

# PIO

As of June 30, 2011

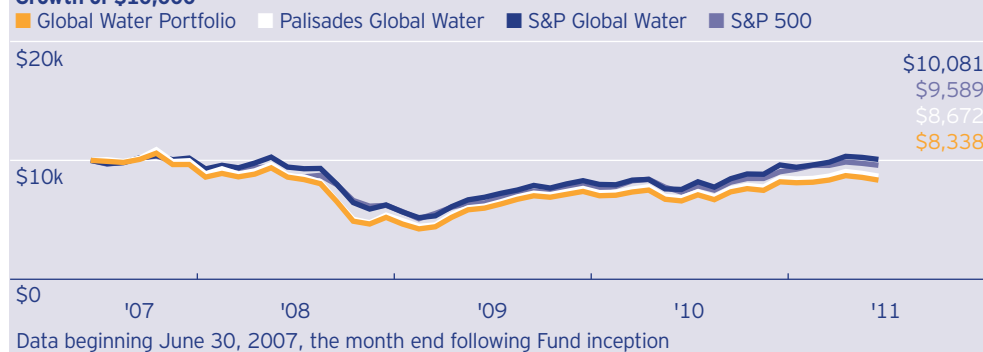
## Fund Description

The PowerShares Global Water Portfolio is based on the Palisades Global Water 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 seeks to identify a group of global companies that focuses on the provision of potable water, the treatment of water and the technology and services that are directly related to global water consumption. The modified equal-weighted portfolio is rebalanced and reconstituted quarterly.

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.

## PowerShares Global Water Portfolio

### Growth of \$10,000<sup>1</sup>



### Fund Performance & Index History (%)<sup>1</sup>

|                          | 1 Year | 3 Year | 5 Year | 10 Year | Fund Inception <sup>2</sup> |
|--------------------------|--------|--------|--------|---------|-----------------------------|
| <b>Underlying Index</b>  |        |        |        |         |                             |
| Palisades Global Water   | 26.55  | -0.28  | -      | -       | -2.69                       |
| <b>Benchmark Indexes</b> |        |        |        |         |                             |
| S&P Global Water         | 33.49  | 2.23   | -      | -       | 0.17                        |
| S&P 500                  | 30.68  | 3.34   | -      | -       | -1.43                       |
| <b>Fund</b>              |        |        |        |         |                             |
| NAV                      | 26.55  | -0.99  | -      | -       | -3.79                       |
| After Tax Held           | 26.00  | -1.46  | -      | -       | -4.14                       |
| After Tax Sold           | 17.24  | -1.13  | -      | -       | -3.40                       |
| Market Price             | 28.03  | -0.94  | -      | -       | -4.20                       |

### Fund Data<sup>3</sup>

|                        |        |
|------------------------|--------|
| Global Water Portfolio | PIO    |
| Intraday NAV (IIV)     | PIO.IV |
| Options                | Yes    |

### Underlying Index Data

|                        |                         |
|------------------------|-------------------------|
| Palisades Global Water | PIIWIT                  |
| Index Provider         | Water Index Assoc., LLC |

### 3-Year Alpha, Beta and Correlation<sup>1,3</sup>

Data shown are that of the underlying Index relative to each respective benchmark index.

|                  | Alpha | Beta | Correlation |
|------------------|-------|------|-------------|
| S&P Global Water | -1.95 | 1.15 | 0.97        |
| S&P 500          | -2.60 | 1.20 | 0.88        |

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. See [invescopowershares.com](http://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. After-tax returns reflect the highest federal income tax rate but exclude state and local taxes. 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<sup>1,3</sup>

|                        | Performance (%) | Volatility (%) | Sharpe Ratio |
|------------------------|-----------------|----------------|--------------|
| Palisades Global Water | -0.28           | 28.85          | -0.02        |
| S&P Global Water       | 2.23            | 24.29          | 0.08         |
| S&P 500                | 3.34            | 21.19          | 0.15         |

### Fund Inception: June 13, 2007

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

<sup>2</sup> 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 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 S&P Global Water Index and the S&P 500® Index are unmanaged indexes considered representative of the global water market 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.**



