PSCU

PowerShares S&P SmallCap Utilities Portfolio

As of June 30, 2011

Fund Description

The PowerShares S&P SmallCap Utilities Portfolio is based on the S&P SmallCap 600 Capped Utilities & Telecom Services Index®. The Fund will normally invest at least 90% of its total assets in common stocks that comprise the Index. The Index is designed to measure the overall performance of common stocks of U.S. utilities and telecommunication services companies. These companies are principally engaged in providing either energy, water or natural gas utilities, as well as services designed to promote or enhance the transmission of voice, data and video over various communications media, including wireline, wireless (terrestrial-based), satellite and cable.

The Index is a subset of the S&P SmallCap 600 Index, which is a float-adjusted, market-capitalization-weighted index reflecting the U.S. small-cap market.

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. Ordinary brokerage commissions apply. Concentrated industry investments involve greater risks than more diversified investments.

Fund Data[3]

PowerShares S&P SmallCap Utilities Portfolio	PSCU
Intraday NAV (IIV)	PSCU.IV

Underlying Index Data

S&P SmallCap 600 Capped Utilities & Telecom Services	SPSU6UT
Index Provider	Standard and Poor's

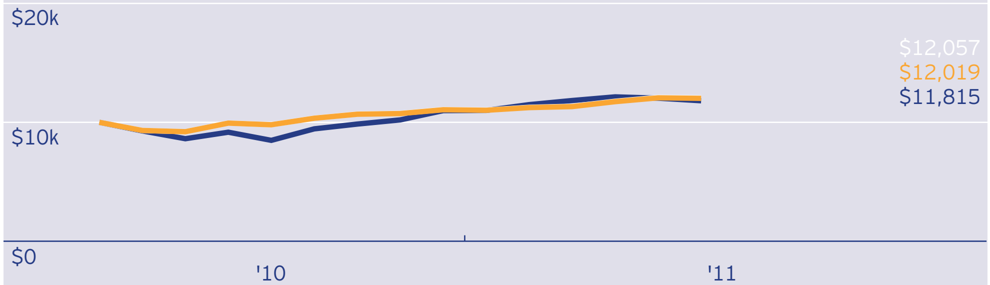
1-Year Alpha, Beta and Correlation[1,3]

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

	Alpha	Beta	Correlation
S&P SmallCap 600	5.39	0.69	0.79

Growth of $10,000[1]

PowerShares S&P SmallCap Utilities Portfolio
S&P SmallCap 600 Capped Utilities & Telecom Services
S&P SmallCap 600



Data beginning April 30, 2010, the month end following Fund inception

Fund Performance & Index History (%)[1]

	1 Year	3 Year	5 Year	10 Year	Fund Inception[2]
Underlying Index					
S&P SmallCap 600 Capped Utilities & Telecom Services	30.88	–	–	–	18.42
Benchmark Index					
S&P SmallCap 600	37.03	–	–	–	19.59
Fund					
NAV	30.49	–	–	–	18.08
After Tax Held	29.47	–	–	–	17.06
After Tax Sold	19.77	–	–	–	14.78
Market Price	30.40	–	–	–	18.02

Performance data quoted represents past performance. As stated in the Fund's prospectus, the expense ratio of 0.29% 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 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.

1-Year Index Statistics[1,3]

	Performance (%)	Volatility (%)	Sharpe Ratio
S&P SmallCap 600 Capped Utilities & Telecom Services	30.88	15.51	1.92
S&P SmallCap 600	37.03	20.11	1.74

Fund Inception: April 7, 2010

[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 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 SmallCap 600 Index is a market-value weighted index that consists of 600 small-cap U.S. stocks chosen for market size, liquidity and industry group representation.

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.

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Top Fund Holdings (%)[4]

Name	Weight
Piedmont Natural Gas Co.	9.42
New Jersey Resources Corp.	7.98
Southwest Gas Corp.	7.65
UIL Holdings Corp.	7.07
South Jersey Industries Inc.	7.03
Avista Corp.	5.59
El Paso Electric Co.	4.68
Allete Inc.	4.62
Laclede Group Inc.	4.48
NorthWestern Corp.	4.45
UniSource Energy Corp.	4.45
Northwest Natural Gas Co.	4.42
CH Energy Group Inc. (Holding Co.)	4.37
Cincinnati Bell Inc.	3.48
American States Water Co.	3.41
NTELOS Holdings Corp.	3.22
Neutral Tandem Inc.	2.87
Central Vermont Public Service Corp.	2.56
General Communication Inc. (Cl A)	2.43
Cbeyond Inc.	2.18
Atlantic Tele-Network Inc.	1.84
USA Mobility Inc.	1.78

Fund Details[3]

Weighted Harmonic Average Stock Price-to-Earnings Ratio	16.79
Weighted Harmonic Average Stock Price-to-Book-Value Ratio	1.77
Weighted Average Return on Equity	11.41
Weighted Market Cap (mm)	1,318
Number of Securities	22
Expense Ratio	0.29%
CUSIP	73937B837
Listing Exchange	NASDAQ

Fund Industry Allocations (%)

Gas Utilities	41.11
Electric Utilities	23.45
Multi-Utilities	14.45
Diversified Telecommunication Services	12.84
Wireless Telecommunication Services	5.02
Water Utilities	3.42

Annual Index Performance (%)

	S&P SmallCap 600 Capped Utilities & Telecom Services	S&P Small-Cap 600
2011 YTD	8.84	7.54

Fund Market-Cap Allocations (%)

Large-Cap Growth	–
Large-Cap Value	–
Mid-Cap Growth	–
Mid-Cap Value	–
Small-Cap Growth	7.48
Small-Cap Value	92.52

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 monthly 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 outlying data points.

Weighted Average Return on Equity is net income divided by shareholders' equity.

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

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

The Fund contains securities in the utilities and telecom 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 is considered non-diversified and may be subject to greater risks than a diversified fund.

Investing in securities of small capitalization companies may involve greater risk than is customarily associated with investing in large companies.

Invesco Distributors, Inc. is the distributor of the PowerShares Exchange-Traded Fund Trust II.

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.