

BlackRock Asset Management Deutschland AG

**Semi-annual Report as at
31 October 2013
for the Investment Fund**

iShares Dow Jones Industrial Average (DE)

Table of Contents

Notice and note on licences	3
Report of the Management Board	4
Semi-annual report for iShares Dow Jones Industrial Average (DE)	5
Management Company and Custodian Bank	10

Notice

The investment funds named in this report are governed by German law. Fund units are bought on the basis of the currently valid prospectus and management regulations, supplemented by the most recent annual report concerned and also by the semi-annual report if such a report later than the last annual report exists.

The financial statements were drawn up in German and translated into English.

Only the German version is legally binding.

Note on Licences

Legal Information

The German iShares funds mentioned in this document are investment funds subject to the German Investment Act (InvG). These funds are managed by BlackRock Asset Management Deutschland AG and are regulated by the Federal Financial Supervisory Authority (BaFin).

For Investors in Germany

The sales prospectuses of the funds issued in Germany are available free of charge electronically and in hard copy from BlackRock Asset Management Deutschland AG, Max-Joseph-Str. 6, D-80333 Munich, Tel: +49 (0) 89 42729 – 5858, Fax: +49 (0) 89 42729 – 5958, info@iShares.de.

Risk Warnings

The value of investments in all the iShares funds may fluctuate, and investors may not get back the amount invested. Past performance may not be repeated and is no guarantee of future returns. Investment risks from market and currency losses as well as high volatility and concentration risk cannot be excluded.

Index – Disclaimers of Liability

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Report of the Management Board

Dear Investors,

BlackRock Asset Management Deutschland AG is able to look back on a very successful financial year. Private and institutional investors value the benefits provided by the reasonable pricing, liquidity and transparency of iShares ETFs. BlackRock conducts all its global business in exchange traded index funds (ETFs) under the iShares brand.

As at 31 October 2013, the volume of assets under management for the 64 iShares funds currently issued in Germany was EUR 35.8 billion, making BlackRock Asset Management Deutschland AG the fifth-largest retail fund company in Germany (source: BVI – Bundesverband Investment und Asset Management e.V.). This semi-annual report provides detailed information about the performance of our index funds.

Our ETF product range includes 249 iShares funds approved in Germany, providing investors with easy and diversified access to a large number of worldwide markets and asset classes. One fourth of these exchange-traded index funds are issued in Germany. The code (DE) in the fund name identifies them as such. In September 2013 iShares expanded its wide range of bond ETFs with the inclusion of a product with a focus on interest-rate hedging. The iShares \$ Corporate Bond Interest Rate Hedged UCITS ETF gives institutional investors and private investors access to a portfolio of corporate bonds denominated in US Dollars. At the same time, the ETF brackets the associated interest-rate risk by selling futures on government bonds and pursuing a duration of zero.

The crowning achievement of the financial year was winning numerous national and international awards. Among other awards, iShares won the Golden Bull from Euro Finanzen as "ETF House of the Year 2012" and this year it won the Extra Award in five of six relevant areas, including in the category "2012 Best Provider of the Year". In addition, iShares also won in the Best ETF, Best Product Range, Best Service and Best Website categories. iShares also won the Best ETF Provider of the Year, Best DAX ETF, Best S&P500 ETF and Best Bond ETF Provider at the FERI EuroRating Awards 2013.

In July 2013 BlackRock successfully completed its acquisition of Credit Suisse's ETF division. The business segments associated with the acquisition have operated under the iShares name since that time. All 58 ETFs that previously belonged to Credit Suisse have been renamed. Since then they have traded as iShares ETFs. The acquisition gives iShares the most diverse range of ETFs domiciled in Switzerland.


ETFs have flourished in Germany and Europe since their launch more than ten years ago. On 11 April 2000 iShares DJ Euro STOXX 50 (now iShares EURO STOXX 50) and iShares DJ STOXX 50 (now iShares STOXX Europe 50) were the first exchange-traded index funds to be listed on the Deutsche Börse. This listing of the first ETFs has been instrumental in making a lasting change to the European investment landscape. ETFs have provided investors with new avenues in portfolio management, particularly through their high level of liquidity, efficiency and transparency.

