

PAF

As of Dec. 31, 2009

Fund Description

The PowerShares FTSE RAFI Asia Pacific ex-Japan Portfolio is based on the FTSE RAFI Developed Asia Pacific ex Japan Index. The Fund will normally invest at least 90% of its total assets in securities that comprise the Index and American depositary receipts based on the securities in the Index. The Index is designed to track the performance of the Asia Pacific companies (excluding Japan) with the largest fundamental value, selected from the constituents of the FTSE Asia Pacific ex Japan Developed Large/Mid-Cap Indexes as determined by FTSE International Ltd. The equities are selected and weighted based on the following four fundamental measures of firm size: book value, cash flow, sales and dividends. 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. An investment in non-U.S. securities involves special risk beyond an investment in domestic equities.

Fund Data³

FTSE RAFI Asia Pacific ex-Japan Portfolio	PAF
Intraday NAV (IIV)	PAF.IV

Underlying Index Data

FTSE RAFI Dev. Asia Pacific ex Japan	FRDAPXJ
Index Provider	FTSE

3-Year Alpha, Beta and Correlation^{1,3}

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

	Alpha	Beta	Correlation
MSCI Pacific			
Free ex Japan	3.96	0.98	0.99
MSCI EAFE	17.35	1.16	0.90
S&P 500	18.92	1.30	0.78

Fund Inception: June 25, 2007

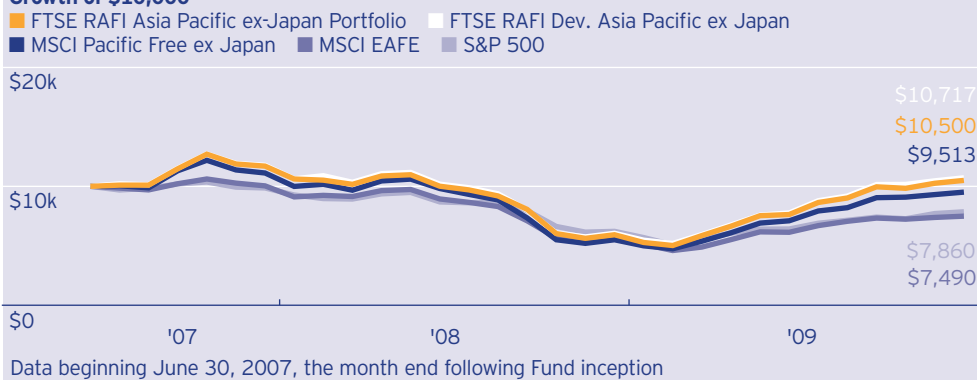
¹ Index returns do not represent Fund returns. An investor cannot invest directly in an index.

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

PowerShares FTSE RAFI Asia Pacific ex-Japan 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 Dev. Asia Pacific ex Japan	77.14	7.92	-	-	2.62
Benchmark Indexes					
MSCI Pacific Free ex Japan	72.81	3.79	-	-	-1.98
MSCI EAFE	31.78	-6.04	-	-	-10.92
S&P 500	26.47	-5.62	-	-	-9.18
Fund					
NAV	77.12	-	-	-	1.79
After Tax Held	74.04	-	-	-	0.30
After Tax Sold	49.86	-	-	-	0.61
Market Price	71.37	-	-	-	1.66

Performance data quoted represents past performance. As stated in the Fund's prospectus, the expense ratio of 0.80% 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. 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 Dev. Asia Pacific ex Japan	7.92	29.23	0.20
MSCI Pacific Free ex Japan	3.79	29.67	0.06
MSCI EAFE	-6.04	23.91	-0.34
S&P 500	-5.62	19.89	-0.38

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 MSCI Pacific Free ex Japan Index, the MSCI EAFE[®] Index and the S&P 500[®] Index are unmanaged indexes considered representative of stocks of Asia Pacific countries excluding Japan; 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.

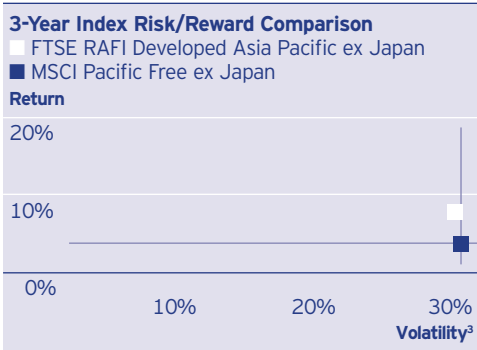
Shares are not individually redeemable and owners of the Shares may acquire those Shares from the Fund and tender those Shares for redemption to the Fund in Creation Unit aggregations only, typically consisting of 50,000 Shares.



