

ISHARES III PUBLIC LIMITED COMPANY
CONSOLIDATED SIMPLIFIED PROSPECTUS
4 December 2009

This Consolidated Simplified Prospectus contains key information in relation to the sub-funds (the "Funds") of iShares III public limited company (the "Company"). The Company is an open-ended umbrella investment company with variable capital and having segregated liability between its funds incorporated in Ireland on 22 January 2008 and authorised on 6 March 2008 by the Irish Financial Services Regulatory Authority pursuant to the European Communities (UCITS) Regulations, 2003, as amended. The Company has twenty-eight Funds which are listed below with the Base Currency of the Funds:

iShares S&P SmallCap 600	US Dollars	iShares Citigroup Global Government Bond	US Dollars
iShares MSCI Japan SmallCap	US Dollars	iShares Barclays Global Aggregate Bond	US Dollars
iShares Global Inflation-Linked Bond	US Dollars	iShares MSCI Europe ex-EMU	US Dollars
iShares € Covered Bond	Euro	iShares MSCI Pacific ex- Japan	US Dollars
iShares MSCI Emerging Markets SmallCap	US Dollars	iShares FTSE Developed World ex-UK	US Dollars
iShares MSCI GCC Countries ex-Saudi Arabia	US Dollars	iShares Barclays Euro Treasury Bond	Euro
iShares Barclays Euro Treasury Bond 0-1	Euro	iShares Barclays Euro Government Bond 5-7	Euro
iShares Barclays Euro Corporate Bond	Euro	iShares Barclays Euro Government Bond 10-15	Euro
iShares Barclays Euro Aggregate Bond	Euro	iShares FTSE Gilts UK 0-5	Sterling
iShares DJ Euro STOXX 50 (Acc)	Euro	iShares MSCI Emerging Markets (Acc)	US Dollars
iShares MSCI Japan (Acc)	US Dollars	iShares Barclays Euro Corporate Bond 1-5	Euro
iShares S&P 500 (Acc)	US Dollars	iShares Barclays Euro Corporate Bond ex-Financials	Euro
iShares MSCI World (Acc)	US Dollars	iShares Barclays Euro Corporate Bond ex-Financials 1-5	Euro
iShares MSCI Europe (Acc)	Euro	iShares iBoxx £ Corporate Bond ex-Financials	Sterling

Potential investors are advised to read the full prospectus dated 4 December 2009 and, if applicable, any relevant Fund supplement, global supplement and addendum (the "Full Prospectus") before making an investment decision. The rights and duties of the investor as well as the investor's legal relationship with the Company are laid down in the Full Prospectus.

Investment Objectives and Policies of the Funds:

Fixed Income Funds	
Corporate Bond Funds	
<i>Investment Objective:</i>	
iShares Barclays Euro Corporate Bond	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Corporate Bond Index.
iShares Barclays Euro Corporate Bond 1-5	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Corporate 1-5 Year Bond Index.
iShares iBoxx £ Corporate Bond ex-Financials	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Markit iBoxx GBP Non-Financials Index.
iShares Barclays Euro Corporate Bond ex-Financials 1-5	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Aggregate Corporate ex Financials 1-5 Year Bond Index.
iShares Barclays Euro Corporate Bond ex-Financials	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Corporate ex-Financials Bond Index.
Covered Bond Funds	
<i>Investment Objective:</i>	
iShares € Covered Bond	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the total return of the Euro-denominated covered bond market.
Government Bond Funds	
<i>Investment Objectives:</i>	
iShares Citigroup Global Government Bond	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Citigroup Group-of-Seven (G7) Index.