# PowerShares Global Water Portfolio

As of June 30, 2011

| Top Fund Holdings (%) <sup>4</sup><br>Name            | Weight |
|---|--------|
| Kemira Oyj  | 4.64   |
| Organo Corp.  | 4.49   |
| Nalco Holding Co.                                     | 4.43   |
| ARCADIS N.V.  | 4.32   |
| Valmont Industries Inc.                               | 4.32   |
| Veolia Environnement S.A.                             | 4.26   |
| Suez Environnement S.A.                               | 4.24   |
| Hyflux Ltd.   | 4.22   |
| ITT Corp.   | 4.22   |
| Geberit AG  | 4.20   |
| Pentair Inc.  | 4.19   |
| Stantec Inc.  | 4.19   |
| Kurita Water Industries Ltd.                          | 4.14   |
| Severn Trent PLC                                      | 4.12   |
| Uponor Oyj  | 4.10   |
| Ebara Corp.   | 4.07   |
| Tetra Tech Inc.                                       | 4.00   |
| KSB AG  | 3.75   |
| Halma PLC   | 3.59   |
| Itron Inc.  | 3.47   |
| Sound Global Ltd.                                     | 2.23   |
| United Utilities Group PLC                            | 2.05   |
| Guangdong Investment Ltd.                             | 1.99   |
| Aqua America Inc.                                     | 1.98   |
| American Water Works Co.                              | 1.94   |
| Companhia de Saneamento Basico do Estado de Sao Paulo | 1.94   |
| Puncak Niaga Holdings Bhd                             | 1.91   |
| Wavin N.V.  | 1.54   |
| GLV Inc. (CI A)                                       | 1.47   |

| Fund Details <sup>3</sup>                                 |           |
|---|-----------|
| Weighted Harmonic Average Stock Price-to-Earnings Ratio   | 14.78     |
| Weighted Harmonic Average Stock Price-to-Book-Value Ratio | 1.83      |
| Weighted Average Return on Equity                         | 15.01     |
| Weighted Market Cap (mm)                                  | 3,967     |
| Number of Securities                                      | 29        |
| Expense Ratio   | 0.75%     |
| CUSIP   | 73936T623 |
| Listing Exchange  | NYSE Arca |

| Fund Country Allocations (%) |       |
|------------------------------|-------|
| United States                | 28.55 |
| Japan                        | 12.70 |
| United Kingdom               | 9.75  |
| Finland                      | 8.74  |
| France                       | 8.50  |
| Netherlands                  | 5.87  |
| Canada                       | 5.66  |
| Singapore                    | 4.22  |
| Switzerland                  | 4.20  |
| Germany                      | 3.75  |

|          | Annual Index Performance (%) |               |
|----------|------------------------------|---------------|
|          | Palisades Gbl. Wtr.          | S&P Gbl. Wtr. |
| 2007     | 26.90                        | 12.17         |
| 2008     | -45.87                       | -40.43        |
| 2009     | 41.56                        | 28.17         |
| 2010     | 11.39                        | 12.64         |
| 2011 YTD | 1.90                         | 4.86          |

| Fund Market-Cap Allocations (%) |       |
|---------------------------------|-------|
| Large-Cap Growth                | -     |
| Large-Cap Value                 | 25.01 |
| Mid-Cap Growth                  | 30.75 |
| Mid-Cap Value                   | 10.76 |
| Small-Cap Growth                | 26.29 |
| Small-Cap Value                 | 7.20  |

| Fund Sector Allocations (%) |       |
|-----------------------------|-------|
| Consumer Discretionary      | -     |
| Consumer Staples            | -     |
| Energy                      | -     |
| Financials                  | -     |
| Health Care                 | -     |
| Industrials                 | 52.99 |
| Information Technology      | 7.06  |
| Materials                   | 9.08  |
| Telecommunication Services  | -     |
| Utilities                   | 30.87 |

## Leading the Intelligent ETF Revolution®

Underlying Index performance does not represent fund performance.

<sup>3</sup> 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.

<sup>4</sup> 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.

Investment in securities in emerging market countries involves risks not associated with investments in securities in developed countries.

The Fund may contain securities in the water industry. Companies engaged in this industry are subject to greater risks, and are more greatly impacted by market volatility, than more diversified investments.

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.

The Palisades Global Water Index is a trademark of Water Index Associates, LLC and is licensed for use by Invesco PowerShares Capital Management LLC. The product is not sponsored, endorsed, sold or promoted by Water Index Associates LLC and it makes no representation regarding the advisability of purchasing, holding or trading this Product.

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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](http://invescopowershares.com) for a prospectus. Please read the prospectus carefully before investing.**

Note: Not all products available through all firms.