

PDN

As of June 30, 2011

Fund Description

The PowerShares FTSE RAFI Developed Markets ex-U.S. Small-Mid Portfolio is based on the FTSE RAFI Developed ex US Mid Small 1500 Index. The Fund will normally invest at least 90% of its total assets in securities that comprise the Index and American depository receipts based on the securities in the Index. The Index is designed to track the performance of small and mid-capitalization equities of companies domiciled in developed international markets (excluding the U.S.), selected based on the following four fundamental measures of firm size: book value, cash flow, sales and dividends. The equities with the highest fundamental strength are weighted according to their fundamental scores. The Fundamental Index[®] portfolio is rebalanced and reconstituted annually.

There are risks involved with investing in ETFs, including possible loss of money. Shares are not actively managed and are subject to risks similar to those of stocks, including those regarding short selling and margin maintenance requirements. Ordinary brokerage commissions apply. Foreign investments involve greater risks than domestic investments.

Fund Data ³	
FTSE RAFI Developed Markets ex-U.S. Small-Mid Portfolio	PDN
Intraday NAV (IIV)	PDN.IV

Underlying Index Data	
FTSE RAFI Developed Markets ex US Mid Small 1500	FRSDXUSX
Index Provider	FTSE

3-Year Alpha, Beta and Correlation ^{1,3}			
	Alpha	Beta	Correlation
MSCI EAFE			
Small Cap	5.47	0.97	0.99
MSCI EAFE	11.37	1.05	0.97
S&P 500	6.16	1.17	0.89

Fund Inception: Sept. 27, 2007

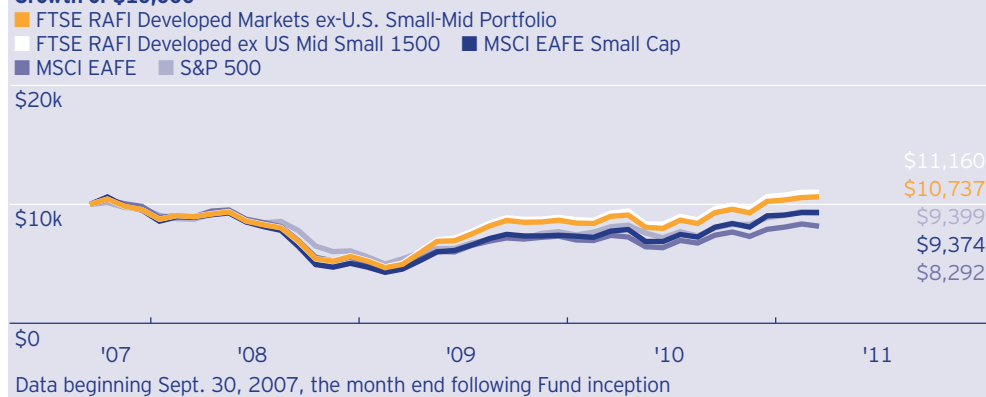
¹ Index returns do not represent Fund returns. An investor cannot invest directly in an index.

² Returns for the benchmark indexes are based on the closest month end to the Fund's inception date.

Neither the underlying Index nor the benchmark indexes charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown; nor do any of the indexes lend securities, and no revenues from securities lending were added to the performance

PowerShares FTSE RAFI Developed Markets ex-U.S. Small-Mid Portfolio

Growth of \$10,000¹



Fund Performance & Index History (%) ¹					
	1 Year	3 Year	5 Year	10 Year	Fund Inception ²
Underlying Index					
FTSE RAFI Developed ex US Mid Small 1500	33.88	8.95	-	-	3.13
Benchmark Indexes					
MSCI EAFE Small Cap	36.41	3.26	-	-	-1.70
MSCI EAFE	30.36	-1.77	-	-	-4.87
S&P 500	30.68	3.34	-	-	-1.64
Fund					
NAV	34.53	7.73	-	-	2.07
After Tax Held	33.25	6.88	-	-	1.30
After Tax Sold	22.39	6.10	-	-	1.28
Market Price	35.14	7.66	-	-	1.86

Performance data quoted represents past performance. As stated in the Fund's prospectus, the expense ratio of 0.75% is expressed as a unitary fee to cover expenses incurred in connection with managing the portfolio. Past performance is not a guarantee of future results; current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and Shares, when redeemed, may be worth more or less than their original cost. The Shares' performance reflects fee waivers, absent which performance would have been lower. See invescopowershares.com to find the most recent month-end performance numbers. After Tax Held represents total return after taxes on distributions and assumes Shares have not been sold. After Tax Sold represents total return after taxes on distributions and the sale of Fund Shares. Market returns are based on the midpoint of the bid/ask spread at 4 p.m. ET and do not represent the returns an investor would receive if shares were traded at other times.

3-Year Index Statistics ^{1,3}			
	Performance (%)	Volatility (%)	Sharpe Ratio
FTSE RAFI Developed ex US Mid Small 1500	8.95	27.91	0.31
MSCI EAFE Small Cap	3.26	28.37	0.11
MSCI EAFE	-1.77	25.83	-0.08
S&P 500	3.34	21.19	0.15

shown. In addition, the results actual investors might have achieved would have differed from those shown because of differences in the timing, amounts of their investments, and fees and expenses associated with an investment in the Fund.

