

PRFZ

As of Sept. 30, 2009

Fund Description

The PowerShares FTSE RAFI US 1500 Small-Mid Portfolio is based on the FTSE RAFI US 1500 Small-Mid Index. The Fund will normally invest at least 90% of its total assets in common stocks that comprise the Index. The objective of the Index is to track the performance of small and medium-sized U.S. companies. Companies are selected based on the following four fundamental measures of size: sales, income, book value and dividends. Each of the equities with a fundamental weight ranking of 1,001 to 2,500 is then selected and assigned a weight equal to its fundamental weight. The Fundamentals Weighted™ 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.

Fund Data³

FTSE RAFI US 1500 Small-Mid Portfolio	PRFZ
Intraday NAV (IIV)	PRFZI

Underlying Index Data

FTSE RAFI US 1500 Small-Mid	FR15US
Index Providers	FTSE & RAFI

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
S&P SmallCap 600	6.88	1.18	0.95
Russell 2000	7.53	1.17	0.94
S&P 500	11.65	1.41	0.87

Fund Inception: Sept. 20, 2006

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

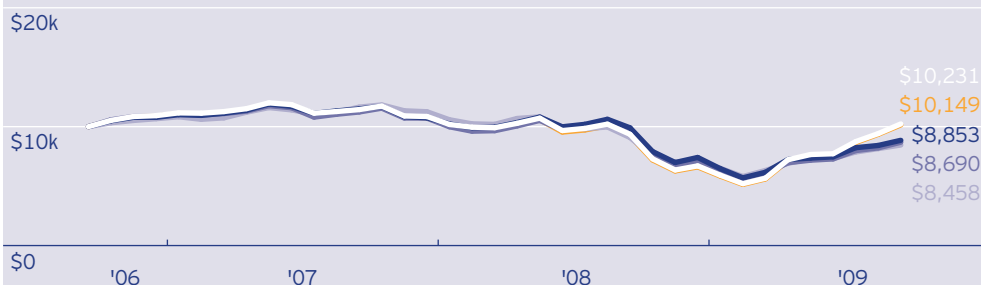
² Returns for the benchmark indexes are based on the closest month end to the Fund's inception date.

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

PowerShares FTSE™ RAFI™ US 1500 Small-Mid Portfolio

Growth of \$10,000¹

■ FTSE RAFI US 1500 Small-Mid Portfolio ■ FTSE RAFI US 1500 Small-Mid ■ S&P SmallCap 600
■ Russell 2000 ■ S&P 500



Data beginning Sept. 30, 2006, the month end following Fund inception

Fund Performance & Index History (%)¹

	1 Year	3 Year	5 Year	10 Year	Fund Inception ²
Underlying Index					
FTSE RAFI US 1500 Small-Mid	9.33	0.77	-	-	0.50
Benchmark Indexes					
S&P SmallCap 600	-10.61	-3.98	-	-	-3.98
Russell 2000	-9.55	-4.57	-	-	-4.57
S&P 500	-6.91	-5.43	-	-	-5.43
Fund					
NAV	10.00	0.49	-	-	0.21
After Tax Held	9.60	0.18	-	-	-0.09
After Tax Sold	6.42	0.23	-	-	0.00
Market Price	9.64	0.49	-	-	0.19

Performance data quoted represents past performance. As stated in the Fund's prospectus, the gross annual fund operating expense ratio was 0.66%. However, the Adviser has contractually agreed to waive fees and/or pay certain Fund expenses which resulted in a lower fee actually paid by investors. These waivers and reimbursement contracts are reviewed by the Board annually and extend through at least Aug. 30, 2010. 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 (%)	Sharpe Ratio
FTSE RAFI US 1500 Small-Mid	0.77	29.61	-0.05
S&P SmallCap 600	-3.98	24.51	-0.26
Russell 2000	-4.57	24.64	-0.28
S&P 500	-5.43	19.66	-0.40

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. The S&P 500® Index and the Russell 2000® Index are unmanaged indexes considered representative of the U.S. stock market and small-cap stocks, respectively. The Russell 2000