iShares Barclays Global Aggregate Bond	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Global Aggregate Bond Index.
iShares Barclays Euro Aggregate Bond	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Aggregate Bond Index.
iShares Barclays Euro Treasury Bond 0-1	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the total return of the Barclays Capital Euro Treasury 0-12 Months Index.
iShares Barclays Euro Treasury Bond	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Treasury Bond Index.
iShares Barclays Euro Government Bond 5-7	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Government Bond 5-7 Yr Term Index.
iShares Barclays Euro Government Bond 10-15	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Barclays Capital Euro Government Bond 10-15 Yr Term Index.
iShares FTSE Gilts UK 0-5	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE UK Conventional Gilts - Up To 5 Years Index.
Inflation Linked Bond Funds	
<i>Investment Objective:</i>	
iShares Global Inflation-Linked Bond	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return on government inflation-linked bonds issued globally.
<i>Investment Policies:</i>	
<p>The objectives of the fixed income Funds are achieved by investing in a portfolio of corporate, covered, government or inflation-linked bond issues that are component securities of each Fund's Benchmark Index. The fixed income Funds may utilise optimisation techniques extensively and may be able to provide a return similar to that of their Benchmark Indices by investing only in a relatively small number of the constituents of their Benchmark Indices. Derivatives can be used for efficient portfolio management and direct investment purposes.</p> <p>The portfolios are passively managed and cannot exceed the exposure limits set out in the Regulations and outlined in Schedule III of the Full Prospectus.</p>	

Equity Funds	
Developed Equity	
<i>Investment Objectives:</i>	
iShares MSCI Japan (Acc)	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Japan Index.
iShares S&P 500 (Acc)	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the S&P 500 Index.
iShares MSCI Europe (Acc)	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Europe Index.
iShares MSCI World (Acc)	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI World Index.
iShares MSCI Europe ex-EMU	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Europe ex EMU Index.
Emerging Equity	
<i>Investment Objectives:</i>	
iShares MSCI GCC Countries ex-Saudi Arabia	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI GCC Countries ex Saudi Arabia 10/40 Index.

iShares MSCI Emerging Markets (Acc)	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Emerging Markets Index.
Size/Style Equity	
<i>Investment Objectives:</i>	
iShares MSCI Emerging Markets SmallCap	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Emerging Markets SmallCap Index.
iShares MSCI Japan SmallCap	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Japan SmallCap Index.
iShares S&P SmallCap 600	The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the S&P SmallCap 600 Index.
iShares MSCI Pacific ex-Japan	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Pacific ex Japan Index.
iShares FTSE Developed World ex-UK	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE Developed ex UK Index.
iShares DJ Euro STOXX 50 (Acc)	The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Dow Jones Euro STOXX 50 Index SM .
<i>Investment Policies:</i>	
The objectives of the equity Funds are achieved by investing in portfolios of equity securities that so far as practicable and possible consist of the component securities of each Fund's Benchmark Index. Derivatives can be used for efficient portfolio management and direct investment purposes.	
The portfolios are passively managed and cannot have more than 10% exposure to any one issuer, except for iShares MSCI Pacific ex-Japan and iShares DJ Euro STOXX 50 (Acc) where the portfolios can, in exceptional market conditions, have up to 35% exposure to any one issuer.	

Risk Profile

Investors' attention is drawn to the following risk factors in relation to the Funds. A more detailed description of the risk factors that apply to the Company is set out in the Full Prospectus.

Investment Risk

The value of investments may fall as well as rise, and investors may not receive back the amount invested.

The performance of the Funds is measured against specific indices. It should be noted that to comply with certain tax and regulatory constraints the Funds may not be able to track the constituent holdings of the indices which could give rise to a difference between the performance of the Benchmark Indices and the Funds (please see the section "Benchmark Indices" in the Full Prospectus for more information).

The attention of Shareholders and potential investors is drawn to the taxation risks associated with investing in the Company (please see the section "Taxes" in the Full Prospectus for more information). Investors should note that exemptions, thresholds and rates of tax are subject to change.

The Funds will be exposed to a credit risk on parties with whom they trade and may also bear the risk of settlement default. To the extent that the Company invests in derivatives, the use of such derivatives may also expose the Funds to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties.

The Company is structured as an umbrella fund with segregated liability between its Funds. As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation.

Secondary Trading Risk

If the shares are listed on one or more stock exchanges there can be no certainty that there will be liquidity in the shares on any one or more of the stock exchanges or that the market price at which shares may be traded on a stock exchange will be the same as the Net Asset Value per share. There can be no guarantee that once the shares are listed on a stock exchange they will remain listed on that stock exchange.

Since foreign exchanges are open on days when the shares of the Funds are not priced, the value of the securities in the Funds' portfolios may change on days when Shareholders will not be able to purchase or sell the Funds' shares.

Prospective investors are reminded that in certain circumstances their right to redeem shares may be suspended (please see the section "Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Conversions" in the Full Prospectus for more information).