As a provider from the outset, iShares retains its outstanding positioning in the European ETF market. We continue to invest in excellent service and products that meet the needs of our customers. We intend to develop our market leadership further through the continuous and innovative extension of our product range. Among the strategic competitive advantages of iShares ETFs are high market liquidity, narrow bid/ask spreads and a high level of precision in index replication.

Please visit our website or call us on +49 (0) 89 42729 - 5858 for further information.

We would like to thank you for your trust and we are looking forward to continuing to work together in partnership.

Your BlackRock Asset Management Deutschland AG Directors

Two handwritten signatures in black ink. The first signature is "T. Groffmann" and the second is "M. Krautzberger".

Dr Thomas Groffmann

Michael Krautzberger

**Semi-Annual Report for iShares Dow Jones Industrial Average (DE)
for the reporting period from 01/05/2013 to 31/10/2013**

Summarised statement of net assets as at 31/10/2013 in accordance with Section 7 Para. 2 InvRBV

Breakdown by type of investment and country	Market value in USD	% of fund assets ¹⁾
Share	272,861,137.68	99.91
United States of America	272,861,137.68	99.91
Bank accounts (incl. unsecuritised money market instruments and money market funds)	181,217.01	0.07
Other assets	184,846.52	0.07
Liabilities arising from loans	-9,870.81	-0.00
Other liabilities	-108,083.17	-0.04
Fund assets	273,109,247.23	100.00

1) Rounding of percentages during the calculation may result in slight rounding differences.

Semi-Annual Report for iShares Dow Jones Industrial Average (DE) for the reporting period from 01/05/2013 to 31/10/2013