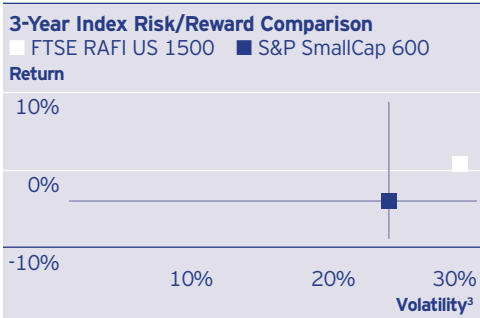
Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co.

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.

As of Sept. 30, 2009

Top 30 Fund Holdings (%) ⁴ Name	Weight
Pier 1 Imports Inc.	0.99
Air Transport Services Group Inc.	0.87
Valassis Communications Inc.	0.79
Newcastle Investment Corp.	0.78
La-Z-Boy Inc.	0.58
ACCO Brands Corp.	0.53
Ruby Tuesday Inc.	0.51
Modine Manufacturing Co.	0.51
Lithia Motors Inc. (CI A)	0.47
RF Micro Devices Inc.	0.45
Ferro Corp.	0.45
BankAtlantic Bancorp Inc. (CI A)	0.43
FelCor Lodging Trust Inc.	0.43
Select Comfort Corp.	0.43
American Greetings Corp.	0.43
Stein Mart Inc.	0.42
Flagstar Bancorp Inc.	0.42
Entegris Inc.	0.39
MCG Capital Corp.	0.39
Lee Enterprises Inc.	0.39
Assured Guaranty Ltd.	0.37
Lin TV Corp.	0.36
Forest City Enterprises Inc. (CI A)	0.35
Spherion Corp.	0.34
Commercial Vehicle Group Inc.	0.33
Sunstone Hotel Investors Inc.	0.33
LaSalle Hotel Properties	0.33
Central European Distribution Corp.	0.32
Swift Energy Co.	0.31
WR Grace & CO.	0.31



Fund Details³

Weighted Harmonic Average Stock Price-to-Earnings Ratio	14.75
Weighted Harmonic Average Stock Price-to-Book-Value Ratio	1.15
Weighted Average Return on Equity	-11.59
Weighted Market Cap (mm)	922
Approximate Number of Securities	1,476
Expense Cap ⁵	0.39%
CUSIP	73935X567
Listing Exchange	NASDAQ

Fund Sector Allocations (%)

Consumer Discretionary	24.02
Consumer Staples	2.46
Energy	6.19
Financials	20.83
Health Care	5.99
Industrials	16.30
Information Technology	15.76
Materials	6.33
Telecommunication Services	0.91
Utilities	1.20

Annual Index Performance (%)

	FTSE RAFI US 1500	S&P SmallCap 600	Russell 2000
2007	-0.64	-0.30	-1.57
2008	-38.28	-31.07	-33.79
2009 YTD	52.68	19.46	22.43

Fund Market-Cap Allocations (%)

Large-Cap Growth	0.11
Large-Cap Value	-
Mid-Cap Growth	6.09
Mid-Cap Value	1.08
Small-Cap Growth	36.51
Small-Cap Value	56.22

Fund Industry Allocations (%)

Chemicals	3.01
Commercial Banks	4.62
Hotels Restaurants & Leisure	3.89
Insurance	3.01
Machinery	3.55
Media	4.03
Oil Gas & Consumable Fuels	4.00
Real Estate Investment Trusts (REITs)	7.16
Semiconductors & Semiconductor Equipment	4.31
Specialty Retail	6.77

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.

⁵ The weighted costs excluded from the expense cap include: legal fees pertaining to the Fund's shares offered for sale, SEC and state registration fees, initial fees paid to be listed on an exchange and sublicensing fees. The expense cap is not representative of the total expenses the investor may pay.

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.

PowerShares® is a registered trademark of Invesco PowerShares Capital Management LLC. 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 US 1500 Small-Mid 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.

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.