. Net assets attributable to unitholders have therefore been reclassified from financial liabilities to equity. In prior year, the respective Sub-Funds' redeemable units were stated at fair value which were carried at the redemption amount that was payable at the end of the reporting period if the holders exercised the option to put the redeemable units back to the Sub-Funds. Effective from 1st January 2009, net assets attributable to unitholders, being equity are represented by assets less liabilities, which are accounted for in accordance with IFRS.

The table below summarises the impact on the net assets attributable to unitholders and total comprehensive income as a result of the adoption of the Amendment to reclassify the Sub-Funds' redeemable units from financial liabilities to equity.

	iShares MSCI China Index ETF		iShares FTSE/XINHUA A50 China Index ETF		iShares BSE SENSEX India Index ETF	
	31.12.2009 HK\$	31.12.2008 HK\$	31.12.2009 HK\$	31.12.2008 HK\$	31.12.2009* HK\$	31.12.2008 HK\$
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS, REPRESENTING FINANCIAL LIABILITIES, AS PREVIOUSLY REPORTED (AT LAST TRADED MARKET PRICES)	1,273,539,437	895,349,149	47,260,329,681	29,251,400,853	1,762,532,047	910,964,348
IMPACT ON CHANGE IN ACCOUNTING POLICY AS DESCRIBED ABOVE	(2,116,689)	(1,685,239)	(35,627,914)	(43,651,360)	442,863	(3,256,708)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS, REPRESENTING EQUITY, AS RESTATED (AT BID MARKET PRICES)	1,271,422,748	893,663,910	47,224,701,767	29,207,749,493	1,762,974,910	907,707,640

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

	iShares MSCI China Index ETF		iShares FTSE/ XINHUA A50 China Index ETF		iShares BSE SENSEX India Index ETF	
	2009 HK\$	2008 HK\$	2009 HK\$	2008 HK\$	2009* HK\$	2008 HK\$
INCREASE/ (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS, AS PREVIOUSLY REPORTED	453,904,288	(1,085,832,551)	22,072,310,493	(22,303,365,621)	740,124,635	(1,472,842,674)
IMPACT ON CHANGE IN ACCOUNTING POLICY AS DESCRIBED ABOVE						
- ADJUSTMENTS FROM BID MARKET PRICES TO OFFICIAL CLOSING PRICES	(431,450)	2,363,426	8,023,446	(39,298,816)	3,699,571	8,095,401
- DISTRIBUTION TO UNITHOLDERS	20,790,000	17,461,800	375,980,000	579,050,000	7,504,000	4,334,400
<b>TOTAL COMPREHENSIVE INCOME, AS RESTATED</b>	<b>474,262,838</b>	<b>(1,066,007,325)</b>	<b>22,456,313,939</b>	<b>(21,763,614,437)</b>	<b>751,328,206</b>	<b>(1,460,412,873)</b>

\* Represents the consolidated financial position and financial performance of the SENSEX India ETF and its wholly-owned subsidiary, iShares BSE SENSEX Mauritius Company.

As a result of the reclassification of redeemable units from financial liabilities to equity, the Sub-Funds' distributions are no longer classified as finance costs in the Statement of Comprehensive Income and are recorded as a dividend in the Statement of Changes in Net Assets Attributable to Unitholders.

The Amendment has been applied retrospectively.

New standard that is not yet effective and has not been early adopted by the Sub-Funds

IFRS 9 "Financial Instruments" (effective from 1st January 2013). IFRS 9 was issued in November 2009 and is the first part of the replacement to IAS 39 that relates to the classification and measurement of financial assets. The standard requires an entity to classify its financial assets into two measurement categories: those to be measured subsequently at fair value, and those to be measured subsequently at amortised cost. The decision is to be made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. The Sub-Funds are considering the implications of the standard, the impact on the Sub-Funds and the timing of its adoption by the Sub-Funds.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

(b) **Consolidation**

Subsidiary is the entity (including special purpose entity) over which the SENSEX India ETF has the power to govern the financial and operating policies so as to obtain benefits from its activities. The SENSEX India ETF identified the Mauritius Subsidiary as a special purpose entity as defined in the SIC Interpretation 12 Consolidation – Special Purpose Entities (“SIC 12”). The Mauritius Subsidiary is set up to hold Indian securities and IAPs on behalf of the SENSEX India ETF. The SENSEX India ETF therefore bears the risks and enjoys the benefits of the investments held by the Mauritius Subsidiary and, accordingly, consolidates its financial statements for reporting purpose. Intercompany transactions, balances and unrealised gains on transactions between the SENSEX India ETF and the Mauritius Subsidiary are eliminated. The Mauritius Subsidiary is consolidated from the date on which control is transferred to the SENSEX India ETF and is de-consolidated from the date that control ceases.

(c) **Financial Assets at Fair Value through Profit or Loss**

(i) **Classification**

The Sub-Funds classify their investments as financial assets at fair value through profit or loss. These financial assets are designated by the Management at fair value through profit or loss at inception. Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Sub-Funds’ documented investment strategy. The Sub-Funds’ policy requires the Management to evaluate the information about these financial assets on a fair value basis together with other related financial information.

(ii) **Recognition/derecognition**

Purchases and sales of investments are accounted for on the trade date basis. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Funds have transferred substantially all risks and rewards of ownership.

(iii) **Measurement**

Investments are initially recognised at fair value. Transaction costs are expensed in the Statement of Comprehensive Income.

Subsequent to initial recognition, all investments are measured at fair value. Realised and unrealised gains and losses on investments are recognised in the Statement of Comprehensive Income in the period in which they arise.

(iv) **Fair value estimation**

The fair value of investments that are listed or traded on an exchange is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for investments held by the Sub-Funds is the current bid price.

In the case of CAAPs held by the A50 China ETF and IAPs held by the SENSEX India ETF, such CAAPs and IAPs have only nominal exercise price and have been fair valued based on the quoted market prices of the securities underlying the CAAPs and IAPs, adjusted for the expected amount payable to the issuer in respect of potential capital gains tax (if any) as described in note 3 below.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

(d) **Amounts due from/to brokers**

Amounts due from and to brokers represent receivables for securities sold, and payables for securities purchased, that have been contracted for but not yet settled or delivered by the end of the reporting period.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment for amounts due from brokers. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Sub-Funds will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the amounts due from brokers are impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the provision is recognised in the Statement of Comprehensive Income. Amounts due from brokers in the Statement of Financial Position are stated net of such provision.

(e) **Dividend Income and Interest Income**

Dividend income is recognised on the ex-dividend date. Dividend income on equity securities where no ex-dividend date is quoted is recognised when the Sub-Funds' right to receive payment is established.

Interest income is recognised on a time-proportionate basis using the effective interest method.

(f) **Expenses**

Expenses are accounted for on an accruals basis.

(g) **Cash and Cash Equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less.

(h) **Foreign Currencies Translation**

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Sub-Funds operate ("the functional currency"). The performance of the Sub-Funds is measured and reported to unitholders in Hong Kong dollar. The Management considers the Hong Kong dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Hong Kong dollar, which is each Sub-Fund's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

(i) **Redeemable units**

The Sub-Funds issue redeemable units, which are redeemable at the holder's option, are the most subordinated units in issue and are therefore classified as equity in accordance with the Amendment referred to in note 2(a).

(j) **Taxation**

The Sub-Funds currently incur withholding taxes imposed by certain countries on investment income. Such income is recorded gross of withholding taxes in the Statement of Comprehensive Income. Withholding taxes are shown as a separate item in the Statement of Comprehensive Income.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### (k) Securities Lending

CAAPs on loan are included in the investment portfolio of the A50 China ETF as the A50 China ETF is entitled to the dividend income from the CAAPs on loan and retains substantially all the risks and rewards. Relevant securities lending expenses paid by the A50 China ETF are accounted for in the Statement of Comprehensive Income.

Collateral received for the purpose of securities on loan generally consists of share or cash collateral. Share collateral received is treated as an off-balance sheet transaction and is therefore not included in the Statement of Financial Position because the A50 China ETF is not entitled to the dividend income from the share collateral and does not retain substantially all the risks and rewards. Cash collateral received (if any) is treated as an on-balance sheet transaction with a corresponding liability shown separately.

Dividend income from the CAAPs on loan is recognised as income by the A50 China ETF in the Statement of Comprehensive Income. Income from the share collateral is not an income to the A50 China ETF and is paid to the counterparty who provides the collateral to the A50 China ETF. Income from the cash collateral is recognised as income in the Statement of Comprehensive Income.

### 3. Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

#### *Functional Currency*

Management considers Hong Kong dollar to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Hong Kong dollar is the currency in which the Sub-Funds measure their performance and report their results, as well as the currency in which the Sub-Funds determine the net asset value per unit at the time of issue or redemption. This determination also considers that the Sub-Funds are all listed on The Stock Exchange of Hong Kong Limited and their shares are quoted in Hong Kong dollar.

#### *Taxation*

In preparing these financial statements, Management has made certain assumptions and used various estimates concerning the tax exposure which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

#### *MSCI China ETF*

The MSCI China ETF invests in shares of companies in People's Republic of China ("PRC") listed on overseas stock exchanges including the H-shares listed in Hong Kong on the SEHK ("H-shares"). Under the PRC Corporate Income Tax Law, the MSCI China ETF may be liable to pay PRC tax on the capital gains realized in the trading of H-shares. However, no provision was made for taxation from such gains in the financial statements as the Manager believes that the MSCI China ETF can sustain a position for not filing a tax return based on the existing tax regulations and that the enforcement of PRC tax on capital gains is not probable.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### *Valuation of CAAPs*

##### *A50 China ETF*

The A50 China ETF does not hold A Shares directly but rather gains access to the A50 Index through CAAPs, being derivative instruments linked to A Shares, issued by one or more Qualified Foreign Institutional Investors ("QFIIs") or their affiliates ("CAAP Issuers"). Under the general taxing provision of PRC corporate tax law, a 10% withholding tax may be payable on the gains derived from the sale of A Shares by QFIIs. The Manager considers that the charge for PRC tax on gains on A Shares is uncertain as at the date of approval of these financial statements and has exercised its judgment when assessing the fair values of its CAAPs as to what a market participant would pay to acquire an investment subject to this tax risk. The Manager believes that presently there are insufficient grounds to reasonably justify making an adjustment for potential tax on gains on A Shares in determining the CAAP returns as at 31st December 2009 as the Manager considers that :

- (a) it is uncertain whether the PRC will enforce tax on QFII gains;
- (b) if the PRC were to enforce the tax, it is uncertain from which date the tax would be calculated and payable and the extent to which the QFIIs may benefit from tax treaties;
- (c) at present, uncertainty remains as to the obligations of the A50 China ETF to bear such tax.

Any adverse change in taxation imposed on QFIIs is likely to have a subsequent impact on the CAAP returns and the net assets attributable to unitholders of the A50 China ETF. The Manager estimates, on the basis of information provided by the QFIIs/CAAP Issuers and the Trustee, the unrealised gains and realised gains which could be exposed to PRC taxation at the rate of 10% as at 31st December 2009 to be approximately HK\$11,159 million (2008: HK\$383 million) and approximately HK\$20,939 million (2008: HK\$13,567 million) respectively.

The Manager continues to monitor the situation and will make an appropriate adjustment if and when it is considered that there are sufficient grounds to do so. Such adjustment could be significant as indicated above.

At 31st December 2009, certain QFIIs/CAAP Issuers have withheld amounts totalling approximately HK\$274 million (2008: nil) from the CAAP returns in respect of potential PRC capital gains tax. Under the relevant agreements with the QFIIs/CAAP Issuers, some or all of the amount withheld could be refunded in the future, pending clarification of the tax rules and tax collection measures adopted by the PRC authorities, or further amounts may be determined to be payable as stated above. The Manager considers that the amount deducted is not material at 31st December 2009.

#### 4. Net Assets Attributable to Unitholders

As stated in note 2(i), redeemable units of the Sub-Funds, which are represented by assets less liabilities, are classified as equity and accounted for in accordance with IFRS (the "Accounting NAV"). For the purpose of determining the net asset value per unit for subscriptions and redemptions and for various fee calculations (the "Dealing NAV"), the Trustee calculates the Dealing NAV in accordance with the provisions of the Sub-Funds' Trust Deed, which may be different from the accounting policies under IFRS.



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### 4. Net Assets Attributable to Unitholders (continued)

The difference between the Accounting NAV reported in the Statement of Financial Position and the Dealing NAV for the purpose of calculating the net asset value per unit for processing subscriptions and redemptions and for various fee calculations is reconciled below:

	iShares MSCI China Index ETF		iShares FTSE/ XINHUA A50 China Index ETF	
	31.12.2009 HK\$	31.12.2008 HK\$	31.12.2009 HK\$	31.12.2008 HK\$
ACCOUNTING NAV AS REPORTED IN THE STATEMENT OF FINANCIAL POSITION	1,271,422,748	893,663,910	47,224,701,767	29,207,749,493
– DIFFERENCE BETWEEN BID MARKET PRICES AND OFFICIAL CLOSING PRICES IN VALUING LISTED INVESTMENTS (NOTE A)	2,116,689	1,685,239	35,627,914	43,651,360
<b>DEALING NAV</b>	<b>1,273,539,437</b>	<b>895,349,149</b>	<b>47,260,329,681</b>	<b>29,251,400,853</b>

Note A: Investments that are listed or traded on an exchange and investments with prices quoted by market makers are stated at the official closing prices for the purpose of the Dealing NAV. As stated in note 2(c), the accounting policy of the Sub-Funds for the purpose of compliance with IAS 39 – “Financial Instruments: Recognition and Measurement” and for reporting purpose is to value its investments at the relevant bid market prices at the end of the reporting period.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

iShares BSE SENSEX India Index ETF		iShares MSCI Asia APEX 50 Index ETF	iShares MSCI Asia APEX Mid Cap Index ETF	iShares MSCI Asia APEX Small Cap Index ETF	iShares MSCI Emerging Asia Index ETF
31.12.2009 HK\$	31.12.2008 HK\$	31.12.2009 HK\$	31.12.2009 HK\$	31.12.2009 HK\$	31.12.2009 HK\$
1,762,974,910	907,707,640	478,195,852	229,366,443	130,778,948	243,224,239
(442,863)	3,256,708	390,467	485,536	354,365	430,698
1,762,532,047	910,964,348	478,586,319	229,851,979	131,133,313	243,654,937



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

5. Movement of the Redeemable Units  
The movements of the redeemable units are as follows:

	iShares MSCI China Index ETF NUMBER OF UNITS		iShares FTSE/ XINHUA A50 China Index ETF NUMBER OF UNITS	
	01.01.2009 TO 31.12.2009	01.01.2008 TO 31.12.2008	01.01.2009 TO 31.12.2009	01.01.2008 TO 31.12.2008
UNITS IN ISSUE AT THE BEGINNING OF THE PERIOD	65,400,000	77,400,000	3,554,000,000	504,000,000
ISSUE OF UNITS	15,600,000	31,800,000	2,374,000,000	3,550,000,000
REDEMPTION OF UNITS	(21,600,000)	(43,800,000)	(2,730,000,000)	(500,000,000)
UNITS IN ISSUE AT THE END OF THE PERIOD	59,400,000	65,400,000	3,198,000,000	3,554,000,000
	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>
DEALING NAV	1,273,539,437	895,349,149	47,260,329,681	29,251,400,853
DEALING NAV (PER UNIT)	21.44	13.69	14.78	8.23

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

iShares BSE SENSEX India Index ETF NUMBER OF UNITS		iShares MSCI Asia APEX 50 Index ETF NUMBER OF UNITS	iShares MSCI Asia APEX Mid Cap Index ETF NUMBER OF UNITS	iShares MSCI Asia APEX Small Cap Index ETF NUMBER OF UNITS	iShares MSCI Emerging Asia Index ETF NUMBER OF UNITS
01.01.2009 TO 31.12.2009	01.01.2008 TO 31.12.2008	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009
103,200,000	103,200,000	–	–	–	–
20,000,000	–	13,600,000	5,600,000	3,200,000	6,400,000
(16,000,000)	–	–	–	–	–
107,200,000	103,200,000	13,600,000	5,600,000	3,200,000	6,400,000
<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>
1,762,532,047	910,964,348	478,586,319	229,851,979	131,133,313	243,654,937
16.44	8.83	35.19	41.04	40.98	38.07



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### 6. Net Gain/(Loss) on Investments

	iShares MSCI China Index ETF		iShares FTSE/ XINHUA A50 China Index ETF	
	01.01.2009 TO 31.12.2009 HK\$	01.01.2008 TO 31.12.2008 HK\$	01.01.2009 TO 31.12.2009 HK\$	01.01.2008 TO 31.12.2008 HK\$
CHANGE IN UNREALISED GAIN/LOSS IN VALUE OF INVESTMENTS	448,321,369	(1,266,817,670)	18,272,780,989	(13,351,162,534)
REALISED GAIN/(LOSS) ON SALE OF INVESTMENTS	14,739,464	182,445,675	4,509,801,543	(8,235,625,531)
NET FOREIGN CURRENCY GAIN/(LOSS)	468	(5,050)	(453,764)	(331,899)
	463,061,301	(1,084,377,045)	22,782,128,768	(21,587,119,964)

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

iShares BSE SENSEX India Index ETF		iShares MSCI Asia APEX 50 Index ETF	iShares MSCI Asia APEX Mid Cap Index ETF	iShares MSCI Asia APEX Small Cap Index ETF	iShares MSCI Emerging Asia Index ETF
01.01.2009 TO 31.12.2009 HK\$	01.01.2008 TO 31.12.2008 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$
1,290,440,059	(1,423,058,743)	156,544,222	60,074,933	37,586,320	99,630,860
(532,335,439)	(36,735,630)	4,632,899	33,181,887	17,511,466	4,863,319
(909,009)	(54,106)	(748,499)	(399,704)	(303,070)	(430,336)
757,195,611	(1,459,848,479)	160,428,622	92,857,116	54,794,716	104,063,843

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### 7. Taxation

No provision for Hong Kong profits tax has been made for the Sub-Funds as the bank interest, dividend income and realised gains on disposal of investments of the Sub-Funds are excluded from the charge to profits tax under Section 14, Section 26 or Section 26A of the Hong Kong Inland Revenue Ordinance.

Taxation of each Sub-Fund represents:

	iShares MSCI China Index ETF		iShares FTSE/ XINHUA A50 China Index ETF		iShares BSE SENSEX India Index ETF	
	01.01.2009 TO 31.12.2009 HK\$	01.01.2008 TO 31.12.2008 HK\$	01.01.2009 TO 31.12.2009 HK\$	01.01.2008 TO 31.12.2008 HK\$	01.01.2009 TO 31.12.2009 HK\$	01.01.2008 TO 31.12.2008 HK\$
<b>TAXATION</b>						
– WITHHOLDING ON DIVIDEND INCOME	2,178,363	348,902	43,344,383	34,604,195	–	–
– MAURITIUS TAX PAID	–	–	–	–	209,463	–
	2,178,363	348,902	43,344,383	34,604,195	209,463	–

	iShares MSCI Asia APEX 50 Index ETF	iShares MSCI Asia APEX Mid Cap Index ETF	iShares MSCI Asia APEX Small Cap Index ETF	iShares MSCI Emerging Asia Index ETF
	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$
<b>TAXATION</b>				
– WITHHOLDING ON DIVIDEND INCOME	707,214	68,451	133,279	448,572
– WITHHOLDING ON INTEREST INCOME	–	1	1	2
	707,214	68,452	133,280	448,574

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### *Mauritius Income Tax*

The SENSEX India ETF invests in India through the Mauritius Subsidiary and the Management expects to obtain benefits under the double taxation treaty between Mauritius and India. To obtain benefits under the double taxation treaty, the Mauritius Subsidiary must meet certain tests and conditions, including the establishment of Mauritius tax residence and related requirements. The Mauritius Subsidiary has obtained a tax residence certification from the Mauritian authorities and believes such certification is determinative of its resident status for treaty purposes.

A company which is tax resident in Mauritius under the treaty, but has no branch or permanent establishment in India, will not be subject to capital gains tax in India on the sale of securities but is subject to Indian withholding tax on interest earned on Indian securities at the rate of 20.5%. There is no withholding tax on dividends distributed by Indian companies and such dividends are exempt in the hands of the shareholders. Indian companies making distributions are however liable to a Dividend Distribution Tax equivalent to 16.995% of the dividends distributed (14.025% prior to 1st April 2007).

The Mauritius Subsidiary, under current laws and regulations, is liable to pay income tax on its net income at the rate of 15%. However, the Mauritius Subsidiary is entitled to a tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritius tax on its foreign source income, thus reducing its maximum effective tax rate to 3%. A company holding at least 5% of the share capital of an Indian company and receiving dividends may claim a credit for tax paid by the Indian company on its profits out of which the dividends were distributed including the dividend distribution tax. Capital gains from the sale of securities by the Mauritius Subsidiary are exempt from income tax in Mauritius.

The income tax on the profit before taxation differs from the theoretical amount that would arise using the applicable tax rate of 15% as follows:

	2009 HK\$
<b>PROFIT BEFORE TAXATION</b>	751,537,669
<b>APPLICABLE INCOME TAX CHARGE AT 15%</b>	112,730,650
<b>IMPACT OF:</b>	
<b>EXPENSES NOT SUBJECT TO TAX</b>	2,225,216
<b>EXEMPT INCOME</b>	(113,715,693)
<b>FOREIGN TAX CREDIT</b>	(1,327,279)
<b>OTHERS</b>	(122,357)
<b>CHARGE FOR THE YEAR</b>	209,463

#### *PRC Withholding Tax*

The investments of the A50 China ETF in the A Shares of PRC listed companies are held through the CAAPs issued by one or more QFIs or their affiliates. A 10% tax is withheld by QFIs/CAAP Issuers on all PRC sourced dividends. A 10% withholding may also be payable on the gains derived from the sale of A Shares by QFIs as described in note 3 above.



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### 8. Transactions with the Trustee, Manager and Connected Persons

The following is a summary of significant related party transactions/transactions entered into during the period between the Sub-Funds and the Trustee, the Manager and their connected persons. Connected Persons of the Manager are those as defined in the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong (the "SFC Code"). All transactions entered into during the year between the Sub-Funds and the Manager and its Connected Persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Funds do not have any other transactions with Connected Persons except for what is disclosed below.

##### (a) Management Fee

###### MSCI China ETF, A50 China ETF and SENSEX India ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.99% of the net asset values of the Sub-Funds. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears.

###### MSCI Asia APEX 50 ETF, MSCI Asia APEX Mid Cap ETF, MSCI Asia APEX Small Cap ETF and MSCI Emerging Asia ETF

The Manager is entitled to receive a management fee, currently at the annual rate of 0.59% of the net asset values of the Sub-Funds. The fee is accrued daily and calculated as at each dealing day and payable monthly in arrears.

During the period, the Manager has waived the portion of the management fee charged on the MSCI Emerging Asia ETF, which represented the MSCI Emerging Asia ETF's holding in the SENSEX India ETF.

Apart from the fees and expenses stated in note 8(b) to (e) below, all other fees and expenses of each Sub-Fund are paid by the Manager.

##### (b) Fees and Charges Paid to the Trustee/Custodian and its Connected Persons

###### MSCI China ETF

The transaction handling fee for the sale and purchase transactions of the investments paid by the Sub-Fund is US\$35 each.

###### A50 China ETF

The transaction handling fee for the sale and purchase transactions of the investments paid by the Sub-Fund is US\$20 each.

###### SENSEX India ETF

The transaction handling fee for the sale and purchase transactions of the investments paid by the Sub-Fund is US\$20 each.

###### MSCI Asia APEX 50 ETF, MSCI Asia APEX Mid Cap ETF, MSCI Asia APEX Small Cap ETF and MSCI Emerging Asia ETF

The transaction handling fee for the sale and purchase transactions of the investments in different markets paid by the Sub-Funds is disclosed below:

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

MARKETS	TRANSACTION HANDLING FEE US\$
HONG KONG	35
EUROCLEAR	20
MALAYSIA	80
SINGAPORE	50
THAILAND	50
KOREA	55
TAIWAN	50
INDONESIA	80

For each Sub-Fund, the safe custody and bank charges stated in the Statement of Comprehensive Income are also paid by the Sub-Fund to a Connected Person of the Custodian.

All other fees payable to the Trustee/Custodian and its Connected Person are borne by the Manager.

#### (c) CAAP Maintenance Charge

##### A50 China ETF

The CAAP Issuers are entitled to a CAAP maintenance charge, payable at the end of each quarter. The CAAP maintenance charge equals 0.3% per annum of the daily mark to market value of the CAAPs held by the A50 China ETF, payable at the end of each quarter based on the period's number of actual days. As at 31st December 2009, the relevant CAAP Issuers are ABN AMRO Bank N.V., (recently renamed The Royal Bank of Scotland N.V., London Branch), Barclays Bank PLC, Citigroup Global Markets Holdings Inc, CLSA Financial Products, Ltd (guaranteed by CALYON SA), Credit Suisse AG, Nassau Branch, Goldman Sachs International (guaranteed by Goldman Sachs Group, Inc.), HSBC Bank plc, JP Morgan Structured Products BV (guaranteed by JP Morgan Chase Bank N.A.), Merrill Lynch International & Co C.V. (guaranteed by Merrill Lynch & Co Inc.) and UBS AG London Branch.

The CAAP Issuers include Connected Persons of the Manager and the Trustee.

#### (d) IAP Maintenance Charge

##### SENSEX India ETF

The IAP Issuer is entitled to an IAP maintenance charge, payable at the end of each quarter. The IAP maintenance charge equals 0.3% per annum of the daily mark to market value of the total IAPs held by the Mauritius Subsidiary, up to and including US\$200 million, and 0.2% per annum for IAPs in excess of US\$200 million, payable at the end of each quarter based on the period's number of actual days. The relevant IAP Issuer is Citigroup Global Markets Holdings Inc.

#### (e) Transaction Costs on Investments

##### A50 China ETF

The CAAP Issuers also charge a 0.3% commission (excluding stamp duty of 0.1%) on each purchase and sale of each CAAP acquired for the account of the A50 China ETF. 0.1% stamp duty is payable on the sale of A Shares and is added to the CAAP commission on sale.

The CAAP commission may be agreed from time to time between the Manager and the CAAP Issuers.

##### SENSEX India ETF

The IAP Issuer also charges a 0.295% commission (including Indian stamp duty of 0.1%) on each purchase and sale of each IAP acquired for the account of the Mauritius Subsidiary.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

(f) **Bank Balances**

Bank balances are maintained with group companies of the Trustee, which carry interest at normal commercial rates. Bank balances held with the group companies of the Trustee as at 31st December 2009 were as follows.

SUB-FUNDS	2009 HK\$	2008 HK\$
MSCI CHINA ETF	4,359,718	3,786,827
A50 CHINA ETF	410,269,560	343,663,780
SENSEX INDIA ETF*	7,390,732	3,252,596
MSCI ASIA APEX 50 ETF	891,110	–
MSCI ASIA APEX MID CAP ETF	635,842	–
MSCI ASIA APEX SMALL CAP ETF	443,725	–
MSCI EMERGING ASIA ETF	1,310,164	–

\* The balance as at 31st December 2009 included cash balances of the Mauritius Subsidiary on a consolidated basis.

(g) **Investment Transactions with Connected Persons of the Manager are set out below:**

SUB-FUND	AGGREGATE VALUE OF PURCHASES AND SALES OF SECURITIES HK\$	TOTAL COMMISSION PAID HK\$
<b>2009</b>		
A50 CHINA ETF		
– BARCLAYS BANK PLC	12,092,199,916	5,606,471
– MERRILL LYNCH INTERNATIONAL & CO C.V.	2,121,192,267	178,195
<b>2008</b>		
A50 CHINA ETF		
– BARCLAYS BANK PLC	2,787,874,804	14,692,213

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

SUB-FUND	% OF SUB-FUND'S TOTAL TRANSACTIONS DURING THE YEAR %	AVERAGE COMMISSION RATE %
<b>2009</b>		
<b>A50 CHINA ETF</b>		
– BARCLAYS BANK PLC	24.62	0.05
– MERRILL LYNCH INTERNATIONAL & CO C.V.	4.32	0.01
<b>2008</b>		
<b>A50 CHINA ETF</b>		
– BARCLAYS BANK PLC	6.43	0.53

On 1st December 2009, Barclays Global Investors, the asset management business of Barclays PLC which included the Manager, was acquired by BlackRock Inc. Up to 1st December 2009, the Manager was a wholly owned subsidiary of Barclays PLC and a Connected Person to Barclays Capital Asia Limited and Barclays Bank PLC. From 1st December 2009, the Manager has become a Connected Person to Merrill Lynch International & Co C.V., which is owned by Bank of America Corporation. All transactions with Connected Persons are entered into in the ordinary course of business and are on normal commercial terms.

As at 31st December 2009, Merrill Lynch Far East Limited, a Connected Person to the Manager, held 264,000,000 units in the A50 China ETF.

As at 31st December 2008, Barclays Capital Asia Limited, a Connected Person to the Manager, held 396,000,000 units in the A50 China ETF.

### 9. Major Non-cash Transactions

#### (a) Subscriptions

Until 14th November 2008, units could only be subscribed in kind and not for cash. Since 14th November 2008, units can be subscribed either (a) in-kind for an Application Basket plus a cash component or (b) for a cash payment equivalent to the relevant Application Basket Value plus an amount equivalent to any cash component, which the Manager shall use to purchase the securities comprised in the Application Basket to replicate the underlying index applicable to that Sub-Fund, provided that the Manager shall be entitled in its discretion to charge (for the account of the relevant Sub-Fund) to the applicant of any units for which cash is paid in lieu of delivering any securities such additional sum as represents the appropriate provision for duties and charges.

#### MSCI China ETF

During the year, all units issued were through in kind creation and the Sub-Fund issued 15,600,000 units (2008: 31,800,000 units) in exchange for Application Baskets consisting of investments valued at a total of HK\$288,756,156 (2008: HK\$664,942,940) plus the relevant cash component included in the Statement of Cash Flows.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### A50 China ETF

During the year, the Sub-Fund issued 1,806,000,000 units (2008: 3,396,000,000 units) in exchange for Application Baskets consisting of investments valued at a total of HK\$20,717,072,554 (2008: HK\$44,360,716,930) plus the relevant cash component included in the Statement of Cash Flows.

#### SENSEX India ETF

During the year, the Sub-Fund issued 4,000,000 units (2008: Nil units) in exchange for Application Baskets consisting of investments valued at a total of HK\$55,086,247 (2008: Nil) plus the relevant cash component included in the Statement of Cash Flows.

#### MSCI Asia APEX 50 ETF, MSCI Asia APEX Mid Cap ETF, MSCI Asia APEX Small Cap ETF and MSCI Emerging Asia ETF

During the period, all units issued were through cash subscriptions.

#### (b) Redemptions

Until 14th November 2008, units could only be redeemed in kind and not for cash. Since 14th November 2008, units can be redeemed either (a) in-kind for an Application Basket plus a cash component or (b) for a cash amount equivalent to the Application Basket Value plus a cash component.

#### MSCI China ETF

During the year, the Sub-Fund redeemed 21,600,000 units (2008: 43,800,000 units) in exchange for Application Baskets consisting of investments valued at a total of HK\$368,149,912 (2008: HK\$894,210,235) plus the relevant cash component included in the Statement of Cash Flows.

#### A50 China ETF

During the year, the Sub-Fund redeemed 2,208,000,000 units (2008: 474,000,000 units) in exchange for Application Baskets consisting of investments valued at a total of HK\$24,604,359,938 (2008: HK\$6,993,119,094) plus the relevant cash component included in the Statement of Cash Flows.

#### SENSEX India ETF

During the year, the Sub-Fund redeemed 16,000,000 units (2008: Nil units) in exchange for Application Baskets consisting of investments valued at a total of HK\$67,544,840 (2008: Nil) plus the relevant cash component included in the Statement of Cash Flows.

#### MSCI Asia APEX 50 ETF, MSCI Asia APEX Mid Cap ETF, MSCI Asia APEX Small Cap ETF and MSCI Emerging Asia ETF

No redemption for these Sub-Funds during the period.

#### 10. Soft Commission Arrangements

The Manager confirms that there has been no soft commission arrangements existing during the period in relation to directing transactions of the Sub-Funds through a broker or dealer.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### 11. Investment Limitation and Prohibitions Under the SFC Code

##### MSCI China ETF

Pursuant to the SFC's Guidelines for Regulating Index Tracking Exchange Traded Funds (the "ETF Guidelines"), the Manager is permitted to overweight the holdings of the MSCI China ETF relative to their respective weightings in the MSCI China Index, on the condition that the maximum extra weighting in any constituent will not exceed 3%.

The Manager and Trustee have confirmed that the Sub-Fund has complied with this limit during the year.

The following lists those constituent stocks that each account for more than 10% of net asset value of the Sub-Fund and their respective weightings of the MSCI China Index as at 31st December 2009:

	RESPECTIVE WEIGHTING IN THE INDEX (%)		% OF NET ASSET VALUE	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
<b>CHINA MOBILE (HONG KONG) LTD.</b>	9.73*	19.01	9.73*	19.32

\* There were no constituent stocks that accounted for more than 10% of the net asset value of the Sub-Fund as at 31st December 2009.

##### A50 China ETF

Pursuant to the ETF Guidelines, the A50 China ETF is permitted to overweight holdings of CAAPs relative to the respective weightings in the FTSE/XINHUA China A50 Index to which such CAAPs are linked, subject to a maximum limit of 2%.

The Manager and Trustee have confirmed that the Sub-Fund has complied with this limit during the year.

There were no CAAPs that accounted for more than 10% of the net asset value of the Sub-Fund as at 31st December 2009 and 2008.

##### SENSEX India ETF

The SENSEX India ETF may invest up to 15% of the net asset value, with a maximum exposure to any single issuer of 10% in IAPs.

Pursuant to the ETF Guidelines, the SENSEX India ETF is permitted to overweight holdings of Indian securities and IAPs relative to the respective weightings in the BSE SENSEX Index, subject to a maximum limit of 2%.

The Manager and Trustee have confirmed that the Sub-Fund has complied with this limit during the year.

The following lists those constituent stocks that each account for more than 10% of net asset value of the Sub-Fund and their respective weightings of the BSE SENSEX Index as at 31st December 2009.

	RESPECTIVE WEIGHTING IN THE INDEX (%)		% OF NET ASSET VALUE	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
<b>RELIANCE INDUSTRIES LTD</b>	13.62	14.16	13.71	14.11



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

#### MSCI Asia APEX 50 ETF

Pursuant to the ETF Guidelines, the Manager is permitted to overweight the holdings of the MSCI Asia APEX 50 ETF relative to their respective weightings in the MSCI Asia APEX 50 Index, on the condition that the maximum extra weighting in any constituent will not exceed 3%.

The Manager and Trustee have confirmed that the Sub-Fund has complied with this limit during the period.

There were no constituent stocks that accounted for more than 10% of the net asset value of the Sub-Fund as at 31st December 2009.