PowerShares FTSE RAFI Asia Pacific ex-Japan Portfolio

As of Dec. 31, 2009

Top 30 Fund Holdings (%) ⁴	
Name	Weight
BHP Billiton Ltd.	6.28
FKP Property Group	5.20
Commonwealth Bank of Australia	5.10
National Australia Bank Ltd.	4.84
Australia & New Zealand Banking Group Ltd.	3.94
Rio Tinto Ltd.	3.64
Transurban Group	3.25
Westpac Banking Corp.	3.08
MApp Group	2.25
Macquarie Group Ltd.	2.04
James Hardie Industries N.V.	1.95
Wesfarmers Ltd.	1.95
APA Group	1.73
SP AusNet	1.71
Hutchison Whampoa Ltd.	1.55
Goodman Group	1.52
Suncorp-Metway Ltd.	1.48
Sun Hung Kai Properties Ltd.	1.35
BlueScope Steel Ltd.	1.21
Woolworths Ltd.	1.18
China Mobile Ltd.	1.13
Swire Pacific Ltd.	1.09
Stockland Australia	1.02
GPT Group	1.02
DBS Group Holdings Ltd.	0.96
Cheung Kong (Holdings) Ltd.	0.96
United Overseas Bank Ltd.	0.95
QBE Insurance Group Ltd.	0.94
ConnectEast Group	0.92
Telstra Corp. Ltd.	0.90



Fund Details³

Weighted Harmonic Average Stock Price-to-Earnings Ratio	16.41
Weighted Harmonic Average Stock Price-to-Book-Value Ratio	1.26
Weighted Average Return on Equity	6.32
Weighted Market Cap (mm)	31,161
Approximate Number of Securities	130
Expense Ratio	0.80%
CUSIP	73936T854
Listing Exchange	NYSE Arca

Fund Country Allocations (%)

Australia	72.87
Hong Kong	16.75
Singapore	6.46
China	1.43
Bermuda	1.02
New Zealand	0.95
Cayman Islands	0.37
South Korea	0.16

Annual Index Performance (%)

	FTSE RAFI Dev. Asia Pacific	MSCI Pacific	MSCI EAFE
2006	36.31	32.02	26.34
2007	38.03	30.73	11.17
2008	-48.59	-50.50	-43.38
2009	77.14	72.81	31.78

Fund Market-Cap Allocations (%)

Large-Cap Growth	17.99
Large-Cap Value	50.95
Mid-Cap Growth	12.47
Mid-Cap Value	13.24
Small-Cap Growth	-
Small-Cap Value	5.36

Fund Sector Allocations (%)

Consumer Discretionary	3.18
Consumer Staples	4.21
Energy	2.21
Financials	47.39
Health Care	0.46
Industrials	14.63
Information Technology	1.03
Materials	16.89
Telecommunication Services	4.42
Utilities	5.57

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 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.

Shares are subject to risks including: Small and Medium-Sized Company Risk – investing in securities of small and medium-sized companies involves greater risk than is customarily associated with investing in more established companies.

An investment in the securities of non-U.S. issuers involves risks beyond those associated with investments in U.S. securities, including, but not limited to: greater market volatility, the availability of less reliable financial information, higher transactional and custody costs, taxation by foreign governments, decreased market liquidity, political instability, negative impact of change in currency exchange rates or foreign governmental regulation.

PowerShares[®] is a registered trademark of Invesco PowerShares Capital Management LLC ("Invesco PowerShares"). Shares of the Fund are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE"), or by the London Stock Exchange Plc ("Exchange"), or by The Financial Times Limited ("FT") or by Research Affiliates LLC ("RA"), and neither FTSE nor Exchange nor FT nor RA makes any warranty or representation whatsoever, expressly or implicitly, as to the results to be obtained from the use of the FTSE RAFI Developed Asia Pacific ex Japan Index ("Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE in conjunction with RA; however, neither FTSE nor Exchange nor FT nor RA shall be liable (whether in negligence or otherwise) to any person for any error in the Index, and neither FTSE nor

the Exchange nor FT nor RA shall be under any obligation to advise any person of any error therein. "FTSE" is a trademark of the London Stock Exchange Plc and The Financial Times Limited and is used by FTSE International Limited under license. "Research Affiliates" and "Fundamental Index" are trademarks of Research Affiliates.

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

Invesco PowerShares Capital Management LLC and Invesco Aim Distributors, Inc. are indirect, wholly owned subsidiaries of Invesco Ltd.

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 www.invescopowershares.com for a prospectus. Please read the prospectus carefully before investing.

Note: Not all products available through all firms.