

PowerShares Capital Management Launches Ten New ETF Portfolios on NASDAQ

Chicago/New York – September 20, 2006 – PowerShares Capital Management LLC continues to “Lead the Intelligent ETF Revolution,” announcing today with The Nasdaq Stock Market, Inc. (NASDAQ: NDAQ) the launching of ten new exchange-traded funds (ETFs) based on FTSE RAFI fundamental indexes. The ETFs are the world’s first fundamentally weighted sector ETFs and comprised of nine sector funds and a small-mid cap fund. The names and NASDAQ ticker symbols for the new ETF portfolios are listed below:

PRFM - PowerShares FTSE RAFI Basic Materials Sector Portfolio
PRFG - PowerShares FTSE RAFI Consumer Goods Sector Portfolio
PRFS - PowerShares FTSE RAFI Consumer Services Sector Portfolio
PRFE - PowerShares FTSE RAFI Energy Sector Portfolio
PRFF - PowerShares FTSE RAFI Financials Sector Portfolio
PRFH - PowerShares FTSE RAFI Health Care Sector Portfolio
PRFN - PowerShares FTSE RAFI Industrials Sector Portfolio
PRFQ - PowerShares FTSE RAFI Telecommunications & Technology Sector Portfolio
PRFU - PowerShares FTSE RAFI Utilities Sector Portfolio
PRFZ - PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

Fundamental indexing selects, ranks and weights companies by financial fundamental measures of company size – including sales, cash flow, book price and dividends. This is a departure from traditional market-cap based index construction which may be susceptible to shifting investor preferences and expectations. Fundamental indexes, by contrast, have historically shown more stability in stock weightings and less volatility, providing more favorable returns.

“We are very pleased to become a part of the NASDAQ Marketplace, one of the most efficient and best regulated stock exchanges in the world,” said Bruce Bond, President of PowerShares Capital Management. “Growing PowerShares’ family of ETFs by listing on the NASDAQ provides our funds with high visibility, competitive pricing and access to a wide pool of investors worldwide.”

NASDAQ has the fastest execution system in the industry and the largest electronic liquidity pool for NASDAQ, NYSE, and Amex-listed securities. NASDAQ has executed more than 50 percent of all ETF trade volume in the U.S in 2006.¹

“For the first time ever, NASDAQ is exploring market enhancements specifically in connection with the listing and trading of ETFs, structured products, and other derivative securities on NASDAQ,” stated NASDAQ Executive Vice President John Jacobs. “Such market enhancements, together with many other significant benefits and advantages which NASDAQ affords the ETF community, will help make NASDAQ more than ever the most compelling U.S. market venue for listing, trading, and investing in ETFs and other innovative financial instruments.”

ABOUT POWERSHARES

PowerShares Capital Management LLC is passionate about its goal of efficiently delivering the highest quality institutional investment management available. PowerShares is “Leading the Intelligent ETF Revolution,” providing investment advisors with institutional caliber asset management through seeking to replicate enhanced indexes in one of the more benefit rich investment vehicles available in the marketplace today, the exchange-traded fund. The firm is committed to theoretically sound portfolio construction and empirically verifiable investment management approaches. PowerShares’ asset management philosophy and investment discipline are deeply rooted in the application of intuitive factor analysis and model implementation to enhance investment decisions.

ABOUT NASDAQ

NASDAQ is the largest U.S. electronic stock market. With approximately 3,200 companies, it lists more companies and, on average, trades more shares per day than any other U.S. market. It is home to companies that are leaders across all areas of business including technology, retail, communications, financial services, transportation, media and biotechnology. NASDAQ is the primary market for trading NASDAQ-listed stocks. For more information about NASDAQ, visit <http://www.nasdaqfacts.com> or the NASDAQ Newsroom at <http://www.nasdaq.com/newsroom/>.

¹Source: The Nasdaq Stock Market, Inc.

Risks of Owning PowerShares

PowerShares Funds are made up of publicly traded securities that can and will move higher and lower with market movements. You should anticipate that the value of each Fund's shares will advance or decline more or less in correlation with the advance or decline in value of the applicable index. The Funds are not actively managed and shares of the Funds may trade at or below the Funds' NAV. Exchange-traded funds are subject to risks similar to those of stocks, including risks associated with short-selling and margin account maintenance.

A I M Distributors, Inc. is the distributor of the PowerShares Exchange-Traded Fund Trust.

An investor should consider the Fund's investment objectives, risks, charges and expenses carefully before investing. For this and more complete information about the Fund, call 800.983.0903 or visit the website www.powershares.com for a prospectus. Please read the prospectus carefully before investing.

Cautionary Note Regarding Forward-Looking Statements

The matters described herein contain forward-looking statements that are made under the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements about the PowerShares FTSE RAFI ETFs and the benefits of their listing on NASDAQ. We caution that these statements are not guarantees of future performance. Actual results may differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements involve a number of risks, uncertainties or other factors beyond NASDAQ's control. These factors include, but are not limited to factors detailed in NASDAQ's annual report on Form 10-K, and periodic reports filed with the U.S. Securities and Exchange Commission. We undertake no obligation to release any revisions to any forward-looking statements.

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