#### MSCI Asia APEX Mid Cap ETF

Pursuant to the ETF Guidelines, the Manager is permitted to overweight the holdings of the MSCI Asia APEX Mid Cap ETF relative to their respective weightings in the MSCI Asia APEX Mid Cap 50 Index, on the condition that the maximum extra weighting in any constituent will not exceed 3%.

The Manager and Trustee have confirmed that the Sub-Fund has complied with this limit during the period.

There were no constituent stocks that accounted for more than 10% of the net asset value of the Sub-Fund as at 31st December 2009.

#### MSCI Asia APEX Small Cap ETF

Pursuant to the ETF Guidelines, the Manager is permitted to overweight the holdings of the MSCI Asia APEX Small Cap ETF relative to their respective weightings in the MSCI Asia APEX Small Cap 200 Index, on the condition that the maximum extra weighting in any constituent will not exceed 3%.

The Manager and Trustee have confirmed that the Sub-Fund has complied with this limit during the period.

There were no constituent stocks that accounted for more than 10% of the net asset value of the Sub-Fund as at 31st December 2009.

#### MSCI Emerging Asia ETF

Pursuant to the ETF Guidelines, the Manager is permitted to overweight the holdings of the MSCI Emerging Asia ETF relative to their respective weightings in the MSCI EM Asia Index, on the condition that the maximum extra weighting in any constituent will not exceed 3%. The Manager has applied for, and has been granted a waiver in respect of the MSCI Emerging Asia ETF to invest in the SENSEX India ETF to gain exposure to the Indian market segment of the underlying index, subject to a maximum deviation from the Indian market country weight of 3%.

The Manager and Trustee have confirmed that the Sub-Fund has complied with this limit during the period.

Other than the investments in SENSEX India ETF, there were no constituent stocks that accounted for more than 10% of the net asset value of the Sub-Fund as at 31st December 2009.

## 12. Financial Risk Management

The objective of the Sub-Funds is to provide investment results that closely correspond to the performance of their respective indexes. The Sub-Funds are exposed to various risks: market risk (including market price risk, interest rate risk and currency risk), credit and counterparty risk, and liquidity risk which are stated below.

### (a) Market Risk

#### (i) Market Price Risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The Sub-Funds are designated to track the performance of their respective indexes, therefore the exposures to market risk in the Sub-Funds will be substantially the same as the tracked indexes. The Manager manages the Sub-Funds' exposures to market risk by ensuring that the key characteristics of the portfolio, such as security weight and industry weight, are closely aligned to the characteristics of the tracked indexes.

As at 31st December 2009, the Sub-Funds' investments were concentrated in the following industries:

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

(i) MSCI China ETF

LISTED EQUITIES – BY INDUSTRY	AS AT 31ST DECEMBER 2009		AS AT 31ST DECEMBER 2008	
	FAIR VALUE HK\$	% OF NET ASSET VALUE	FAIR VALUE HK\$	% OF NET ASSET VALUE
AGRICULTURAL PRODUCTS	10,116,216	0.79	6,031,624	0.67
AIRLINES	4,807,440	0.38	2,057,920	0.23
AIRPORT SERVICES	3,053,160	0.24	2,524,440	0.28
ALUMINUM	12,592,800	0.99	6,226,080	0.70
APPAREL RETAIL	10,292,040	0.81	3,335,400	0.37
APPAREL, ACCESSORIES AND LUXURY GOODS	9,961,380	0.78	–	–
AUTOMOBILE MANUFACTURERS	19,869,690	1.56	6,812,500	0.76
COAL AND CONSUMABLE FUELS	59,483,160	4.67	31,299,350	3.50
COMMODITY CHEMICALS	2,726,460	0.21	1,952,190	0.22
COMMUNICATIONS EQUIPMENT	4,292,789	0.34	1,548,890	0.17
COMPUTER AND ELECTRONICS RETAIL	6,197,796	0.49	2,907,520	0.32
COMPUTER HARDWARE	6,694,380	0.53	3,204,600	0.36
CONSTRUCTION AND ENGINEERING	22,757,338	1.79	29,606,853	3.31
CONSTRUCTION AND FARM MACHINERY	5,593,385	0.44	–	–
CONSTRUCTION MATERIALS	13,338,567	1.05	8,681,196	0.97
DEPARTMENT STORES	4,726,260	0.37	3,815,000	0.43
DISTRIBUTORS	11,366,933	0.89	5,888,943	0.66
DIVERSIFIED BANKS	285,134,305	22.38	167,774,980	18.73
DIVERSIFIED METALS AND MINING	13,573,692	1.07	3,095,600	0.35
ELECTRONIC COMPONENTS	16,893,360	1.33	2,768,600	0.31
FERTILIZERS AND AGRICULTURAL CHEMICALS	5,076,225	0.40	4,443,930	0.49
GAS UTILITIES	3,924,360	0.31	–	–
GOLD	8,876,439	0.70	7,156,940	0.80
HEALTH CARE SUPPLIES	2,815,065	0.22	–	–
HEAVY ELECTRICAL EQUIPMENT	10,736,550	0.84	8,607,076	0.96
HIGHWAYS AND RAILTRACKS	7,699,230	0.61	6,049,500	0.68
HOTELS, RESORTS AND CRUISE LINES	2,756,160	0.22	1,962,000	0.22





## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

LISTED EQUITIES – BY INDUSTRY (CONTINUED)	AS AT 31ST DECEMBER 2009		AS AT 31ST DECEMBER 2008	
	FAIR VALUE HK\$	% OF NET ASSET VALUE	FAIR VALUE HK\$	% OF NET ASSET VALUE
INDEPENDENT POWER PRODUCERS AND ENERGY TRADERS	16,112,052	1.26	19,654,444	2.20
INDUSTRIAL CONGLOMERATES	25,238,070	1.98	12,541,540	1.41
INTEGRATED OIL AND GAS	90,692,514	7.12	82,348,410	9.20
INTEGRATED TELECOMMUNICATION SERVICES	34,361,336	2.70	37,267,601	4.16
INTERNET SOFTWARE AND SERVICES	51,330,510	4.03	18,736,010	2.09
LEISURE PRODUCTS	–	–	3,226,400	0.36
LIFE AND HEALTH INSURANCE	111,953,457	8.79	79,346,550	8.86
MARINE	15,590,025	1.22	10,364,810	1.16
MARINE PORTS AND SERVICES	13,155,120	1.04	9,368,768	1.04
OIL AND GAS DRILLING	4,884,957	0.38	3,610,625	0.40
OIL AND GAS EXPLORATION AND PRODUCTION	69,676,140	5.47	44,418,252	4.96
OTHER DIVERSIFIED FINANCIAL SERVICES	4,752,000	0.37	2,594,200	0.29
PACKAGED FOODS AND MEATS	30,990,168	2.44	17,177,964	1.91
PAPER PRODUCTS	4,957,920	0.39	–	–
PERSONAL PRODUCTS	11,335,500	0.89	5,351,900	0.60
PROPERTY AND CASUALTY INSURANCE	5,751,900	0.45	3,781,646	0.42
RAILROADS	–	–	1,558,700	0.17
REAL ESTATE MANAGEMENT AND DEVELOPMENT	64,670,582	5.07	38,823,140	4.35
REAL ESTATE OPERATING COMPANIES	3,984,750	0.31	–	–
REINSURANCE	–	–	2,572,400	0.29
SPECIALTY CHEMICALS	3,129,984	0.25	–	–
STEEL	12,486,078	0.98	5,544,285	0.62
WATER UTILITIES	3,803,580	0.30	2,872,150	0.32
WIRELESS TELECOMMUNICATION SERVICES	123,963,840	9.73	172,996,080	19.32
	1,268,175,663	99.58	891,907,007	99.62

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

The MSCI China ETF held 99 out of 117 shares comprising the MSCI China Index. The MSCI China ETF is therefore exposed to substantially the same market price risk as the MSCI China Index.

Sensitivity analysis in the event of a possible change in the index by 3% as estimated by the Manager

As at 31st December 2009, if the MSCI China Index were to increase by 3% (2008: 3%) with all other variables held constant, this would increase the post-tax profit for the year by approximately HK\$38 million (2008: HK\$27 million). Conversely, if the MSCI China Index were to decrease by 3% (2008: 3%), this would decrease the post-tax profit for the year by equal amounts.

#### (ii) A50 China ETF

CAAPS – BY SECTOR	AS AT 31ST DECEMBER 2009		AS AT 31ST DECEMBER 2008	
	FAIR VALUE HK\$	% OF NET ASSET VALUE	FAIR VALUE HK\$	% OF NET ASSET VALUE
BASIC MATERIALS	6,013,531,737	12.73	3,119,842,586	10.67
CONSUMER GOODS	2,392,396,551	5.06	1,309,559,475	4.48
CONSUMER SERVICES	1,277,055,656	2.70	890,418,430	3.05
FINANCIALS	28,356,237,870	60.00	15,779,119,485	53.94
INDUSTRIALS	3,753,922,908	7.94	3,031,773,506	10.36
OIL & GAS	1,868,171,908	3.95	1,501,654,104	5.13
TECHNOLOGY	736,172,030	1.56	451,018,807	1.54
TELECOMMUNICATIONS	930,017,313	1.97	824,372,416	2.82
UTILITIES	1,598,196,486	3.38	2,038,173,219	6.97
	46,925,702,459	99.29	28,945,932,028	98.96

The A50 China ETF invested all, or substantially all, of its assets in CAAPs which are linked to A Shares of those PRC companies comprising the FTSE/XINHUA China A50 Index in substantially the same weightings as constituted in the FTSE/XINHUA China A50 Index. The A50 China ETF is therefore exposed to substantially the same market price risk as the FTSE/XINHUA China A50 Index.

Sensitivity analysis in the event of a possible change in the index by 3% as estimated by the Manager

As at 31st December 2009, if the FTSE/XINHUA China A50 Index were to increase by 3% (2008: 3%) with all other variables held constant, this would increase the post-tax profit for the year by approximately HK\$1,408 million (2008: HK\$868 million). Conversely, if the FTSE/XINHUA China A50 Index were to decrease by 3% (2008: 3%), this would decrease the post-tax profit for the year by equal amounts.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

(iii) SENSEX India ETF

LISTED EQUITIES AND IAPS – BY INDUSTRY	AS AT 31ST DECEMBER 2009		AS AT 31ST DECEMBER 2008	
	FAIR VALUE HK\$	% OF NET ASSET VALUE	FAIR VALUE HK\$	% OF NET ASSET VALUE
CAPITAL GOODS	173,702,287	9.86	85,004,401	9.34
DIVERSIFIED	23,386,774	1.33	10,962,200	1.20
FINANCE	391,279,731	22.20	210,151,901	23.07
FMCG	126,282,729	7.16	96,557,901	10.60
HEALTHCARE	16,977,070	0.96	5,488,218	0.60
HOUSING RELATED	57,300,597	3.25	23,728,052	2.60
INFORMATION TECHNOLOGY	255,498,108	14.50	111,429,814	12.23
METAL, METAL PRODUCTS & MINING	122,678,096	6.96	32,612,926	3.58
OIL & GAS	308,438,009	17.50	166,402,077	18.27
POWER	90,038,026	5.11	56,339,039	6.18
TELECOM	74,934,717	4.25	84,621,212	9.29
TRANSPORT EQUIPMENTS	116,024,258	6.58	22,991,547	2.53
	<u>1,756,540,402</u>	<u>99.66</u>	<u>906,289,288</u>	<u>99.49</u>

The SENSEX India ETF invested all, or substantially all, of its assets in Indian securities and in IAPs through the Mauritius Subsidiary, in substantially the same weightings as constituted in the BSE SENSEX Index. The SENSEX India ETF is therefore exposed to substantially the same market price risk as the BSE SENSEX Index.

Sensitivity analysis in the event of a possible change in the index by 3% as estimated by the Manager

As at 31st December 2009, if the BSE SENSEX Index were to increase by 3% (2008: 3%) with all other variables held constant, this would increase the post-tax profit for the year by approximately HK\$53 million (2008: HK\$27 million). Conversely, if the BSE SENSEX Index were to decrease by 3% (2008: 3%), this would decrease the post-tax profit for the year by equal amounts.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

(iv) MSCI Asia APEX 50 ETF

LISTED EQUITIES – BY SECTOR	AS AT 31ST DECEMBER 2009	
	FAIR VALUE HK\$	% OF NET ASSET VALUE
CONSUMER DISCRETIONARY	22,400,419	4.68
CONSUMER STAPLES	6,703,717	1.40
ENERGY	43,601,730	9.11
FINANCIALS	184,051,071	38.46
INDUSTRIALS	10,618,282	2.22
INFORMATION TECHNOLOGY	115,298,316	24.09
MATERIALS	32,607,046	6.82
TELECOMMUNICATION SERVICES	45,894,672	9.59
UTILITIES	16,240,525	3.39
	477,415,778	99.76

LISTED EQUITIES – BY GEOGRAPHICAL AREA	AS AT 31ST DECEMBER 2009	
	FAIR VALUE HK\$	% OF NET ASSET VALUE
CHINA	111,654,210	23.33
HONG KONG	146,621,383	30.64
SINGAPORE	36,410,472	7.61
SOUTH KOREA	96,915,701	20.25
TAIWAN	85,814,012	17.93
	477,415,778	99.76

The MSCI Asia APEX 50 ETF held 50 out of 50 shares comprising the MSCI Asia APEX 50 Index. The MSCI Asia APEX 50 ETF is therefore exposed to substantially the same market price risk as the MSCI Asia APEX 50 Index.

Sensitivity analysis in the event of a possible change in the index by 3% as estimated by the Manager

As at 31st December 2009, if the MSCI Asia APEX 50 Index were to increase by 3% with all other variables held constant, this would increase the post-tax profit for the period by approximately HK\$14 million. Conversely, if the MSCI Asia APEX 50 Index were to decrease by 3%, this would decrease the post-tax profit for the period by equal amounts.



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

(v) MSCI Asia APEX Mid Cap ETF

LISTED EQUITIES – BY SECTOR	AS AT 31ST DECEMBER 2009	
	FAIR VALUE HK\$	% OF NET ASSET VALUE
CONSUMER DISCRETIONARY	35,453,908	15.42
CONSUMER STAPLES	35,624,762	15.50
ENERGY	6,068,160	2.64
FINANCIALS	69,176,981	30.10
INDUSTRIALS	43,866,895	19.09
INFORMATION TECHNOLOGY	25,754,077	11.20
MATERIALS	12,916,795	5.62
	<u>228,861,578</u>	<u>99.57</u>

LISTED EQUITIES – BY GEOGRAPHICAL AREA	AS AT 31ST DECEMBER 2009	
	FAIR VALUE HK\$	% OF NET ASSET VALUE
CHINA	19,795,370	8.61
HONG KONG	120,094,975	52.25
SINGAPORE	30,165,670	13.13
SOUTH KOREA	48,161,518	20.95
TAIWAN	10,644,045	4.63
	<u>228,861,578</u>	<u>99.57</u>

The MSCI Asia APEX Mid Cap ETF held 50 out of 50 shares comprising the MSCI Asia APEX Mid Cap 50 Index. The MSCI Asia APEX Mid Cap ETF is therefore exposed to substantially the same market price risk as the MSCI Asia APEX Mid Cap 50 Index.

Sensitivity analysis in the event of a possible change in the index by 3% as estimated by the Manager

As at 31st December 2009, if the MSCI Asia APEX Mid Cap 50 Index were to increase by 3% with all other variables held constant, this would increase the post-tax profit for the period by approximately HK\$7 million. Conversely, if the MSCI Asia APEX Mid Cap 50 Index were to decrease by 3%, this would decrease the post-tax profit for the period by equal amounts.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

(vi) MSCI Asia APEX Small Cap ETF

LISTED EQUITIES – BY SECTOR	AS AT 31ST DECEMBER 2009	
	FAIR VALUE HK\$	% OF NET ASSET VALUE
CONSUMER DISCRETIONARY	23,305,110	17.77
CONSUMER STAPLES	4,938,699	3.77
ENERGY	1,666,839	1.27
FINANCIALS	25,103,726	19.14
HEALTH CARE	5,908,384	4.51
INDUSTRIALS	20,435,441	15.58
INFORMATION TECHNOLOGY	30,519,275	23.27
MATERIALS	14,259,543	10.88
TELECOMMUNICATION SERVICES	626,723	0.48
UTILITIES	3,619,425	2.76
	<u>130,383,165</u>	<u>99.43</u>

LISTED EQUITIES – BY GEOGRAPHICAL AREA	AS AT 31ST DECEMBER 2009	
	FAIR VALUE HK\$	% OF NET ASSET VALUE
CHINA	9,697,100	7.40
HONG KONG	44,388,212	33.85
MONGOLIA	278,400	0.21
SINGAPORE	18,599,183	14.18
SOUTH KOREA	24,219,735	18.47
TAIWAN	33,200,535	25.32
	<u>130,383,165</u>	<u>99.43</u>

The MSCI Asia APEX Small Cap ETF held 130 out of 200 shares comprising the MSCI Asia APEX Small Cap 200 Index. The MSCI Asia APEX Small Cap ETF is therefore exposed to substantially the same market price risk as the MSCI Asia APEX Small Cap 200 Index.



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

Sensitivity analysis in the event of a possible change in the index by 3% as estimated by the Manager

As at 31st December 2009, if the MSCI Asia APEX Small Cap 200 Index were to increase by 3% with all other variables held constant, this would increase the post-tax profit for the period by approximately HK\$4 million. Conversely, if the MSCI Asia APEX Small Cap 200 Index were to decrease by 3%, this would decrease the post-tax profit for the period by equal amounts.

(vii) MSCI Emerging Asia ETF

LISTED EQUITIES – BY SECTOR	AS AT 31ST DECEMBER 2009	
	FAIR VALUE HK\$	% OF NET ASSET VALUE
CONSUMER DISCRETIONARY	14,982,016	6.15
CONSUMER STAPLES	8,941,329	3.67
ENERGY	23,096,742	9.49
FINANCIALS	50,560,663	20.74
INDUSTRIALS	14,079,478	5.78
INFORMATION TECHNOLOGY	54,505,146	22.37
MATERIALS	23,689,205	9.71
TELECOMMUNICATION SERVICES	18,895,069	7.77
UTILITIES	1,320,996	0.54
SENSEX INDIA ETF*	32,052,544	13.15
	242,123,188	99.37

LISTED EQUITIES – BY GEOGRAPHICAL AREA	AS AT 31ST DECEMBER 2009	
	FAIR VALUE HK\$	% OF NET ASSET VALUE
CHINA	77,252,900	31.71
INDIA	32,052,544	13.15
INDONESIA	6,518,904	2.68
MALAYSIA	12,735,269	5.23
SOUTH KOREA	57,118,010	23.43
TAIWAN	51,087,840	20.97
THAILAND	5,357,721	2.20
	242,123,188	99.37

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

The MSCI Emerging Asia ETF held 110\* out of 489 shares comprising the MSCI EM Asia Index. The MSCI Emerging Asia ETF is exposed to substantially the same market price risk as the MSCI EM Asia Index.

Sensitivity analysis in the event of a possible change in the index by 3% as estimated by the Manager

As at 31st December 2009, if the MSCI EM Asia Index were to increase by 3% with all other variables held constant, this would increase the post-tax profit for the period by approximately HK\$7 million. Conversely, if the MSCI EM Asia Index were to decrease by 3%, this would decrease the post-tax profit for the period by equal amounts.

\* The MSCI EM Asia ETF directly held 80 stocks and indirectly held 30 stocks through SENSEX India ETF out of 489 shares comprising the MSCI EM Asia Index.

#### (II) Interest Rate Risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow.

As at 31st December 2009 and 2008, interest rate risk arises only from bank balances which are reset monthly. As these interest bearing assets and liabilities are short-term in nature, the Manager considers that changes in their fair value and future cash flows in the event of a change in market interest rates will not be material. Therefore no sensitivity analysis has been disclosed for these bank balances.

#### (III) Currency Risk

Currency risk, as defined in IFRS 7, arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk. Refer to note 12(a)(i) for details.

As the Sub-Funds did not have significant amount of monetary assets and liabilities at the end of the reporting period, the Sub-Funds are not exposed to significant currency risk.

#### (b) Credit and Counterparty Risk

Credit and counterparty risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Sub-Funds.

Financial assets which potentially subject the Sub-Funds to concentrations of credit and counterparty risk consist principally of investments issued by CAAP Issuers or IAP Issuer and bank balances.

The Sub-Funds limit their exposure to credit and counterparty risk by transacting the majority of their investments and contractual commitment activity with well established broker-dealers, banks and regulated exchanges with high credit ratings.

All transactions in listed investments are settled or paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal since delivery of investments sold is only made once the Sub-Funds' custodians have received payment. On a purchase, payment is made once the investments have been received by the broker. If either party fails to meet their obligation, the trade will fail.

#### (i) MSCI China ETF

The table below sets out the net exposure of the MSCI China ETF to counterparty as at 31st December 2009 and 2008 respectively together with its credit rating of senior long-term debt by Standard & Poor's Rating Services:



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

	2009 NET EXPOSURE TO COUNTERPARTY HK\$	2008 NET EXPOSURE TO COUNTERPARTY HK\$
<b>BANK BALANCES</b>		
– THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	4,359,718	3,786,827
RATING	AA	AA

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the assets as shown on the Statement of Financial Position, excluding listed equities.

The Manager considers that none of these assets are impaired nor past due as at 31st December 2009 (2008: Nil).

#### (ii) A50 China ETF

The A50 China ETF is subject to credit and counterparty risk associated with each CAAP Issuer and may suffer losses potentially equal to the full value of the CAAPs issued by a CAAP Issuer if such CAAP Issuer fails to perform its obligations under the CAAPs. The CAAPs constitute direct, general and unsecured contractual obligations of the CAAP Issuer.

The Manager mitigates the counterparty risk associated with the A50 China ETF by transacting through a number of CAAP Issuers. In addition, the Manager has entered into securities lending arrangements with some of the CAAP Issuers or their affiliates, i.e., Barclays Bank PLC, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, The Royal Bank of Scotland N.V. London Branch, (formerly ABN AMRO N.V.) and UBS AG, London Branch, in order to reduce the A50 China ETF's net relative exposure to each of their banking groups accordingly.

Under the securities lending arrangement, the CAAP Issuer has agreed to provide share or cash collateral to the A50 China ETF in respect of the CAAPs issued. The A50 China ETF will lend CAAPs to the CAAP Issuer in return for share or cash collateral. The purpose of the securities lending arrangement is to reduce the A50 China ETF's net counterparty exposure to each CAAP Issuer to 15% of the net asset value.

As at 31st December 2009, there were three loans outstanding: (1) a loan between the A50 China ETF and Citigroup, under which the value of share collateral obtained by the Trustee from Citigroup amounted to approximately HK\$5,992,674,000 (2008: HK\$3,100,201,710) against CAAPs lent to Citigroup valued at approximately HK\$5,992,674,000 (2008: HK\$3,100,196,254); (2) a loan between the A50 China ETF and UBS AG, under which the value of share collateral obtained by the Trustee from UBS AG amounted to approximately HK\$249,779,000 (2008: HK\$1,564,946,590) against CAAPs lent to UBS AG valued at approximately HK\$249,233,000 (2008: HK\$1,502,238,867); and (3) a loan between the A50 China ETF and Credit Suisse, under which the value of share collateral obtained by the Trustee from Credit Suisse amounted to approximately HK\$658,722,000 (2008: Nil) against CAAPs lent to Credit Suisse valued at approximately HK\$617,619,000 (2008: Nil).

The collateral and CAAPs are marked to market every day by the borrower or an affiliate of the borrower. The Trustee may demand the provision of additional collateral to eliminate any deficiency. Likewise the borrower may demand the return of collateral to eliminate any excess.

The A50 China ETF pays a fee in respect of the collateral arrangements. As at 31st December 2009, the A50 China ETF had incurred expenses of HK\$89,533,465 representing 0.19% of the net asset value as at 31st December 2009 (2008: HK\$9,795,759 representing 0.033% of the net asset value) pursuant to the securities lending arrangements.

Under the securities lending arrangements, both the lender and the borrower are obliged to pay and deliver any sum or money or property that the original owner would have been entitled including dividends and interest.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

Collateral may involve risks including settlement, operational and realisation risks. For example, collateral is subject to fluctuations in market value and the prices of subject securities may go down as well as up. The value of the collateral securities may be lower upon realisation of the securities. In case of collateral securities which are listed securities, the listing of such securities may be suspended or revoked or the trading of such securities on the stock exchanges may be suspended, and during the period of suspension or upon revocation, it may not be possible to realise the relevant collateral securities. While the Manager will endeavour to use a tax efficient arrangement in respect of any collateral, there is no guarantee that such arrangement will not be challenged by the tax authorities. If such arrangement is successfully challenged, the A50 China ETF may be required to pay the requisite tax (such as stamp duties) and other penalties.

Accordingly, the value of the collateral realised may not be sufficient to cover the value of the CAAPs secured by such collateral.

The table below sets out the net exposure of the A50 China ETF to counterparties as at 31st December 2009 and 2008 respectively together with their credit ratings of senior long-term debt by Standard & Poor's Rating Services:

	2009 NET EXPOSURE TO COUNTERPARTIES HK\$	2008 NET EXPOSURE TO COUNTERPARTIES HK\$
<b>BANK BALANCES</b>		
– THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	410,269,560	343,663,780
RATING	AA	AA
– CITIGROUP GLOBAL MARKETS LIMITED	N/A	411,407
RATING	N/A	A
<b>CAAP ISSUERS</b>		
– THE ROYAL BANK OF SCOTLAND N.V., LONDON BRANCH (FORMERLY ABN AMRO BANK N.V.)	6,245,090,799	4,360,569,411
RATING	A+	A+
– BARCLAYS BANK PLC	4,770,157,034	3,329,888,004
RATING	AA-	AA-
– CITIGROUP GLOBAL MARKETS HOLDINGS INC <sup>(a), (b)</sup>	3,034,498,699	3,710,621,829
RATING	A	A



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

	2009 NET EXPOSURE TO COUNTERPARTIES HK\$	2008 NET EXPOSURE TO COUNTERPARTIES HK\$
– CLSA FINANCIAL PRODUCTS, LTD., GUARANTEED BY CALYON S.A. (THE GUARANTOR IS RATED).	695,410,522	375,473,853
RATING	AA-	AA-
– CREDIT SUISSE AG, NASSAU BRANCH <sup>(a)</sup>	6,998,338,766	2,174,619,400
RATING	A+	A+
– GOLDMAN SACHS INTERNATIONAL, GUARANTEED BY GOLDMAN SACHS GROUP, INC.	229,103,301	N/A
RATING	A	N/A
– HSBC BANK PLC	7,036,896,393	2,290,623,940
RATING	AA	AA
– J.P.MORGAN STRUCTURED PRODUCTS B.V., GUARANTEED BY JP MORGAN CHASE BANK N.A.. (THE GUARANTOR IS RATED).	1,820,872,860	800,252,069
RATING	AA-	AA-
– MERRILL LYNCH INTERNATIONAL & CO. C.V., GUARANTEED BY MERRILL LYNCH & CO. INC.* (THE GUARANTOR IS RATED).	4,731,909,190	2,901,499,487
RATING	A	A
– UBS AG, LONDON BRANCH <sup>(a), (b)</sup>	4,462,249,895	4,337,235,735
RATING	A+	A+
<b>AMOUNTS DUE FROM BROKERS</b>		
– THE ROYAL BANK OF SCOTLAND N.V. (FORMERLY ABN AMRO BANK N.V.)	281,494,160	211,075,567
RATING	A+	A+
– GOLDMAN SACHS (ASIA) SECURITIES LIMITED	166,233,496	N/A
RATING	A	N/A

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

	2009 NET EXPOSURE TO COUNTERPARTIES HK\$	2008 NET EXPOSURE TO COUNTERPARTIES HK\$
– MERRILL LYNCH FAR EAST LIMITED	195,610,800	N/A
RATING	A	N/A
– UBS SECURITIES HONG KONG LIMITED <sup>(a), (b)</sup>	711,162,964	N/A
RATING	A+	N/A
– CITIGROUP GLOBAL MARKETS HOLDINGS INC	N/A	12,430,355
RATING	N/A	A

\* acquired by Bank of America

- (a) As at 31st December 2009, counterparty risk exposure to Citigroup Global Markets Holdings Inc, Credit Suisse and UBS AG was reduced by collateral held by the A50 China ETF, as described above.
- (b) As at 31st December 2008, counterparty risk exposure to Citigroup Global Markets Holdings Inc and UBS AG was reduced by collateral held by the A50 China ETF, as described above.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the assets as shown on the Statement of Financial Position.

The Manager considers that none of these assets are impaired nor past due as at 31st December 2009 (2008: Nil).

#### (iii) SENSEX India ETF

Until June 2009, the SENSEX India ETF gained access to the Indian market solely through IAPs. In June 2009, the Manager restructured the SENSEX India ETF to invest directly in Indian securities rather than IAPs. The restructuring involved the establishment of iShares BSE SENSEX Mauritius Company, (the "Mauritius Subsidiary"), to hold Indian securities and IAPs on behalf of the SENSEX India ETF.

Following the restructure, the SENSEX India ETF may hold up to 15% of its net asset value in IAPs; with a maximum exposure to any single issuer of 10% of the net asset value.

The SENSEX India ETF is subject to credit and counterparty risk associated with IAPs held by the Mauritius Subsidiary and may suffer losses potentially equal to the full value of the IAPs issued by a IAP Issuer if such IAP Issuer fails to perform its obligations under the IAPs.

The IAPs constitute direct, general and unsecured contractual obligations of the IAP Issuer. The SENSEX India ETF has one IAP Issuer. The table below sets out the net exposure of the SENSEX India ETF to counterparties as at 31st December 2009 and 2008 respectively together with their credit rating of senior long-term debt by Standard & Poor's Rating Services:



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

	2009 NET EXPOSURE TO COUNTERPARTIES HK\$	2008 NET EXPOSURE TO COUNTERPARTIES HK\$
<b>BANK BALANCES</b>		
– THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	7,390,732	3,252,596
RATING	AA	AA
<b>IAP ISSUERS</b>		
– CITIGROUP GLOBAL MARKETS HOLDINGS INC	170,410,637	906,289,288
RATING	A	A

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the assets as shown on the Statement of Financial Position, excluding listed equities.

The Manager considers that none of these assets are impaired nor past due as at 31st December 2009 (2008: Nil).

(iv) **MSCI Asia APEX 50 ETF**

The table below sets out the net exposure of the MSCI Asia APEX 50 ETF to counterparty as at 31st December 2009 together with its credit rating of senior long-term debt by Standard & Poor's Rating Services:

	2009 NET EXPOSURE TO COUNTERPARTY HK\$
<b>BANK BALANCES</b>	
– THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	891,110
RATING	AA

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the assets as shown on the Statement of Financial Position, excluding listed equities.

The Manager considers that none of these assets are impaired nor past due as at 31st December 2009.

(v) **MSCI Asia APEX Mid Cap ETF**

The table below sets out the net exposure of the MSCI Asia APEX Mid Cap ETF to counterparty as at 31st December 2009 together with its credit rating of senior long-term debt by Standard & Poor's Rating Services:

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

2009  
NET  
EXPOSURE TO  
COUNTERPARTY  
HK\$

#### BANK BALANCES

– THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	635,842
RATING	AA

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the assets as shown on the Statement of Financial Position, excluding listed equities.

The Manager considers that none of these assets are impaired nor past due as at 31st December 2009.

#### (vi) MSCI Asia APEX Small Cap ETF

The table below sets out the net exposure of the MSCI Asia APEX Small Cap ETF to counterparty as at 31st December 2009 together with its credit rating of senior long-term debt by Standard & Poor's Rating Services:

2009  
NET  
EXPOSURE TO  
COUNTERPARTY  
HK\$

#### BANK BALANCES

– THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	443,725
RATING	AA

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the assets as shown on the Statement of Financial Position, excluding listed equities.

The Manager considers that none of these assets are impaired nor past due as at 31st December 2009.

#### (vii) MSCI Emerging Asia ETF

The table below sets out the net exposure of the MSCI Emerging Asia ETF to counterparty as at 31st December 2009 together with its credit rating of senior long-term debt by Standard & Poor's Rating Services:

2009  
NET  
EXPOSURE TO  
COUNTERPARTY  
HK\$

#### BANK BALANCES

– THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	1,310,164
RATING	AA

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the assets as shown on the Statement of Financial Position, excluding listed equities.

The Manager considers that none of these assets are impaired nor past due as at 31st December 2009.

#### (c) Liquidity Risk

Liquidity risk is the risk that the Sub-Funds may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

As at 31st December 2009, all of the Sub-Funds' non-derivative financial liabilities have contractual maturities not later than one month (2008: Not later than one month for the MSCI China ETF, A50 China ETF and SENSEX India ETF). As at 31st December 2009, each Sub-Fund held liquid assets, comprising of bank balances and amounts due from brokers (if any) that are expected to readily generate cash inflows for managing liquidity risk.

Each of the MSCI China ETF, MSCI Asia APEX 50 ETF, MSCI Asia APEX Mid Cap ETF, MSCI Asia APEX Small Cap ETF and MSCI Emerging Asia ETF invest the majority of their assets in investments that are traded in active markets and can be readily disposed of.

The A50 China ETF holds CAAPs which do not have an active market. However, transactions with participating dealers are generally in-kind and where a participating dealer subscribes or redeems in cash, such transactions would be effected with a CAAP Issuer nominated by the participating dealer.

The SENSEX India ETF invests the majority of its assets, through the Mauritius Subsidiary, in investments that are traded in an active market and can be readily disposed of, but may hold up to 15% of its net asset value in IAPs which do not have an active market. However, where a participating dealer subscribes or redeems in cash, such transactions would be effected with an IAP Issuer nominated by the participating dealer.