Performance Data:

There is no performance data available as the Funds are less than one full financial year old.

Please note that past performance should not be taken as an indicator of future performance. The data attached does not include subscription or redemption charges.

Profile of a Typical Investor:

The Funds are suitable for investors seeking a total return for a period of 5 to 10 years.

Appendix I attached outlines the level of volatility an investor should expect when investing in the Funds.

Dividend Policy:

Dividends

The Company intends to declare dividends on the shares of the Funds (with the exception of iShares Global Inflation-Linked Bond, iShares DJ Euro STOXX 50 (Acc), iShares MSCI Japan (Acc), iShares S&P 500 (Acc), iShares MSCI World (Acc), iShares MSCI Europe (Acc) and iShares MSCI Emerging Markets (Acc)) in respect of each financial year, which are normally equal to the total income of the Funds, net of any expenses for that financial year. Dividends on shares will normally be declared with a view to their being paid either monthly, quarterly (January, April, July and October) or semi-annually (January and July) each year. Dividends will be declared in the Base Currency of the applicable Funds.

Appendix I attached outlines the frequency at which dividends are paid by the Funds.

Fees and Expenses:

Shareholder Expenses

Subscription Fee

It is not intended to charge a subscription fee.

Redemption Fee

It is not intended to charge a redemption fee.

Switching Fee

The switching charge for the switching of shares in a Fund into shares of another Fund may be up to 3% of the Net Asset Value per share.

Annual Operating Expenses

Total Expense Ratio

The total expense ratio for the Funds is set out in Appendix I attached.

The Company employs an "all-in-one" fee structure for its Funds, with each Fund paying all of its fees, costs and expenses as a single flat fee (the "Total Expense Ratio" or "TER"). The Manager is responsible for discharging all operational expenses, including, but not limited to, fees and expenses of the Directors, Investment Manager, Custodian, Transfer Agent and Registrar from the amounts received by the Manager from the TER. Such operational expenses include regulatory and audit fees. In the event that a Fund's costs and expenses in connection with the operation of the Funds exceed the stated TER, the Manager will discharge any excess amounts out of its own assets.

Portfolio Turnover Rate

There is no portfolio turnover rate data available as the Funds are less than one full financial year old.

Taxation:

The Company is resident in Ireland for tax purposes and is not subject to Irish taxation charges on incomes or gains. Generally, no Irish stamp duty is payable on the issue, transfer or redemption of shares in the Company.

Potential investors should consult with their professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of shares under the laws of the jurisdiction in which they may be subject to tax.

Publication of Share Price:

The Net Asset Value per share for the Funds is published daily on the Business Day following the Valuation Point for the applicable Funds by means of a Regulatory Information Service as well as the official iShares website on (www.iShares.com) and shall be made available at the registered office of the Administrator on or before the close of business of each Dealing Day.

How to Buy/Sell Shares:

Subscriptions/Redemptions on the Primary Market

Subscriptions/redemptions for shares in the primary market may be made, subject to the charges listed above and provided they are received in the correct format, to the Administrator at: -

Bank of Ireland Securities Services Ltd
New Century House, International Financial Services Centre
Mayor Street Lower
Dublin 1
Ireland

Tel: 00 353 1 6737221
Fax: 00 353 1 6071976
(Hours of business 9 am to 5 pm (Irish time) Mon-Fri)

Subscriptions /Redemptions on the Secondary Market

It is intended to apply to have the shares of Funds admitted for trading on the London Stock Exchange, the Borsa Italiana, the Frankfurt Stock Exchange (Xetra), the SWX Swiss Exchange, Euronext Amsterdam by NYSE Euronext and Euronext Paris by NYSE Euronext. However, the Company does not warrant or guarantee that such listings will take place. Shares may be bought and sold on these exchanges where the Fund is listed on that exchange. Please consult your professional advisor or broker for more information.

