
THIS ANNOUNCEMENT AND NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OF THE EXCHANGE TRADED FUND NAMED BELOW

If you are in any doubt about this Announcement and Notice or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

If you have sold or transferred all your Units in the CSI Financials ETF, you should at once hand this Announcement and Notice to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

IMPORTANT: The Stock Exchange of Hong Kong Limited (the “SEHK”), the Hong Kong Exchange and Clearing Limited, the Securities and Futures Commission (the “SFC”) and the Hong Kong Securities Clearing Company Limited (the “HKSCC”) take no responsibility for the contents of this Announcement and Notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Announcement and Notice.

BlackRock Asset Management North Asia Limited (the “Manager”) accepts full responsibility for the accuracy of the information contained in this Announcement and Notice as at the date of publication, and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, as at the date of publication, there are no other facts the omission of which would make any statement misleading.

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

iShares Asia Trust (the “Trust”)

(A Hong Kong umbrella unit trust authorised under

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

**iShares CSI A-Share Financials Index ETF* (*This is a synthetic ETF)
(Stock Code: 2829) (the “CSI Financials ETF”)**

ANNOUNCEMENT WAIVER FROM STRICT COMPLIANCE OF CHAPTER 11.6 OF THE CODE AND INFORMATION ABOUT THE PUBLICATION OF THE TERMINATION AUDIT REPORT

IMPORTANT: Investors are strongly advised to consider the contents of this Announcement. The Manager has applied to the SFC, and has been granted, a waiver from strict compliance of Chapter 11.6 of the SFC's Code on Unit Trusts and Mutual Funds (the "Code"), regarding the preparation of annual report covering the Termination Audit Period, as defined in this Announcement.

In particular, investors should note that:

- since from the Trading Cessation Date onwards: (i) all assets of the CSI Financials ETF were liquidated and the CSI Financials ETF therefore ceased to track the Underlying Index and is no longer marketed to the public; (ii) the Final Distribution in respect of the CSI Financials ETF to each Relevant Investor is expected to be paid to the accounts of its financial intermediary or stockbroker maintained with CCASS on or around 24 March 2017. The Manager will issue further announcement to inform the Relevant Investors of the exact day of payment of the Final Distribution, together with the amount of Final Distribution per Unit, in due course.
- in addition to previous waivers as set out in the January Announcement (as defined below), the Manager has applied to the SFC, and has been granted, a waiver from strict compliance with 11.6 of the Code (with regard to preparing annual report covering the Termination Audit Period, as defined in Section 2 of this Announcement).

The Manager hereby announces that the annual report for the CSI Financials ETF of the year ended 31 December 2016 will be combined with the termination audit of the CSI Financials ETF covering the period from 1 January 2016 to the Termination Date (expected to be on or around 28 April 2017). The annual report for the above period will be published within three months of the Termination Date (i.e. expected to be no later than 28 July 2017). If there are any changes to the dates and arrangements mentioned herein, the Manager will issue an announcement for the revised dates and arrangements.

Save for the aforesaid provision in respect of which specific waiver has been granted, and waivers from other provisions of the Code as described in the January Announcement (as defined below), the Manager will continue to comply with all the other applicable provisions of the Code, the applicable provisions in the Trust Deed and other applicable laws and regulations.

Investors are strongly advised to read and consider this Announcement, together with the January Announcement (as defined below) and the Prospectus.

Reference is made to the "Announcement and Notice of the Proposed Cessation of Trading, Termination, Voluntary Deauthorisation and Delisting and Waiver from Strict Compliance with Certain Provisions of the Code" issued by BlackRock Asset Management North Asia Limited (the "Manager"), the manager of the Trust and the CSI Financials ETF, on 20 January 2017 (the "January Announcement"). Unless otherwise defined herein, terms and expressions used in this Announcement and Notice have the same meanings as given to them in the January Announcement.

Waiver from 11.6 of the Code

According to 11.6 of the Code, annual report and account containing the information required under Appendix E to the Code must be published and distributed to investors within four months of the end of the CSI Financials ETF's financial year (which ends on 31 December in each year). 11.6 of the Code also provides that, as an alternative to the distribution of printed financial reports, investors may be notified of where such reports, in printed and electronic forms, can be obtained within the relevant time frame.

The Manager envisages that following the payment of the Final Distribution, the accounts of the CSI Financials ETF should be relatively simple and straightforward. As such, with a view to minimising the operational costs during the period of cessation of trading from the Trading Cessation Date (expected to be 27 February 2017), the Manager has applied to the SFC for, and

has been granted, a waiver from strict compliance with the above-mentioned requirements under 11.6 of the Code such that, to the extent if the Termination Date falls within the first four months of the relevant financial year (the “relevant financial year”), the annual report of the preceding year will be combined with the termination audit of the CSI Financials ETF covering the period from 1 January of the year preceding the relevant financial year to the Termination Date (the “Termination Audit Period”). This waiver shall be subject to the following conditions:

- (a) the contents of the annual report for the Termination Audit Period (the “Termination Audit Report”) shall comply with the requirements under 4.5(f) and Appendix E to the Code, and all other applicable provisions of the Code, other applicable laws and regulations;
- (b) if the Termination Date falls within the first four months of the relevant financial year and the waiver becomes applicable, the Manager shall notify investors by way of an announcement on its website and the SEHK’s website as soon as practicable before the annual report for the year preceding the relevant financial year is due (the “Original Due Date”). Such announcement shall notify investors of, among other things: (i) when the Termination Audit Report will be published; (ii) the start and end dates of the Termination Audit Period; and (iii) where the Termination Audit Report, in printed and electronic forms, can be obtained; and
- (c) the Termination Audit Report shall be published on the Manager’s website and the SEHK’s website as soon as practicable and in any event no later than three months after the Termination Date (i.e. not more than 19 months from 1 January of the year preceding the relevant financial year).

The Manager confirms that, apart from the particular provisions of the Code set out in this Announcement and in the January Announcement above, the Manager will continue to comply with all the other applicable provisions of the UT Code, the applicable provisions in the Trust Deed and other applicable laws and regulations.

Termination Audit Report

As the Termination Date is expected to be on or around 28 April 2017, which falls within the first four months of the relevant financial year (being the financial year beginning 1 January 2017), the Manager hereby announces that the annual report of the year ended 31 December 2016 will be combined with the termination audit of the CSI Financials ETF covering the Termination Audit Period, being the period from 1 January 2016 to the Termination Date (expected to be on or around 28 April 2017).

The Termination Audit Report will be published on the Manager’s website and the SEHK’s website as soon as practicable and in any event no later than three months of the Termination Date (i.e. expected to be no later than 28 July 2017). Hard copies may also be obtained from the Manager free of charge.

If there are any changes to the dates and arrangements mentioned herein, the Manager will issue an announcement for the revised dates and arrangements.

Enquiries

If you have any queries concerning this Announcement, please direct them to your stockbrokers or financial intermediaries or contact the Manager at (852) 3903 2823 during office hours (except Hong Kong statutory holidays) or by email: iSharesAsiaEnquiry@blackrock.com.

BlackRock Asset Management North Asia Limited

as Manager of the Trust and the CSI Financials ETF
3 March 2017