#### (d) Fair Value Estimation

The Sub-Funds adopted the amendment to IFRS 7, effective 1st January 2009. This requires the Sub-Funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Sub-Funds. The Sub-Funds consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Sub-Funds' financial assets (by class) measured at fair value at 31st December 2009:

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

MSCI CHINA ETF	LEVEL 1 HK\$	LEVEL 2 HK\$	LEVEL 3 HK\$	TOTAL HK\$
<b>ASSETS</b>				
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
– EQUITY SECURITIES	1,268,175,663	–	–	1,268,175,663
<b>TOTAL ASSETS</b>	<b>1,268,175,663</b>	<b>–</b>	<b>–</b>	<b>1,268,175,663</b>

  

A50 CHINA ETF	LEVEL 1 HK\$	LEVEL 2 HK\$	LEVEL 3 HK\$	TOTAL HK\$
<b>ASSETS</b>				
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
– EQUITY SECURITIES	–	–	46,925,702,459	46,925,702,459
<b>TOTAL ASSETS</b>	<b>–</b>	<b>–</b>	<b>46,925,702,459</b>	<b>46,925,702,459</b>

  

SENSEX INDIA ETF	LEVEL 1 HK\$	LEVEL 2 HK\$	LEVEL 3 HK\$	TOTAL HK\$
<b>ASSETS</b>				
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
– EQUITY SECURITIES	1,586,129,765	170,410,637	–	1,756,540,402
<b>TOTAL ASSETS</b>	<b>1,586,129,765</b>	<b>170,410,637</b>	<b>–</b>	<b>1,756,540,402</b>

  

MSCI ASIA APEX 50 ETF	LEVEL 1 HK\$	LEVEL 2 HK\$	LEVEL 3 HK\$	TOTAL HK\$
<b>ASSETS</b>				
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
– EQUITY SECURITIES	447,415,778	–	–	447,415,778
<b>TOTAL ASSETS</b>	<b>447,415,778</b>	<b>–</b>	<b>–</b>	<b>447,415,778</b>





## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

MSCI ASIA APEX MID CAP ETF	LEVEL 1 HK\$	LEVEL 2 HK\$	LEVEL 3 HK\$	TOTAL HK\$
<b>ASSETS</b>				
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
– EQUITY SECURITIES	228,861,578	–	–	228,861,578
<b>TOTAL ASSETS</b>	<b>228,861,578</b>	<b>–</b>	<b>–</b>	<b>228,861,578</b>

MSCI ASIA APEX SMALL CAP ETF	LEVEL 1 HK\$	LEVEL 2 HK\$	LEVEL 3 HK\$	TOTAL HK\$
<b>ASSETS</b>				
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
– EQUITY SECURITIES	130,383,165	–	–	130,383,165
<b>TOTAL ASSETS</b>	<b>130,383,165</b>	<b>–</b>	<b>–</b>	<b>130,383,165</b>

MSCI EMERGING ASIA ETF	LEVEL 1 HK\$	LEVEL 2 HK\$	LEVEL 3 HK\$	TOTAL HK\$
<b>ASSETS</b>				
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
– EQUITY SECURITIES	242,123,188	–	–	242,123,188
<b>TOTAL ASSETS</b>	<b>242,123,188</b>	<b>–</b>	<b>–</b>	<b>242,123,188</b>

Investment whose values are based on quoted market prices in active markets are classified within level 1. The Sub-Funds do not adjust the quoted price for these instruments.

Investments that trade in markets that are not considered to be active and are priced by the market maker supported by observable inputs are classified within level 2. The level 2 investments included IAPs held by the SENSEX India ETF. The value of each IAP is derived from the quoted market prices of the relevant underlying security, adjusted for transaction costs and commission.

Investments that trade in markets that are not considered to be active and are priced by the market maker based on unobservable inputs are classified within level 3. The level 3 investments included CAAPs held by the A50 China ETF which can only be traded with the relevant CAAP Issuers. The value of each CAAP is derived from the quoted market prices of the relevant underlying security, adjusted for the expected amount payable to the issuer in respect of potential capital gains tax (if any) which could vary as described in note 3 above.

The following table represents the movement in level 3 instruments held by the A50 China ETF for the year ended 31st December 2009.

## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

	CAAPS HK\$
<b>OPENING BALANCE</b>	28,945,932,028
PURCHASE	44,718,842,904
SALES	(49,521,655,005)
GAINS RECOGNISED IN PROFIT OR LOSS	22,782,582,532
<b>CLOSING BALANCE</b>	<u>46,925,702,459</u>

(e) **Capital Risk Management**

The Sub-Funds' capital is represented by the redeemable units outstanding. The Sub-Funds do not have any internally and externally imposed capital requirements and therefore the Sub-Funds are not subject to significant capital risk.

### 13. Distribution

	iShares MSCI China Index ETF		iShares FTSE/ XINHUA A50 China Index ETF		iShares BSE SENSEX India Index ETF	
	2009 HK\$	2008 HK\$	2009 HK\$	2008 HK\$	2009 HK\$	2008 HK\$
<b>FINAL DISTRIBUTION</b>						
- HK\$0.267 ON 65,400,000 UNITS PAID ON 29TH DECEMBER 2008	-	(17,461,800)	-	-	-	-
- HK\$0.350 ON 59,400,000 UNITS PAID ON 29TH DECEMBER 2009	(20,790,000)	-	-	-	-	-
- HK\$0.185 ON 3,130,000,000 UNITS PAID ON 29TH DECEMBER 2008	-	-	-	(579,050,000)	-	-
- HK\$0.110 ON 3,418,000,000 UNITS PAID ON 29TH DECEMBER 2009	-	-	(375,980,000)	-	-	-
- HK\$0.042 ON 103,200,000 UNITS PAID ON 29TH DECEMBER 2008	-	-	-	-	-	(4,334,400)
- HK\$0.070 ON 107,200,000 UNITS PAID ON 29TH DECEMBER 2009	-	-	-	-	(7,504,000)	-



## Sub-Funds of iShares Asia Trust

### » Notes to the Financial Statements (continued)

iShares MSCI Asia APEX 50 Index ETF 12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	iShares MSCI Asia APEX Mid Cap Index ETF 12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	iShares MSCI Asia APEX Small Cap Index ETF 12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$	iShares MSCI Emerging Asia Index ETF 12.03.2009 (DATE OF INCEPTION) TO 31.12.2009 HK\$
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#### FINAL DISTRIBUTION

- HK\$0.433 ON 13,600,000 UNITS PAID ON 29TH DECEMBER 2009	(5,888,800)	-	-	-
- HK\$0.225 ON 5,600,000 UNITS PAID ON 29TH DECEMBER 2009	-	(1,260,000)	-	-
- HK\$0.285 ON 3,200,000 UNITS PAID ON 29TH DECEMBER 2009	-	-	(912,000)	-
- HK\$0.328 ON 6,400,000 UNITS PAID ON 29TH DECEMBER 2009	-	-	-	(2,099,200)

#### 14. Segment Information

The Manager makes the strategic resource allocations on behalf of the Sub-Funds and has determined the operating segments based on the reports reviewed which are used to make strategic decisions.

The Manager considers that each Sub-Fund has a single operating segment which is investing in securities. The objectives of the Sub-Funds are to track the performance of their respective indexes and invest in substantially all the index constituents with security weight and industry weight that are closely aligned to the characteristics of the tracked indexes.

The internal financial information used by the Manager for the Sub-Funds' assets, liabilities and performance is the same as that disclosed in the Statement of Financial Position and Statement of Comprehensive Income.

The Sub-Funds are domiciled in Hong Kong. All of the Sub-Funds' income is from investments in securities which constitute the relevant tracked indexes. The Sub-Funds' investments have been categorized by relevant geography but no geographical information for performance is provided as the Manager considers that the cost to develop it would be excessive and the information is generally not used by the Manager in managing the Sub-Funds.

The Sub-Funds have no assets classified as non-current assets. The Sub-Funds have portfolios that closely correspond to the security weight and industry weight of the relevant tracked indexes. Refer to note 11 for investment holdings that account for more than 10% of each Sub-Fund's net asset value.

#### 15. Approval of Financial Statements

The financial statements were approved by the Trustee and the Manager on 21 April 2010.

# iShares MSCI China Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Investment Portfolio (unaudited)

As at 31st December 2009

INVESTMENTS (99.58%)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.58%)</b>			
<b>CHINA (66.34%)</b>			
AIR CHINA LTD – H	792,000	4,807,440	0.38
ALIBABA.COM LTD – H	346,500	6,237,000	0.49
ALUMINUM CORP OF CHINA LTD – H	1,188,000	10,121,760	0.80
ANGANG STEEL CO LTD – H	396,000	6,787,440	0.53
ANHUI CONCH CEMENT CO LTD – H	145,530	7,145,523	0.56
BANK OF CHINA LTD – H	16,087,500	67,406,625	5.29
BANK OF COMMUNICATIONS LTD – H	1,801,800	16,234,218	1.28
BEIJING CAPITAL INTERNATIONAL AIRPORT CO LTD – H	594,000	3,053,160	0.24
BYD CO LTD – H	158,400	10,834,560	0.85
CHINA BLUECHEMICAL LTD – H	396,000	1,861,200	0.15
CHINA CITIC BANK CORP LTD – H	1,584,000	10,486,080	0.82
CHINA COAL ENERGY CO – H	1,039,500	14,760,900	1.16
CHINA COMMUNICATIONS CONSTRUCTION CO LTD – H	1,264,230	9,393,229	0.74
CHINA COMMUNICATIONS SERVICES CORP LTD – H	514,800	1,966,536	0.16
CHINA CONSTRUCTION BANK – H	12,681,900	84,461,454	6.63
CHINA COSCO HOLDINGS CO LTD – H	742,500	7,105,725	0.56
CHINA DONGXIANG GROUP CO – H	693,000	4,130,280	0.32
CHINA HIGH SPEED TRANSMISSION EQUIPMENT GROUP CO LTD – H	297,000	5,613,300	0.44
CHINA LIFE INSURANCE CO – H	2,098,800	80,488,980	6.32
CHINA MERCHANTS BANK CO LTD – H	994,950	20,147,737	1.58
CHINA MINSHENG BANKING CO LTD – H	396,000	3,453,120	0.27
CHINA NATIONAL BUILDING MATERIAL CO LTD – H	386,100	6,193,044	0.49
CHINA OILFIELD SERVICES LTD – H	524,700	4,884,957	0.38
CHINA PETROLEUM & CHEMICAL CORP – H	4,821,300	33,363,396	2.62
CHINA RAILWAY CONSTRUCTION CORP – H	564,300	5,603,499	0.44
CHINA RAILWAY GROUP LTD – H	1,287,000	7,760,610	0.61
CHINA SHENHUA ENERGY CO LTD – H	910,800	34,564,860	2.71
CHINA SHIPPING CONTAINER LINES COMPANY LTD – H	1,386,000	3,866,940	0.30
CHINA SHIPPING DEVELOPMENT CO LTD – H	396,000	4,617,360	0.36
CHINA SOUTH LOCOMOTIVE & ROLLING STOCK CORP LTD – H	445,500	2,525,985	0.20
CHINA TELECOM CORP LTD – H	4,187,700	13,526,271	1.06
CHINA YURUN FOOD GROUP LTD – H	297,000	6,831,000	0.54
COUNTRY GARDEN HOLDINGS COMPANY – H	1,098,900	3,153,843	0.25
DATANG INTERNATIONAL POWER GEN CO LTD – H	1,188,000	3,979,800	0.31
DONGFENG MOTOR GROUP CO LTD – H	792,000	8,791,200	0.69
FOSUN INTERNATIONAL – H	445,500	2,410,155	0.19
GUANGZHOU R&F PROPERTIES CO LTD – H	316,800	4,333,824	0.34
HARBIN POWER EQUIPMENT COMPANY LTD – H	297,000	2,058,210	0.16
HUANENG POWER INTERNATIONAL INC – H	1,029,600	4,499,352	0.35
INDUSTRIAL & COMMERCIAL BANK OF CHINA – H	12,899,700	82,945,071	6.51
JIANGSU EXPRESSWAY CO LTD – H	495,000	3,440,250	0.27



## iShares MSCI China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.58%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.58%) (CONTINUED)</b>			
<b>CHINA (66.34%) (CONTINUED)</b>			
JIANGXI COPPER COMPANY LTD – H	415,800	7,625,772	0.60
LI NING CO LTD – H	198,000	5,831,100	0.46
MAANSHAN IRON & STEEL – H	584,100	3,288,483	0.26
NINE DRAGONS PAPER HOLDINGS LTD – H	396,000	4,957,920	0.39
PARKSON RETAIL GROUP LTD – H	346,500	4,726,260	0.37
PETROCHINA CO LTD – H	6,157,800	57,329,118	4.50
PICC PROPERTY & CASUALTY CO LTD – H	821,700	5,751,900	0.45
PING AN INSURANCE (GROUP) CO OF CHINA LTD – H	390,060	26,504,577	2.08
SHANDONG WEIGAO GROUP MEDICAL POLYMER CO LTD – H	108,900	2,815,065	0.22
SHANGHAI ELECTRIC GROUP CORP – H	851,400	3,065,040	0.24
SINO-OCEAN LAND HOLDINGS LTD – H	1,019,700	7,311,249	0.57
SINOPEC SHANGHAI PETROCHEMICAL CO LTD – H	891,000	2,726,460	0.21
SOHO CHINA LTD – H	544,500	2,286,900	0.18
TENCENT HOLDINGS LTD – H	267,300	45,093,510	3.54
TINGYI (CAYMAN ISLAND) HOLDING CORP – H	564,300	10,811,988	0.85
WANT WANT CHINA HOLDINGS LTD – H	801,900	4,330,260	0.34
WEICHAI POWER CO LTD – H	49,000	3,067,400	0.24
XINAO GAS HOLDINGS LTD – H	198,000	3,924,360	0.31
YANZHOU COAL MINING CO LTD – H	594,000	10,157,400	0.80
ZHEJIANG EXPRESSWAY CO LTD – H	594,000	4,258,980	0.34
ZIJIN MINING GROUP CO LTD – H	1,197,900	8,876,439	0.70
ZTE CORP – H	90,090	4,292,789	0.34

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844,878,864 66.34

### HONG KONG (33.24%)

AGILE PROPERTY HOLDINGS LTD	594,000	6,735,960	0.53
BEIJING ENTERPRISES HOLDINGS LTD	133,650	7,511,130	0.59
BELLE INTERNATIONAL HOLDINGS LTD	1,138,500	10,292,040	0.81
CHAODA MODERN AGRICULTURE	613,800	5,106,816	0.40
CHINA AGRI-INDUSTRIES HOLDINGS LTD	495,000	5,009,400	0.39
CHINA EVERBRIGHT LTD	247,500	4,752,000	0.37
CHINA MENGNIU DAIRY CO LTD	326,700	9,016,920	0.71
CHINA MERCHANTS HOLDINGS INTERNATIONAL CO LTD	366,300	9,230,760	0.73
CHINA MOBILE LTD	1,702,800	123,963,840	9.73
CHINA OVERSEAS LAND & INVESTMENT LTD	1,241,955	20,318,384	1.60
CHINA RESOURCES ENTERPRISE LTD	400,950	11,366,933	0.89
CHINA RESOURCES LAND LTD	613,800	10,753,776	0.84
CHINA RESOURCES POWER HOLDINGS CO LTD	495,000	7,632,900	0.60
CHINA TAIPING INSURANCE HOLDINGS CO LTD	198,000	4,959,900	0.39
CHINA TRAVEL INTERNATIONAL INV HK	1,188,000	2,756,160	0.22

# iShares MSCI China Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.58%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.58%) (CONTINUED)</b>			
<b>HONG KONG (33.24%) (CONTINUED)</b>			
CHINA UNICOM	1,835,460	18,868,529	1.48
CHINA ZHONGWANG HOLDINGS LTD	396,000	2,471,040	0.19
CITIC PACIFIC LTD	346,500	7,241,850	0.57
CNOOC LTD	5,200,470	63,341,724	4.97
CNPC (HONG KONG) LTD	613,800	6,334,416	0.50
COSCO PACIFIC LTD	396,000	3,924,360	0.31
DENWAY MOTORS LTD	1,485,000	7,291,350	0.57
FUSHAN INTERNATIONAL ENERGY GROUP LTD	792,000	5,947,920	0.47
GEELY AUTOMOBILE HOLDINGS LTD	889,000	3,787,140	0.30
GOME ELECTRICAL APPLIANCES HOLDINGS LTD	2,197,800	6,197,796	0.49
GUANGDONG INVESTMENTS LTD	841,500	3,803,580	0.30
HENGAN INTERNATIONAL GROUP CO LTD	198,000	11,335,500	0.89
HUABAO INTERNATIONAL HOLDINGS LTD	376,200	3,129,984	0.25
KINGBOARD CHEMICAL HOLDINGS LTD	198,000	6,058,800	0.48
LENOVO GROUP LTD	1,386,000	6,694,380	0.53
POLY (HONG KONG) INVESTMENTS LTD	396,000	3,837,240	0.30
RENHE COMMERCIAL HOLDINGS	2,277,000	3,984,750	0.31
SHANGHAI INDUSTRIAL HOLDINGS LTD	168,300	6,647,850	0.52
SHIMAO PROPERTY HOLDINGS LTD	445,500	6,548,850	0.51
SHUI ON LAND LTD	707,850	3,227,796	0.25
SINOFERT HOLDINGS LTD	742,500	3,215,025	0.25
		423,296,799	33.24
TOTAL INVESTMENTS		1,268,175,663	99.58
OTHER NET ASSETS		5,363,774	0.42
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER 2009		1,273,539,437	100.00
TOTAL INVESTMENTS, AT COST		1,006,416,886	



# iShares MSCI China Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2009

INVESTMENTS	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED EQUITIES</b>					
AGILE PROPERTY HOLDINGS LTD	654,000	156,000	–	216,000	594,000
AIR CHINA LTD – H	872,000	208,000	–	288,000	792,000
ALIBABA.COM LTD – H	436,000	91,000	–	180,500	346,500
ALUMINUM CORP OF CHINA LTD – H	1,526,000	360,000	–	698,000	1,188,000
ANGANG STEEL CO LTD – H	436,000	104,000	–	144,000	396,000
ANHUI CONCH CEMENT CO LTD – H	160,230	38,220	–	52,920	145,530
BANK OF CHINA LTD – H	9,810,000	12,466,000	–	6,188,500	16,087,500
BANK OF COMMUNICATIONS LTD – H	2,180,000	473,200	–	851,400	1,801,800
BEIJING CAPITAL INTERNATIONAL AIRPORT CO LTD – H	654,000	156,000	–	216,000	594,000
BEIJING ENTERPRISES HOLDINGS LTD	147,150	35,100	–	48,600	133,650
BELLE INTERNATIONAL HOLDINGS LTD	981,000	519,000	–	361,500	1,138,500
BYD CO LTD – H	218,000	51,200	–	110,800	158,400
CHAODA MODERN AGRICULTURE	793,520	161,000	–	340,720	613,800
CHINA AGRI-INDUSTRIES HOLDINGS LTD	545,000	130,000	–	180,000	495,000
CHINA BLUECHEMICAL LTD – H	436,000	104,000	–	144,000	396,000
CHINA CITIC BANK CORP LTD – H	1,635,000	910,000	–	961,000	1,584,000
CHINA COAL ENERGY CO – H	1,199,000	273,000	–	432,500	1,039,500
CHINA COMMUNICATIONS CONSTRUCTION CO LTD – H	1,555,430	368,020	–	659,220	1,264,230
CHINA COMMUNICATIONS SERVICES CORP LTD – H	763,000	135,200	–	383,400	514,800
CHINA CONSTRUCTION BANK – H	12,535,000	6,304,500	–	6,157,600	12,681,900
CHINA COSCO HOLDINGS CO LTD – H	981,000	231,000	–	469,500	742,500
CHINA DONGXIANG GROUP CO – H	–	798,000	–	105,000	693,000
CHINA EVERBRIGHT LTD	272,500	65,000	–	90,000	247,500
CHINA HIGH SPEED TRANSMISSION EQUIPMENT GROUP CO LTD – H	327,000	78,000	–	108,000	297,000
CHINA HUIYUAN JUICE	436,000	4,000	–	440,000	–
CHINA LIFE INSURANCE CO – H	2,616,000	585,000	–	1,102,200	2,098,800
CHINA MENGNIU DAIRY CO LTD	436,000	104,000	–	213,300	326,700
CHINA MERCHANTS BANK CO LTD – H	981,000	284,750	252,450	523,250	994,950
CHINA MERCHANTS HOLDINGS INTERNATIONAL CO LTD	403,300	96,200	–	133,200	366,300
CHINA MINSHENG BANKING CO LTD – H	–	400,000	–	4,000	396,000
CHINA MOBILE LTD	2,223,600	476,600	–	997,400	1,702,800
CHINA NATIONAL BUILDING MATERIAL CO LTD – H	327,000	189,600	–	130,500	386,100
CHINA OILFIELD SERVICES LTD – H	577,700	137,800	–	190,800	524,700
CHINA OVERSEAS LAND & INVESTMENT LTD	1,417,000	383,850	–	558,895	1,241,955
CHINA OVERSEAS LAND & INVESTMENT LTD NIL PAID RIGHTS 21/01/2009	56,680	–	–	56,680	–
CHINA PETROLEUM & CHEMICAL CORP – H	6,213,000	1,271,000	–	2,662,700	4,821,300
CHINA RAILWAY CONSTRUCTION CORP – H	621,300	148,200	–	205,200	564,300

# iShares MSCI China Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED EQUITIES (CONTINUED)</b>					
CHINA RAILWAY GROUP LTD – H	1,417,000	338,000	–	468,000	1,287,000
CHINA RESOURCES ENTERPRISE LTD	441,450	105,300	–	145,800	400,950
CHINA RESOURCES LAND LTD	436,000	354,800	–	177,000	613,800
CHINA RESOURCES POWER HOLDINGS CO LTD	545,000	130,000	–	180,000	495,000
CHINA RESOURCES POWER HOLDINGS CO LTD NIL PAID RIGHTS 10/07/2009	–	–	52,000	52,000	–
CHINA SHENHUA ENERGY CO LTD – H	1,199,000	258,500	–	546,700	910,800
CHINA SHIPPING CONTAINER LINES COMPANY LTD – H	1,526,000	364,000	–	504,000	1,386,000
CHINA SHIPPING DEVELOPMENT CO LTD – H	436,000	104,000	–	144,000	396,000
CHINA SOUTH LOCOMOTIVE & ROLLING STOCK CORP LTD – H	–	513,000	–	67,500	445,500
CHINA TAIPING INSURANCE HOLDINGS CO LTD	218,000	52,000	–	72,000	198,000
CHINA TELECOM CORP LTD – H	5,133,900	1,104,600	–	2,050,800	4,187,700
CHINA TRAVEL INTERNATIONAL INV HK	1,308,000	312,000	–	432,000	1,188,000
CHINA UNICOM	2,020,860	482,040	–	667,440	1,835,460
CHINA YURUN FOOD GROUP LTD – H	327,000	78,000	–	108,000	297,000
CHINA ZHONGWANG HOLDINGS LTD	–	448,000	–	52,000	396,000
CITIC PACIFIC LTD	490,500	91,000	–	235,000	346,500
CNOOC LTD	5,780,270	1,813,780	–	2,393,580	5,200,470
CNPC (HONG KONG) LTD	1,090,000	165,000	–	641,200	613,800
COSCO PACIFIC LTD	436,000	104,000	–	144,000	396,000
COUNTRY GARDEN HOLDINGS COMPANY – H	1,209,900	288,600	–	399,600	1,098,900
DATANG INTERNATIONAL POWER GEN CO LTD – H	1,308,000	312,000	–	432,000	1,188,000
DENWAY MOTORS LTD	1,962,000	462,000	–	939,000	1,485,000
DONGFENG MOTOR GROUP CO LTD – H	872,000	208,000	–	288,000	792,000
FOSUN INTERNATIONAL – H	–	513,000	–	67,500	445,500
FUSHAN INTERNATIONAL ENERGY GROUP LTD	–	896,000	–	104,000	792,000
GEELY AUTOMOBILE HOLDINGS LTD	–	925,000	–	36,000	889,000
GOME ELECTRICAL APPLIANCES HOLDINGS LTD	2,596,000	760,336	–	1,158,536	2,197,800
GOME ELECTRICAL APPLIANCES HOLDINGS LTD NIL PAID RIGHTS 14/08/2009	–	–	503,136	503,136	–
GUANGDONG INVESTMENTS LTD	926,500	221,000	–	306,000	841,500
GUANGSHEN RAILWAY CO LTD – H	545,000	130,000	–	675,000	–
GUANGZHOU R&F PROPERTIES CO LTD – H	436,000	83,200	–	202,400	316,800
HARBIN POWER EQUIPMENT COMPANY LTD – H	327,000	78,000	–	108,000	297,000
HENGAN INTERNATIONAL GROUP CO LTD	218,000	52,000	–	72,000	198,000
HUABAO INTERNATIONAL HOLDINGS LTD	–	433,200	–	57,000	376,200
HUANENG POWER INTERNATIONAL INC – H	1,133,600	270,400	–	374,400	1,029,600
INDUSTRIAL & COMMERCIAL BANK OF CHINA – H	15,478,000	4,428,000	–	7,006,300	12,899,700
JIANGSU EXPRESSWAY CO LTD – H	545,000	130,000	–	180,000	495,000





## iShares MSCI China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED EQUITIES (CONTINUED)</b>					
JIANGXI COPPER COMPANY LTD – H	545,000	128,400	–	257,600	415,800
KINGBOARD CHEMICAL HOLDINGS LTD	–	228,000	–	30,000	198,000
LENOVO GROUP LTD	1,526,000	364,000	–	504,000	1,386,000
LI NING CO LTD – H	272,500	52,000	–	126,500	198,000
MAANSHAN IRON & STEEL – H	643,100	153,400	–	212,400	584,100
NINE DRAGONS PAPER HOLDINGS LTD – H	–	412,000	–	16,000	396,000
PARKSON RETAIL GROUP LTD – H	436,000	91,000	–	180,500	346,500
PETROCHINA CO LTD – H	7,848,000	1,672,000	–	3,362,200	6,157,800
PICC PROPERTY & CASUALTY CO LTD – H	904,700	215,800	–	298,800	821,700
PING AN INSURANCE (GROUP) CO OF CHINA LTD – H	473,060	102,840	–	185,840	390,060
POLY (HONG KONG) INVESTMENTS LTD	–	412,000	–	16,000	396,000
RENHE COMMERCIAL HOLDINGS	–	2,576,000	–	299,000	2,277,000
SHANDONG WEIGAO GROUP MEDICAL POLYMER CO LTD – H	–	125,400	–	16,500	108,900
SHANGHAI ELECTRIC GROUP CORP – H	1,100,900	225,000	–	474,500	851,400
SHANGHAI INDUSTRIAL HOLDINGS LTD	218,000	51,400	–	101,100	168,300
SHIMAO PROPERTY HOLDINGS LTD	490,500	117,000	–	162,000	445,500
SHUI ON LAND LTD	708,500	185,250	59,150	245,050	707,850
SINOFERT HOLDINGS LTD	817,500	195,000	–	270,000	742,500
SINO-OCEAN LAND HOLDINGS LTD – H	1,253,500	267,800	–	501,600	1,019,700
SINOPEC SHANGHAI PETROCHEMICAL CO LTD – H	981,000	234,000	–	324,000	891,000
SOHO CHINA LTD – H	599,500	143,000	–	198,000	544,500
TENCENT HOLDINGS LTD – H	327,000	70,500	–	130,200	267,300
TINGYI (CAYMAN ISLAND) HOLDING CORP – H	621,300	148,200	–	205,200	564,300
WANT WANT CHINA HOLDINGS LTD – H	–	923,400	–	121,500	801,900
WEICHAI POWER CO LTD – H	–	51,000	–	2,000	49,000
XINAO GAS HOLDINGS LTD – H	–	206,000	–	8,000	198,000
YANZHOU COAL MINING CO LTD – H	763,000	180,000	–	349,000	594,000
ZHEJIANG EXPRESSWAY CO LTD – H	654,000	156,000	–	216,000	594,000
ZIJIN MINING GROUP CO LTD – H	1,526,000	360,200	–	688,300	1,197,900
ZTE CORP – H	76,300	23,660	20,580	30,450	90,090

## iShares MSCI China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Performance Record (unaudited)

#### Net Asset Value

	NET ASSET VALUE PER UNIT HK\$	NET ASSET VALUE OF THE SUB-FUND HK\$
AT END OF FINANCIAL PERIOD DATED		
31ST DECEMBER 2007	28.59*	2,213,177,700
31ST DECEMBER 2008	13.69	895,349,149
31ST DECEMBER 2009	21.44	1,273,539,437

#### Highest and lowest net asset value per unit

	HIGHEST NET ASSET VALUE PER UNIT HK\$	LOWEST NET ASSET VALUE PER UNIT HK\$
FINANCIAL PERIOD ENDED		
31ST DECEMBER 2002 (SINCE INCEPTION)	18.12	13.66
31ST DECEMBER 2003	25.65	13.27
31ST DECEMBER 2004	27.29	19.33
31ST DECEMBER 2005	30.70	23.96
31ST DECEMBER 2006	52.62	30.15
31ST DECEMBER 2007	35.30*	15.20*
31ST DECEMBER 2008	28.38	9.25
31ST DECEMBER 2009	22.61	11.58

\* Adjustment for the effect of sub-division of units during the year.



## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

» Investment Portfolio (unaudited)

As at 31st December 2009

INVESTMENTS (99.29%)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%)</b>			
<b>LISTED CAAPS ISSUED BY THE ROYAL BANK OF SCOTLAND N.V., LONDON BRANCH, PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	2,726,471	30,024,171	0.06
ALUMINUM CORP OF CHINA LTD	8,294,644	136,368,924	0.29
ANGANG STEEL CO LTD	2,196,784	39,864,380	0.08
ANHUI CONCH CEMENT CO LTD	952,019	53,895,224	0.11
BANK OF BEIJING CO LTD	2,223,615	48,800,900	0.10
BANK OF CHINA LTD	12,312,651	60,155,303	0.13
BANK OF COMMUNICATIONS CO LTD	35,345,884	375,527,043	0.79
BAOSHAN IRON & STEEL CO LTD	9,096,839	99,469,841	0.21
CHINA CITIC BANK	4,539,780	42,599,253	0.09
CHINA COAL ENERGY CO	3,147,035	48,566,460	0.10
CHINA CONSTRUCTION BANK CORP	16,159,224	114,036,452	0.24
CHINA COSCO HOLDINGS CO LTD	2,644,223	41,627,077	0.09
CHINA LIFE INSURANCE CO LTD	2,894,611	103,932,889	0.22
CHINA MERCHANTS BANK CO LTD	20,186,998	411,726,946	0.87
CHINA MINSHENG BANKING CORP LTD	24,442,288	219,877,934	0.47
CHINA OILFIELD SERVICES LTD	1,025,164	18,921,349	0.04
CHINA PACIFIC INSURANCE GROUP CO LTD	4,379,478	127,360,695	0.27
CHINA PETROLEUM & CHEMICAL CORP	7,289,749	116,455,927	0.25
CHINA RAILWAY CONSTRUCTION CORP	5,292,746	55,000,629	0.12
CHINA RAILWAY GROUP LTD	8,878,961	63,347,835	0.13
CHINA SHENHUA ENERGY CO LTD	3,151,960	124,661,594	0.26
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	5,261,026	33,863,383	0.07
CHINA STATE CONSTRUCTION ENGINEERING	10,614,246	56,796,300	0.12
CHINA UNITED TELECOMMUNICATIONS CORP LTD	14,732,565	122,248,615	0.26
CHINA VANKE CO LTD	16,761,918	205,382,105	0.44
CHINA YANGTZE POWER CO LTD	5,707,241	86,748,922	0.18
CITIC SECURITIES CO LTD/CHINA	8,550,094	308,985,862	0.65
DAQIN RAILWAY CO LTD	6,756,347	79,117,161	0.17
DATANG INTERNATIONAL POWER GENERATION CO	11,030,793	112,917,816	0.24
HAITONG SECURITIES CO LTD	7,074,620	154,166,935	0.33
HUANENG POWER INTERNATIONAL INC	1,355,469	12,298,645	0.03
INDUSTRIAL & COMMERCIAL BANK OF CHINA	26,073,291	159,736,714	0.34
INDUSTRIAL BANK CO LTD	9,087,534	415,795,574	0.88
JIANGXI COPPER COMPANY LIMITED	580,921	26,534,699	0.06

CAAP – CHINESE A SHARE ACCESS PRODUCT, BEING A SECURITY (SUCH AS A WARRANT, NOTE OR PARTICIPATING CERTIFICATE) LINKED TO AN A SHARE.

## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
CHINA (99.29%) (CONTINUED)			
LISTED CAAPS ISSUED BY THE ROYAL BANK OF SCOTLAND N.V., LONDON BRANCH, PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)			
KWEICHOW MOUTAI CO LTD	491,932	94,877,375	0.20
PETROCHINA CO LTD	7,033,942	110,187,405	0.23
PING AN INSURANCE GROUP CO OF CHINA LTD	8,761,150	548,297,736	1.16
POLY REAL ESTATE GROUP CO LTD	2,987,087	75,980,740	0.16
SAIC MOTOR CORP LTD	3,414,910	100,898,809	0.21
SHANGHAI ELECTRIC GROUP CO	1,223,033	13,373,315	0.03
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	14,589,438	96,169,928	0.20
SHANGHAI PUDONG DEVELOPMENT BANK	11,384,142	280,743,187	0.60
SHANXI XISHAN COAL AND ELECTRICITY POWER	2,106,001	95,379,100	0.20
SHENZHEN DEVELOPMENT BANK CO	5,396,022	149,390,758	0.32
SUNING APPLIANCE CO LTD	5,847,567	137,857,562	0.29
WUHAN IRON & STEEL CO LTD	5,390,460	50,581,651	0.11
WULIANGYE YIBIN CO LTD	3,297,870	118,667,916	0.25
YANZHOU COAL MINING CO LTD	723,896	18,974,690	0.04
ZIJIN MINING GROUP CO LTD	13,729,984	150,131,197	0.32
ZTE CORP	1,899,219	96,765,873	0.20
		6,245,090,799	13.21



## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY BARCLAYS BANK PLC, PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	2,110,340	23,239,275	0.05
ALUMINUM CORP OF CHINA LTD	6,420,047	105,549,425	0.22
ANGANG STEEL CO LTD	1,700,394	30,856,540	0.07
ANHUI CONCH CEMENT CO LTD	736,958	41,720,298	0.09
BANK OF BEIJING CO LTD	1,721,131	37,773,060	0.08
BANK OF CHINA LTD	9,530,011	46,560,298	0.10
BANK OF COMMUNICATIONS CO LTD	25,880,242	274,960,749	0.58
BAOSHAN IRON & STEEL CO LTD	7,041,043	76,990,637	0.16
CHINA CITIC BANK	3,513,851	32,972,397	0.07
CHINA COAL ENERGY CO	2,435,845	37,591,056	0.08
CHINA CONSTRUCTION BANK CORP	12,104,172	85,419,747	0.18
CHINA COSCO HOLDINGS CO LTD	2,046,625	32,219,301	0.07
CHINA LIFE INSURANCE CO LTD	2,240,507	80,446,860	0.17
CHINA MERCHANTS BANK CO LTD	15,625,728	318,696,879	0.67
CHINA MINSHENG BANKING CORP LTD	18,918,258	170,184,865	0.36
CHINA OILFIELD SERVICES LTD	793,538	14,646,252	0.03
CHINA PACIFIC INSURANCE GROUP CO LTD	3,389,885	98,582,093	0.21
CHINA PETROLEUM & CHEMICAL CORP	5,642,343	90,138,122	0.19
CHINA RAILWAY CONSTRUCTION CORP	4,096,678	42,571,449	0.09
CHINA RAILWAY GROUP LTD	6,872,360	49,031,540	0.10
CHINA SHENHUA ENERGY CO LTD	2,439,732	96,492,620	0.20
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	4,070,977	26,203,454	0.06
CHINA STATE CONSTRUCTION ENGINEERING	8,216,773	43,967,541	0.09
CHINA UNITED TELECOMMUNICATIONS CORP LTD	11,402,951	94,619,977	0.20
CHINA VANKE CO LTD	12,973,738	158,965,914	0.34
CHINA YANGTZE POWER CO LTD	4,473,334	67,993,782	0.14
CITIC SECURITIES CO LTD/CHINA	6,617,786	239,155,536	0.51
DAQIN RAILWAY CO LTD	5,229,419	61,236,758	0.13
DATANG INTERNATIONAL POWER GENERATION CO	8,537,833	87,398,381	0.18
HAITONG SECURITIES CO LTD	5,474,361	119,294,811	0.25
HUANENG POWER INTERNATIONAL INC	1,049,215	9,519,895	0.02
INDUSTRIAL & COMMERCIAL BANK OF CHINA	20,180,787	123,636,583	0.26
INDUSTRIAL BANK CO LTD	6,653,832	304,442,756	0.64
JIANGXI COPPER COMPANY LIMITED	449,530	20,533,159	0.04

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## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
CHINA (99.29%) (CONTINUED)			
LISTED CAAPS ISSUED BY BARCLAYS BANK PLC, PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)			
KWEICHOW MOUTAI CO LTD	380,770	73,437,910	0.16
PETROCHINA CO LTD	5,444,268	85,285,003	0.18
PING AN INSURANCE GROUP CO OF CHINA LTD	6,414,840	401,458,970	0.85
POLY REAL ESTATE GROUP CO LTD	2,337,628	59,460,841	0.13
SAIC MOTOR CORP LTD	2,643,218	78,097,973	0.17
SHANGHAI ELECTRIC GROUP CO	957,648	10,471,450	0.02
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	11,292,259	74,435,748	0.16
SHANGHAI PUDONG DEVELOPMENT BANK	8,538,352	210,563,445	0.45
SHANXI XISHAN COAL AND ELECTRICITY POWER	1,630,052	73,823,751	0.16
SHENZHEN DEVELOPMENT BANK CO	4,176,465	115,626,895	0.24
SUNING APPLIANCE CO LTD	4,526,025	106,701,945	0.23
WUHAN IRON & STEEL CO LTD	4,172,303	39,151,014	0.08
WULIANGYE YIBIN CO LTD	2,552,596	91,850,572	0.19
YANZHOU COAL MINING CO LTD	575,108	15,074,673	0.03
ZIJIN MINING GROUP CO LTD	10,627,325	116,205,017	0.25
ZTE CORP	1,470,055	74,899,817	0.16
		4,770,157,034	10.09



## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

» Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY CITIGROUP GLOBAL MARKETS HOLDINGS INC, PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	3,322,787	36,590,863	0.08
ALUMINUM CORP OF CHINA LTD	10,107,976	166,181,190	0.35
ANGANG STEEL CO LTD	2,677,375	48,585,521	0.10
ANHUI CONCH CEMENT CO LTD	1,160,413	65,692,721	0.14
BANK OF BEIJING CO LTD	2,709,951	59,474,346	0.13
BANK OF CHINA LTD	15,004,560	73,307,029	0.16
BANK OF COMMUNICATIONS CO LTD	74,991,478	796,735,709	1.68
BAOSHAN IRON & STEEL CO LTD	11,085,851	121,218,792	0.26
CHINA CITIC BANK	5,532,577	51,915,213	0.11
CHINA COAL ENERGY CO	3,835,341	59,188,708	0.12
CHINA CONSTRUCTION BANK CORP	33,127,780	233,784,400	0.49
CHINA COSCO HOLDINGS CO LTD	3,222,293	50,727,431	0.11
CHINA LIFE INSURANCE CO LTD	3,527,629	126,661,812	0.27
CHINA MERCHANTS BANK CO LTD	24,599,051	501,713,634	1.06
CHINA MINSHENG BANKING CORP LTD	29,785,941	267,948,368	0.57
CHINA OILFIELD SERVICES LTD	1,249,422	23,060,457	0.05
CHINA PACIFIC INSURANCE GROUP CO LTD	5,337,656	155,225,708	0.33
CHINA PETROLEUM & CHEMICAL CORP	8,883,657	141,919,086	0.30
CHINA RAILWAY CONSTRUCTION CORP	6,450,076	67,027,255	0.14
CHINA RAILWAY GROUP LTD	10,820,286	77,198,412	0.16
CHINA SHENHUA ENERGY CO LTD	3,841,353	151,927,432	0.32
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	6,408,265	41,247,759	0.09
CHINA STATE CONSTRUCTION ENGINEERING	12,939,174	69,236,873	0.15
CHINA UNITED TELECOMMUNICATIONS CORP LTD	17,953,341	148,974,131	0.32
CHINA VANKE CO LTD	20,426,485	250,283,678	0.53
CHINA YANGTZE POWER CO LTD	14,316,321	217,605,216	0.46
CITIC SECURITIES CO LTD/CHINA	10,419,349	376,537,560	0.80
DAQIN RAILWAY CO LTD	8,233,626	96,416,172	0.20
DATANG INTERNATIONAL POWER GENERATION CO	13,442,367	137,604,134	0.29
HAITONG SECURITIES CO LTD	8,617,350	187,785,413	0.40
HUANENG POWER INTERNATIONAL INC	1,652,129	14,990,345	0.03
INDUSTRIAL & COMMERCIAL BANK OF CHINA	31,773,670	194,659,801	0.41
INDUSTRIAL BANK CO LTD	19,280,583	882,173,435	1.87
JIANGXI COPPER COMPANY LIMITED	708,097	32,343,711	0.07

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## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY CITIGROUP GLOBAL MARKETS HOLDINGS INC, PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)</b>			
KWEICHOW MOUTAI CO LTD	599,675	115,657,428	0.24
PETROCHINA CO LTD	8,571,690	134,276,381	0.28
PING AN INSURANCE GROUP CO OF CHINA LTD	18,587,904	1,163,284,008	2.46
POLY REAL ESTATE GROUP CO LTD	3,686,080	93,760,605	0.20
SAIC MOTOR CORP LTD	4,161,607	122,961,129	0.26
SHANGHAI ELECTRIC GROUP CO	1,504,714	16,453,370	0.03
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	17,778,951	117,194,400	0.25
SHANGHAI PUDONG DEVELOPMENT BANK	13,868,981	342,021,554	0.72
SHANXI XISHAN COAL AND ELECTRICITY POWER	2,566,446	116,232,286	0.25
SHENZHEN DEVELOPMENT BANK CO	6,575,744	182,051,774	0.38
SUNING APPLIANCE CO LTD	7,125,481	167,984,640	0.35
WUHAN IRON & STEEL CO LTD	6,569,174	61,642,173	0.13
WULIANGYE YIBIN CO LTD	4,019,168	144,622,526	0.31
YANZHOU COAL MINING CO LTD	846,424	22,186,381	0.05
ZIJIN MINING GROUP CO LTD	16,733,335	182,971,488	0.39
ZTE CORP	2,314,611	117,930,241	0.25
		9,027,172,699	19.10





## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY CLSA FINANCIAL PRODUCTS, LTD., GUARANTEED BY CALYON S.A., PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	311,515	3,430,434	0.01
ALUMINUM CORP OF CHINA LTD	947,723	15,581,135	0.03
ANGANG STEEL CO LTD	250,992	4,554,677	0.01
ANHUI CONCH CEMENT CO LTD	108,766	6,157,406	0.01
BANK OF BEIJING CO LTD	254,061	5,575,788	0.01
BANK OF CHINA LTD	1,406,818	6,873,220	0.01
BANK OF COMMUNICATIONS CO LTD	3,820,429	40,589,575	0.09
BAOSHAN IRON & STEEL CO LTD	1,039,382	11,365,175	0.02
CHINA CITIC BANK	518,698	4,867,229	0.01
CHINA COAL ENERGY CO	359,564	5,548,953	0.01
CHINA CONSTRUCTION BANK CORP	1,786,812	12,609,622	0.03
CHINA COSCO HOLDINGS CO LTD	302,119	4,756,154	0.01
CHINA LIFE INSURANCE CO LTD	330,725	11,874,896	0.03
CHINA MERCHANTS BANK CO LTD	2,331,076	47,543,810	0.10
CHINA MINSHENG BANKING CORP LTD	2,792,715	25,122,706	0.05
CHINA OILFIELD SERVICES LTD	117,125	2,161,764	0.00
CHINA PACIFIC INSURANCE GROUP CO LTD	500,382	14,551,734	0.03
CHINA PETROLEUM & CHEMICAL CORP	832,909	13,305,971	0.03
CHINA RAILWAY CONSTRUCTION CORP	604,737	6,284,245	0.01
CHINA RAILWAY GROUP LTD	1,014,487	7,237,959	0.02
CHINA SHENHUA ENERGY CO LTD	360,134	14,243,480	0.03
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	601,301	3,870,364	0.01
CHINA STATE CONSTRUCTION ENGINEERING	1,210,301	6,476,260	0.01
CHINA UNITED TELECOMMUNICATIONS CORP LTD	1,683,307	13,967,829	0.03
CHINA VANKE CO LTD	1,915,181	23,466,521	0.05
CITIC SECURITIES CO LTD/CHINA	976,909	35,303,831	0.08
DAQIN RAILWAY CO LTD	771,960	9,039,690	0.02
DATANG INTERNATIONAL POWER GENERATION CO	1,260,354	12,901,740	0.03
HAITONG SECURITIES CO LTD	808,586	17,620,342	0.04
HUANENG POWER INTERNATIONAL INC	154,866	1,405,153	0.00
INDUSTRIAL & COMMERCIAL BANK OF CHINA	2,979,080	18,251,185	0.04
INDUSTRIAL BANK CO LTD	982,243	44,942,037	0.10
JIANGXI COPPER COMPANY LIMITED	66,135	3,020,845	0.01
KWEICHOW MOUTAI CO LTD	56,203	10,839,696	0.02

CAAP – CHINESE A SHARE ACCESS PRODUCT, BEING A SECURITY (SUCH AS A WARRANT, NOTE OR PARTICIPATING CERTIFICATE) LINKED TO AN A SHARE.

## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
CHINA (99.29%) (CONTINUED)			
LISTED CAAPS ISSUED BY CLSA FINANCIAL PRODUCTS, LTD., GUARANTEED BY CALYON S.A., PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)			
PETROCHINA CO LTD	803,678	12,589,696	0.03
PING AN INSURANCE GROUP CO OF CHINA LTD	946,957	59,263,268	0.13
POLY REAL ESTATE GROUP CO LTD	340,851	8,670,022	0.02
SAIC MOTOR CORP LTD	390,182	11,528,532	0.02
SHANGHAI ELECTRIC GROUP CO	139,553	1,525,949	0.00
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	1,666,961	10,988,190	0.02
SHANGHAI PUDONG DEVELOPMENT BANK	1,300,433	32,069,848	0.07
SHANXI XISHAN COAL AND ELECTRICITY POWER	240,624	10,897,669	0.02
SHENZHEN DEVELOPMENT BANK CO	616,533	17,068,932	0.04
SUNING APPLIANCE CO LTD	668,123	15,751,133	0.03
WUHAN IRON & STEEL CO LTD	615,896	5,779,291	0.01
WULIANGYE YIBIN CO LTD	376,803	13,558,578	0.03
YANZHOU COAL MINING CO LTD	82,766	2,169,454	0.00
ZIJIN MINING GROUP CO LTD	1,568,690	17,152,919	0.04
ZTE CORP	216,988	11,055,615	0.02
		695,410,522	1.47



## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY CREDIT SUISSE AG, NASSAU BRANCH, PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	3,399,726	37,438,123	0.08
ALUMINUM CORP OF CHINA LTD	10,342,818	170,042,134	0.36
ANGANG STEEL CO LTD	2,739,265	49,708,620	0.11
ANHUI CONCH CEMENT CO LTD	1,187,004	67,198,077	0.14
BANK OF BEIJING CO LTD	2,772,655	60,850,489	0.13
BANK OF CHINA LTD	15,353,144	75,010,088	0.16
BANK OF COMMUNICATIONS CO LTD	41,693,887	442,970,448	0.94
BAOSHAN IRON & STEEL CO LTD	11,343,186	124,032,634	0.26
CHINA CITIC BANK	5,660,803	53,118,428	0.11
CHINA COAL ENERGY CO	3,924,152	60,559,280	0.13
CHINA CONSTRUCTION BANK CORP	19,500,195	137,613,851	0.29
CHINA COSCO HOLDINGS CO LTD	3,297,114	51,905,312	0.11
CHINA LIFE INSURANCE CO LTD	3,609,318	129,594,909	0.27
CHINA MERCHANTS BANK CO LTD	25,152,697	513,005,605	1.09
CHINA MINSHENG BANKING CORP LTD	30,478,067	274,174,595	0.58
CHINA OILFIELD SERVICES LTD	1,278,238	23,592,311	0.05
CHINA PACIFIC INSURANCE GROUP CO LTD	5,460,977	158,812,037	0.34
CHINA PETROLEUM & CHEMICAL CORP	9,089,866	145,213,336	0.31
CHINA RAILWAY CONSTRUCTION CORP	6,599,705	68,582,154	0.14
CHINA RAILWAY GROUP LTD	11,071,494	78,990,681	0.17
CHINA SHENHUA ENERGY CO LTD	3,930,271	155,444,183	0.33
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	6,557,364	42,207,457	0.09
CHINA STATE CONSTRUCTION ENGINEERING	13,238,894	70,840,660	0.15
CHINA UNITED TELECOMMUNICATIONS CORP LTD	18,370,592	152,436,417	0.32
CHINA VANKE CO LTD	20,901,103	256,099,125	0.54
CHINA YANGTZE POWER CO LTD	4,785,284	72,735,360	0.15
CITIC SECURITIES CO LTD/CHINA	10,661,355	385,283,245	0.82
DAQIN RAILWAY CO LTD	8,424,762	98,654,384	0.21
DATANG INTERNATIONAL POWER GENERATION CO	13,754,706	140,801,424	0.30
HAITONG SECURITIES CO LTD	8,817,881	192,155,295	0.41
HUANENG POWER INTERNATIONAL INC	1,690,154	15,335,359	0.03
INDUSTRIAL & COMMERCIAL BANK OF CHINA	32,511,890	199,182,468	0.42
INDUSTRIAL BANK CO LTD	10,719,621	490,470,899	1.04
JIANGXI COPPER COMPANY LIMITED	724,113	33,075,273	0.07

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## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
CHINA (99.29%) (CONTINUED)			
LISTED CAAPS ISSUED BY CREDIT SUISSE AG, NASSAU BRANCH, PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)			
KWEICHOW MOUTAI CO LTD	613,414	118,307,226	0.25
PETROCHINA CO LTD	8,770,818	137,395,741	0.29
PING AN INSURANCE GROUP CO OF CHINA LTD	10,334,542	646,765,092	1.37
POLY REAL ESTATE GROUP CO LTD	3,763,354	95,726,178	0.20
SAIC MOTOR CORP LTD	4,258,145	125,813,494	0.27
SHANGHAI ELECTRIC GROUP CO	1,537,938	16,816,660	0.03
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	18,192,134	119,917,999	0.25
SHANGHAI PUDONG DEVELOPMENT BANK	14,179,435	349,677,629	0.74
SHANXI XISHAN COAL AND ELECTRICITY POWER	2,625,960	118,927,628	0.25
SHENZHEN DEVELOPMENT BANK CO	6,728,472	186,280,102	0.39
SUNING APPLIANCE CO LTD	7,286,280	171,775,508	0.36
WUHAN IRON & STEEL CO LTD	6,721,528	63,071,794	0.13
WULIANGYE YIBIN CO LTD	4,112,263	147,972,382	0.31
YANZHOU COAL MINING CO LTD	901,123	23,620,146	0.05
ZIJIN MINING GROUP CO LTD	17,120,316	187,202,951	0.40
ZTE CORP	2,368,101	120,655,575	0.26
		7,657,060,766	16.20



## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY GOLDMAN SACHS INTERNATIONAL, GUARANTEED BY GOLDMAN SACHS GROUP, INC., PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	103,774	1,142,770	0.00
ALUMINUM CORP OF CHINA LTD	315,702	5,190,330	0.01
ANGANG STEEL CO LTD	83,616	1,517,354	0.00
ANHUI CONCH CEMENT CO LTD	36,232	2,051,148	0.00
BANK OF BEIJING CO LTD	84,632	1,857,389	0.00
BANK OF CHINA LTD	468,639	2,289,606	0.01
BANK OF COMMUNICATIONS CO LTD	1,272,669	13,521,281	0.03
BAOSHAN IRON & STEEL CO LTD	346,240	3,785,979	0.01
CHINA CITIC BANK	172,792	1,621,402	0.00
CHINA COAL ENERGY CO	119,783	1,848,545	0.00
CHINA CONSTRUCTION BANK CORP	595,224	4,200,526	0.01
CHINA COSCO HOLDINGS CO LTD	100,640	1,584,340	0.00
CHINA LIFE INSURANCE CO LTD	110,172	3,955,797	0.01
CHINA MERCHANTS BANK CO LTD	768,178	15,667,490	0.03
CHINA MINSHENG BANKING CORP LTD	930,316	8,368,937	0.02
CHINA OILFIELD SERVICES LTD	39,018	720,151	0.00
CHINA PACIFIC INSURANCE GROUP CO LTD	166,695	4,847,699	0.01
CHINA PETROLEUM & CHEMICAL CORP	277,462	4,432,539	0.01
CHINA RAILWAY CONSTRUCTION CORP	201,450	2,093,408	0.01
CHINA RAILWAY GROUP LTD	337,948	2,411,124	0.01
CHINA SHENHUA ENERGY CO LTD	119,967	4,744,755	0.01
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	200,200	1,288,617	0.00
CHINA STATE CONSTRUCTION ENGINEERING	408,055	2,183,482	0.01
CHINA UNITED TELECOMMUNICATIONS CORP LTD	560,745	4,652,978	0.01
CHINA VANKE CO LTD	637,986	7,817,179	0.02
CHINA YANGTZE POWER CO LTD	226,416	3,441,478	0.01
CITIC SECURITIES CO LTD/CHINA	325,428	11,760,415	0.02
DAQIN RAILWAY CO LTD	257,159	3,011,345	0.01
DATANG INTERNATIONAL POWER GENERATION CO	419,848	4,297,816	0.01
HAITONG SECURITIES CO LTD	269,216	5,866,634	0.01
HUANENG POWER INTERNATIONAL INC	51,592	468,112	0.00
INDUSTRIAL BANK CO LTD	327,206	14,971,147	0.03
JIANGXI COPPER COMPANY LIMITED	22,382	1,022,341	0.00

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## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY GOLDMAN SACHS INTERNATIONAL, GUARANTEED BY GOLDMAN SACHS GROUP, INC., PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)</b>			
KWEICHOW MOUTAI CO LTD	19,388	3,739,302	0.01
PETROCHINA CO LTD	267,719	4,193,845	0.01
PING AN INSURANCE GROUP CO OF CHINA LTD	315,455	19,742,073	0.04
POLY REAL ESTATE GROUP CO LTD	116,390	2,960,543	0.01
SAIC MOTOR CORP LTD	129,972	3,840,224	0.01
SHANGHAI ELECTRIC GROUP CO	47,384	518,123	0.00
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	555,296	3,660,372	0.01
SHANGHAI PUDONG DEVELOPMENT BANK	433,618	10,693,410	0.02
SHANXI XISHAN COAL AND ELECTRICITY POWER	80,153	3,630,065	0.01
SHENZHEN DEVELOPMENT BANK CO	205,382	5,686,073	0.01
SUNING APPLIANCE CO LTD	222,537	5,246,354	0.01
WUHAN IRON & STEEL CO LTD	205,169	1,925,214	0.01
WULIANGYE YIBIN CO LTD	125,528	4,516,899	0.01
YANZHOU COAL MINING CO LTD	27,449	719,490	0.00
ZIJIN MINING GROUP CO LTD	522,601	5,714,407	0.01
ZTE CORP	72,282	3,682,793	0.01
		229,103,301	0.49



## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY JP MORGAN STRUCTURED PRODUCTS B.V., GUARANTEED BY JP MORGAN CHASE BANK N.A., PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	804,645	8,860,831	0.02
ALUMINUM CORP OF CHINA LTD	2,447,974	40,246,161	0.09
ANGANG STEEL CO LTD	648,316	11,764,796	0.02
ANHUI CONCH CEMENT CO LTD	280,959	15,905,510	0.03
BANK OF BEIJING CO LTD	656,268	14,402,884	0.03
BANK OF CHINA LTD	3,633,810	17,753,524	0.04
BANK OF COMMUNICATIONS CO LTD	9,868,247	104,843,710	0.22
BAOSHAN IRON & STEEL CO LTD	2,684,755	29,356,588	0.06
CHINA CITIC BANK	1,339,809	12,572,165	0.03
CHINA COAL ENERGY CO	928,737	14,332,687	0.03
CHINA CONSTRUCTION BANK CORP	4,615,374	32,570,925	0.07
CHINA COSCO HOLDINGS CO LTD	780,390	12,285,407	0.03
CHINA LIFE INSURANCE CO LTD	854,310	30,674,556	0.06
CHINA MERCHANTS BANK CO LTD	5,958,515	121,527,786	0.26
CHINA MINSHENG BANKING CORP LTD	7,213,625	64,892,328	0.14
CHINA OILFIELD SERVICES LTD	302,538	5,583,913	0.01
CHINA PACIFIC INSURANCE GROUP CO LTD	1,292,411	37,584,927	0.08
CHINA PETROLEUM & CHEMICAL CORP	2,151,458	34,370,187	0.07
CHINA RAILWAY CONSTRUCTION CORP	1,562,061	16,232,469	0.03
CHINA RAILWAY GROUP LTD	2,620,459	18,695,927	0.04
CHINA SHENHUA ENERGY CO LTD	930,246	36,791,694	0.08
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	1,552,401	9,992,262	0.02
CHINA STATE CONSTRUCTION ENGINEERING	3,133,511	16,767,261	0.04
CHINA UNITED TELECOMMUNICATIONS CORP LTD	4,347,987	36,078,944	0.08
CHINA VANKE CO LTD	4,946,920	60,614,116	0.13
CHINA YANGTZE POWER CO LTD	1,708,134	25,963,295	0.05
CITIC SECURITIES CO LTD/CHINA	2,523,369	91,190,266	0.19
DAQIN RAILWAY CO LTD	1,993,975	23,349,547	0.05
DATANG INTERNATIONAL POWER GENERATION CO	3,255,489	33,325,139	0.07
HAITONG SECURITIES CO LTD	2,087,543	45,490,798	0.10
HUANENG POWER INTERNATIONAL INC	399,974	3,629,104	0.01
INDUSTRIAL & COMMERCIAL BANK OF CHINA	7,695,000	47,143,033	0.10
INDUSTRIAL BANK CO LTD	2,537,095	116,083,513	0.25

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## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY J.P. MORGAN STRUCTURED PRODUCTS B.V., GUARANTEED BY JP MORGAN CHASE BANK N.A., PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)</b>			
JIANGXI COPPER COMPANY LIMITED	171,417	7,829,806	0.02
KWEICHOW MOUTAI CO LTD	145,115	27,987,873	0.06
PETROCHINA CO LTD	2,075,935	32,519,729	0.07
PING AN INSURANCE GROUP CO OF CHINA LTD	2,446,038	153,080,029	0.32
POLY REAL ESTATE GROUP CO LTD	868,100	22,081,339	0.05
SAIC MOTOR CORP LTD	1,007,866	29,778,963	0.06
SHANGHAI ELECTRIC GROUP CO	356,689	3,900,234	0.01
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	4,305,795	28,382,724	0.06
SHANGHAI PUDONG DEVELOPMENT BANK	3,365,131	82,987,159	0.18
SHANXI XISHAN COAL AND ELECTRICITY POWER	621,557	28,149,819	0.06
SHENZHEN DEVELOPMENT BANK CO	1,592,526	44,089,640	0.09
SUNING APPLIANCE CO LTD	1,725,871	40,687,754	0.09
WUHAN IRON & STEEL CO LTD	1,590,890	14,928,196	0.03
WULIANGYE YIBIN CO LTD	973,283	35,021,837	0.07
YANZHOU COAL MINING CO LTD	217,857	5,710,446	0.01
ZIJIN MINING GROUP CO LTD	4,051,828	44,304,916	0.09
ZTE CORP	560,470	28,556,143	0.06
		1,820,872,860	3.86





## iShares FTSE/XINHUA A50 China Index ETF

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» Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY MERRILL LYNCH INTERNATIONAL &amp; CO. C.V., GUARANTEED BY MERRILL LYNCH &amp; CO, INC, PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	1,947,215	21,442,926	0.05
ALUMINUM CORP OF CHINA LTD	5,923,821	97,391,172	0.21
ANGANG STEEL CO LTD	1,568,919	28,470,702	0.06
ANHUI CONCH CEMENT CO LTD	679,957	38,493,386	0.08
BANK OF BEIJING CO LTD	1,588,065	34,852,707	0.07
BANK OF CHINA LTD	8,793,366	42,961,309	0.09
BANK OF COMMUNICATIONS CO LTD	35,970,092	382,158,847	0.81
BAOSHAN IRON & STEEL CO LTD	6,496,765	71,039,202	0.15
CHINA CITIC BANK	3,242,263	30,423,937	0.06
CHINA COAL ENERGY CO	2,247,553	34,685,249	0.07
CHINA COSCO HOLDINGS CO LTD	1,888,405	29,728,499	0.06
CHINA LIFE INSURANCE CO LTD	2,067,287	74,227,283	0.16
CHINA MERCHANTS BANK CO LTD	14,417,015	294,044,392	0.62
CHINA MINSHENG BANKING CORP LTD	17,455,995	157,030,640	0.33
CHINA OILFIELD SERVICES LTD	732,189	13,513,939	0.03
CHINA PACIFIC INSURANCE GROUP CO LTD	3,127,959	90,964,958	0.19
CHINA PETROLEUM & CHEMICAL CORP	5,206,177	83,170,239	0.18
CHINA RAILWAY CONSTRUCTION CORP	3,779,985	39,280,470	0.08
CHINA RAILWAY GROUP LTD	6,341,105	45,241,248	0.10
CHINA SHENHUA ENERGY CO LTD	2,251,074	89,031,102	0.19
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	3,757,510	24,185,777	0.05
CHINA STATE CONSTRUCTION ENGINEERING	7,581,941	40,570,587	0.09
CHINA UNITED TELECOMMUNICATIONS CORP LTD	10,521,590	87,306,576	0.18
CHINA VANKE CO LTD	11,970,976	146,679,172	0.31
CHINA YANGTZE POWER CO LTD	1,016,359	15,448,454	0.03
CITIC SECURITIES CO LTD/CHINA	6,106,227	220,668,663	0.47
DAQIN RAILWAY CO LTD	4,825,175	56,503,041	0.12
DATANG INTERNATIONAL POWER GENERATION CO	7,877,929	80,643,208	0.17
HAITONG SECURITIES CO LTD	5,052,828	110,108,954	0.23
HUANENG POWER INTERNATIONAL INC	968,076	8,783,692	0.02
INDUSTRIAL & COMMERCIAL BANK OF CHINA	18,620,828	114,079,572	0.24
INDUSTRIAL BANK CO LTD	9,247,987	423,137,021	0.89
JIANGXI COPPER COMPANY LIMITED	415,049	18,958,172	0.04

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## iShares FTSE/XINHUA A50 China Index ETF

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### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY MERRILL LYNCH INTERNATIONAL &amp; CO. C.V., GUARANTEED BY MERRILL LYNCH &amp; CO, INC., PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)</b>			
KWEICHOW MOUTAI CO LTD	351,366	67,766,854	0.14
PETROCHINA CO LTD	5,023,417	78,692,330	0.17
PING AN INSURANCE GROUP CO OF CHINA LTD	8,915,824	557,977,676	1.18
POLY REAL ESTATE GROUP CO LTD	1,995,117	50,748,594	0.11
SAIC MOTOR CORP LTD	2,438,855	72,059,751	0.15
SHANGHAI ELECTRIC GROUP CO	570,463	6,237,756	0.01
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	10,419,383	68,681,968	0.15
SHANGHAI PUDONG DEVELOPMENT BANK	8,130,458	200,504,412	0.42
SHANXI XISHAN COAL AND ELECTRICITY POWER	1,504,016	68,115,681	0.14
SHENZHEN DEVELOPMENT BANK CO	3,853,717	106,691,504	0.23
SUNING APPLIANCE CO LTD	4,176,053	98,451,285	0.21
WUHAN IRON & STEEL CO LTD	3,849,752	36,124,340	0.08
WULIANGYE YIBIN CO LTD	2,355,271	84,750,187	0.18
YANZHOU COAL MINING CO LTD	517,019	13,552,050	0.03
ZIJIN MINING GROUP CO LTD	9,805,932	107,223,454	0.23
ZTE CORP	1,356,345	69,106,252	0.15
		4,731,909,190	10.01



## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

» Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY HSBC BANK PLC, PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	3,933,868	43,320,148	0.09
ALUMINUM CORP OF CHINA LTD	11,967,593	196,754,409	0.42
ANGANG STEEL CO LTD	3,169,697	57,519,541	0.12
ANHUI CONCH CEMENT CO LTD	1,373,612	77,762,236	0.16
BANK OF BEIJING CO LTD	3,208,283	70,411,064	0.15
BANK OF CHINA LTD	17,764,960	86,793,377	0.18
BAOSHAN IRON & STEEL CO LTD	13,125,187	143,518,014	0.30
CHINA CITIC BANK	6,550,159	61,463,744	0.13
CHINA COAL ENERGY CO	4,540,694	70,074,033	0.15
CHINA CONSTRUCTION BANK CORP	19,140,941	135,078,578	0.29
CHINA COSCO HOLDINGS CO LTD	3,815,064	60,059,217	0.13
CHINA LIFE INSURANCE CO LTD	4,176,431	149,957,470	0.32
CHINA MERCHANTS BANK CO LTD	29,125,115	594,025,652	1.26
CHINA MINSHENG BANKING CORP LTD	35,265,801	317,244,093	0.67
CHINA OILFIELD SERVICES LTD	1,479,135	27,300,247	0.06
CHINA PACIFIC INSURANCE GROUP CO LTD	6,319,036	183,765,466	0.39
CHINA PETROLEUM & CHEMICAL CORP	10,517,890	168,026,448	0.36
CHINA RAILWAY CONSTRUCTION CORP	7,636,547	79,356,705	0.17
CHINA RAILWAY GROUP LTD	12,810,778	91,399,777	0.19
CHINA SHENHUA ENERGY CO LTD	4,547,791	179,867,408	0.38
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	7,591,012	48,860,687	0.10
CHINA STATE CONSTRUCTION ENGINEERING	15,316,660	81,958,682	0.17
CHINA UNITED TELECOMMUNICATIONS CORP LTD	21,256,393	176,382,361	0.37
CHINA VANKE CO LTD	24,184,441	296,329,537	0.63
CHINA YANGTZE POWER CO LTD	5,757,899	87,518,913	0.19
CITIC SECURITIES CO LTD/CHINA	12,336,178	445,808,501	0.94
DAQIN RAILWAY CO LTD	9,748,255	114,152,553	0.24
DATANG INTERNATIONAL POWER GENERATION CO	15,915,419	162,919,778	0.34
HAITONG SECURITIES CO LTD	10,207,876	222,445,440	0.47
HUANENG POWER INTERNATIONAL INC	1,955,789	17,745,558	0.04
INDUSTRIAL & COMMERCIAL BANK OF CHINA	38,611,580	236,551,914	0.50
JIANGXI COPPER COMPANY LIMITED	838,197	38,286,282	0.08
KWEICHOW MOUTAI CO LTD	709,800	136,896,890	0.29
PETROCHINA CO LTD	10,148,646	158,979,554	0.34
POLY REAL ESTATE GROUP CO LTD	4,844,703	123,231,803	0.26

CAAP – CHINESE A SHARE ACCESS PRODUCT, BEING A SECURITY (SUCH AS A WARRANT, NOTE OR PARTICIPATING CERTIFICATE) LINKED TO AN A SHARE.

## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY HSBC BANK PLC, PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)</b>			
SAIC MOTOR CORP LTD	4,927,114	145,579,220	0.31
SHANGHAI ELECTRIC GROUP CO	2,180,333	23,840,960	0.05
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	21,049,892	138,755,626	0.29
SHANGHAI PUDONG DEVELOPMENT BANK	16,421,446	404,967,638	0.86
SHANXI XISHAN COAL AND ELECTRICITY POWER	3,038,486	137,610,600	0.29
SHENZHEN DEVELOPMENT BANK CO	7,785,531	215,545,151	0.46
SUNING APPLIANCE CO LTD	8,436,713	198,897,196	0.42
WUHAN IRON & STEEL CO LTD	7,777,535	72,980,889	0.15
WULIANGYE YIBIN CO LTD	4,758,338	171,220,228	0.36
YANZHOU COAL MINING CO LTD	1,125,350	29,497,562	0.06
ZIJIN MINING GROUP CO LTD	19,810,472	216,618,597	0.46
ZTE CORP	2,740,249	139,616,646	0.30
		7,036,896,393	14.89



## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY UBS AG, LONDON BRANCH, PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
AIR CHINA LTD	2,082,107	22,928,370	0.05
ALUMINUM CORP OF CHINA LTD	6,333,884	104,132,853	0.22
ANGANG STEEL CO LTD	1,677,569	30,442,341	0.06
ANHUI CONCH CEMENT CO LTD	727,113	41,162,958	0.09
BANK OF BEIJING CO LTD	1,698,082	37,267,211	0.08
BANK OF CHINA LTD	9,402,076	45,935,253	0.10
BANK OF COMMUNICATIONS CO LTD	25,532,369	271,264,825	0.57
BAOSHAN IRON & STEEL CO LTD	6,946,515	75,957,016	0.16
CHINA CITIC BANK	3,466,775	32,530,656	0.07
CHINA COAL ENERGY CO	2,403,191	37,087,125	0.08
CHINA CONSTRUCTION BANK CORP	11,941,492	84,271,706	0.18
CHINA COSCO HOLDINGS CO LTD	2,019,189	31,787,386	0.07
CHINA LIFE INSURANCE CO LTD	2,210,454	79,367,788	0.17
CHINA MERCHANTS BANK CO LTD	15,413,514	314,368,637	0.67
CHINA MINSHENG BANKING CORP LTD	18,663,874	167,896,478	0.36
CHINA OILFIELD SERVICES LTD	782,995	14,451,660	0.03
CHINA PACIFIC INSURANCE GROUP CO LTD	3,344,575	97,264,422	0.21
CHINA PETROLEUM & CHEMICAL CORP	5,566,575	88,927,706	0.19
CHINA RAILWAY CONSTRUCTION CORP	4,041,656	41,999,677	0.09
CHINA RAILWAY GROUP LTD	6,780,135	48,373,551	0.10
CHINA SHENHUA ENERGY CO LTD	2,407,026	95,199,082	0.20
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	4,015,926	25,849,110	0.05
CHINA STATE CONSTRUCTION ENGINEERING	8,111,187	43,402,556	0.09
CHINA UNITED TELECOMMUNICATIONS CORP LTD	11,249,840	93,349,485	0.20
CHINA VANKE CO LTD	12,799,351	156,829,168	0.33
CHINA YANGTZE POWER CO LTD	4,482,849	68,138,408	0.14
CITIC SECURITIES CO LTD/CHINA	6,529,002	235,947,033	0.50
DAQIN RAILWAY CO LTD	5,159,250	60,415,075	0.13
DATANG INTERNATIONAL POWER GENERATION CO	8,423,214	86,225,072	0.18
HAITONG SECURITIES CO LTD	5,400,339	117,681,757	0.25
HUANENG POWER INTERNATIONAL INC	1,035,151	9,392,287	0.02
INDUSTRIAL & COMMERCIAL BANK OF CHINA	19,909,606	121,975,206	0.26
INDUSTRIAL BANK CO LTD	6,564,609	300,360,402	0.64
JIANGXI COPPER COMPANY LIMITED	443,588	20,261,747	0.04
KWEICHOW MOUTAI CO LTD	375,797	72,478,784	0.15

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## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.29%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>CHINA (99.29%) (CONTINUED)</b>			
<b>LISTED CAAPS ISSUED BY UBS AG, LONDON BRANCH, PROVIDING EXPOSURE FROM THE FOLLOWING (CONTINUED)</b>			
PETROCHINA CO LTD	5,371,215	84,140,620	0.18
PING AN INSURANCE GROUP CO OF CHINA LTD	6,328,775	396,072,776	0.84
POLY REAL ESTATE GROUP CO LTD	2,324,427	59,125,055	0.13
SAIC MOTOR CORP LTD	2,607,620	77,046,175	0.16
SHANGHAI ELECTRIC GROUP CO	953,165	10,422,430	0.02
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	11,140,487	73,435,305	0.15
SHANGHAI PUDONG DEVELOPMENT BANK	8,703,416	214,634,072	0.45
SHANXI XISHAN COAL AND ELECTRICITY POWER	1,608,242	72,835,994	0.15
SHENZHEN DEVELOPMENT BANK CO	4,120,491	114,077,236	0.24
SUNING APPLIANCE CO LTD	4,465,895	105,284,368	0.22
WUHAN IRON & STEEL CO LTD	4,116,216	38,624,719	0.08
WULIANGYE YIBIN CO LTD	2,518,448	90,621,818	0.19
YANZHOU COAL MINING CO LTD	466,745	12,234,273	0.03
ZIJIN MINING GROUP CO LTD	10,484,948	114,648,188	0.24
ZTE CORP	1,450,492	73,903,075	0.16
		4,712,028,895	9.97
<b>TOTAL INVESTMENTS</b>		46,925,702,459	99.29
<b>OTHER NET ASSETS</b>		334,627,222	0.71
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER 2009</b>		47,260,329,681	100.00
<b>TOTAL INVESTMENTS, AT COST</b>		35,911,821,177	



# iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited)

For the year ended 31st December 2009

INVESTMENTS	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY THE ROYAL BANK OF SCOTLAND N.V., LONDON BRANCH</b>					
AIR CHINA LTD	4,238,448	704,050	–	2,216,027	2,726,471
ALUMINUM CORP OF CHINA LTD	12,939,636	1,997,650	–	6,642,642	8,294,644
ANGANG STEEL CO LTD	3,323,812	522,600	–	1,649,628	2,196,784
ANHUI CONCH CEMENT CO LTD	1,440,340	226,450	–	714,771	952,019
BANK OF BEIJING CO LTD	3,364,308	528,950	–	1,669,643	2,223,615
BANK OF CHINA LTD	19,212,956	3,015,800	–	9,916,105	12,312,651
BANK OF COMMUNICATIONS CO LTD	51,938,020	10,150,950	–	26,743,086	35,345,884
BAOSHAN IRON & STEEL CO LTD	14,191,068	2,227,500	–	7,321,729	9,096,839
CHINA CITIC BANK	6,492,084	1,079,950	–	3,032,254	4,539,780
CHINA COAL ENERGY CO	4,944,256	779,650	–	2,576,871	3,147,035
CHINA CONSTRUCTION BANK CORP	23,634,392	4,350,240	–	11,825,408	16,159,224
CHINA COSCO HOLDINGS CO LTD	4,125,240	650,450	–	2,131,467	2,644,223
CHINA LIFE INSURANCE CO LTD	4,499,896	706,300	–	2,311,585	2,894,611
CHINA MERCHANTS BANK CO LTD	12,869,456	12,762,243	5,071,341	10,516,042	20,186,998
CHINA MINSHENG BANKING CORP LTD	37,502,216	5,889,700	–	18,949,628	24,442,288
CHINA OILFIELD SERVICES LTD	1,599,316	265,150	–	839,302	1,025,164
CHINA PACIFIC INSURANCE GROUP CO LTD	2,703,840	4,698,058	–	3,022,420	4,379,478
CHINA PETROLEUM & CHEMICAL CORP	11,061,684	1,778,800	–	5,550,735	7,289,749
CHINA RAILWAY CONSTRUCTION CORP LTD	8,315,112	1,305,200	–	4,327,566	5,292,746
CHINA RAILWAY GROUP LTD	13,355,016	2,174,150	–	6,650,205	8,878,961
CHINA SHENHUA ENERGY CO LTD	4,788,792	769,100	–	2,405,932	3,151,960
CHINA SHIPPING DEVELOPMENT CO LTD	1,644,856	–	–	1,644,856	–
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	–	8,892,079	–	3,631,053	5,261,026
CHINA STATE CONSTRUCTION ENGINEERING CORP	–	11,978,097	–	1,363,851	10,614,246
CHINA STATE SHIPBUILDING CO LTD	536,868	–	–	536,868	–
CHINA UNITED TELECOMMUNICATIONS CORP LTD	22,632,740	3,594,950	–	11,495,125	14,732,565
CHINA VANKE CO LTD	25,819,856	4,037,650	–	13,095,588	16,761,918
CHINA YANGTZE POWER CO LTD	2,608,246	8,165,418	–	5,066,423	5,707,241
CITIC SECURITIES CO LTD/CHINA	13,274,148	2,093,250	–	6,817,304	8,550,094
DAQIN RAILWAY CO LTD	10,381,020	1,650,650	–	5,275,323	6,756,347
DATANG INTERNATIONAL POWER GENERATION CO	16,959,092	2,691,650	–	8,619,949	11,030,793
HAITONG SECURITIES CO LTD	–	12,389,352	–	5,314,732	7,074,620
HUANENG POWER INTERNATIONAL INC	1,944,868	322,450	–	911,849	1,355,469
HUAXIA BANK CO LTD	4,537,908	1,319,503	–	5,857,411	–
INDUSTRIAL & COMMERCIAL BANK OF CHINA	40,188,544	6,280,150	–	20,395,403	26,073,291
INDUSTRIAL BANK CO LTD	13,409,036	2,606,604	–	6,928,106	9,087,534
JIANGXI COPPER CO LTD	883,524	641,707	–	944,310	580,921

## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY THE ROYAL BANK OF SCOTLAND N.V., LONDON BRANCH (CONTINUED)</b>					
KWEICHOW MOUTAI CO LTD	764,844	120,050	–	392,962	491,932
PETROCHINA CO LTD	10,684,068	1,716,350	–	5,366,476	7,033,942
PING AN INSURANCE GROUP CO OF CHINA LTD	12,758,856	2,495,252	–	6,492,958	8,761,150
POLY REAL ESTATE GROUP CO LTD	–	3,241,340	677,322	931,575	2,987,087
SAIC MOTOR CORP LTD	5,308,500	833,250	–	2,726,840	3,414,910
SHANGHAI ELECTRIC GROUP CO	–	1,525,091	–	302,058	1,223,033
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	22,680,212	3,560,000	–	11,650,774	14,589,438
SHANGHAI PUDONG DEVELOPMENT BANK	7,646,040	6,429,203	2,084,566	4,775,667	11,384,142
SHANXI TAIGANG STAINLESS STEEL CO	5,984,700	–	–	5,984,700	–
SHANXI XISHAN COAL AND ELECTRICITY POWER	3,273,732	513,850	–	1,681,581	2,106,001
SHENZHEN DEVELOPMENT BANK CO	8,091,228	1,316,700	–	4,011,906	5,396,022
SINOPEC SHANGHAI PETROCHEMICAL CO LTD	1,973,220	–	–	1,973,220	–
SUNING APPLIANCE CO LTD	5,840,628	1,429,750	2,048,924	3,471,735	5,847,567
WUHAN IRON & STEEL CO LTD	8,468,644	1,329,300	–	4,407,484	5,390,460
WULIANGYE YIBIN CO LTD	5,126,616	804,750	–	2,633,496	3,297,870
YANZHOU COAL MINING CO LTD	1,039,464	171,450	–	487,018	723,896
ZIJIN MINING GROUP CO LTD	2,845,780	15,130,328	–	4,246,124	13,729,984
ZTE CORP	2,271,100	463,400	478,018	1,313,299	1,899,219





## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY BARCLAYS BANK PLC</b>					
AIR CHINA LTD	3,110,580	4,749,142	–	5,749,382	2,110,340
ALUMINUM CORP OF CHINA LTD	9,496,080	14,392,756	–	17,468,789	6,420,047
ANGANG STEEL CO LTD	2,439,360	3,722,626	–	4,461,592	1,700,394
ANHUI CONCH CEMENT CO LTD	1,057,122	1,611,432	–	1,931,596	736,958
BANK OF BEIJING CO LTD	2,469,060	3,763,685	–	4,511,614	1,721,131
BANK OF CHINA LTD	14,099,976	21,492,590	–	26,062,555	9,530,011
BANK OF COMMUNICATIONS CO LTD	38,116,213	58,133,068	–	70,369,039	25,880,242
BAOSHAN IRON & STEEL CO LTD	10,414,602	15,874,762	–	19,248,321	7,041,043
CHINA CITIC BANK	4,764,474	7,282,955	–	8,533,578	3,513,851
CHINA COAL ENERGY CO	3,628,548	5,537,955	–	6,730,658	2,435,845
CHINA CONSTRUCTION BANK CORP	17,344,800	27,038,194	–	32,278,822	12,104,172
CHINA COSCO HOLDINGS CO LTD	3,027,420	4,620,426	–	5,601,221	2,046,625
CHINA LIFE INSURANCE CO LTD	3,302,442	5,033,745	–	6,095,680	2,240,507
CHINA MERCHANTS BANK CO LTD	9,444,600	34,561,316	4,290,841	32,671,029	15,625,728
CHINA MINSHENG BANKING CORP LTD	27,522,000	41,595,332	–	50,199,074	18,918,258
CHINA OILFIELD SERVICES LTD	1,173,744	1,789,236	–	2,169,442	793,538
CHINA PACIFIC INSURANCE GROUP CO LTD	1,984,356	6,361,211	–	4,955,682	3,389,885
CHINA PETROLEUM & CHEMICAL CORP	8,118,000	12,691,668	–	15,167,325	5,642,343
CHINA RAILWAY CONSTRUCTION CORP LTD	6,102,360	9,301,920	–	11,307,602	4,096,678
CHINA RAILWAY GROUP LTD	9,801,000	15,490,467	–	18,419,107	6,872,360
CHINA SHENHUA ENERGY CO LTD	3,514,500	5,449,681	–	6,524,449	2,439,732
CHINA SHIPPING DEVELOPMENT CO LTD	1,207,206	189,250	–	1,396,456	–
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	–	14,493,642	–	10,422,665	4,070,977
CHINA STATE CONSTRUCTION ENGINEERING CORP	–	10,136,267	–	1,919,494	8,216,773
CHINA STATE SHIPBUILDING CO LTD	394,020	602,244	–	996,264	–
CHINA UNITED TELECOMMUNICATIONS CORP LTD	16,609,626	25,613,213	–	30,819,888	11,402,951
CHINA VANKE CO LTD	18,948,600	28,525,237	–	34,500,099	12,973,738
CHINA YANGTZE POWER CO LTD	9,885,825	11,493,561	–	16,906,052	4,473,334
CITIC SECURITIES CO LTD/CHINA	9,741,600	14,864,964	–	17,988,778	6,617,786
DAQIN RAILWAY CO LTD	7,618,446	11,763,580	–	14,152,607	5,229,419
DATANG INTERNATIONAL POWER GENERATION CO	12,445,884	19,177,505	–	23,085,556	8,537,833
HAITONG SECURITIES CO LTD	–	19,955,593	–	14,481,232	5,474,361
HUANENG POWER INTERNATIONAL INC	1,427,382	2,175,807	–	2,553,974	1,049,215
HUAXIA BANK CO LTD	3,330,360	6,458,072	–	9,788,432	–
INDUSTRIAL & COMMERCIAL BANK OF CHINA	29,493,511	44,366,867	–	53,679,591	20,180,787
INDUSTRIAL BANK CO LTD	9,840,600	15,021,119	–	18,207,887	6,653,832
JIANGXI COPPER CO LTD	648,450	449,530	–	648,450	449,530

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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY BARCLAYS BANK PLC (CONTINUED)</b>					
KWEICHOW MOUTAI CO LTD	561,330	855,445	–	1,036,005	380,770
PETROCHINA CO LTD	7,840,800	12,228,772	–	14,625,304	5,444,268
PING AN INSURANCE GROUP CO OF CHINA LTD	9,363,420	14,309,559	–	17,258,139	6,414,840
POLY REAL ESTATE GROUP CO LTD	–	3,210,574	806,148	1,679,094	2,337,628
SAIC MOTOR CORP LTD	3,895,848	5,945,421	–	7,198,051	2,643,218
SHANGHAI ELECTRIC GROUP CO	–	1,592,978	–	635,330	957,648
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	16,644,474	25,371,112	–	30,723,327	11,292,259
SHANGHAI PUDONG DEVELOPMENT BANK	5,611,320	11,721,350	1,763,769	10,558,087	8,538,352
SHANXI TAIGANG STAINLESS STEEL CO	4,392,036	–	–	4,392,036	–
SHANXI XISHAN COAL AND ELECTRICITY POWER	2,402,532	3,657,614	–	4,430,094	1,630,052
SHENZHEN DEVELOPMENT BANK CO	5,937,917	9,149,875	–	10,911,327	4,176,465
SINOPEC SHANGHAI PETROCHEMICAL CO LTD	1,448,172	226,998	–	1,675,170	–
SUNING APPLIANCE CO LTD	4,286,304	9,524,332	2,131,355	11,415,966	4,526,025
WUHAN IRON & STEEL CO LTD	6,215,022	9,473,642	–	11,516,361	4,172,303
WULIANGYE YIBIN CO LTD	3,762,396	5,735,096	–	6,944,896	2,552,596
YANZHOU COAL MINING CO LTD	762,894	1,162,744	–	1,350,530	575,108
ZIJIN MINING GROUP CO LTD	2,088,504	14,674,414	–	6,135,593	10,627,325
ZTE CORP	1,666,764	2,589,132	404,460	3,190,301	1,470,055



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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY CITIGROUP GLOBAL MARKETS HOLDINGS INC</b>					
AIR CHINA LTD	5,112,628	2,359,563	–	4,149,404	3,322,787
ALUMINUM CORP OF CHINA LTD	15,607,465	6,805,543	–	12,305,032	10,107,976
ANGANG STEEL CO LTD	4,009,470	1,773,870	–	3,105,965	2,677,375
ANHUI CONCH CEMENT CO LTD	1,737,666	768,644	–	1,345,897	1,160,413
BANK OF BEIJING CO LTD	4,058,221	1,795,445	–	3,143,715	2,709,951
BANK OF CHINA LTD	23,174,358	10,235,046	–	18,404,844	15,004,560
BANK OF COMMUNICATIONS CO LTD	97,298,060	48,065,476	–	70,372,058	74,991,478
BAOSHAN IRON & STEEL CO LTD	17,117,355	7,559,755	–	13,591,259	11,085,851
CHINA CITIC BANK	7,830,933	3,623,417	–	5,921,773	5,532,577
CHINA COAL ENERGY CO	5,963,949	2,644,665	–	4,773,373	3,835,341
CHINA CONSTRUCTION BANK CORP	44,774,690	16,992,783	–	28,639,693	33,127,780
CHINA COSCO HOLDINGS CO LTD	4,975,786	2,206,532	–	3,960,025	3,222,293
CHINA LIFE INSURANCE CO LTD	5,427,975	2,397,212	–	4,297,558	3,527,629
CHINA MERCHANTS BANK CO LTD	15,522,871	21,280,514	2,956,971	15,161,305	24,599,051
CHINA MINSHENG BANKING CORP LTD	45,234,486	19,991,934	–	35,440,479	29,785,941
CHINA OILFIELD SERVICES LTD	1,929,254	890,216	–	1,570,048	1,249,422
CHINA PACIFIC INSURANCE GROUP CO LTD	3,261,580	5,773,704	–	3,697,628	5,337,656
CHINA PETROLEUM & CHEMICAL CORP	13,342,693	6,006,889	–	10,465,925	8,883,657
CHINA RAILWAY CONSTRUCTION CORP LTD	10,029,854	4,431,842	–	8,011,620	6,450,076
CHINA RAILWAY GROUP LTD	16,108,770	7,322,968	–	12,611,452	10,820,286
CHINA SHENHUA ENERGY CO LTD	5,776,558	2,597,880	–	4,533,085	3,841,353
CHINA SHIPPING DEVELOPMENT CO LTD	1,984,327	184,729	–	2,169,056	–
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	–	13,424,429	–	7,016,164	6,408,265
CHINA STATE CONSTRUCTION ENGINEERING CORP	–	12,989,687	–	50,513	12,939,174
CHINA STATE SHIPBUILDING CO LTD	647,657	60,295	–	707,952	–
CHINA UNITED TELECOMMUNICATIONS CORP LTD	27,299,080	12,171,048	–	21,516,787	17,953,341
CHINA VANKE CO LTD	31,143,435	13,717,844	–	24,434,794	20,426,485
CHINA YANGTZE POWER CO LTD	57,843,800	5,344,532	–	48,872,011	14,316,321
CITIC SECURITIES CO LTD/CHINA	16,011,045	7,098,528	–	12,690,224	10,419,349
DAQIN RAILWAY CO LTD	12,521,575	5,587,079	–	9,875,028	8,233,626
DATANG INTERNATIONAL POWER GENERATION CO	20,455,688	9,114,330	–	16,127,651	13,442,367
HAITONG SECURITIES CO LTD	–	18,665,716	–	10,048,366	8,617,350
HUANENG POWER INTERNATIONAL INC	2,346,206	1,082,592	–	1,776,669	1,652,129
HUAXIA BANK CO LTD	5,473,873	3,224,881	–	8,698,754	–
INDUSTRIAL & COMMERCIAL BANK OF CHINA	48,474,835	22,090,993	–	38,792,158	31,773,670
INDUSTRIAL BANK CO LTD	25,119,746	12,350,757	–	18,189,920	19,280,583
JIANGXI COPPER CO LTD	1,065,902	810,091	–	1,167,896	708,097

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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY CITIGROUP GLOBAL MARKETS HOLDINGS INC (CONTINUED)</b>					
KWEICHOW MOUTAI CO LTD	922,647	407,455	–	730,427	599,675
PETROCHINA CO LTD	12,886,941	5,797,211	–	10,112,462	8,571,690
PING AN INSURANCE GROUP CO OF CHINA LTD	23,901,650	11,814,029	–	17,127,775	18,587,904
POLY REAL ESTATE GROUP CO LTD	–	3,471,823	395,144	180,887	3,686,080
SAIC MOTOR CORP LTD	6,403,225	2,828,079	–	5,069,697	4,161,607
SHANGHAI ELECTRIC GROUP CO	–	1,510,637	–	5,923	1,504,714
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	27,356,372	12,082,788	–	21,660,209	17,778,951
SHANGHAI PUDONG DEVELOPMENT BANK	9,222,742	10,714,967	1,215,543	7,284,271	13,868,981
SHANXI TAIGANG STAINLESS STEEL CO	7,218,627	672,173	–	7,890,800	–
SHANXI XISHAN COAL AND ELECTRICITY POWER	3,948,757	1,744,035	–	3,126,346	2,566,446
SHENZHEN DEVELOPMENT BANK CO	9,759,463	4,435,535	–	7,619,254	6,575,744
SINOPEC SHANGHAI PETROCHEMICAL CO LTD	2,380,317	221,619	–	2,601,936	–
SUNING APPLIANCE CO LTD	7,044,849	4,485,387	1,194,682	5,599,437	7,125,481
WUHAN IRON & STEEL CO LTD	10,215,026	4,513,666	–	8,159,518	6,569,174
WULIANGYE YIBIN CO LTD	6,183,942	2,731,309	–	4,896,083	4,019,168
YANZHOU COAL MINING CO LTD	1,254,053	541,942	–	949,571	846,424
ZIJIN MINING GROUP CO LTD	3,432,746	16,297,047	–	2,996,458	16,733,335
ZTE CORP	2,739,584	1,496,284	278,778	2,200,035	2,314,611



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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED CAAPS ISSUED BY CLSA FINANCIAL PRODUCTS, LTD., GUARANTEED BY CALYON S.A.</b>					
AIR CHINA LTD	368,544	–	–	57,029	311,515
ALUMINUM CORP OF CHINA LTD	1,125,144	–	–	177,421	947,723
ANGANG STEEL CO LTD	289,008	–	–	38,016	250,992
ANHUI CONCH CEMENT CO LTD	125,232	–	–	16,466	108,766
BANK OF BEIJING CO LTD	292,536	–	–	38,475	254,061
BANK OF CHINA LTD	1,670,640	–	–	263,822	1,406,818
BANK OF COMMUNICATIONS CO LTD	4,516,200	–	–	695,771	3,820,429
BAOSHAN IRON & STEEL CO LTD	1,233,960	–	–	194,578	1,039,382
CHINA CITIC BANK	564,504	–	–	45,806	518,698
CHINA COAL ENERGY CO	429,912	–	–	70,348	359,564
CHINA CONSTRUCTION BANK CORP	2,055,096	–	–	268,284	1,786,812
CHINA COSCO HOLDINGS CO LTD	358,704	–	–	56,585	302,119
CHINA LIFE INSURANCE CO LTD	391,272	–	–	60,547	330,725
CHINA MERCHANTS BANK CO LTD	1,119,048	889,332	576,696	254,000	2,331,076
CHINA MINSHENG BANKING CORP LTD	3,260,952	–	–	468,237	2,792,715
CHINA OILFIELD SERVICES LTD	139,056	–	–	21,931	117,125
CHINA PACIFIC INSURANCE GROUP CO LTD	235,104	398,232	–	132,954	500,382
CHINA PETROLEUM & CHEMICAL CORP	961,848	–	–	128,939	832,909
CHINA RAILWAY CONSTRUCTION CORP LTD	723,024	–	–	118,287	604,737
CHINA RAILWAY GROUP LTD	1,161,264	–	–	146,777	1,014,487
CHINA SHENHUA ENERGY CO LTD	416,400	–	–	56,266	360,134
CHINA SHIPPING DEVELOPMENT CO LTD	143,016	–	–	143,016	–
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	–	664,640	–	63,339	601,301
CHINA STATE CONSTRUCTION ENGINEERING CORP	–	1,210,301	–	–	1,210,301
CHINA STATE SHIPBUILDING CO LTD	46,680	–	–	46,680	–
CHINA UNITED TELECOMMUNICATIONS CORP LTD	1,968,000	–	–	284,693	1,683,307
CHINA VANKE CO LTD	2,245,128	–	–	329,947	1,915,181
CITIC SECURITIES CO LTD/CHINA	1,154,232	–	–	177,323	976,909
DAQIN RAILWAY CO LTD	902,664	–	–	130,704	771,960
DATANG INTERNATIONAL POWER GENERATION CO	1,474,656	–	–	214,302	1,260,354
HAITONG SECURITIES CO LTD	–	928,508	–	119,922	808,586
HUANENG POWER INTERNATIONAL INC	169,104	–	–	14,238	154,866
HUAXIA BANK CO LTD	394,584	53,640	–	448,224	–
INDUSTRIAL & COMMERCIAL BANK OF CHINA	3,494,544	–	–	515,464	2,979,080
INDUSTRIAL BANK CO LTD	1,165,968	–	–	183,725	982,243
JIANGXI COPPER CO LTD	76,824	66,135	–	76,824	66,135

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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED CAAPS ISSUED BY CLSA FINANCIAL PRODUCTS, LTD., GUARANTEED BY CALYON S.A. (CONTINUED)</b>					
KWEICHOW MOUTAI CO LTD	66,504	–	–	10,301	56,203
PETROCHINA CO LTD	929,016	–	–	125,338	803,678
PING AN INSURANCE GROUP CO OF CHINA LTD	1,109,424	–	–	162,467	946,957
POLY REAL ESTATE GROUP CO LTD	–	288,097	76,913	24,159	340,851
SAIC MOTOR CORP LTD	461,592	–	–	71,410	390,182
SHANGHAI ELECTRIC GROUP CO	–	139,553	–	–	139,553
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	1,972,128	–	–	305,167	1,666,961
SHANGHAI PUDONG DEVELOPMENT BANK	664,848	507,324	237,049	108,788	1,300,433
SHANXI TAIGANG STAINLESS STEEL CO	520,392	–	–	520,392	–
SHANXI XISHAN COAL AND ELECTRICITY POWER	284,664	–	–	44,040	240,624
SHENZHEN DEVELOPMENT BANK CO	703,560	–	–	87,027	616,533
SINOPEC SHANGHAI PETROCHEMICAL CO LTD	171,576	–	–	171,576	–
SUNING APPLIANCE CO LTD	507,864	–	232,994	72,735	668,123
WUHAN IRON & STEEL CO LTD	736,368	–	–	120,472	615,896
WULIANGYE YIBIN CO LTD	445,776	–	–	68,973	376,803
YANZHOU COAL MINING CO LTD	90,384	–	–	7,618	82,766
ZIJIN MINING GROUP CO LTD	247,440	1,373,902	–	52,652	1,568,690
ZTE CORP	197,472	–	54,355	34,839	216,988



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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY CREDIT SUISSE AG, NASSAU BRANCH</b>					
AIR CHINA LTD	2,134,484	1,717,546	–	452,304	3,399,726
ALUMINUM CORP OF CHINA LTD	6,516,459	4,907,849	–	1,081,490	10,342,818
ANGANG STEEL CO LTD	1,673,838	1,285,596	–	220,169	2,739,265
ANHUI CONCH CEMENT CO LTD	725,302	557,067	–	95,365	1,187,004
BANK OF BEIJING CO LTD	1,694,271	1,301,217	–	222,833	2,772,655
BANK OF CHINA LTD	9,675,790	7,396,300	–	1,718,946	15,353,144
BANK OF COMMUNICATIONS CO LTD	26,156,325	20,099,058	–	4,561,496	41,693,887
BAOSHAN IRON & STEEL CO LTD	7,146,685	5,463,140	–	1,266,639	11,343,186
CHINA CITIC BANK	3,269,419	2,656,677	–	265,293	5,660,803
CHINA COAL ENERGY CO	2,489,907	1,917,939	–	483,694	3,924,152
CHINA CONSTRUCTION BANK CORP	11,902,431	9,362,439	–	1,764,675	19,500,195
CHINA COSCO HOLDINGS CO LTD	2,077,494	1,600,107	–	380,487	3,297,114
CHINA LIFE INSURANCE CO LTD	2,266,117	1,732,883	–	389,682	3,609,318
CHINA MERCHANTS BANK CO LTD	6,481,153	23,765,163	3,321,164	8,414,783	25,152,697
CHINA MINSHENG BANKING CORP LTD	18,886,347	14,469,097	–	2,877,377	30,478,067
CHINA OILFIELD SERVICES LTD	805,366	652,269	–	179,397	1,278,238
CHINA PACIFIC INSURANCE GROUP CO LTD	1,361,644	5,452,637	–	1,353,304	5,460,977
CHINA PETROLEUM & CHEMICAL CORP	5,570,703	4,364,226	–	845,063	9,089,866
CHINA RAILWAY CONSTRUCTION CORP LTD	4,187,514	3,210,792	–	798,601	6,599,705
CHINA RAILWAY GROUP LTD	6,725,654	5,332,289	–	986,449	11,071,494
CHINA SHENHUA ENERGY CO LTD	2,411,650	1,886,968	–	368,347	3,930,271
CHINA SHIPPING DEVELOPMENT CO LTD	828,301	–	–	828,301	–
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	–	6,923,856	–	366,492	6,557,364
CHINA STATE CONSTRUCTION ENGINEERING CORP	–	13,238,894	–	–	13,238,894
CHINA STATE SHIPBUILDING CO LTD	270,355	–	–	270,355	–
CHINA UNITED TELECOMMUNICATIONS CORP LTD	11,398,000	8,820,099	–	1,847,507	18,370,592
CHINA VANKE CO LTD	13,003,033	9,919,554	–	2,021,484	20,901,103
CHINA YANGTZE POWER CO LTD	–	4,895,535	–	110,251	4,785,284
CITIC SECURITIES CO LTD/CHINA	6,684,927	11,579,189	–	7,602,761	10,661,355
DAQIN RAILWAY CO LTD	5,227,929	4,049,315	–	852,482	8,424,762
DATANG INTERNATIONAL POWER GENERATION CO	8,540,716	6,603,883	–	1,389,893	13,754,706
HAITONG SECURITIES CO LTD	–	9,591,613	–	773,732	8,817,881
HUANENG POWER INTERNATIONAL INC	979,394	793,227	–	82,467	1,690,154
HUAXIA BANK CO LTD	2,285,299	2,175,827	–	4,461,126	–
INDUSTRIAL & COMMERCIAL BANK OF CHINA	20,239,234	15,428,967	–	3,156,311	32,511,890
INDUSTRIAL BANK CO LTD	6,752,898	5,161,975	–	1,195,252	10,719,621
JIANGXI COPPER CO LTD	444,939	724,113	–	444,939	724,113

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INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY CREDIT SUISSE AG, NASSAU BRANCH (CONTINUED)</b>					
KWEICHOW MOUTAI CO LTD	385,169	294,543	–	66,298	613,414
PETROCHINA CO LTD	5,380,551	4,211,015	–	820,748	8,770,818
PING AN INSURANCE GROUP CO OF CHINA LTD	6,425,414	4,939,663	–	1,030,535	10,334,542
POLY REAL ESTATE GROUP CO LTD	–	3,495,596	443,118	175,360	3,763,354
SAIC MOTOR CORP LTD	2,673,387	2,044,361	–	459,603	4,258,145
SHANGHAI ELECTRIC GROUP CO	–	1,537,938	–	–	1,537,938
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	11,421,908	8,734,356	–	1,964,130	18,192,134
SHANGHAI PUDONG DEVELOPMENT BANK	3,850,578	9,592,012	1,366,631	629,786	14,179,435
SHANXI TAIGANG STAINLESS STEEL CO	3,013,937	–	–	3,013,937	–
SHANXI XISHAN COAL AND ELECTRICITY POWER	1,648,679	1,260,717	–	283,436	2,625,960
SHENZHEN DEVELOPMENT BANK CO	4,074,785	3,230,476	–	576,789	6,728,472
SINOPEC SHANGHAI PETROCHEMICAL CO LTD	993,711	–	–	993,711	–
SUNING APPLIANCE CO LTD	2,941,379	3,507,071	1,344,443	506,613	7,286,280
WUHAN IRON & STEEL CO LTD	4,264,798	3,270,078	–	813,348	6,721,528
WULIANGYE YIBIN CO LTD	2,581,786	1,974,420	–	443,943	4,112,263
YANZHOU COAL MINING CO LTD	523,474	421,767	–	44,118	901,123
ZIJIN MINING GROUP CO LTD	1,433,090	16,141,429	–	454,203	17,120,316
ZTE CORP	1,143,692	1,136,948	314,810	227,349	2,368,101





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INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED CAAPS ISSUED BY GOLDMAN SACHS INTERNATIONAL, GUARANTEED BY GOLDMAN SACHS GROUP, INC.</b>					
AIR CHINA LTD	-	193,807	-	90,033	103,774
ALUMINUM CORP OF CHINA LTD	-	558,540	-	242,838	315,702
ANGANG STEEL CO LTD	-	146,328	-	62,712	83,616
ANHUI CONCH CEMENT CO LTD	-	63,406	-	27,174	36,232
BANK OF BEIJING CO LTD	-	148,106	-	63,474	84,632
BANK OF CHINA LTD	-	839,216	-	370,577	468,639
BANK OF COMMUNICATIONS CO LTD	-	2,284,314	-	1,011,645	1,272,669
BAOSHAN IRON & STEEL CO LTD	-	619,890	-	273,650	346,240
CHINA CITIC BANK	-	302,386	-	129,594	172,792
CHINA COAL ENERGY CO	-	218,302	-	98,519	119,783
CHINA CONSTRUCTION BANK CORP	-	1,062,729	-	467,505	595,224
CHINA COSCO HOLDINGS CO LTD	-	182,126	-	81,486	100,640
CHINA LIFE INSURANCE CO LTD	-	196,699	-	86,527	110,172
CHINA MERCHANTS BANK CO LTD	-	1,379,492	-	611,314	768,178
CHINA MINSHENG BANKING CORP LTD	-	1,646,521	-	716,205	930,316
CHINA OILFIELD SERVICES LTD	-	74,242	-	35,224	39,018
CHINA PACIFIC INSURANCE GROUP CO LTD	-	358,106	-	191,411	166,695
CHINA PETROLEUM & CHEMICAL CORP	-	495,382	-	217,920	277,462
CHINA RAILWAY CONSTRUCTION CORP LTD	-	365,456	-	164,006	201,450
CHINA RAILWAY GROUP LTD	-	605,042	-	267,094	337,948
CHINA SHENHUA ENERGY CO LTD	-	214,190	-	94,223	119,967
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	-	350,350	-	150,150	200,200
CHINA STATE CONSTRUCTION ENGINEERING CORP	-	711,133	-	303,078	408,055
CHINA STATE SHIPBUILDING CO LTD	-	1,786	-	1,786	-
CHINA UNITED TELECOMMUNICATIONS CORP LTD	-	1,001,168	-	440,423	560,745
CHINA VANKE CO LTD	-	1,128,863	-	490,877	637,986
CHINA YANGTZE POWER CO LTD	-	555,692	-	329,276	226,416
CITIC SECURITIES CO LTD/CHINA	-	584,150	-	258,722	325,428
DAQIN RAILWAY CO LTD	-	459,578	-	202,419	257,159
DATANG INTERNATIONAL POWER GENERATION CO	-	749,606	-	329,758	419,848
HAITONG SECURITIES CO LTD	-	480,799	-	211,583	269,216
HUANENG POWER INTERNATIONAL INC	-	90,286	-	38,694	51,592
HUAXIA BANK CO LTD	-	186,516	-	186,516	-
INDUSTRIAL BANK CO LTD	-	586,825	-	259,619	327,206
JIANGXI COPPER CO LTD	-	38,960	-	16,578	22,382
KWEICHOW MOUTAI CO LTD	-	33,434	-	14,046	19,388