Statement of Net Assets as at 31/10/2013

Designation of class of security	ISIN	Market	Units or shares or currency in	Balance 31/10/2013	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Price in USD	% of fund assets ²⁾
Securities								272,861,137.68	99.91
Exchange-traded securities								272,861,137.68	99.91
Share								272,861,137.68	99.91
3M Co. Registered Shares DL -,01	US88579Y1010		Units	112,719	14,737	24,938 USD	125.850	14,185,686.15	5.19
American Express Co. Registered Shares DL -,20	US0258161092		Units	112,719	14,737	24,938 USD	81.800	9,220,414.20	3.38
AT & T Inc. Registered Shares DL 1	US00206R1023		Units	112,719	14,737	24,938 USD	36.200	4,080,427.80	1.49
Boeing Co. Registered Shares DL 5	US0970231058		Units	112,719	14,737	24,938 USD	130.500	14,709,829.50	5.39
Caterpillar Inc. Registered Shares DL 1	US1491231015		Units	112,719	14,737	24,938 USD	83.360	9,396,255.84	3.44
Chevron Corp. Registered Shares DL-,75	US1667641005		Units	112,719	14,737	24,938 USD	119.960	13,521,771.24	4.95
Cisco Systems Inc. Registered Shares DL-,001	US17275R1023		Units	112,719	14,737	24,938 USD	22.500	2,536,177.50	0.93
Coca-Cola Co., The Registered Shares DL -,25	US1912161007		Units	112,719	14,737	24,938 USD	39.570	4,460,290.83	1.63
Disney Co., The Walt Registered Shares DL -,01	US2546871060		Units	112,719	14,737	24,938 USD	68.590	7,731,396.21	2.83
Du Pont Nemours & Co., E.I. Registered Shares DL -,30	US2635341090		Units	112,719	14,737	24,938 USD	61.200	6,898,402.80	2.53
Exxon Mobil Corp. Registered Shares o.N.	US30231G1022		Units	112,719	14,737	24,938 USD	89.620	10,101,876.78	3.70
General Electric Co. Registered Shares DL -,06	US3696041033		Units	112,719	14,737	24,938 USD	26.140	2,946,474.66	1.08
Goldman Sachs Group Inc., The Registered Shares DL -,01	US38141G1040		Units	112,719	112,928	209 USD	160.860	18,131,978.34	6.64
Home Depot Inc., The Registered Shares DL -,05	US4370761029		Units	112,719	14,737	24,938 USD	77.890	8,779,682.91	3.21
Intel Corp. Registered Shares DL -,001	US4581401001		Units	112,719	14,737	24,938 USD	24.430	2,753,725.17	1.01
Intl Business Machines Corp. Registered Shares DL -,20	US4592001014		Units	112,719	14,737	24,938 USD	179.210	20,200,371.99	7.40
Johnson & Johnson Registered Shares DL 1	US4781601046		Units	112,719	14,737	24,938 USD	92.610	10,438,906.59	3.82
JPMorgan Chase & Co. Registered Shares DL 1	US46625H1005		Units	112,719	14,737	24,938 USD	51.540	5,809,537.26	2.13
McDonald's Corp. Registered Shares DL-,01	US5801351017		Units	112,719	14,737	24,938 USD	96.520	10,879,637.88	3.98
Merck & Co. Inc. (New) Registered Shares DL-,01	US58933Y1055		Units	112,719	14,737	24,938 USD	45.090	5,082,499.71	1.86
Microsoft Corp. Registered Shares DL-,00000625	US5949181045		Units	112,719	14,737	24,938 USD	35.350	3,984,616.65	1.46
NIKE Inc. Registered Shares Class B o.N.	US6541061031		Units	112,719	112,928	209 USD	75.760	8,539,591.44	3.13
Pfizer Inc. Registered Shares DL -,05	US7170811035		Units	112,719	14,737	24,938 USD	30.680	3,458,218.92	1.27
Procter & Gamble Co., The Registered Shares o.N.	US7427181091		Units	112,719	14,737	24,938 USD	80.750	9,102,059.25	3.33
Travelers Companies Inc.,The Registered Shares o.N.	US89417E1091		Units	112,719	14,737	24,938 USD	86.300	9,727,649.70	3.56
United Technologies Corp. Registered Shares DL 1	US9130171096		Units	112,719	14,737	24,938 USD	106.250	11,976,393.75	4.39
UnitedHealth Group Inc. Registered Shares DL -,01	US91324P1021		Units	112,719	14,737	24,935 USD	68.260	7,694,198.94	2.82
Verizon Communications Inc. Registered Shares DL -,10	US92343V1044		Units	112,719	14,737	24,938 USD	50.510	5,693,436.69	2.08
VISA Inc. Reg. Shares Class A DL -,0001	US92826C8394		Units	112,719	112,928	209 USD	196.670	22,168,445.73	8.12
Wal-Mart Stores Inc. Registered Shares DL -,10	US9311421039		Units	112,719	14,737	24,938 USD	76.750	8,651,183.25	3.17
Bank Accounts, Unsecuritised Money Market Instruments, Money Market Funds								181,217.01	0.07
Bank accounts								181,217.01	0.07
Non-EU/EEA currencies								181,217.01	0.07
Custodian Bank: StateStreet Bank			USD	181,217.01		%	100.000	181,217.01	0.07
Other assets								184,846.52	0.07
Dividend claims			USD	184,846.52				184,846.52	0.07

Semi-Annual Report for iShares Dow Jones Industrial Average (DE) for the reporting period from 01/05/2013 to 31/10/2013

Designation of class of security	ISIN	Market	Units or shares or currency in 1,000	Balance 31/10/2013	Purchases/ Additions	Sales/ Disposals	Price	Price in USD	% of fund assets ²⁾	
Liabilities arising from loans								-9,870.81	-0.00	
EUR loans								-9,870.81	-0.00	
			EUR	-7,260.62		%	100.000	-9,870.81	-0.00	
Other liabilities								-108,083.17	-0.04	
Management fee								-108,083.17	-0.04	
Fund assets								USD	273,109,247.23	100.00
Unit value								USD	156.06	
Units in circulation								Units	1,750,000	
Value of securities as a proportion of fund assets (%)									99.91	
Value of derivatives as a proportion of fund assets (%)									0.00	

2) Rounding of percentages during the calculation may result in slight rounding differences.

