

PLW

As of Dec. 31, 2009

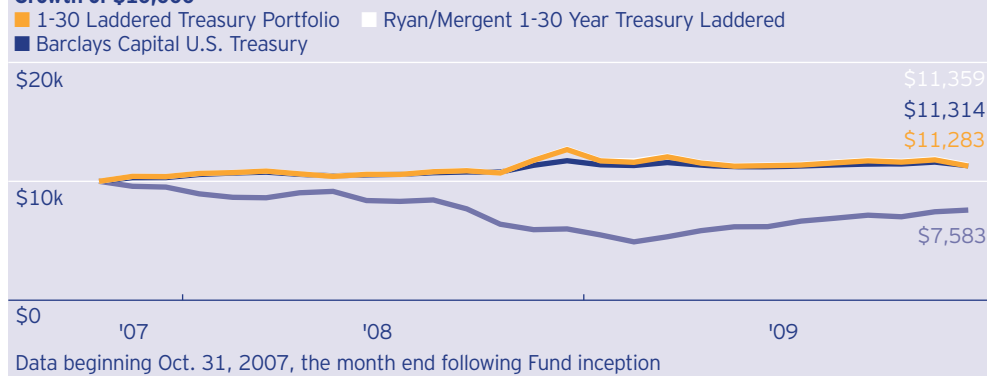
Fund Description

PowerShares fixed-income portfolios seek to provide income through intelligent indexes that derive their investment decisions from methodologies that incorporate technically advanced and robust institutional investment research.

The PowerShares 1-30 Laddered Treasury Portfolio is based on the Ryan/Mergent 1-30 Year Treasury Laddered Index. The Fund will normally invest at least 90% of its total assets in securities that comprise the Index. The Index measures the potential returns of U.S. Treasury securities with a yield curve based on 30 U.S. Treasury Bonds with fixed coupons, scheduled to mature in a proportional, annual sequential ("laddered") structure.

PowerShares 1-30 Laddered Treasury Portfolio

Growth of \$10,000¹



Fund Performance & Index History (%)¹

	1 Year	3 Year	5 Year	10 Year	Fund Inception ²
Underlying Index					
Ryan/Mergent 1-30 Year Treasury Laddered	-10.73	6.21	-	-	6.74
Benchmark Index					
Barclays Capital U.S. Treasury	-3.57	6.14	-	-	6.01
Fund					
NAV	-10.95	-	-	-	6.39
After Tax Held	-12.05	-	-	-	5.01
After Tax Sold	-7.10	-	-	-	4.66
Market Price	-11.02	-	-	-	6.27

Performance data quoted represents past performance. As stated in the Fund's prospectus, the expense ratio of 0.25% 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. 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^{1,3}

	Performance (%)	Volatility (%)	Beta	Sharpe Ratio	Correlation
Ryan/Mergent 1-30 Year Treasury Laddered	6.21	10.88	-	0.39	-
Barclays Capital U.S. Treasury	6.14	5.65	1.87	0.74	0.94

Fund Inception: Oct. 11, 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 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 Barclays Capital U.S. Treasury Index is an unmanaged index of U.S. Treasury securities.

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.

Fund Data³

1-30 Laddered Treasury Portfolio	PLW
Intraday NAV (IIV)	PLW.IV
# of Holdings	26
CUSIP	73936T524
Listing Exchange	NYSE Arca
Weighted Average Maturity	2/29/2024
30-Day SEC Yield	3.33%
Average Duration	9.08
Average Credit Quality	AAA/Aaa
Expense Ratio	0.25%

Underlying Index Data³

Average Duration	9.08
Average Credit Quality	AAA/Aaa
Weighted Average Maturity	4/16/2024
Average Yield to Worst	3.66
# of Holdings	26



PowerShares 1-30 Laddered Treasury Portfolio

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Top 10 Fund Holdings ⁴				
Name	Coupon	Maturity	S&P/Moody's Rating	Weight (%)
U.S. Treasury	5.375	2/15/2031	AAA/Aaa	9.83
U.S. Treasury	4.50	2/15/2036	AAA/Aaa	9.51
U.S. Treasury	3.875	2/15/2013	AAA/Aaa	3.54
U.S. Treasury	4.00	2/15/2014	AAA/Aaa	3.51
U.S. Treasury	3.50	2/15/2010	AAA/Aaa	3.50
U.S. Treasury	4.00	2/15/2015	AAA/Aaa	3.49
U.S. Treasury	4.625	2/29/2012	AAA/Aaa	3.49
U.S. Treasury	4.50	2/28/2011	AAA/Aaa	3.48
U.S. Treasury	4.50	2/15/2016	AAA/Aaa	3.46
U.S. Treasury	7.875	2/15/2021	AAA/Aaa	3.45

Annual Index Performance (%)		
	Ryan/Mergent	Barclays U.S. Trsry
2007	9.72	9.01
2008	22.34	13.74
2009	-10.73	-3.57

Maturity (years)		Weight (%)
0 - 1		3.50
1 - 5		14.02
5 - 10		17.20
10 - 15		17.03
15 - 20		16.39
20 - 25		13.07
25+		18.79

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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.

Weighted Average Maturity is the weighted average date to the final payment of each issue.

The credit quality of the Fund's holdings represents the weighted average quality rating of the securities in the portfolio as assigned by Nationally Recognized Statistical Rating Organizations based on assessment of the credit worthiness of the underlying securities. The ratings range from AAA (highest) to D (lowest).

Average Yield to Worst is the average yield to maturity if the worst possible bond repayment takes place.

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

Generally, the prices of income securities tend to fall as interest rates rise.

Shares are subject to market fluctuations caused by such factors as economic, political, regulatory or

market developments, changes in interest rates and perceived trends in securities prices.

The Fund is also subject to risks associated with an investment in Treasury bond securities.

Please see the prospectus for more complete information regarding an investment in the Fund.

The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.

There is no guarantee that the Fund's income will be exempt from federal or state income taxes.

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

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

Note: Not all products available through all firms.