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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED CAAPS ISSUED BY GOLDMAN SACHS INTERNATIONAL, GUARANTEED BY GOLDMAN SACHS GROUP, INC. (CONTINUED)</b>					
PETROCHINA CO LTD	-	477,992	-	210,273	267,719
PING AN INSURANCE GROUP CO OF CHINA LTD	-	561,528	-	246,073	315,455
POLY REAL ESTATE GROUP CO LTD	-	207,223	-	90,833	116,390
SAIC MOTOR CORP LTD	-	232,056	-	102,084	129,972
SHANGHAI ELECTRIC GROUP CO	-	82,922	-	35,538	47,384
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	-	991,438	-	436,142	555,296
SHANGHAI PUDONG DEVELOPMENT BANK	-	758,124	-	324,506	433,618
SHANXI XISHAN COAL AND ELECTRICITY POWER	-	143,104	-	62,951	80,153
SHENZHEN DEVELOPMENT BANK CO	-	366,690	-	161,308	205,382
SUNING APPLIANCE CO LTD	-	397,996	-	175,459	222,537
WUHAN IRON & STEEL CO LTD	-	372,204	-	167,035	205,169
WULIANGYE YIBIN CO LTD	-	224,115	-	98,587	125,528
YANZHOU COAL MINING CO LTD	-	48,023	-	20,574	27,449
ZIJIN MINING GROUP CO LTD	-	929,477	-	406,876	522,601
ZTE CORP	-	129,056	-	56,774	72,282



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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY JP MORGAN STRUCTURED PRODUCTS B.V., GUARANTEED BY JP MORGAN CHASE BANK N.A.</b>					
AIR CHINA LTD	785,500	1,471,850	–	1,452,705	804,645
ALUMINUM CORP OF CHINA LTD	2,398,000	4,399,900	–	4,349,926	2,447,974
ANGANG STEEL CO LTD	616,000	1,155,000	–	1,122,684	648,316
ANHUI CONCH CEMENT CO LTD	266,950	489,850	–	475,841	280,959
BANK OF BEIJING CO LTD	623,500	1,168,300	–	1,135,532	656,268
BANK OF CHINA LTD	3,560,600	6,534,200	–	6,460,990	3,633,810
BANK OF COMMUNICATIONS CO LTD	9,625,300	17,878,250	–	17,635,303	9,868,247
BAOSHAN IRON & STEEL CO LTD	2,629,950	4,826,250	–	4,771,445	2,684,755
CHINA CITIC BANK	1,203,150	2,256,000	–	2,119,341	1,339,809
CHINA COAL ENERGY CO	916,300	1,718,100	–	1,705,663	928,737
CHINA CONSTRUCTION BANK CORP	4,380,000	8,325,550	–	8,090,176	4,615,374
CHINA COSCO HOLDINGS CO LTD	764,500	1,433,500	–	1,417,610	780,390
CHINA LIFE INSURANCE CO LTD	833,950	1,530,350	–	1,509,990	854,310
CHINA MERCHANTS BANK CO LTD	2,385,000	8,209,867	2,402,138	7,038,490	5,958,515
CHINA MINSHENG BANKING CORP LTD	6,950,000	12,978,000	–	12,714,375	7,213,625
CHINA OILFIELD SERVICES LTD	296,400	554,850	–	548,712	302,538
CHINA PACIFIC INSURANCE GROUP CO LTD	501,100	2,598,288	–	1,806,977	1,292,411
CHINA PETROLEUM & CHEMICAL CORP	2,050,000	3,889,000	–	3,787,542	2,151,458
CHINA RAILWAY CONSTRUCTION CORP LTD	1,541,000	2,827,950	–	2,806,889	1,562,061
CHINA RAILWAY GROUP LTD	2,475,000	4,719,350	–	4,573,891	2,620,459
CHINA SHENHUA ENERGY CO LTD	887,500	1,682,600	–	1,639,854	930,246
CHINA SHIPPING DEVELOPMENT CO LTD	304,850	570,650	–	875,500	–
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	–	4,118,732	–	2,566,331	1,552,401
CHINA STATE CONSTRUCTION ENGINEERING CORP	–	5,053,005	–	1,919,494	3,133,511
CHINA STATE SHIPBUILDING CO LTD	99,500	186,550	–	286,050	–
CHINA UNITED TELECOMMUNICATIONS CORP LTD	4,194,350	7,787,750	–	7,634,113	4,347,987
CHINA VANKE CO LTD	4,785,000	8,892,850	–	8,730,930	4,946,920
CHINA YANGTZE POWER CO LTD	–	4,194,700	–	2,486,566	1,708,134
CITIC SECURITIES CO LTD/CHINA	2,460,000	4,571,550	–	4,508,181	2,523,369
DAQIN RAILWAY CO LTD	1,923,850	3,576,350	–	3,506,225	1,993,975
DATANG INTERNATIONAL POWER GENERATION CO	3,142,900	5,830,950	–	5,718,361	3,255,489
HAITONG SECURITIES CO LTD	–	5,753,911	–	3,666,368	2,087,543
HUANENG POWER INTERNATIONAL INC	360,450	674,700	–	635,176	399,974
HUAXIA BANK CO LTD	841,000	1,829,451	–	2,670,451	–
INDUSTRIAL & COMMERCIAL BANK OF CHINA	7,447,850	13,842,750	–	13,595,600	7,695,000

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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY JP MORGAN STRUCTURED PRODUCTS B.V., GUARANTEED BY JP MORGAN CHASE BANK N.A. (CONTINUED)</b>					
INDUSTRIAL BANK CO LTD	2,485,000	4,596,500	–	4,544,405	2,537,095
JIANGXI COPPER CO LTD	163,750	273,648	–	265,981	171,417
KWEICHOW MOUTAI CO LTD	141,750	260,050	–	256,685	145,115
PETROCHINA CO LTD	1,980,000	3,718,200	–	3,622,265	2,075,935
PING AN INSURANCE GROUP CO OF CHINA LTD	2,364,500	4,400,200	–	4,318,662	2,446,038
POLY REAL ESTATE GROUP CO LTD	–	2,506,312	320,634	1,958,846	868,100
SAIC MOTOR CORP LTD	983,800	1,844,750	–	1,820,684	1,007,866
SHANGHAI ELECTRIC GROUP CO	–	581,763	–	225,074	356,689
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	4,203,150	7,713,350	–	7,610,705	4,305,795
SHANGHAI PUDONG DEVELOPMENT BANK	1,417,000	4,692,072	987,397	3,731,338	3,365,131
SHANXI TAIGANG STAINLESS STEEL CO	1,109,100	–	–	1,109,100	–
SHANXI XISHAN COAL AND ELECTRICITY POWER	606,700	1,112,550	–	1,097,693	621,557
SHENZHEN DEVELOPMENT BANK CO	1,499,500	2,861,150	–	2,768,124	1,592,526
SINOPEC SHANGHAI PETROCHEMICAL CO LTD	365,700	684,550	–	1,050,250	–
SUNING APPLIANCE CO LTD	1,082,400	1,986,350	970,487	2,313,366	1,725,871
WUHAN IRON & STEEL CO LTD	1,569,450	2,880,150	–	2,858,710	1,590,890
WULIANGYE YIBIN CO LTD	950,100	1,743,550	–	1,720,367	973,283
YANZHOU COAL MINING CO LTD	192,650	360,600	–	335,393	217,857
ZIJIN MINING GROUP CO LTD	527,400	6,711,712	–	3,187,284	4,051,828
ZTE CORP	420,900	772,350	226,410	859,190	560,470



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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY MERRILL LYNCH INTERNATIONAL &amp; CO. C.V., GUARANTEED BY MERRILL LYNCH &amp; CO, INC</b>					
AIR CHINA LTD	2,917,318	1,554,942	–	2,525,045	1,947,215
ALUMINUM CORP OF CHINA LTD	8,906,093	4,635,643	–	7,617,915	5,923,821
ANGANG STEEL CO LTD	2,287,751	1,209,012	–	1,927,844	1,568,919
ANHUI CONCH CEMENT CO LTD	991,419	523,784	–	835,246	679,957
BANK OF BEIJING CO LTD	2,315,642	1,223,489	–	1,951,066	1,588,065
BANK OF CHINA LTD	13,223,900	6,917,625	–	11,348,159	8,793,366
BANK OF COMMUNICATIONS CO LTD	35,747,960	20,806,816	–	20,584,684	35,970,092
BAOSHAN IRON & STEEL CO LTD	9,767,485	5,109,880	–	8,380,600	6,496,765
CHINA CITIC BANK	4,468,468	2,445,539	–	3,671,744	3,242,263
CHINA COAL ENERGY CO	3,403,049	1,801,663	–	2,957,159	2,247,553
CHINA COSCO HOLDINGS CO LTD	2,839,313	1,503,149	–	2,454,057	1,888,405
CHINA LIFE INSURANCE CO LTD	3,097,224	1,621,976	–	2,651,913	2,067,287
CHINA MERCHANTS BANK CO LTD	8,857,831	16,386,880	3,388,557	14,216,253	14,417,015
CHINA MINSHENG BANKING CORP LTD	25,812,019	13,609,044	–	21,965,068	17,455,995
CHINA OILFIELD SERVICES LTD	1,100,812	600,908	–	969,531	732,189
CHINA PACIFIC INSURANCE GROUP CO LTD	1,861,083	4,403,428	–	3,136,552	3,127,959
CHINA PETROLEUM & CHEMICAL CORP	7,613,606	4,061,182	–	6,468,611	5,206,177
CHINA RAILWAY CONSTRUCTION CORP LTD	5,723,203	3,020,909	–	4,964,127	3,779,985
CHINA RAILWAY GROUP LTD	9,192,008	4,942,318	–	7,793,221	6,341,105
CHINA SHENHUA ENERGY CO LTD	3,296,100	1,756,506	–	2,801,532	2,251,074
CHINA SHIPPING DEVELOPMENT CO LTD	1,132,172	230,800	–	1,362,972	–
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	–	8,123,872	–	4,366,362	3,757,510
CHINA STATE CONSTRUCTION ENGINEERING CORP	–	10,309,643	–	2,727,702	7,581,941
CHINA STATE SHIPBUILDING CO LTD	369,560	75,415	–	444,975	–
CHINA UNITED TELECOMMUNICATIONS CORP LTD	15,577,670	8,230,743	–	13,286,823	10,521,590
CHINA VANKE CO LTD	17,771,341	9,339,008	–	15,139,373	11,970,976
CHINA YANGTZE POWER CO LTD	–	2,758,410	–	1,742,051	1,016,359
CITIC SECURITIES CO LTD/CHINA	9,136,329	4,817,910	–	7,848,012	6,106,227
DAQIN RAILWAY CO LTD	7,145,078	3,776,980	–	6,096,883	4,825,175
DATANG INTERNATIONAL POWER GENERATION CO	11,672,637	6,163,821	–	9,958,529	7,877,929
HAITONG SECURITIES CO LTD	–	11,302,318	–	6,249,490	5,052,828
HUANENG POWER INTERNATIONAL INC	1,338,653	730,764	–	1,101,341	968,076
HUAXIA BANK CO LTD	3,123,423	1,753,658	–	4,877,081	–
INDUSTRIAL & COMMERCIAL BANK OF CHINA	27,661,013	14,531,864	–	23,572,049	18,620,828
INDUSTRIAL BANK CO LTD	9,229,196	5,352,584	–	5,333,793	9,247,987
JIANGXI COPPER CO LTD	608,153	630,461	–	823,565	415,049

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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY MERRILL LYNCH INTERNATIONAL &amp; CO. C.V., GUARANTEED BY MERRILL LYNCH &amp; CO, INC (CONTINUED)</b>					
KWEICHOW MOUTAI CO LTD	526,463	275,686	–	450,783	351,366
PETROCHINA CO LTD	7,353,627	3,918,635	–	6,248,845	5,023,417
PING AN INSURANCE GROUP CO OF CHINA LTD	8,781,678	5,111,943	–	4,977,797	8,915,824
POLY REAL ESTATE GROUP CO LTD	–	2,999,268	–	1,004,151	1,995,117
SAIC MOTOR CORP LTD	3,653,759	1,913,922	–	3,128,826	2,438,855
SHANGHAI ELECTRIC GROUP CO	–	937,689	–	367,226	570,463
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	15,610,346	8,175,352	–	13,366,315	10,419,383
SHANGHAI PUDONG DEVELOPMENT BANK	5,262,656	7,618,372	1,392,860	6,143,430	8,130,458
SHANXI TAIGANG STAINLESS STEEL CO	4,119,119	542,075	–	4,661,194	–
SHANXI XISHAN COAL AND ELECTRICITY POWER	2,253,223	1,179,789	–	1,928,996	1,504,016
SHENZHEN DEVELOPMENT BANK CO	5,569,045	2,997,377	–	4,712,705	3,853,717
SINOPEC SHANGHAI PETROCHEMICAL CO LTD	1,358,187	276,870	–	1,635,057	–
SUNING APPLIANCE CO LTD	4,019,963	2,822,322	1,989,937	4,656,169	4,176,053
WUHAN IRON & STEEL CO LTD	5,828,836	3,076,681	–	5,055,765	3,849,752
WULIANGYE YIBIN CO LTD	3,528,592	1,847,985	–	3,021,306	2,355,271
YANZHOU COAL MINING CO LTD	715,478	389,299	–	587,758	517,019
ZIJIN MINING GROUP CO LTD	1,958,735	12,701,014	–	4,853,817	9,805,932
ZTE CORP	1,563,164	968,551	319,395	1,494,765	1,356,345



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### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY HSBC BANK PLC</b>					
AIR CHINA LTD	2,827,800	5,579,773	–	4,473,705	3,933,868
ALUMINUM CORP OF CHINA LTD	8,632,800	16,581,585	–	13,246,792	11,967,593
ANGANG STEEL CO LTD	2,217,600	4,292,217	–	3,340,120	3,169,697
ANHUI CONCH CEMENT CO LTD	961,020	1,858,347	–	1,445,755	1,373,612
BANK OF BEIJING CO LTD	2,244,600	4,340,496	–	3,376,813	3,208,283
BANK OF CHINA LTD	12,818,160	24,773,029	–	19,826,229	17,764,960
BAOSHAN IRON & STEEL CO LTD	9,467,820	18,297,715	–	14,640,348	13,125,187
CHINA CITIC BANK	4,331,340	8,558,866	–	6,340,047	6,550,159
CHINA COAL ENERGY CO	3,298,680	6,391,506	–	5,149,492	4,540,694
CHINA CONSTRUCTION BANK CORP	15,768,000	27,572,449	–	24,199,508	19,140,941
CHINA COSCO HOLDINGS CO LTD	2,752,200	5,332,463	–	4,269,599	3,815,064
CHINA LIFE INSURANCE CO LTD	3,002,220	5,801,991	–	4,627,780	4,176,431
CHINA MERCHANTS BANK CO LTD	8,586,000	41,776,443	5,937,632	27,174,960	29,125,115
CHINA MINSHENG BANKING CORP LTD	25,020,000	48,929,983	–	38,684,182	35,265,801
CHINA OILFIELD SERVICES LTD	1,067,040	2,101,476	–	1,689,381	1,479,135
CHINA PACIFIC INSURANCE GROUP CO LTD	1,803,960	8,991,670	–	4,476,594	6,319,036
CHINA PETROLEUM & CHEMICAL CORP	7,380,000	14,625,375	–	11,487,485	10,517,890
CHINA RAILWAY CONSTRUCTION CORP LTD	5,547,600	10,721,606	–	8,632,659	7,636,547
CHINA RAILWAY GROUP LTD	8,910,000	17,855,699	–	13,954,921	12,810,778
CHINA SHENHUA ENERGY CO LTD	3,195,000	6,323,720	–	4,970,929	4,547,791
CHINA SHIPPING DEVELOPMENT CO LTD	1,097,460	1,005,150	–	2,102,610	–
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	–	15,354,895	–	7,763,883	7,591,012
CHINA STATE CONSTRUCTION ENGINEERING CORP	–	16,528,972	–	1,212,312	15,316,660
CHINA STATE SHIPBUILDING CO LTD	358,200	443,426	–	801,626	–
CHINA UNITED TELECOMMUNICATIONS CORP LTD	15,099,660	29,524,175	–	23,367,442	21,256,393
CHINA VANKE CO LTD	17,226,000	33,517,814	–	26,559,373	24,184,441
CHINA YANGTZE POWER CO LTD	–	5,906,236	–	148,337	5,757,899
CITIC SECURITIES CO LTD/CHINA	8,856,000	17,290,817	–	13,810,639	12,336,178
DAQIN RAILWAY CO LTD	6,925,860	13,559,088	–	10,736,693	9,748,255
DATANG INTERNATIONAL POWER GENERATION CO	11,314,440	22,105,739	–	17,504,760	15,915,419
HAITONG SECURITIES CO LTD	–	21,353,386	–	11,145,510	10,207,876
HUANENG POWER INTERNATIONAL INC	1,297,620	2,555,546	–	1,897,377	1,955,789
HUAXIA BANK CO LTD	3,027,600	7,368,315	–	10,395,915	–
INDUSTRIAL & COMMERCIAL BANK OF CHINA	26,812,260	53,189,207	–	41,389,887	38,611,580
JIANGXI COPPER CO LTD	589,500	838,197	–	589,500	838,197
KWEICHOW MOUTAI CO LTD	510,300	986,060	–	786,560	709,800
PETROCHINA CO LTD	7,128,000	14,095,954	–	11,075,308	10,148,646
POLY REAL ESTATE GROUP CO LTD	–	5,396,742	1,018,867	1,570,906	4,844,703

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INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY HSBC BANK PLC (CONTINUED)</b>					
SAIC MOTOR CORP LTD	3,541,680	6,851,193	–	5,465,759	4,927,114
SHANGHAI ELECTRIC GROUP CO	–	2,725,249	–	544,916	2,180,333
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	15,131,340	29,243,445	–	23,324,893	21,049,892
SHANGHAI PUDONG DEVELOPMENT BANK	5,101,200	17,597,727	2,440,678	8,718,159	16,421,446
SHANXI TAIGANG STAINLESS STEEL CO	3,992,760	–	–	3,992,760	–
SHANXI XISHAN COAL AND ELECTRICITY POWER	2,184,120	4,216,868	–	3,362,502	3,038,486
SHENZHEN DEVELOPMENT BANK CO	5,398,200	10,825,944	–	8,438,613	7,785,531
SINOPEC SHANGHAI PETROCHEMICAL CO LTD	1,316,520	1,205,666	–	2,522,186	–
SUNING APPLIANCE CO LTD	3,896,640	9,670,193	1,777,972	6,908,092	8,436,713
WUHAN IRON & STEEL CO LTD	5,650,020	10,919,560	–	8,792,045	7,777,535
WULIANGYE YIBIN CO LTD	3,420,360	6,610,492	–	5,272,514	4,758,338
YANZHOU COAL MINING CO LTD	693,540	1,363,124	–	931,314	1,125,350
ZIJIN MINING GROUP CO LTD	1,898,640	22,475,635	–	4,563,803	19,810,472
ZTE CORP	1,515,240	3,244,813	559,681	2,579,485	2,740,249





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INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY UBS AG, LONDON BRANCH</b>					
AIR CHINA LTD	5,793,390	6,685,368	-	10,396,651	2,082,107
ALUMINUM CORP OF CHINA LTD	17,686,255	20,662,395	-	32,014,766	6,333,884
ANGANG STEEL CO LTD	4,543,230	5,170,981	-	8,036,642	1,677,569
ANHUI CONCH CEMENT CO LTD	1,968,855	2,313,279	-	3,555,021	727,113
BANK OF BEIJING CO LTD	4,598,565	5,231,845	-	8,132,328	1,698,082
BANK OF CHINA LTD	26,260,890	30,847,297	-	47,706,111	9,402,076
BANK OF COMMUNICATIONS CO LTD	70,990,365	82,957,705	-	128,415,701	25,532,369
BAOSHAN IRON & STEEL CO LTD	19,396,950	22,784,420	-	35,234,855	6,946,515
CHINA CITIC BANK	8,873,740	10,248,124	-	15,655,089	3,466,775
CHINA COAL ENERGY CO	6,758,065	7,697,640	-	12,052,514	2,403,191
CHINA CONSTRUCTION BANK CORP	32,304,315	37,443,901	-	57,806,724	11,941,492
CHINA COSCO HOLDINGS CO LTD	5,638,500	6,422,369	-	10,041,680	2,019,189
CHINA LIFE INSURANCE CO LTD	6,150,710	7,224,674	-	11,164,930	2,210,454
CHINA MERCHANTS BANK CO LTD	17,590,385	42,484,177	5,775,297	50,436,345	15,413,514
CHINA MINSHENG BANKING CORP LTD	51,258,970	59,531,161	-	92,126,257	18,663,874
CHINA OILFIELD SERVICES LTD	2,186,070	2,519,897	-	3,922,972	782,995
CHINA PACIFIC INSURANCE GROUP CO LTD	3,695,830	9,153,206	-	9,504,461	3,344,575
CHINA PETROLEUM & CHEMICAL CORP	15,119,595	17,504,483	-	27,057,503	5,566,575
CHINA RAILWAY CONSTRUCTION CORP LTD	11,365,510	13,350,322	-	20,674,176	4,041,656
CHINA RAILWAY GROUP LTD	18,254,130	21,311,447	-	32,785,442	6,780,135
CHINA SHENHUA ENERGY CO LTD	6,545,660	7,557,883	-	11,696,517	2,407,026
CHINA SHIPPING DEVELOPMENT CO LTD	2,248,380	1,353,701	-	3,602,081	-
CHINA SOUTH LOCOMOTIVE AND ROLLING STOCK	-	19,901,521	-	15,885,595	4,015,926
CHINA STATE CONSTRUCTION ENGINEERING CORP	-	11,899,662	-	3,788,475	8,111,187
CHINA STATE SHIPBUILDING CO LTD	733,865	624,166	-	1,358,031	-
CHINA UNITED TELECOMMUNICATIONS CORP LTD	30,935,085	36,301,289	-	55,986,534	11,249,840
CHINA VANKE CO LTD	35,291,340	40,994,664	-	63,486,653	12,799,351
CHINA YANGTZE POWER CO LTD	-	19,046,309	-	14,563,460	4,482,849
CITIC SECURITIES CO LTD/CHINA	18,143,515	21,200,917	-	32,815,430	6,529,002
DAQIN RAILWAY CO LTD	14,189,180	16,650,694	-	25,680,624	5,159,250
DATANG INTERNATIONAL POWER GENERATION CO	23,180,210	27,202,687	-	41,959,683	8,423,214
HAITONG SECURITIES CO LTD	-	27,618,611	-	22,218,272	5,400,339
HUANENG POWER INTERNATIONAL INC	2,658,445	3,064,420	-	4,687,714	1,035,151
HUAXIA BANK CO LTD	6,202,715	8,398,333	-	14,601,048	-
INDUSTRIAL & COMMERCIAL BANK OF CHINA	54,930,820	63,817,246	-	98,838,460	19,909,606
INDUSTRIAL BANK CO LTD	18,327,910	21,444,339	-	33,207,640	6,564,609
JIANGXI COPPER CO LTD	1,207,695	2,178,608	-	2,942,715	443,588

## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED CAAPS ISSUED BY UBS AG, LONDON BRANCH (CONTINUED)</b>					
KWEICHOW MOUTAI CO LTD	1,045,470	1,227,843	–	1,897,516	375,797
PETROCHINA CO LTD	14,603,315	17,121,130	–	26,353,230	5,371,215
PING AN INSURANCE GROUP CO OF CHINA LTD	17,439,180	20,369,495	–	31,479,900	6,328,775
POLY REAL ESTATE GROUP CO LTD	–	6,479,115	757,300	4,911,988	2,324,427
SAIC MOTOR CORP LTD	7,255,915	8,255,420	–	12,903,715	2,607,620
SHANGHAI ELECTRIC GROUP CO	–	2,998,850	–	2,045,685	953,165
SHANGHAI INTERNATIONAL PORT GROUP CO LTD	30,999,985	36,414,232	–	56,273,730	11,140,487
SHANGHAI PUDONG DEVELOPMENT BANK	10,450,950	18,669,014	2,946,474	23,363,022	8,703,416
SHANXI TAIGANG STAINLESS STEEL CO	8,180,055	10,348,355	–	18,528,410	–
SHANXI XISHAN COAL AND ELECTRICITY POWER	4,474,645	5,253,658	–	8,120,061	1,608,242
SHENZHEN DEVELOPMENT BANK CO	11,059,220	12,829,310	–	19,768,039	4,120,491
SINOPEC SHANGHAI PETROCHEMICAL CO LTD	2,697,185	1,623,870	–	4,321,055	–
SUNING APPLIANCE CO LTD	7,983,135	11,649,232	2,799,062	17,965,534	4,465,895
WUHAN IRON & STEEL CO LTD	11,575,325	13,596,788	–	21,055,897	4,116,216
WULIANGYE YIBIN CO LTD	7,007,360	8,231,066	–	12,719,978	2,518,448
YANZHOU COAL MINING CO LTD	1,420,790	1,549,746	–	2,503,791	466,745
ZIJIN MINING GROUP CO LTD	3,889,790	17,966,336	–	11,371,178	10,484,948
ZTE CORP	3,104,290	3,997,317	675,704	6,326,819	1,450,492



## iShares FTSE/XINHUA A50 China Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Performance Record (unaudited)

#### Net Asset Value

	NET ASSET VALUE PER UNIT HK\$	NET ASSET VALUE OF THE SUB-FUND HK\$
AT END OF FINANCIAL PERIOD DATED		
31ST DECEMBER 2007	24.83**	12,513,686,474
31ST DECEMBER 2008	8.23	29,251,400,853
31ST DECEMBER 2009	14.78	47,260,329,681

#### Highest and lowest net asset value per unit

	HIGHEST NET ASSET VALUE PER UNIT HK\$	LOWEST NET ASSET VALUE PER UNIT HK\$
FINANCIAL PERIOD ENDED		
31ST DECEMBER 2004 (SINCE INCEPTION)	44.70*	41.79*
31ST DECEMBER 2005	44.75	35.14
31ST DECEMBER 2006	105.34	46.56
31ST DECEMBER 2007	27.61**	10.53**
31ST DECEMBER 2008	26.54	7.64
31ST DECEMBER 2009	16.49	8.39

\* These are unaudited figures.

\*\* Adjustment for the effect of sub-division of units during the year.

## iShares BSE SENSEX India Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited)

As at 31st December 2009

INVESTMENTS (99.66%)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>INDIA (99.66%)</b>			
<b>LISTED EQUITIES</b>			
ACC LTD	77,924	11,288,563	0.64
BHARAT HEAVY ELECTRICALS LTD	121,968	48,754,031	2.77
BHARTI AIRTEL LTD	944,526	51,593,701	2.93
DLF LTD	320,166	19,209,399	1.09
GRASIM INDUSTRIES LTD	51,304	21,117,908	1.20
HDFC BANK LTD	262,086	74,084,393	4.20
HERO HONDA MOTORS LTD	71,390	20,399,371	1.16
HINDALCO INDUSTRIES LTD	949,366	25,353,365	1.44
HINDUSTAN UNILEVER LTD	765,688	33,677,416	1.91
HOUSING DEVELOPMENT FINANCE CORP LTD	185,372	82,467,216	4.68
ICICI BANK LTD	815,056	118,575,169	6.73
INFOSYS TECHNOLOGIES LTD	351,868	152,293,066	8.64
ITC LTD	1,923,174	80,354,004	4.56
JAIPRAKASH ASSOCIATES LTD	870,474	21,243,621	1.21
LARSEN & TOUBRO LTD	387,442	108,096,541	6.13
MAHINDRA & MAHINDRA LTD	157,784	28,330,827	1.61
MARUTI SUZUKI INDIA LTD	108,174	28,123,820	1.60
NTPC LTD	858,616	33,620,914	1.91
OIL & NATURAL GAS CORP LTD	308,308	60,313,579	3.42
RELIANCE COMMUNICATIONS LTD	559,504	16,071,231	0.91
RELIANCE INDUSTRIES LTD	1,205,644	218,201,339	12.38
RELIANCE INFRASTRUCTURE LTD	110,110	20,979,893	1.19
STATE BANK OF INDIA LTD	207,394	78,192,979	4.44
STERLITE INDUSTRIES (INDIA) LTD	272,734	39,041,017	2.22
SUN PHARMACEUTICAL INDUSTRIES LTD	61,226	15,330,041	0.87
TATA CONSULTANCY SERVICES LTD	432,212	53,834,942	3.05
TATA MOTORS LTD	211,992	27,914,155	1.58
TATA POWER CO LTD	116,644	26,702,186	1.51
TATA STEEL LTD	452,056	46,382,107	2.63
WIPRO LTD	217,800	24,582,971	1.39
		<u>1,586,129,765</u>	<u>90.00</u>



## iShares BSE SENSEX India Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.66%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>INDIA (99.66%) (CONTINUED)</b>			
<b>LISTED IAPS ISSUED BY CITIGROUP GLOBAL MARKETS HOLDINGS INC, PROVIDING EXPOSURE FROM THE FOLLOWING</b>			
ACC LTD	8,372	1,212,821	0.07
BHARAT HEAVY ELECTRICALS LTD	13,104	5,238,036	0.30
BHARTI AIRTEL LTD	101,478	5,543,125	0.31
DLF LTD	34,398	2,063,820	0.12
GRASIM INDUSTRIES LTD	5,512	2,268,866	0.13
HDFC BANK LTD	28,158	7,959,480	0.45
HERO HONDA MOTORS LTD	7,670	2,191,668	0.12
HINDALCO INDUSTRIES LTD	101,998	2,723,915	0.15
HINDUSTAN UNILEVER LTD	82,264	3,618,235	0.21
HOUSING DEVELOPMENT FINANCE CORP LTD	19,916	8,860,114	0.50
ICICI BANK LTD	87,568	12,739,481	0.72
INFOSYS TECHNOLOGIES LTD	37,804	16,362,065	0.93
ITC LTD	206,622	8,633,075	0.49
JAIPRAKASH ASSOCIATES LTD	93,522	2,282,373	0.13
LARSEN & TOUBRO LTD	41,626	11,613,678	0.66
MAHINDRA & MAHINDRA LTD	16,952	3,043,808	0.17
MARUTI SUZUKI INDIA LTD	11,622	3,021,567	0.17
NTPC LTD	92,248	3,612,165	0.20
OIL & NATURAL GAS CORP LTD	33,124	6,479,971	0.37
RELIANCE COMMUNICATIONS LTD	60,112	1,726,661	0.10
RELIANCE INDUSTRIES LTD	129,532	23,443,119	1.33
RELIANCE INFRASTRUCTURE LTD	11,830	2,254,038	0.13
STATE BANK OF INDIA LTD	22,282	8,400,899	0.48
STERLITE INDUSTRIES (INDIA) LTD	29,302	4,194,490	0.24
SUN PHARMACEUTICAL INDUSTRIES LTD	6,578	1,647,029	0.09
TATA CONSULTANCY SERVICES LTD	46,436	5,783,919	0.33
TATA MOTORS LTD	22,776	2,999,041	0.17
TATA POWER CO LTD	12,532	2,868,830	0.16
TATA STEEL LTD	48,568	4,983,202	0.28
WIPRO LTD	23,400	2,641,146	0.15
		170,410,637	9.66
TOTAL INVESTMENTS		1,756,540,402	99.66
OTHER NET ASSETS		5,991,645	0.34
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER 2009		1,762,532,047	100.00
TOTAL INVESTMENTS, AT COST		1,438,219,542	

# iShares BSE SENSEX India Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited) For the year ended 31st December 2009

INVESTMENTS	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED EQUITIES</b>					
ACC LTD	–	84,364	–	6,440	77,924
BHARAT HEAVY ELECTRICALS LTD	–	139,384	–	17,416	121,968
BHARTI AIRTEL LTD	–	612,352	460,800	128,626	944,526
DLF LTD	–	346,626	–	26,460	320,166
GRASIM INDUSTRIES LTD	–	55,544	–	4,240	51,304
HDFC BANK LTD	–	293,440	–	31,354	262,086
HERO HONDA MOTORS LTD	–	77,290	–	5,900	71,390
HINDALCO INDUSTRIES LTD	–	1,018,666	–	69,300	949,366
HINDUSTAN UNILEVER LTD	–	884,250	–	118,562	765,688
HOUSING DEVELOPMENT FINANCE CORP LTD	–	206,776	–	21,404	185,372
ICICI BANK LTD	–	900,434	–	85,378	815,056
INFOSYS TECHNOLOGIES LTD	–	394,022	–	42,154	351,868
ITC LTD	–	2,142,898	–	219,724	1,923,174
JAIPRAKASH ASSOCIATES LTD	–	622,736	290,158	42,420	870,474
LARSEN & TOUBRO LTD	–	437,354	–	49,912	387,442
MAHINDRA & MAHINDRA LTD	–	170,824	–	13,040	157,784
MARUTI SUZUKI INDIA LTD	–	117,114	–	8,940	108,174
NTPC LTD	–	1,002,936	–	144,320	858,616
OIL & NATURAL GAS CORP LTD	–	347,412	–	39,104	308,308
RELIANCE COMMUNICATIONS LTD	–	605,744	–	46,240	559,504
RELIANCE INDUSTRIES LTD	–	660,598	602,822	57,776	1,205,644
RELIANCE INFRASTRUCTURE LTD	–	119,210	–	9,100	110,110
STATE BANK OF INDIA LTD	–	231,870	–	24,476	207,394
STERLITE INDUSTRIES INDIA LTD	–	295,274	–	22,540	272,734
SUN PHARMACEUTICALS INDUSTRIES LTD	–	66,286	–	5,060	61,226
TATA CONSULTANCY SERVICES LTD	–	462,612	–	30,400	432,212
TATA MOTORS LTD	–	227,392	–	15,400	211,992
TATA POWER CO LTD	–	126,284	–	9,640	116,644
TATA STEEL LTD	–	489,416	–	37,360	452,056
WIPRO LTD	–	235,800	–	18,000	217,800