Additional Important Information:

Directors of the Company
Mr William Roberts
Ms Eimear Cowhey
Mr John Donohoe
Mr Tom O'Connor
Mr Barry O'Dwyer
Mr Michael Rawson

Manager	BlackRock Asset Management Ireland Limited JP Morgan House, International Financial Services Centre, Dublin 1, Ireland
Custodian	The Governor and Company of the Bank of Ireland Lower Baggot Street, Dublin 2, Ireland
Administrator	Bank of Ireland Securities Services Limited
Registrar and Transfer Agent	Computershare Investor Services (Ireland) Ltd
Investment Manager and Promoter	BlackRock Advisors (UK) Limited
Auditors	PricewaterhouseCoopers Chartered Accountants Dublin One Spencer Dock, North Wall Quay, Dublin 1, Ireland
Legal Advisers to the Company	William Fry
Secretary	JP Morgan Administration Services (Ireland) Limited

Additional information and copies of the Full Prospectus, and the latest annual and half yearly reports once produced, may be obtained (free of charge) from:

Bank of Ireland Securities Services Limited
New Century House
International Financial Services Centre
Mayor Street Lower
Dublin 1
Ireland

Tel 00 353 1 673 7221
Fax 00 353 1 607 1979
(Hours of business 9am to 5pm (Irish Time) Mon – Fri)

Index Disclaimers

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Appendix I

Fund name	Level of volatility	Dividend Frequency	TER	Portfolio Turnover	Minimum Subscription (In kind and cash dealings) and Minimum Redemption (In kind and cash dealings)	Minimum Subscription and Minimum Redemption (Cash only dealings)
iShares S&P SmallCap 600	High	Semi-Annually	0.40%	N/A	100,000 shares	N/A
iShares MSCI Japan SmallCap	High	Semi-Annually	0.59%	N/A	200,000 shares	N/A
iShares Global Inflation-Linked Bond	Low to Moderate	N/A	0.25%	N/A	40,000 shares	N/A
iShares € Covered Bond	Low	Semi-Annually	0.20%	N/A	40,000 shares	N/A
iShares MSCI Emerging Markets SmallCap	High	Semi-Annually	0.74%	N/A	100,000 shares	N/A
iShares MSCI GCC Countries ex-Saudi Arabia	High	Semi-Annually	0.80%	N/A	100,000 shares	N/A
iShares Citigroup Global Government Bond	Low to Moderate	Semi-Annually	0.20%	N/A	Cash dealings only	\$250,000.00/2,500 shares typically paid in cash
iShares Barclays Global Aggregate Bond	Low to Moderate	Semi-Annually	0.30%	N/A	Cash dealings only	\$250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Aggregate Bond	Low	Semi-Annually	0.25%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Corporate Bond	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Treasury Bond 0-1	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Treasury Bond	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Government Bond 5-7	Low	Semi-Annually	0.20%	N/A	20,000 share	N/A
iShares Barclays Euro Government Bond 10-15	Low	Semi-Annually	0.20%	N/A	20,000 shares	N/A
iShares FTSE Gilts UK 0-5	Low	Semi-Annually	0.20%	N/A	20,000 shares	N/A
iShares MSCI Europe ex-EMU	Moderate to High	Quarterly	0.40%	N/A	100,000 shares	N/A
iShares MSCI Pacific ex-Japan	Moderate to High	Quarterly	0.60%	N/A	100,000 shares	N/A
iShares FTSE Developed World ex-UK	Moderate to High	Quarterly	0.50%	N/A	100,000 shares	N/A
iShares DJ Euro STOXX 50 (Acc)	Moderate to High	N/A	0.35%	N/A	200,000 shares	N/A
iShares MSCI Japan (Acc)	Moderate to High	N/A	0.59%	N/A	200,000 shares	N/A
iShares S&P 500 (Acc)	Moderate to High	N/A	0.40%	N/A	200,000 shares	N/A
iShares MSCI World (Acc)	Moderate to High	N/A	0.50%	N/A	400,000 shares	N/A
iShares MSCI Europe (Acc)	Moderate to High	N/A	0.35%	N/A	200,000 shares	N/A

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iShares MSCI Emerging Markets (Acc)	High	N/A	0.75%	N/A	Cash dealings only	Equivalent of 200,000 shares paid in cash
iShares Barclays Euro Corporate Bond 1-5	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Corporate Bond ex-Financials	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares Barclays Euro Corporate Bond ex-Financials 1-5	Low	Semi-Annually	0.20%	N/A	Cash dealings only	€250,000.00/2,500 shares typically paid in cash
iShares iBoxx £ Corporate Bond ex-Financials	Low to Moderate	Semi-Annually	0.20%	N/A	Cash dealings only	£250,000.00/2,500 shares typically paid in cash