Semi-Annual Report for iShares Dow Jones Industrial Average (DE) for the reporting period from 01/05/2013 to 31/10/2013

Security Prices and Market Prices

The fund assets are valued on the basis of the following market prices:

All securities: Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Until 19/08/2013, American securities were valued at snapshot prices prevailing at 5:45 pm. Since 20/08/2013 all securities have been valued at closing prices.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 31/10/2013

Euro (EUR) 0.73557 = 1 US Dollar (USD)

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units or shares or currency in 1,000	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Share					
Alcoa Inc. Registered Shares DL 1	US0138171014	Units	11,521	134,441	
Bank of America Corp. Registered Shares DL 0.01	US0605051046	Units	11,521	134,441	
Hewlett-Packard Co. Registered Shares DL -,01	US4282361033	Units	11,521	134,441	

Semi-Annual Report for iShares Dow Jones Industrial Average (DE) for the reporting period from 01/05/2013 to 31/10/2013

Profit-and-Loss Account (incl. Income Adjustment)
for the period from 01/05/2013 to 31/10/2013

I. Income			
1. Dividends from foreign issuers (before withholding tax)		USD	3,264,197.90
2. Deduction of foreign withholding tax		USD	-979,259.38
Total income		USD	2,284,938.52
II. Expenses			
1. Interest from borrowing		USD	-214.46
2. Management fee		USD	-664,397.90
of which fixed management fee	USD	-664,397.90	
3. Other expenses		USD	-14,898.15
of which custodian fees	USD	-14,898.15	
Total expenses		USD	-679,510.51
III. Ordinary net income		USD	1,605,428.01
IV. Disposals			
1. Realised gains		USD	13,478,258.82
2. Realised losses		USD	-3,163,059.78
Gain/loss on disposals		USD	10,315,199.04
V. Annual results		USD	11,920,627.05

Change in Fund Assets

			2013
I. Value of fund assets at start of financial year		USD	238,062,515.01
1. Distribution for the previous year		USD	-1,132,299.20
2. Interim distributions		USD	-507,227.30
3. Inflow/Outflow of funds (net)		USD	22,659,330.00
a) Proceeds received from sales of units	USD	30,475,025.00	
b) Payments for redemption of units	USD	-7,815,695.00	
4. Income adjustment/cost compensation		USD	-364,491.50
5. Ordinary net income		USD	1,605,428.01
6. Realised gains		USD	13,478,258.82
7. Realised losses		USD	-3,163,059.78
8. Net change in unrealised gains/losses		USD	2,470,793.17
II. Value of fund assets at end of financial year		USD	273,109,247.23

Munich, 31 October 2013
BlackRock Asset Management Deutschland AG

Dr Thomas Groffmann

Michael Krautzberger

Management Company and Custodian Bank

Management Company

BlackRock Asset Management Deutschland AG
Max-Joseph-Str. 6
80333 Munich, Germany

Share capital as at 31/12/2012: EUR 5 million.

Liable equity as at 31/12/2012: EUR 10 million.

Shareholder

BlackRock Investment Management (UK) Limited

Management

Dr Thomas Groffmann
Chairman of the Management Board
Munich
Michael Krautzberger
Management Board
Munich

Supervisory Board

Joseph Linhares (Chairman)
BlackRock, Managing Director, Head of EMEA iShares
London, UK.
Derek Stein
BlackRock, Managing Director, Head of Business Operations Group
San Francisco, USA.
Prof. Markus Rudolf
Pro-Rector and University Professor, WHU Otto Beisheim School of Management

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