## iShares BSE SENSEX India Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the year ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED IAPS ISSUED BY CITIGROUP GLOBAL MARKETS HOLDINGS INC</b>					
ACC LTD	86,172	3,260	–	81,060	8,372
BHARAT HEAVY ELECTRICALS LTD	143,190	5,370	–	135,456	13,104
BHARTI AIRTEL LTD	555,216	31,020	43,008	527,766	101,478
DLF LTD	210,786	138,265	–	314,653	34,398
GRASIM INDUSTRIES LTD	56,760	2,140	–	53,388	5,512
HDFC BANK LTD	301,860	11,335	–	285,037	28,158
HERO HONDA MOTORS LTD	–	7,670	–	–	7,670
HINDALCO INDUSTRIES LTD	997,428	46,968	–	942,398	101,998
HINDUSTAN UNILEVER LTD	910,740	34,125	–	862,601	82,264
HOUSING DEVELOPMENT FINANCE CORP LTD	202,014	17,783	–	199,881	19,916
ICICI BANK LTD	929,832	34,890	–	877,154	87,568
INFOSYS TECHNOLOGIES LTD	406,866	15,265	–	384,327	37,804
ITC LTD	2,205,900	82,835	–	2,082,113	206,622
JAIPRAKASH ASSOCIATES LTD	588,498	28,227	31,174	554,377	93,522
LARSEN & TOUBRO LTD	440,406	17,695	–	416,475	41,626
MAHINDRA & MAHINDRA LTD	162,024	16,561	–	161,633	16,952
MARUTI SUZUKI INDIA LTD	120,744	4,540	–	113,662	11,622
NTPC LTD	1,033,548	38,710	–	980,010	92,248
OIL & NATURAL GAS CORP LTD	357,588	13,420	–	337,884	33,124
RANBAXY LABORATORIES LTD	137,772	2,670	–	140,442	–
RELIANCE COMMUNICATIONS LTD	596,496	23,120	–	559,504	60,112
RELIANCE INDUSTRIES LTD	657,642	27,010	64,766	619,886	129,532
RELIANCE INFRASTRUCTURE LTD	120,744	4,615	–	113,529	11,830
SATYAM COMPUTER SERVICES LTD	534,834	–	–	534,834	–
STATE BANK OF INDIA LTD	236,844	8,955	–	223,517	22,282
STERLITE INDUSTRIES (INDIA) LTD	236,070	15,410	–	222,178	29,302
SUN PHARMACEUTICALS INDUSTRIES LTD	–	70,960	–	64,382	6,578
TATA CONSULTANCY SERVICES LTD	200,982	18,411	184,680	357,637	46,436
TATA MOTORS LTD	244,068	10,566	–	231,858	22,776
TATA POWER CO LTD	129,000	4,885	–	121,353	12,532
TATA STEEL LTD	425,184	23,349	–	399,965	48,568
WIPRO LTD	243,810	9,175	–	229,585	23,400

## iShares BSE SENSEX India Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Performance Record (unaudited)

#### Net Asset Value

	NET ASSET VALUE PER UNIT HK\$	NET ASSET VALUE OF THE SUB-FUND HK\$
AT END OF FINANCIAL PERIOD DATED		
31ST DECEMBER 2007	23.10	2,383,807,022
31ST DECEMBER 2008	8.83	910,964,348
31ST DECEMBER 2009	16.44	1,762,532,047

#### Highest and lowest net asset value per unit

	HIGHEST NET ASSET VALUE PER UNIT HK\$	LOWEST NET ASSET VALUE PER UNIT HK\$
FINANCIAL PERIOD ENDED		
31ST DECEMBER 2007 (SINCE INCEPTION)	23.20	12.56
31ST DECEMBER 2008	23.87	7.54
31ST DECEMBER 2009	16.54	6.98





## iShares MSCI Asia APEX 50 Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited)

As at 31st December 2009

INVESTMENTS (99.76%)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.76%)</b>			
<b>CHINA (23.33%)</b>			
BANK OF CHINA LTD – H	3,774,000	15,813,060	3.30
CHINA CONSTRUCTION BANK – H	3,026,000	20,153,160	4.21
CHINA LIFE INSURANCE CO – H	500,242	19,184,281	4.01
CHINA MERCHANTS BANK CO LTD – H	232,645	4,711,061	0.99
CHINA PETROLEUM & CHEMICAL CORP – H	1,088,000	7,528,960	1.57
CHINA SHENHUA ENERGY CO LTD	217,056	8,237,275	1.72
CHINA TELECOM CORP LTD – H	952,000	3,074,960	0.64
INDUSTRIAL & COMMERCIAL BANK OF CHINA – H	3,070,948	19,746,196	4.13
PETROCHINA CO LTD – H	1,418,395	13,205,257	2.76
		111,654,210	23.33
<b>HONG KONG (30.64%)</b>			
BOC HONG KONG (HOLDINGS) LTD	248,778	4,398,395	0.92
CHEUNG KONG HOLDINGS LTD	93,432	9,399,259	1.96
CHINA MOBILE LTD	404,566	29,452,405	6.15
CHINA OVERSEAS LAND & INVESTMENT LTD	272,000	4,449,920	0.93
CHINA UNICOM (HONG KONG)	408,000	4,194,240	0.88
CLP HOLDINGS LTD	136,000	7,140,000	1.49
CNOOC LTD	1,201,169	14,630,238	3.06
ESPRIT HOLDINGS LTD	75,394	3,912,949	0.82
HANG SENG BANK LTD	51,000	5,859,900	1.23
HONG KONG & CHINA GAS	264,350	5,154,825	1.08
HONG KONG ELECTRIC HOLDINGS	93,500	3,945,700	0.82
HONG KONG EXCHANGES & CLEARING LTD	68,000	9,479,200	1.98
HUTCHISON WHAMPOA LTD	144,500	7,723,525	1.61
LI & FUNG LTD	153,442	4,971,521	1.04
PING AN INSURANCE (GROUP) CO OF CHINA LTD – H	85,000	5,775,750	1.21
SUN HUNG KAI PROPERTIES LTD	94,826	10,999,816	2.30
SWIRE PACIFIC LTD – A	51,000	4,809,300	1.00
TENCENT HOLDINGS LTD	61,200	10,324,440	2.16
		146,621,383	30.64
<b>SOUTH KOREA (20.25%)</b>			
HYUNDAI HEAVY INDUSTRIES CO LTD	2,516	2,894,757	0.61
HYUNDAI MOTOR CO	10,370	8,344,867	1.74

## iShares MSCI Asia APEX 50 Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.76%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.76%) (CONTINUED)</b>			
<b>SOUTH KOREA (20.25%) (CONTINUED)</b>			
KB FINANCIAL GROUP INC	22,219	8,806,961	1.84
KT&G CORP	7,599	3,249,546	0.68
LG ELECTRONICS INC	6,426	5,171,082	1.08
POSCO	4,386	17,997,372	3.76
SAMSUNG ELECTRONICS CO LTD	7,429	39,426,530	8.24
SHINHAN FINANCIAL GROUP CO LTD	26,350	7,570,415	1.58
SHINSEGAE CO LTD	969	3,454,171	0.72
		96,915,701	20.25
<b>SINGAPORE (7.61%)</b>			
DBS GROUP HOLDINGS LTD	115,073	9,781,199	2.04
OVERSEA-CHINESE BANKING CORP	170,000	8,540,340	1.79
SINGAPORE TELECOMMUNICATIONS LTD	535,415	9,173,067	1.92
UNITED OVERSEAS BANK LTD	81,974	8,915,866	1.86
		36,410,472	7.61
<b>TAIWAN (17.93%)</b>			
ASUSTEK COMPUTER INC	257,414	3,831,709	0.80
AU OPTRONICS CORP	507,790	4,747,128	0.99
CATHAY FINANCIAL HOLDING CO LTD	392,768	5,656,992	1.18
CHINA STEEL CORP	673,778	5,356,084	1.12
FORMOSA PLASTICS CORP	267,478	4,336,431	0.91
HON HAI PRECISION INDUSTRY CO LTD	519,061	18,971,696	3.96
HTC CORP	44,625	3,940,347	0.82
MEDIATEK INC	62,220	8,361,041	1.75
NAN YA PLASTIC CORP	350,200	4,917,159	1.03
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	1,653,845	25,695,425	5.37
		85,814,012	17.93
<b>TOTAL INVESTMENTS</b>		477,415,778	99.76
<b>OTHER NET ASSETS</b>		1,170,541	0.24
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER 2009</b>		478,586,319	100.00
<b>TOTAL INVESTMENTS, AT COST</b>		320,871,556	



## iShares MSCI Asia APEX 50 Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) For the period ended 31st December 2009

INVESTMENTS	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED EQUITIES</b>					
ASUSTEK COMPUTER INC	–	272,160	384	15,130	257,414
AU OPTRONICS CORP	–	497,350	10,440	–	507,790
BANK OF CHINA LTD – H	–	3,774,000	–	–	3,774,000
BOC HONG KONG (HOLDINGS) LTD	–	255,000	–	6,222	248,778
CATHAY FINANCIAL HOLDING CO LTD	–	408,000	–	15,232	392,768
CHEUNG KONG HOLDINGS LTD	–	99,825	–	6,393	93,432
CHINA CONSTRUCTION BANK – H	–	3,086,000	–	60,000	3,026,000
CHINA LIFE INSURANCE CO – H	–	506,549	–	6,307	500,242
CHINA MERCHANTS BANK CO LTD – H	–	200,200	37,800	5,355	232,645
CHINA MOBILE LTD	–	414,000	–	9,434	404,566
CHINA OVERSEAS LAND & INVESTMENT LTD	–	272,000	–	–	272,000
CHINA PETROLEUM & CHEMICAL CORP – H	–	1,136,000	–	48,000	1,088,000
CHINA SHENHUA ENERGY CO LTD	–	221,000	–	3,944	217,056
CHINA STEEL CORP	–	654,170	19,608	–	673,778
CHINA TELECOM CORP LTD – H	–	952,000	–	–	952,000
CHINA UNICOM (HONG KONG)	–	408,000	–	–	408,000
CLP HOLDINGS LTD	–	136,000	–	–	136,000
CNOOC LTD	–	1,216,333	–	15,164	1,201,169
DBS GROUP HOLDINGS LTD	–	119,000	–	3,927	115,073
ESPRIT HOLDINGS LTD	–	78,216	–	2,822	75,394
FORMOSA PLASTICS CORP	–	277,600	13,440	23,562	267,478
HANG SENG BANK LTD	–	54,600	–	3,600	51,000
HON HAI PRECISION INDUSTRY CO LTD	–	477,410	45,000	3,349	519,061
HONG KONG & CHINA GAS	–	272,000	–	7,650	264,350
HONG KONG ELECTRIC HOLDINGS	–	93,500	–	–	93,500
HONG KONG EXCHANGES & CLEARING LTD	–	68,000	–	–	68,000
HTC CORP	–	55,125	1,500	12,000	44,625
HUTCHISON WHAMPOA LTD	–	156,500	–	12,000	144,500
HYUNDAI HEAVY INDUSTRIES CO LTD	–	2,768	–	252	2,516
HYUNDAI MOTOR CO	–	10,540	–	170	10,370
INDUSTRIAL & COMMERCIAL BANK OF CHINA – H	–	3,169,691	–	98,743	3,070,948
KB FINANCIAL GROUP INC	–	24,379	–	2,160	22,219
KB FINANCIAL GROUP INC NIL PAID RTS 27/08/2009	–	–	1,090	1,090	–
KT&G CORP	–	7,599	–	–	7,599
LG ELECTRONICS INC	–	6,426	–	–	6,426
LI & FUNG LTD	–	177,442	–	24,000	153,442
MEDIATEK INC	–	66,300	96	4,176	62,220
NAN YA PLASTIC CORP	–	343,000	7,200	–	350,200

## iShares MSCI Asia APEX 50 Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the period ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED EQUITIES (CONTINUED)</b>					
OVERSEA-CHINESE BANKING CORP	–	170,000	–	–	170,000
PETROCHINA CO LTD – H	–	1,462,000	–	43,605	1,418,395
PING AN INSURANCE (GROUP) CO OF CHINA LTD – H	–	85,000	–	–	85,000
POSCO	–	4,386	–	–	4,386
SAMSUNG C&T CORP	–	6,360	–	6,360	–
SAMSUNG ELECTRONICS CO LTD	–	7,617	–	188	7,429
SHINHAN FINANCIAL GROUP CO LTD	–	26,350	–	–	26,350
SHINSEGAE CO LTD	–	969	–	–	969
SINGAPORE TELECOMMUNICATIONS LTD	–	544,000	–	8,585	535,415
SUN HUNG KAI PROPERTIES LTD	–	100,240	–	5,414	94,826
SWIRE PACIFIC LTD – A	–	57,000	–	6,000	51,000
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	–	1,659,671	5,819	11,645	1,653,845
TENCENT HOLDINGS LTD	–	61,200	–	–	61,200
UNITED OVERSEAS BANK LTD	–	85,000	–	3,026	81,974



## **iShares MSCI Asia APEX 50 Index ETF**

(a Sub-Fund of iShares Asia Trust)

### » **Performance Record (unaudited)**

#### **Net Asset Value**

	NET ASSET VALUE PER UNIT HK\$	NET ASSET VALUE OF THE SUB-FUND HK\$
AT END OF FINANCIAL PERIOD DATED		
31ST DECEMBER 2009	35.19	478,586,319

#### **Highest and lowest net asset value per unit**

	HIGHEST NET ASSET VALUE PER UNIT HK\$	LOWEST NET ASSET VALUE PER UNIT HK\$
FINANCIAL PERIOD ENDED		
31ST DECEMBER 2009 (SINCE INCEPTION)	35.66	20.00

# iShares MSCI Asia APEX Mid Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Investment Portfolio (unaudited)

As at 31st December 2009

INVESTMENTS (99.57%)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.57%)</b>			
<b>CHINA (8.61%)</b>			
CHINA YURUN FOOD GROUP LTD	266,000	6,118,000	2.66
FOXCONN INTERNATIONAL HOLDINGS	504,000	4,561,200	1.99
LI NING CO LTD	175,000	5,153,750	2.24
PARKSON RETAIL GROUP LTD	290,500	3,962,420	1.72
		<hr/>	
		19,795,370	8.61
		<hr/>	
<b>HONG KONG (52.25%)</b>			
AGILE PROPERTY HOLDINGS LTD	392,000	4,445,280	1.93
CHAODA MODERN AGRICULTURE	588,000	4,892,160	2.13
CHINA EVERBRIGHT LTD	168,000	3,225,600	1.40
CHINA HIGH SPEED TRANSMISSION EQUIPMENT GROUP CO LTD	203,000	3,836,700	1.67
CHINA MENGNIU DAIRY CO LTD	273,000	7,534,800	3.27
CHINA TAIPING INSURANCE HOLDINGS CO LTD	189,000	4,734,450	2.06
CNPC HONG KONG LTD	588,000	6,068,160	2.64
COSCO PACIFIC LTD	266,000	2,636,060	1.15
DENWAY MOTORS LTD	1,176,000	5,774,160	2.51
FUSHAN INTERNATIONAL ENERGY GROUP LTD	658,000	4,941,580	2.15
GOME ELECTRICAL APPLIANCES HOLDINGS LTD	1,848,000	5,211,360	2.27
HOPEWELL HOLDINGS LTD	133,000	3,338,300	1.45
HYSAN DEVELOPMENT CO LTD	147,000	3,241,350	1.41
KERRY PROPERTIES LTD	175,000	6,912,500	3.01
KINGBOARD CHEMICAL HOLDINGS LTD	147,000	4,498,200	1.96
LENOVO GROUP LTD	1,134,000	5,477,220	2.38
NEW WORLD DEVELOPMENT LTD	602,000	9,607,920	4.18
POLY (HONG KONG) INVESTMENTS LTD	357,000	3,459,330	1.51
SHANGHAI INDUSTRIAL HOLDINGS LTD	126,000	4,977,000	2.17
SHANGRI-LA ASIA LTD	308,000	4,496,800	1.96
SHIMAO PROPERTY HOLDINGS LTD	385,000	5,659,500	2.46
SHUI ON LAND LTD	686,000	3,128,160	1.36
SINO-OCEAN LAND HOLDINGS LTD	745,500	5,345,235	2.33
WING HANG BANK LTD	42,000	3,038,700	1.32
YUE YUEN INDUSTRIAL HOLDINGS LTD	161,000	3,614,450	1.57
		<hr/>	
		120,094,975	52.25
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## iShares MSCI Asia APEX Mid Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.57%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.57%) (CONTINUED)</b>			
<b>SINGAPORE (13.13%)</b>			
COMFORTDELGRO CORP LTD	455,000	4,098,844	1.79
FRASER & NEAVE LTD	231,000	5,361,960	2.33
GOLDEN AGRI-RESOURCES LTD	1,547,000	4,317,616	1.88
OLAM INTERNATIONAL LTD	294,000	4,305,817	1.87
SEMBCORP INDUSTRIES	238,000	4,840,465	2.11
SINGAPORE PRESS HOLDINGS LTD	357,000	7,240,968	3.15
		<hr/>	
		30,165,670	13.13
<b>SOUTH KOREA (20.95%)</b>			
AMOREPACIFIC CORP	742	4,608,993	2.01
BUSAN BANK	39,200	3,610,698	1.57
CHEIL INDUSTRIES INC	10,990	4,129,538	1.80
DAELIM INDUSTRIAL CO LTD	6,762	3,737,072	1.63
DAEWOO SECURITIES CO LTD	28,770	3,778,873	1.64
HANWHA CORP	12,110	3,845,677	1.67
HYUNDAI DEVELOPMENT CO	13,860	3,475,041	1.51
HYUNDAI SECURITIES CO	27,580	2,714,634	1.18
LG HOUSEHOLD & HEALTH CARE LTD	1,988	3,847,376	1.67
NC SOFT CORP	3,542	3,509,863	1.53
SAMSUNG ENGINEERING CO LTD	7,441	5,319,797	2.31
SAMSUNG TECHWIN CO LTD	9,247	5,583,956	2.43
		<hr/>	
		48,161,518	20.95
<b>TAIWAN (4.63%)</b>			
EPISTAR CORP	147,000	4,255,727	1.85
MACRONIX INTERNATIONAL CO LTD	784,000	3,451,867	1.50
TAISHIN FINANCIAL HOLDINGS CO LTD	966,000	2,936,451	1.28
		<hr/>	
		10,644,045	4.63
TOTAL INVESTMENTS		228,861,578	99.57
OTHER NET ASSETS		990,401	0.43
		<hr/>	
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER 2009		229,851,979	100.00
		<hr/>	
TOTAL INVESTMENTS, AT COST		168,786,645	

# iShares MSCI Asia APEX Mid Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited) For the period ended 31st December 2009

INVESTMENTS	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED EQUITIES</b>					
AGILE PROPERTY HOLDINGS LTD	-	406,000	-	14,000	392,000
AMOREPACIFIC CORP	-	847	-	105	742
BEIJING ENTERPRISES HOLDINGS LTD	-	70,000	-	70,000	-
BUSAN BANK	-	39,200	-	-	39,200
BYD CO LTD - H	-	97,500	-	97,500	-
CHAODA MODERN AGRICULTURE	-	638,000	-	50,000	588,000
CHEIL INDUSTRIES INC	-	12,040	-	1,050	10,990
CHINA COMMUNICATIONS SERVICES CORP LTD - H	-	310,000	-	310,000	-
CHINA EVERBRIGHT LTD	-	168,000	-	-	168,000
CHINA HIGH SPEED TRANSMISSION EQUIPMENT GROUP CO LTD	-	203,000	-	-	203,000
CHINA HUIYUAN JUICE	-	202,500	-	202,500	-
CHINA MENGNIU DAIRY CO LTD	-	293,000	-	20,000	273,000
CHINA TAIPING INSURANCE HOLDINGS CO LTD	-	189,000	-	-	189,000
CHINA YURUN FOOD GROUP LTD	-	276,000	-	10,000	266,000
CHINESE ESTATES HOLDINGS LTD	-	160,000	-	160,000	-
CNPC HONG KONG LTD	-	588,000	-	-	588,000
COMFORTDELGRO CORP LTD	-	528,000	-	73,000	455,000
COSCO PACIFIC LTD	-	486,000	-	220,000	266,000
DAELIM INDUSTRIAL CO LTD	-	7,212	-	450	6,762
DAEWOO SECURITIES CO LTD	-	31,270	-	2,500	28,770
DENWAY MOTORS LTD	-	1,258,000	-	82,000	1,176,000
EPISTAR CORP	-	147,000	-	-	147,000
FOXCONN INTERNATIONAL HOLDINGS	-	504,000	-	-	504,000
FRASER & NEAVE LTD	-	255,000	-	24,000	231,000
FUSHAN INTERNATIONAL ENERGY GROUP LTD	-	658,000	-	-	658,000
GENTING SINGAPORE PLC	-	1,075,200	-	1,075,200	-
GOLDEN AGRI-RESOURCES LTD	-	1,547,000	-	-	1,547,000
GOME ELECTRICAL APPLIANCES HOLDINGS LTD	-	1,862,000	-	14,000	1,848,000
GS HOLDINGS CORP	-	8,850	-	8,850	-
HANWHA CORP	-	12,860	-	750	12,110
HENGAN INTERNATIONAL GROUP CO LTD	-	110,000	-	110,000	-
HOPEWELL HOLDINGS LTD	-	158,000	-	25,000	133,000
HYOSUNG CORP	-	5,320	-	5,320	-
HYSAN DEVELOPMENT CO LTD	-	147,000	-	-	147,000
HYUNDAI DEVELOPMENT CO	-	13,860	-	-	13,860
HYUNDAI SECURITIES CO	-	31,430	-	3,850	27,580
JARDINE CYCLE & CARRIAGE LTD	-	33,000	-	33,000	-
KANGWON LAND INC	-	18,500	-	18,500	-





## iShares MSCI Asia APEX Mid Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the period ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED EQUITIES (CONTINUED)</b>					
KERRY PROPERTIES LTD	-	180,000	-	5,000	175,000
KIA MOTORS CORP	-	33,050	-	33,050	-
KINGBOARD CHEMICAL HOLDINGS LTD	-	169,500	-	22,500	147,000
LENOVO GROUP LTD	-	1,134,000	-	-	1,134,000
LG HOUSEHOLD & HEALTH CARE LTD	-	2,188	-	200	1,988
LI NING CO LTD	-	185,000	-	10,000	175,000
MACRONIX INTERNATIONAL CO LTD	-	784,000	-	-	784,000
MIRAE ASSET SECURITIES CO LTD	-	5,324	190	5,514	-
NC SOFT CORP	-	3,542	-	-	3,542
NEW WORLD DEVELOPMENT LTD	-	659,744	-	57,744	602,000
NOBLE GROUP LTD	-	285,000	-	285,000	-
OLAM INTERNATIONAL LTD	-	294,000	-	-	294,000
PARKSON RETAIL GROUP LTD	-	290,500	-	-	290,500
PCCW LTD	-	675,000	-	675,000	-
POLY (HONG KONG) INVESTMENTS LTD	-	357,000	-	-	357,000
POWERCHIP SEMICONDUCTOR CORP	-	1,380,000	-	1,380,000	-
SAMSUNG ELECTRO MECHANICS CO LTD	-	14,910	-	14,910	-
SAMSUNG ENGINEERING CO LTD	-	8,041	-	600	7,441
SAMSUNG SDI CO LTD	-	8,510	-	8,510	-
SAMSUNG TECHWIN CO LTD	-	9,797	-	550	9,247
SEBFCORP INDUSTRIES	-	282,000	-	44,000	238,000
SEBFCORP MARINE LTD	-	199,000	-	199,000	-
SHANGHAI INDUSTRIAL HOLDINGS LTD	-	136,000	-	10,000	126,000
SHANGRI-LA ASIA LTD	-	338,000	-	30,000	308,000
SHIMAO PROPERTY HOLDINGS LTD	-	385,000	-	-	385,000
SHUI ON LAND LTD	-	686,000	-	-	686,000
SINGAPORE PRESS HOLDINGS LTD	-	367,000	-	10,000	357,000
SINOFERT HOLDINGS LTD	-	360,000	-	360,000	-
SINO-OCEAN LAND HOLDINGS LTD	-	825,500	-	80,000	745,500
SINOPAC FINANCIAL HOLDINGS CO LTD	-	1,417,000	-	1,417,000	-
SYNNEX TECH INTERNATIONAL CORP	-	237,600	16,500	254,100	-
TAISHIN FINANCIAL HOLDINGS CO LTD	-	966,000	-	-	966,000
TAIWAN FERTILIZER CO LTD	-	120,000	-	120,000	-
WHEELOCK & CO LTD	-	165,000	-	165,000	-
WING HANG BANK LTD	-	42,000	-	-	42,000
WISTRON CORP	-	367,024	25,061	392,085	-
WOORI INVESTMENT & SECURITIES CO LTD	-	14,900	-	14,900	-
YUE YUEN INDUSTRIAL HOLDINGS LTD	-	175,500	-	14,500	161,000

## iShares MSCI Asia APEX Mid Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the period ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
LISTED EQUITIES (CONTINUED)					
YUHAN CORP	-	1,999	-	1,999	-
RIGHTS					
GENTING SINGAPORE PLC NIL PAID RTS 12/10/2009	-	-	179,200	179,200	-
GOLDEN AGRI-RESOURCES LTD NIL PAID RTS 16/07/2009	-	-	160,650	160,650	-
GOME ELECTRICAL APPLIANCES HOLDINGS LTD NIL PAID RTS 14/08/2009	-	-	189,000	189,000	-



## **iShares MSCI Asia APEX Mid Cap Index ETF**

(a Sub-Fund of iShares Asia Trust)

### » **Performance Record (unaudited)**

#### **Net Asset Value**

	NET ASSET VALUE PER UNIT HK\$	NET ASSET VALUE OF THE SUB-FUND HK\$
AT END OF FINANCIAL PERIOD DATED		
31ST DECEMBER 2009	41.04	229,851,979

#### **Highest and lowest net asset value per unit**

	HIGHEST NET ASSET VALUE PER UNIT HK\$	LOWEST NET ASSET VALUE PER UNIT HK\$
FINANCIAL PERIOD ENDED		
31ST DECEMBER 2009 (SINCE INCEPTION)	42.05	20.00

# iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Investment Portfolio (unaudited)

As at 31st December 2009

INVESTMENTS (99.43%)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.43%)</b>			
<b>CHINA (7.40%)</b>			
AVICHINA INDUSTRY & TECHNOLOGY CO LTD	208,000	661,440	0.50
BYD ELECTRONIC CO LTD	242,000	1,536,700	1.17
CHINA NATIONAL MATERIALS CO – H	252,000	1,451,520	1.11
GREAT WALL MOTOR CO LTD – H	60,000	579,000	0.44
INTIME DEPARTMENT STORE GROUP CO LTD	120,000	860,400	0.66
KINGSOFT CORP LTD	80,000	513,600	0.39
NEW WORLD DEPARTMENT STORE	72,000	511,200	0.39
SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORP	2,456,000	1,228,000	0.94
STELLA INTERNATIONAL HOLDINGS LTD	58,000	816,640	0.62
WUMART STORES INC – H	80,000	977,600	0.75
XINJIANG XINXIN MINING INDUSTRY CO LTD – H	132,000	561,000	0.43
		9,697,100	7.40
<b>HONG KONG (33.85%)</b>			
AAC ACOUSTIC TECHNOLOGY HOLDINGS INC CO	136,000	1,727,200	1.32
C C LAND HOLDINGS LTD	216,000	779,760	0.60
CAFE DE CORAL HOLDINGS LTD	40,000	709,600	0.54
CHAMPION REIT	280,000	918,400	0.70
CHINA EVERBRIGHT INTERNATIONAL LTD	348,000	1,392,000	1.06
CHINA GAS HOLDINGS LTD	368,000	1,560,320	1.19
CHINA GREEN (HOLDINGS) LTD	96,000	699,840	0.53
CHINA MOLYBDENUM CO LTD	196,000	1,223,040	0.93
CHINA PHARMACEUTICAL GROUP	128,000	550,400	0.42
CHINA POWER INTERNATIONAL DEV LTD	280,000	546,000	0.42
CHINA RESOURCES GAS GROUP LTD	64,000	728,320	0.56
CITIC RESOURCES HOLDINGS LTD	512,000	1,162,240	0.89
DAH SING FINANCIAL GROUP	19,200	824,640	0.63
DAPHNE INTERNATIONAL HOLDINGS LTD	144,000	895,680	0.68
FIRST PACIFIC CO	307,200	1,446,912	1.10
GIORDANO INTERNATIONAL LTD	248,000	570,400	0.44
GREAT EAGLE HOLDINGS LTD	64,000	1,292,800	0.99
HENGDELI HOLDINGS LTD	240,000	691,200	0.53
HI SUN TECHNOLOGY (CHINA) LTD	264,000	1,156,320	0.88
HONG KONG & SHANGHAI HOTEL	50,000	568,000	0.43
HUNAN NON-FERROUS METAL CORP LTD – H	240,000	724,800	0.55
INSPUR INTERNATIONAL LTD	400,000	444,000	0.34



## iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

» Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.43%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.43%) (CONTINUED)</b>			
<b>HONG KONG (33.85%) (CONTINUED)</b>			
JU TENG INTERNATIONAL HOLDINGS	176,000	1,351,680	1.03
LONKING HOLDINGS LTD	144,000	779,040	0.59
MELCO INTERNATIONAL DEVELOPMENT LTD	128,000	458,240	0.35
MIDLAND HOLDINGS LTD	96,000	646,080	0.49
MINTH GROUP LTD	80,000	907,200	0.69
PACIFIC BASIN SHIPPING LTD	240,000	1,348,800	1.03
PORTS DESIGN LTD	94,000	2,265,400	1.73
REXLOT HOLDINGS LTD	1,000,000	870,000	0.66
SHENZHEN INTERNATIONAL HOLDINGS LTD	1,690,000	997,100	0.76
SHENZHEN INVESTMENT LTD	304,000	1,000,160	0.76
SHOUGANG CONCORD INTERNATIONAL ENTERPRISES LTD	584,000	1,127,120	0.86
SHUN TAK HOLDINGS LTD	200,000	972,000	0.74
SJM HOLDINGS LIMITED	188,000	802,760	0.61
SKYWORTH DIGITAL HOLDINGS LTD	240,000	1,915,200	1.46
TECHTRONIC INDUSTRIES CO LTD	180,000	1,150,200	0.88
TIAN AN CHINA INVESTMENTS CO LTD	132,000	648,120	0.49
TIANJIN DEVELOPMENT HOLDINGS LTD	104,000	600,080	0.46
TPV TECHNOLOGY LTD	216,000	1,021,680	0.78
VTECH HOLDINGS LTD	24,000	1,766,400	1.35
XINYI GLASS HOLDINGS CO LTD	136,000	956,080	0.73
YUEXIU PROPERTY CO LTD	560,000	1,232,000	0.94
ZHAOJIN MINING INDUSTRY – H	62,000	961,000	0.73
		44,388,212	33.85
<b>MONGOLIA (0.21%)</b>			
REAL GOLD MINING LTD	24,000	278,400	0.21
		278,400	0.21
<b>SINGAPORE (14.18%)</b>			
ALLGREEN PROPERTIES LTD	92,000	625,396	0.48
CAPITACOMMERCIAL TRUST	280,000	1,795,058	1.37
HYFLUX LTD	40,000	784,785	0.60
KEPPEL LAND LTD	92,000	1,774,498	1.35
MOBILEONE LTD	60,000	626,723	0.48
PARKWAY HOLDINGS LTD	128,000	2,065,643	1.57

# iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

» Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.43%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.43%) (CONTINUED)</b>			
<b>SINGAPORE (14.18%) (CONTINUED)</b>			
RAFFLES EDUCATION CORP LTD	224,000	495,188	0.38
SINGAPORE AIRPORT TERMINAL SERVICES LTD	80,000	1,207,021	0.92
SINGAPORE LAND LTD	36,000	1,285,279	0.98
SINGAPORE POST LTD	328,000	1,830,870	1.40
SMRT CORP LTD	152,000	1,604,498	1.22
STRAITS ASIA RESOURCES LTD	116,000	1,666,839	1.27
VENTURE CORP LTD	44,000	2,149,648	1.64
WING TAI HOLDINGS LTD	68,000	687,737	0.52
		18,599,183	14.18
<b>SOUTH KOREA (18.47%)</b>			
CHEIL WORLDWIDE INC	708	1,452,592	1.11
CJ CORP	3,080	1,265,886	0.97
DAISHIN SECURITIES CO	5,520	574,525	0.44
DONG-A PHARM CO LTD	1,489	1,272,486	0.97
HANMI PHARM CO LTD	1,180	1,000,570	0.76
HOTEL SHILLA CO LTD	4,600	630,203	0.48
HYUNDAI MARINE & FIRE INSURANCE CO LTD	11,640	1,447,605	1.10
KOREAN REINSURANCE CO	15,160	993,095	0.76
LG HAUSYS LTD	856	680,295	0.52
LG INTERNATIONAL CORP	6,280	1,261,310	0.96
LG LIFE SCIENCE	2,480	1,019,285	0.78
LIG NON-LIFE INSURANCE CO LTD	8,280	1,189,431	0.91
LOTTE CHILSUNG BEVERAGE CO LTD	160	897,022	0.68
MEGASTUDY CO LTD	732	1,161,060	0.89
NONG SHIM CO LTD	776	1,285,039	0.98
ORION CORP	496	946,714	0.72
SAMSUNG DIGITAL IMAGING CO LTD	4,080	1,195,257	0.91
SAMSUNG FINE CHEMICALS CO LTD	3,120	976,269	0.74
SEOUL SECURITIES CO LTD	79,000	504,375	0.38
SEOUL SEMICONDUCTOR CO LTD	4,604	1,419,189	1.08
SK CHEMICALS CO LTD	2,920	1,295,281	0.99
SK SECURITIES CO LTD	51,480	873,040	0.67
SODIFF ADVANCED MATERIALS CO LTD	1,396	879,206	0.67
		24,219,735	18.47



# iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.43%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (99.43%) (CONTINUED)</b>			
<b>TAIWAN (25.32%)</b>			
ABILITY ENTERPRISES CO LTD	40,000	605,066	0.46
ALI CORP	52,052	971,971	0.74
ALTEK CORP	40,000	628,226	0.48
CHINA LIFE INSURANCE CO LTD	172,000	1,031,169	0.79
CHINA PETROCHEMICAL DEVELOP CORP	388,000	1,156,042	0.88
CHINA SYNTHETIC RUBBER CORP	86,098	706,232	0.54
CHUNG HUNG STEEL CORP	212,000	864,366	0.66
CTCI CORP	140,000	1,106,151	0.84
D-LINK CORP	159,600	1,297,591	0.99
DYNAPACK INTERNATIONAL TECH	24,000	651,387	0.50
ELAN MICROELECTRONICS CORP	60,600	828,955	0.63
FARADAY TECHNOLOGY CORP	48,239	805,340	0.61
GEMTEK TECHNOLOGY CORP	62,948	877,778	0.67
GINTECH ENERGY CORP	32,000	720,289	0.55
GOLDSUN DEV & CONSTRUCTION CO LTD	273,524	973,336	0.74
GREAT WALL ENTERPRISE CO LTD	92,400	784,675	0.60
HIGHWEALTH CONSTRUCTION CORP	48,000	546,586	0.42
HUAKU DEVELOPMENT CO LTD	56,000	1,097,032	0.84
INTERNATIONAL GAMES SYSTEM CO LTD	13,199	874,095	0.67
KENDA RUBBER INDUSTRIAL CO	68,000	632,424	0.48
LEE CHANG YUNG CHEMICAL INDUSTRIES CORP	68,000	637,346	0.49
NAN KANG RUBBER TIRE CO LTD	60,000	600,000	0.46
OPTO TECH CORP	124,000	854,089	0.65
ORIENTAL UNION CHEMICAL	176,000	1,086,996	0.83
PAN-INTERNATIONAL INDUSTRIAL CO LTD	62,400	873,148	0.67
RADIANT OPTO-ELECTRONICS CORP	74,160	832,846	0.63
RITEK CORP	574,558	1,218,422	0.93
SILICON INTEGRATED SYSTEMS	211,205	1,263,662	0.96
SINO-AMERICAN SILICON PRODUCT	48,000	1,019,058	0.78
SOFT-WORLD INTERNATIONAL CORP	24,119	1,184,128	0.90
SOLAR APPLIED MATERIALS TECHNOLOGY CORP	40,800	809,109	0.62
TA CHONG BANK LTD	668,000	1,121,659	0.85
WAFER WORKS CORP	45,766	643,705	0.49
WATERLAND FINANCIAL HOLDINGS	620,000	1,548,129	1.18
WEI CHUAN FOODS CORP	28,000	294,523	0.22
YAGEO CORP	496,000	1,400,047	1.07
ZINWELL CORP	44,000	654,957	0.50
		<b>33,200,535</b>	<b>25.32</b>

## iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

	FAIR VALUE HK\$	% OF NET ASSETS
TOTAL INVESTMENTS	130,383,165	99.43
OTHER NET ASSETS	750,148	0.57
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER 2009	131,133,313	100.00
TOTAL INVESTMENTS, AT COST	92,796,845	





# iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited)

For the period ended 31st December 2009

INVESTMENTS	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED EQUITIES</b>					
AAC ACOUSTIC TECHNOLOGY HOLDINGS INC CO	-	136,000	-	-	136,000
ABILITY ENTERPRISES CO LTD	-	40,000	-	-	40,000
ALI CORP	-	52,013	39	-	52,052
ALLGREEN PROPERTIES LTD	-	92,000	-	-	92,000
ALTEK CORP	-	40,000	-	-	40,000
AVICHINA INDUSTRY & TECHNOLOGY CO LTD	-	208,000	-	-	208,000
BES ENGINEERING CORP	-	356,000	-	356,000	-
BYD ELECTRONIC CO LTD	-	242,000	-	-	242,000
C C LAND HOLDINGS LTD	-	216,000	-	-	216,000
CAFE DE CORAL HOLDINGS LTD	-	76,000	-	36,000	40,000
CAPITACOMMERCIAL TRUST	-	280,000	-	-	280,000
CAPITAL SECURITIES CORP	-	195,000	-	195,000	-
CHAMPION REIT	-	280,000	-	-	280,000
CHEIL WORLDWIDE INC	-	1,047	-	339	708
CHICONY ELECTRONICS CO LTD	-	51,000	-	51,000	-
CHINA EVERBRIGHT INTERNATIONAL LTD	-	348,000	-	-	348,000
CHINA FOODS LTD	-	168,000	-	168,000	-
CHINA GAS HOLDINGS LTD	-	368,000	-	-	368,000
CHINA GREEN (HOLDINGS) LTD	-	96,000	-	-	96,000
CHINA LIFE INSURANCE CO LTD	-	172,000	-	-	172,000
CHINA MOLYBDENUM CO LTD	-	196,000	-	-	196,000
CHINA NATIONAL MATERIALS CO - H	-	252,000	-	-	252,000
CHINA PETROCHEMICAL DEVELOP CORP	-	388,000	-	-	388,000
CHINA PHARMACEUTICAL GROUP	-	128,000	-	-	128,000
CHINA POWER INTERNATIONAL DEV LTD	-	280,000	-	-	280,000
CHINA RESOURCES GAS GROUP LTD	-	64,000	-	-	64,000
CHINA SYNTHETIC RUBBER CORP	-	86,098	-	-	86,098
CHINA SYNTHETIC RUBBER CORP NIL PAID RTS 25/11/2009	-	-	14,098	14,098	-
CHUNG HUNG STEEL CORP	-	212,000	-	-	212,000
CITIC RESOURCES HOLDINGS LTD	-	512,000	-	-	512,000
CJ CORP	-	3,080	-	-	3,080
CLEVO CO	-	66,000	-	66,000	-
CORETRONIC CORP	-	120,000	-	120,000	-
CTCI CORP	-	140,000	-	-	140,000
CYBERLINK CORP	-	20,000	199	20,199	-
DAH SING FINANCIAL GROUP	-	19,200	-	-	19,200
DAISHIN SECURITIES CO	-	14,880	-	9,360	5,520
DAPHNE INTERNATIONAL HOLDINGS LTD	-	144,000	-	-	144,000

# iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited) (continued) For the period ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED EQUITIES (CONTINUED)</b>					
D-LINK CORP	-	144,900	14,700	-	159,600
DONG-A PHARM CO LTD	-	1,460	29	-	1,489
DYNAPACK INTERNATIONAL TECH	-	24,000	-	-	24,000
ELAN MICROELECTRONICS CORP	-	60,150	450	-	60,600
FARADAY TECHNOLOGY CORP	-	48,060	179	-	48,239
FIRICH ENTERPRISES CO LTD	-	32,000	3,244	35,244	-
FIRST PACIFIC CO	-	439,200	-	132,000	307,200
FIRST PACIFIC CO NIL PAID RTS 24/11/2009	-	-	51,200	51,200	-
FIRST STEAMSHIP CO LTD	-	27,000	2,771	29,771	-
FRANSHION PROPERTIES CHINA LTD	-	360,000	-	360,000	-
FUSHAN INTERNATIONAL ENERGY GROUP LTD	-	240,000	-	240,000	-
GELY AUTOMOBILE HOLDINGS LTD	-	570,000	-	570,000	-
GEMTEK TECHNOLOGY CORP	-	60,737	2,211	-	62,948
GIANT MANUFACTURING CO LTD	-	36,000	-	36,000	-
GINTECH ENERGY CORP	-	32,000	-	-	32,000
GIORDANO INTERNATIONAL LTD	-	248,000	-	-	248,000
GLOBAL UNICHIP CORP	-	9,000	-	9,000	-
GOLDSUN DEV & CONSTRUCTION CO LTD	-	269,864	3,660	-	273,524
GOLDSUN DEV & CONSTRUCTION CO LTD NIL PAID RTS 31/12/2009	-	-	24,644	24,644	-
GREAT EAGLE HOLDINGS LTD	-	64,000	-	-	64,000
GREAT WALL ENTERPRISE CO LTD	-	89,100	3,300	-	92,400
GREAT WALL MOTOR CO LTD - H	-	60,000	-	-	60,000
GREENTOWN CHINA HOLDINGS	-	60,000	-	60,000	-
HANMI PHARM CO LTD	-	1,124	56	-	1,180
HENGDELI HOLDINGS LTD	-	240,000	-	-	240,000
HI SUN TECHNOLOGY (CHINA) LTD	-	264,000	-	-	264,000
HIDILI INDUSTRY INTERNATIONAL DEVELOPMENT LTD	-	168,000	-	168,000	-
HIGHWEALTH CONSTRUCTION CORP	-	48,000	-	-	48,000
HONG KONG & SHANGHAI HOTEL	-	124,000	-	74,000	50,000
HOPSON DEVELOPMENT HOLDINGS LTD	-	78,000	-	78,000	-
HOTEL SHILLA CO LTD	-	4,600	-	-	4,600
HUAKU DEVELOPMENT CO LTD	-	56,000	-	-	56,000
HUNAN NON-FERROUS METAL CORP LTD - H	-	240,000	-	-	240,000
HYFLUX LTD	-	40,000	-	-	40,000
HYUNDAI MARINE & FIRE INSURANCE CO LTD	-	11,640	-	-	11,640
HYUNJIN MATERIALS CO LTD	-	1,833	-	1,833	-
INSPUR INTERNATIONAL LTD	-	400,000	-	-	400,000



## iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the period ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED EQUITIES (CONTINUED)</b>					
INTERNATIONAL GAMES SYSTEM CO LTD	-	12,300	899	-	13,199
INTIME DEPARTMENT STORE GROUP CO LTD	-	120,000	-	-	120,000
JU TENG INTERNATIONAL HOLDINGS	-	176,000	-	-	176,000
KENDA RUBBER INDUSTRIAL CO	-	68,000	-	-	68,000
KEPPEL LAND LTD	-	92,000	-	-	92,000
KEPPEL LAND LTD NIL PAID RIGHTS 02/06/2009	-	-	62,100	62,100	-
KINGSOFT CORP LTD	-	80,000	-	-	80,000
KINPO ELECTRONICS INC	-	320,000	-	320,000	-
KIWOOM.COM SECURITIES CO LTD	-	2,376	-	2,376	-
KOREAN REINSURANCE CO	-	15,160	-	-	15,160
KWG PROPERTY	-	123,000	-	123,000	-
LEE & MAN PAPER MANUFACTURING LTD	-	57,600	-	57,600	-
LEE CHANG YUNG CHEMICAL INDUSTRIES CORP	-	68,000	-	-	68,000
LG HAUSYS LTD	-	1,656	-	800	856
LG INTERNATIONAL CORP	-	6,280	-	-	6,280
LG LIFE SCIENCE	-	2,480	-	-	2,480
LIG NON-LIFE INSURANCE CO LTD	-	8,280	-	-	8,280
LONKING HOLDINGS LTD	-	90,000	54,000	-	144,000
LOTTE CHILSUNG BEVERAGE CO LTD	-	160	-	-	160
LS INDUSTRIAL SYSTEMS CO LTD	-	2,250	-	2,250	-
MEGASTUDY CO LTD	-	732	-	-	732
MELCO INTERNATIONAL DEVELOPMENT LTD	-	128,000	-	-	128,000
MICRO-STAR INTERNATIONAL CO LTD	-	120,000	-	120,000	-
MIDLAND HOLDINGS LTD	-	96,000	-	-	96,000
MINTH GROUP LTD	-	80,000	-	-	80,000
MOBILEONE LTD	-	144,000	-	84,000	60,000
NAMHAE CHEMICAL CORP	-	3,760	-	3,760	-
NAN KANG RUBBER TIRE CO LTD	-	180,000	-	120,000	60,000
NC SOFT CORP	-	1,677	-	1,677	-
NEW WORLD CHINA LAND LTD	-	175,200	-	175,200	-
NEW WORLD DEPARTMENT STORE	-	192,000	-	120,000	72,000
NONG SHIM CO LTD	-	776	-	-	776
OPTO TECH CORP	-	124,000	-	-	124,000
ORIENTAL UNION CHEMICAL	-	176,000	-	-	176,000
ORION CORP	-	1,261	-	765	496
PACIFIC BASIN SHIPPING LTD	-	240,000	-	-	240,000
PAN-INTERNATIONAL INDUSTRIAL CO LTD	-	60,600	1,800	-	62,400
PARKWAY HOLDINGS LTD	-	128,000	-	-	128,000

# iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited) (continued) For the period ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED EQUITIES (CONTINUED)</b>					
PHISON ELECTRONICS CORP	-	12,000	-	12,000	-
PIXART IMAGING INC	-	12,000	-	12,000	-
POLY (HONG KONG) INVESTMENTS LTD	-	156,000	-	156,000	-
PORTS DESIGN LTD	-	94,000	-	-	94,000
PRESIDENT SECURITIES CORP	-	174,000	-	174,000	-
RADIANT OPTO-ELECTRONICS CORP	-	72,540	1,620	-	74,160
RAFFLES EDUCATION CORP LTD	-	224,000	-	-	224,000
REAL GOLD MINING LTD	-	24,000	-	-	24,000
REXLOT HOLDINGS LTD	-	1,000,000	-	-	1,000,000
RITEK CORP	-	574,558	-	-	574,558
RITEK CORP NIL PAID RTS 13/11/2009	-	-	42,558	42,558	-
RNL BIO CO LTD	-	12,160	-	12,160	-
RNL BIO CO LTD NIL PAID RIGHTS 04/08/2009	-	-	1,715	1,715	-
RUENTEX INDUSTRIES LTD	-	75,000	-	75,000	-
SAMSUNG DIGITAL IMAGING CO LTD	-	4,080	-	-	4,080
SAMSUNG FINE CHEMICALS CO LTD	-	3,120	-	-	3,120
SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORP	-	2,456,000	-	-	2,456,000
SEOUL SECURITIES CO LTD	-	79,000	-	-	79,000
SEOUL SEMICONDUCTOR CO LTD	-	4,604	-	-	4,604
SHENZHEN INTERNATIONAL HOLDINGS LTD	-	1,690,000	-	-	1,690,000
SHENZHEN INVESTMENT LTD	-	304,000	-	-	304,000
SHOUGANG CONCORD INTERNATIONAL ENTERPRISES LTD	-	584,000	-	-	584,000
SHUN TAK HOLDINGS LTD	-	200,000	-	-	200,000
SILICON INTEGRATED SYSTEMS	-	400,000	(188,795)	-	211,205
SIMPLO TECHNOLOGY CO LTD	-	24,000	-	24,000	-
SINGAPORE AIRPORT TERMINAL SERVICES LTD	-	80,000	-	-	80,000
SINGAPORE LAND LTD	-	36,000	-	-	36,000
SINGAPORE PETROLEUM CO LTD	-	45,000	-	45,000	-
SINGAPORE POST LTD	-	328,000	-	-	328,000
SINO-AMERICAN SILICON PRODUCT	-	48,000	-	-	48,000
SJM HOLDINGS LTD	-	188,000	-	-	188,000
SK CHEMICALS CO LTD	-	2,920	-	-	2,920
SK SECURITIES CO LTD	-	51,480	-	-	51,480
SKYWORTH DIGITAL HOLDINGS LTD	-	240,000	-	-	240,000
SMRT CORP LTD	-	152,000	-	-	152,000
SODIFF ADVANCED MATERIALS CO LTD	-	1,396	-	-	1,396
SOFT-WORLD INTERNATIONAL CORP	-	24,000	119	-	24,119
SOLAR APPLIED MATERIALS TECHNOLOGY CORP	-	40,200	600	-	40,800



## iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the period ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED EQUITIES (CONTINUED)</b>					
STELLA INTERNATIONAL HOLDINGS LTD	-	58,000	-	-	58,000
STRAITS ASIA RESOURCES LTD	-	116,000	-	-	116,000
STX CORP	-	3,110	-	3,110	-
STX CORP NIL PAID RTS 11/12/2009	-	-	115	115	-
STX ENGINE CO LTD	-	3,960	-	3,960	-
SUNG KWANG BEND CO LTD	-	3,432	-	3,432	-
TA CHONG BANK LTD	-	668,000	-	-	668,000
TAINAN SPINNING CO LTD	-	316,000	-	316,000	-
TAIWAN TEA CORP	-	140,000	(46,900)	93,100	-
TECHTRONIC INDUSTRIES CO LTD	-	180,000	-	-	180,000
TIAN AN CHINA INVESTMENTS CO LTD	-	132,000	-	-	132,000
TIANJIN DEVELOPMENT HOLDINGS LTD	-	104,000	-	-	104,000
TONG YANG INVESTMENT BANK	-	10,500	-	10,500	-
TPV TECHNOLOGY LTD	-	216,000	-	-	216,000
TSRC CORP	-	78,000	-	78,000	-
VENTURE CORP LTD	-	44,000	-	-	44,000
VIA TECHNOLOGIES INC	-	105,000	-	105,000	-
VTECH HOLDINGS LTD	-	24,000	-	-	24,000
WAFER WORKS CORP	-	43,066	2,700	-	45,766
WAFER WORKS CORP NIL PAID RTS 15/12/2009	-	-	2,166	2,166	-
WATERLAND FINANCIAL HOLDINGS	-	620,000	-	-	620,000
WEI CHUAN FOODS CORP	-	28,000	-	-	28,000
WINBOND ELECTRONICS CORP	-	528,000	-	528,000	-
WING TAI HOLDINGS LTD	-	68,000	-	-	68,000
WINTEK CORP	-	144,000	-	144,000	-
WPG HOLDINGS CO LTD	-	84,000	-	84,000	-
WUMART STORES INC – H	-	80,000	-	-	80,000
XINAO GAS HOLDINGS LTD	-	66,000	-	66,000	-
XINJIANG XINXIN MINING INDUSTRY CO LTD – H	-	132,000	-	-	132,000
XINYI GLASS HOLDINGS CO LTD	-	136,000	-	-	136,000
YAGEO CORP	-	496,000	-	-	496,000
YUEXIU PROPERTY CO LTD	-	1,256,000	-	696,000	560,000
ZHAOJIN MINING INDUSTRY – H	-	62,000	-	-	62,000
ZHUZHOU CSR TIMES ELECTRIC CO LTD – H	-	51,000	-	51,000	-
ZINWELL CORP	-	44,000	-	-	44,000

# iShares MSCI Asia APEX Small Cap Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Performance Record (unaudited)

### Net Asset Value

	NET ASSET VALUE PER UNIT HK\$	NET ASSET VALUE OF THE SUB-FUND HK\$
AT END OF FINANCIAL PERIOD DATED		
31ST DECEMBER 2009	40.98	131,133,313

### Highest and lowest net asset value per unit

	HIGHEST NET ASSET VALUE PER UNIT HK\$	LOWEST NET ASSET VALUE PER UNIT HK\$
FINANCIAL PERIOD ENDED		
31ST DECEMBER 2009 (SINCE INCEPTION)	40.98	20.00



## iShares MSCI Emerging Asia Index ETF

(a Sub-Fund of iShares Asia Trust)

» Investment Portfolio (unaudited)

As at 31st December 2009

INVESTMENTS (99.37%)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (86.22%)</b>			
<b>CHINA (31.71%)</b>			
ANHUI CONCH CEMENT CO LTD – H	16,000	785,600	0.32
BANK OF CHINA LTD – H	896,000	3,754,240	1.54
CHINA CITIC BANK CORP LTD – H	32,000	211,840	0.09
CHINA COAL ENERGY CO – H	200,000	2,840,000	1.17
CHINA COMMUNICATIONS CONSTRUCTION CO LTD – H	112,000	832,160	0.34
CHINA CONSTRUCTION BANK – H	664,000	4,422,240	1.81
CHINA COSCO HOLDINGS CO LTD – H	184,000	1,760,880	0.72
CHINA LIFE INSURANCE CO – H	136,000	5,215,600	2.14
CHINA MERCHANTS BANK CO LTD – H	140,400	2,843,100	1.17
CHINA MERCHANTS HOLDINGS INTERNATIONAL CO LTD – H	16,000	403,200	0.17
CHINA MOBILE LTD – H	108,000	7,862,400	3.23
CHINA OVERSEAS LAND & INVESTMENT LTD – H	160,000	2,617,600	1.07
CHINA PETROLEUM & CHEMICAL CORP – H	608,000	4,207,360	1.73
CHINA RAILWAY GROUP LTD – H	312,000	1,881,360	0.77
CHINA RESOURCES ENTERPRISE LTD – H	24,000	680,400	0.28
CHINA SHENHUA ENERGY CO LTD – H	104,000	3,946,800	1.62
CHINA TELECOM CORP LTD – H	240,000	775,200	0.32
CHINA UNICOM – H	208,000	2,138,240	0.88
CNOOC LTD – H	360,000	4,384,800	1.80
DONGFENG MOTOR GROUP CO LTD – H	288,000	3,196,800	1.31
HENGAN INTERNATIONAL GROUP CO LTD – H	48,000	2,748,000	1.13
INDUSTRIAL & COMMERCIAL BANK OF CHINA – H	752,000	4,835,360	1.98
JIANGXI COPPER COMPANY LTD – H	168,000	3,081,120	1.26
PETROCHINA CO LTD – H	240,000	2,234,400	0.92
PING AN INSURANCE (GROUP) CO OF CHINA LTD – H	36,000	2,446,200	1.00
SINO-OCEAN LAND HOLDINGS LTD – H	288,000	2,064,960	0.85
TENCENT HOLDINGS LTD – H	22,400	3,778,880	1.55
ZIJIN MINING GROUP CO LTD – H	176,000	1,304,160	0.54
		77,252,900	31.71
<b>INDONESIA (2.68%)</b>			
ASTRA INTERNATIONAL INC	48,000	1,368,544	0.56
BANK CENTRAL ASIA	216,000	846,675	0.35
BUMI RESOURCES	1,480,000	2,931,180	1.20
TELEKOMUNIKASI INDONESIA TBK PT	176,000	1,372,505	0.57
		6,518,904	2.68

## iShares MSCI Emerging Asia Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.37%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (86.22%) (CONTINUED)</b>			
<b>MALAYSIA (5.23%)</b>			
CIMB GROUP HOLDINGS	120,000	3,489,751	1.43
DIGI.COM BHD	24,000	1,192,603	0.49
GENTING MALAYSIA	239,200	1,522,354	0.63
IOI CORP	171,520	2,124,958	0.87
SIME DARBY	152,000	3,084,607	1.27
TENAGA NASIONAL	69,600	1,320,996	0.54
		12,735,269	5.23
<b>SOUTH KOREA (23.43%)</b>			
HYNIX SEMICONDUCTOR INC	16,320	2,512,618	1.03
HYUNDAI HEAVY INDUSTRIES CO LTD	1,152	1,325,421	0.54
HYUNDAI MOBIS	1,856	2,104,542	0.86
HYUNDAI MOTOR CO	4,880	3,926,996	1.61
HYUNDAI STEEL CO	4,720	2,715,272	1.11
KB FINANCIAL GROUP	9,600	3,805,159	1.56
KT&G CORP	3,712	1,587,356	0.65
LG CHEMICAL LTD	2,240	3,396,551	1.39
LG CORP	4,960	2,394,824	0.98
LG ELECTRONICS INC	2,712	2,182,380	0.90
NHN CORP	1,504	1,915,455	0.79
POSCO	1,184	4,858,388	1.99
SAMSUNG ELECTRO MECHANICS CO LTD	2,560	1,830,222	0.75
SAMSUNG ELECTRONICS CO LTD	2,072	10,996,335	4.51
SAMSUNG FIRE & MARINE INS	1,736	2,297,514	0.94
SAMSUNG HEAVY INDUSTRIES	7,680	1,233,484	0.51
SHINHAN FINANCIAL GROUP CO LTD	6,400	1,838,734	0.76
SHINSEGAE CO LTD	696	2,481,015	1.02
SK ENERGY CO LTD	3,280	2,552,202	1.05
SK HOLDINGS CO LTD	1,968	1,163,542	0.48
		57,118,010	23.43





## iShares MSCI Emerging Asia Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.37%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
<b>LISTED EQUITIES (86.22%) (CONTINUED)</b>			
<b>TAIWAN (20.97%)</b>			
ACER INCORPORATED	113,120	2,625,364	1.08
ADVANCED SEMICONDUCTOR ENGINEERING INC	440,000	3,057,175	1.25
ASUSTEK COMPUTER INC	192,384	2,863,711	1.18
AU OPTRONICS CORP	222,480	2,079,878	0.85
CATHAY FINANCIAL HOLDING CO LTD	112,000	1,613,123	0.66
CHINA STEEL CORP	342,104	2,719,498	1.12
CHINATRUST FINANCIAL HOLDING CO LTD	445,726	2,139,913	0.88
CHUNGHWA TELECOM CO LTD	96,800	1,387,193	0.57
COMPAL ELECTRONICS INC	313,560	3,354,976	1.38
FORMOSA PLASTICS CORP	145,520	2,359,213	0.97
HON HAI PRECISION INDUSTRY	128,800	4,707,644	1.93
HTC CORP	16,800	1,483,425	0.61
MEDIATEK INC	24,048	3,231,538	1.33
NAN YA PLASTIC CORP	82,400	1,156,979	0.47
SILICONWARE PRECISION INDUSTRIES CO	168,000	1,754,980	0.72
TAIWAN CEMENT CORP	160,000	1,312,424	0.54
TAIWAN MOBILE CO LTD	168,000	2,529,117	1.04
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	385,919	5,995,938	2.46
UNITED MICROELECTRONICS	560,000	2,317,007	0.95
YUANTA FINANCIAL HOLDING CO LTD	424,000	2,398,744	0.98
		51,087,840	20.97
<b>THAILAND (2.20%)</b>			
ADVANCED INFO SERVICE PCL	81,600	1,637,811	0.67
SIAM COMMERCIAL BANK PCL	184,800	3,719,910	1.53
		5,357,721	2.20
<b>TOTAL LISTED EQUITY</b>		210,070,644	86.22

## iShares MSCI Emerging Asia Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Investment Portfolio (unaudited) (continued)

As at 31st December 2009

INVESTMENTS (99.37%) (CONTINUED)	HOLDINGS	FAIR VALUE HK\$	% OF NET ASSETS
EXCHANGE TRADED FUND (13.15%)			
HONG KONG (13.15%)			
ISHARE ASIA TRUST – ISHARE BSE SENSEX INDIA INDEX ETF	1,961,600	32,052,544	13.15
TOTAL EXCHANGE TRADED FUND		32,052,544	13.15
TOTAL INVESTMENTS		242,123,188	99.37
OTHER NET ASSETS		1,531,749	0.63
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT 31ST DECEMBER 2009		243,654,937	100.00
TOTAL INVESTMENTS, AT COST		142,492,328	



# iShares MSCI Emerging Asia Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited) For the period ended 31st December 2009

INVESTMENTS	HOLDINGS				
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	2009
<b>LISTED EQUITIES</b>					
ACER INCORPORATED	-	112,140	980	-	113,120
ADVANCED INFO SERVICE PCL	-	81,600	-	-	81,600
ADVANCED SEMICONDUCTOR ENGINEERING INC	-	440,000	-	-	440,000
ANHUI CONCH CEMENT CO LTD - H	-	16,000	-	-	16,000
ASTRA INTERNATIONAL INC	-	48,000	-	-	48,000
ASUSTEK COMPUTER INC	-	192,048	336	-	192,384
AU OPTRONICS CORP	-	216,810	5,670	-	222,480
BANK CENTRAL ASIA	-	216,000	-	-	216,000
BANK OF CHINA LTD - H	-	896,000	-	-	896,000
BUMI RESOURCES	-	2,880,000	-	1,400,000	1,480,000
CATHAY FINANCIAL HOLDING CO LTD	-	112,000	-	-	112,000
CHINA CITIC BANK CORP LTD - H	-	32,000	-	-	32,000
CHINA COAL ENERGY CO - H	-	200,000	-	-	200,000
CHINA COMMUNICATIONS CONSTRUCTION CO LTD - H	-	112,000	-	-	112,000
CHINA CONSTRUCTION BANK - H	-	664,000	-	-	664,000
CHINA COSCO HOLDINGS CO LTD - H	-	184,000	-	-	184,000
CHINA LIFE INSURANCE CO - H	-	136,000	-	-	136,000
CHINA MERCHANTS BANK CO LTD - H	-	112,050	28,350	-	140,400
CHINA MERCHANTS HOLDINGS INTERNATIONAL CO LTD	-	128,000	-	112,000	16,000
CHINA MOBILE LTD	-	111,500	-	3,500	108,000
CHINA OVERSEAS LAND & INVESTMENT LTD	-	160,000	-	-	160,000
CHINA PETROLEUM & CHEMICAL CORP - H	-	608,000	-	-	608,000
CHINA RAILWAY GROUP LTD - H	-	312,000	-	-	312,000
CHINA RESOURCES ENTERPRISE LTD	-	129,000	-	105,000	24,000
CHINA SHENHUA ENERGY CO LTD - H	-	104,000	-	-	104,000
CHINA STEEL CORP	-	329,763	12,341	-	342,104
CHINA TELECOM CORP LTD - H	-	240,000	-	-	240,000
CHINA UNICOM	-	208,000	-	-	208,000
CHINATRUST FINANCIAL HOLDING CO LTD	-	432,000	13,726	-	445,726
CHUNGHWA TELECOM CO LTD	-	89,100	7,700	-	96,800
CIMB GROUP HOLDINGS	-	120,000	-	-	120,000
CNOOC LTD	-	360,000	-	-	360,000
COMPAL ELECTRONICS INC	-	312,195	1,365	-	313,560
DIGI.COM BHD	-	24,000	-	-	24,000
DONGFENG MOTOR GROUP CO LTD - H	-	288,000	-	-	288,000
FORMOSA PLASTICS CORP	-	137,190	8,330	-	145,520
GENTING MALAYSIA	-	239,200	-	-	239,200
HENGAN INTERNATIONAL GROUP CO LTD	-	48,000	-	-	48,000

# iShares MSCI Emerging Asia Index ETF

(a Sub-Fund of iShares Asia Trust)

## » Statement of Movements in Investment Portfolio (unaudited) (continued) For the period ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED EQUITIES (CONTINUED)</b>					
HON HAI PRECISION INDUSTRY	–	114,100	14,700	–	128,800
HTC CORP	–	16,100	700	–	16,800
HYNIX SEMICONDUCTOR INC	–	16,320	–	–	16,320
HYUNDAI HEAVY INDUSTRIES CO LTD	–	1,152	–	–	1,152
HYUNDAI MOBIS	–	3,256	–	1,400	1,856
HYUNDAI MOTOR CO	–	4,880	–	–	4,880
HYUNDAI STEEL CO	–	4,720	–	–	4,720
INDUSTRIAL & COMMERCIAL BANK OF CHINA – H	–	752,000	–	–	752,000
IOI CORP	–	171,520	–	–	171,520
IOI CORP NIL PAID RIGHTS 10/12/2009	–	–	10,720	10,720	–
JIANGXI COPPER COMPANY LTD – H	–	168,000	–	–	168,000
KB FINANCIAL GROUP	–	9,600	–	–	9,600
KB FINANCIAL GROUP NIL PAID RIGHTS 27/08/2009	–	–	652	652	–
KT&G CORP	–	3,712	–	–	3,712
LG CHEMICAL LTD	–	4,901	–	2,661	2,240
LG CORP	–	4,960	–	–	4,960
LG ELECTRONICS INC	–	2,712	–	–	2,712
LG HAUSYS LTD	–	292	–	292	–
MEDIATEK INC	–	24,006	42	–	24,048
NAN YA PLASTIC CORP	–	80,300	2,100	–	82,400
NHN CORP	–	1,504	–	–	1,504
PETROCHINA CO LTD – H	–	240,000	–	–	240,000
PING AN INSURANCE (GROUP) CO OF CHINA LTD – H	–	36,000	–	–	36,000
POSCO	–	1,184	–	–	1,184
SAMSUNG ELECTRO MECHANICS CO LTD	–	4,720	–	2,160	2,560
SAMSUNG ELECTRONICS CO LTD	–	2,072	–	–	2,072
SAMSUNG FIRE & MARINE INS	–	1,736	–	–	1,736
SAMSUNG HEAVY INDUSTRIES	–	7,680	–	–	7,680
SHINHAN FINANCIAL GROUP CO LTD	–	6,400	–	–	6,400
SHINSEGAE CO LTD	–	696	–	–	696
SIAM COMMERCIAL BANK PCL	–	184,800	–	–	184,800
SILICONWARE PRECISION INDUSTRIES CO	–	168,000	–	–	168,000
SIME DARBY	–	152,000	–	–	152,000
SINO-OCEAN LAND HOLDINGS LTD – H	–	288,000	–	–	288,000
SK ENERGY CO LTD	–	3,280	–	–	3,280
SK HOLDINGS CO LTD	–	1,968	–	–	1,968
TAIWAN CEMENT CORP	–	160,000	–	–	160,000
TAIWAN MOBILE CO LTD	–	168,000	–	–	168,000



## iShares MSCI Emerging Asia Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Statement of Movements in Investment Portfolio (unaudited) (continued) For the period ended 31st December 2009

INVESTMENTS (CONTINUED)	HOLDINGS				2009
	2008	ADDITIONS	CORPORATE ACTION	DISPOSALS	
<b>LISTED EQUITIES (CONTINUED)</b>					
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	-	384,240	1,679	-	385,919
TELEKOMUNIKASI INDONESIA TBK PT	-	176,000	-	-	176,000
TENAGA NASIONAL	-	69,600	-	-	69,600
TENCENT HOLDINGS LTD – H	-	22,400	-	-	22,400
UNITED MICROELECTRONICS	-	840,000	-	280,000	560,000
YUANTA FINANCIAL HOLDING CO LTD	-	424,000	-	-	424,000
ZIJIN MINING GROUP CO LTD – H	-	176,000	-	-	176,000
<b>EXCHANGE TRADED FUND</b>					
ISHARE ASIA TRUST – ISHARE BSE SENSEX INDIA INDEX ETF	-	1,961,600	-	-	1,961,600

## iShares MSCI Emerging Asia Index ETF

(a Sub-Fund of iShares Asia Trust)

### » Performance Record (unaudited)

#### Net Asset Value

	NET ASSET VALUE PER UNIT HK\$	NET ASSET VALUE OF THE SUB-FUND HK\$
AT END OF FINANCIAL PERIOD DATED		
31ST DECEMBER 2009	38.07	243,654,937

#### Highest and lowest net asset value per unit

	HIGHEST NET ASSET VALUE PER UNIT HK\$	LOWEST NET ASSET VALUE PER UNIT HK\$
FINANCIAL PERIOD ENDED		
31ST DECEMBER 2009 (SINCE INCEPTION)	38.30	20.00



## **iShares Asia Trust**

### » **Management and Administration**

#### **Directors of the Manager**

Robert J. Haber (retired on 1st December 2009)  
Mark A A C Talbot (retired on 1st December 2009)  
Frederick James Horsey (retired on 1st December 2009)  
David Jonathan Semaya (retired on 1st December 2009)  
Nicholas Michael Whateley Good  
Rohit Bhagat (appointed on 1st December 2009)  
Michael Timothy Marquardt (appointed on 1st December 2009)  
Peter William Swarbreck (appointed on 1st December 2009)

#### **Manager**

BlackRock Asset Management North Asia Limited  
(name changed from "Barclays Global Investors  
North Asia Limited" with effect from 17th  
December 2009)  
Suite 2503-05, One International Finance Centre  
1 Harbour View Street  
Central  
Hong Kong

#### **Trustee and Custodian**

HSBC Institutional Trust Services (Asia) Limited  
1 Queen's Road Central  
Hong Kong

#### **Registrar for MSCI China ETF**

Hong Kong Registrars Limited  
Rooms 1806-07, 18th Floor Hopewell Centre  
183 Queen's Road East Wan Chai  
Hong Kong

#### **Registrar for all Sub-Funds**

(excluding the MSCI China ETF)  
HSBC Institutional Trust Services (Asia) Limited  
1 Queen's Road Central  
Hong Kong

#### **Conversion Agent for MSCI China ETF**

HK Conversion Agency Services Limited  
2nd Floor, Vicwood Plaza  
199 Des Voeux Road Central  
Hong Kong

#### **Service Agent for all Sub-Funds**

(excluding the MSCI China ETF)  
HK Conversion Agency Services Limited  
2nd Floor Vicwood Plaza  
199 Des Voeux Road Central  
Hong Kong

#### **Auditor**

PricewaterhouseCoopers  
33rd Floor  
Cheung Kong Center  
2 Queen's Road Central  
Hong Kong

Any opinions expressed herein reflect the Manager's view at this date and are subject to change. Investors should not rely on the information contained in this report for their final investment decisions. For more information about the Sub-Funds including the related risks and other important information, please refer to the prospectus of the Sub-Funds which are available by contacting the Manager or visiting the website

[www.iShares.com.hk](http://www.iShares.com.hk).

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