The MSCI EAFE[®] Small Cap Index, the MSCI EAFE[®] Index and the S&P 500[®] Index are unmanaged indexes considered representative of small-cap stocks of Europe, Australasia and the Far East; stocks of Europe, Australasia and the Far East; and the U.S. stock market, respectively.

Shares are not FDIC insured, may lose value and have no bank guarantee.

Shares are not individually redeemable and owners of the Shares may acquire those Shares from the Fund and tender those Shares for redemption to the Fund in Creation Unit aggregations only, typically consisting of 50,000 Shares.

As of June 30, 2011

Top 30 Fund Holdings (%) ⁴ Name	Weight
SJM Holdings Ltd.	0.22
SGL Carbon SE	0.21
Hanwha Chemical Corp.	0.19
Korea Zinc Co. Ltd.	0.18
SK Chemicals Co. Ltd.	0.18
Weir Group PLC	0.18
Topdanmark A/S	0.18
Daewoo Shipbuilding & Marine Engineering Co. Ltd.	0.18
Aggreko PLC	0.17
Hyundai Marine & Fire Insurance Co. Ltd.	0.17
Hino Motors Ltd.	0.17
OCI Co. Ltd.	0.17
Northumbrian Water Group PLC	0.17
Taekwang Industrial Co. Ltd.	0.17
MTU Aero Engines Holding AG	0.17
Societe BIC	0.17
Meda AB	0.17
GOME Electrical Appliances Holding Ltd.	0.16
Iberdrola Renovables S.A.	0.16
Samsung Engineering Co. Ltd.	0.16
Chiyoda Corp.	0.16
Andritz Ag	0.16
Suedzucker AG	0.16
Gecina	0.16
Ensign Energy Services Inc.	0.16
Wheelock & Co. Ltd.	0.16
Tingyi (Cayman Islands) Holding Corp.	0.16
Hysan Development Co. Ltd.	0.16
First Pacific Co. Ltd.	0.16
Konami Corp.	0.16

Fund Details ³	
Weighted Harmonic Average Stock Price-to-Earnings Ratio	14.17
Weighted Harmonic Average Stock Price-to-Book-Value Ratio	0.96
Weighted Average Return on Equity	11.16
Weighted Market Cap (mm)	2,658
Number of Securities	1,493
Expense Ratio	0.75%
CUSIP	73936T771
Listing Exchange	NYSE Arca

Fund Country Allocations (%)	
Japan	32.86
United Kingdom	8.99
South Korea	7.58
Canada	6.82
Australia	4.99
France	4.15
Germany	4.09
Hong Kong	3.89
Switzerland	3.07
Italy	2.86

	Annual Index Performance (%)		
	FTSE RAFI Dev. Mid Sm	MSCI EAFE Small	MSCI EAFE
2008	-40.57	-47.01	-43.38
2009	57.03	46.78	31.78
2010	19.50	22.04	7.75
2011 YTD	4.82	3.84	4.98

Fund Market-Cap Allocations (%)	
Large-Cap Growth	6.65
Large-Cap Value	4.99
Mid-Cap Growth	23.75
Mid-Cap Value	34.05
Small-Cap Growth	16.94
Small-Cap Value	13.62

Fund Sector Allocations (%)	
Consumer Discretionary	18.65
Consumer Staples	8.00
Energy	4.17
Financials	19.09
Health Care	4.35
Industrials	23.35
Information Technology	7.42
Materials	11.96
Telecommunication Services	0.99
Utilities	2.01

Leading the Intelligent ETF Revolution®

Underlying Index performance does not represent Fund performance.

³ The Intraday NAV is a symbol representing estimated fair value based on the most recent intraday price of underlying assets.

Volatility is the annualized standard deviation of index returns.

Beta is a measure of relative risk and the slope of regression.

Sharpe Ratio is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. A higher Sharpe Ratio indicates better risk-adjusted performance.

Correlation indicates the degree to which two investments have historically moved in the same direction and magnitude.

Alpha is a measure of performance on a risk-adjusted basis.

Stock Price-to-Earnings Ratio is the share price divided by earnings per share. It is measured on a 12-month trailing basis.

Stock Price-to-Book-Value Ratio is the ratio of a stock's market price to a company's net asset value.

Weighted Harmonic Average is a method of calculating an average value that lessens the impact of large outliers and increases the impact of small ones.

Weighted Average Return on Equity is net income divided by net worth.

Weighted Market Capitalization is the sum of each underlying securities' market value.

⁴ Please see the website for complete holdings information. Holdings are subject to change.

The Global Industry Classification Standard was developed by and is the exclusive property and a service mark of MSCI, Inc. and Standard & Poor's.

Foreign securities have additional risks, including exchange-rate changes, decreased market liquidity, political instability and taxation by foreign governments.

The Fund may contain securities in the industrials, financial services and consumer discretionary sectors. Companies engaged in these sectors are subject to greater risks, and are more greatly impacted by market volatility, than more diversified investments.

The Fund's use of a representative sampling approach will result in its holding a smaller number of securities than are in the underlying Index, and may be subject to greater volatility.

Investing in securities of small and medium-sized companies may involve greater risk than is customarily associated with investing in large companies.

The Fund is considered non-diversified and may be subject to greater risks than a diversified fund.

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An investor should consider the Fund's investment objective, risks, charges and expenses carefully before investing. For this and more complete information about the Fund call 800 983 0903 or visit invescopowershares.com for a prospectus. Please read the prospectus carefully before investing.

Note: Not all products available through all firms.