

# PTO

As of March 31, 2012

## Fund Description

The PowerShares Ibbotson Alternative Completion Portfolio is based on the Ibbotson Alternative Completion Index™. The Fund will normally invest at least 90% of its total assets in the securities of funds included in the Index. The Fund is a "fund of funds," as it primarily invests its assets in the securities of funds included in the Underlying Index, but may also invest in exchange traded notes (ETNs) and equity and fixed-income securities included in the Underlying Index. The ETFs included in the Index and their appropriate weights are chosen through Ibbotson's proprietary methodology.

The Underlying Index is compiled and calculated by Ibbotson, using a proprietary methodology to select Underlying ETFs, equity and fixed-income securities covering a group of asset classes and investment strategies. The Adviser selects asset classes based on its five-step construction process using statistical models.

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. The Fund's return may not match the return of the Underlying Index.

### Fund Data

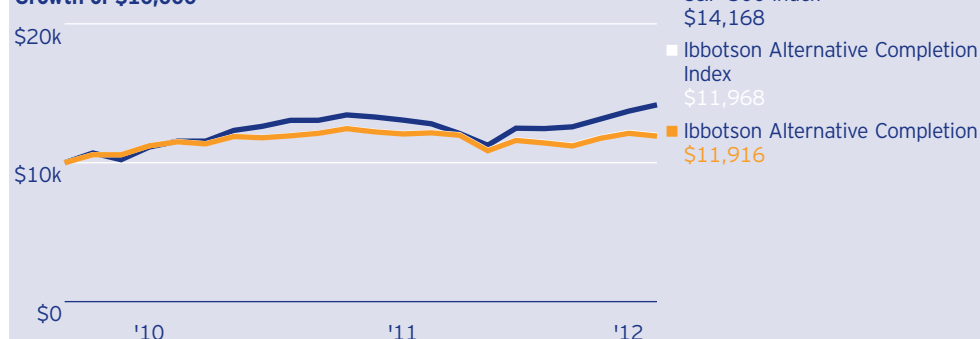
Ibbotson Alternative Completion	PTO
Intraday NAV (IIV)	PTO.IV
CUSIP	73936Q306
Listing Exchange	NYSE Arca
Number of Securities	16
Expense Ratio	0.65%

### Underlying Index Data

Ibbotson Alternative Completion	IBBACITR
Index Provider	Ibbotson Associates

## PowerShares Ibbotson Alternative Completion Portfolio

### Growth of \$10,000



Fund inception precedes index data - data beginning June 30, 2010, the month end following most recent Index publication date, and ending March 31, 2012.

### Fund Performance & Index History (%)

	1 Year	3 Year	5 Year	10 Year	Fund Inception
<b>Underlying Index</b>					
Ibbotson Alternative Completion Index	-1.45	-	-	-	-
<b>Benchmark Index</b>					
S&P 500 Index	8.51	23.40	2.01	4.12	2.15
<b>Fund</b>					
NAV	-1.68	16.84	-	-	-4.40
After Tax Held	-2.55	15.96	-	-	-5.17
After Tax Sold	-1.10	14.08	-	-	-4.16
Market Price	-1.42	16.83	-	-	-4.63

Performance data quoted represents past performance. 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](http://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

	Alpha	Beta	Correlation	Sharpe Ratio	Volatility (%)
Ibbotson Alternative Completion Index	-	-	-	-0.15	12.33
S&P 500 Index	-5.72	0.45	0.84	0.37	22.79

Alpha, beta and correlation are relative to underlying index.

### Fund Inception: May 20, 2008

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

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 funds included in the underlying Index are ETFs advised by the Adviser or its affiliates (PowerShares ETFs), or, if the asset exposure sought is not available through a PowerShares ETF, ETFs advised by unaffiliated entities (collectively, the underlying ETFs).

The S&P 500® Index is an unmanaged index considered representative of the U.S. stock market.

**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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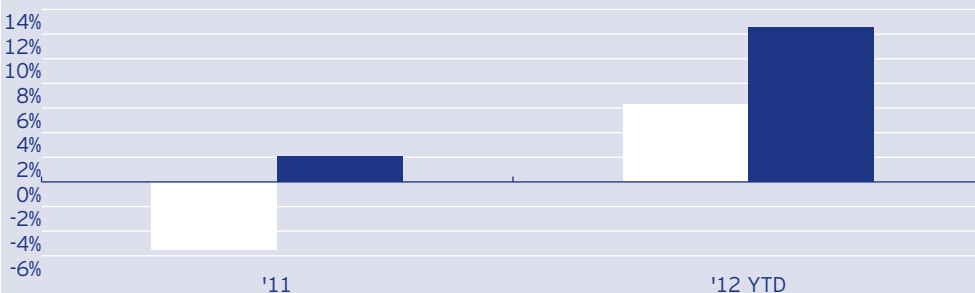
# PowerShares Ibbotson Alternative Completion Portfolio

Top Fund Holdings (%)	
Name	Weight
PowerShares Emerging Markets Sovereign Debt Portfolio	12.12
PowerShares MENA Frontier Countries Portfolio	11.99
Powershares Preferred Portfolio	9.04
Powershares Emerg. Mkts. Infrastructure Portfolio	8.99
PowerShares DB G10 Currency Harvest Fund	8.02
PowerShares DB Energy Fund	7.87
PowerShares DB Agriculture Fund	5.98
PowerShares FTSE RAFI Developed Markets Portfolio	5.93
Powershares S&P 500 BuyWrite Portfolio	4.03
PIMCO Broad US TIPS Index Fund	4.02
iShares Barclays U.S. TSY Inflation Protected Sector Fund	4.02
SPDR Barclays Capital TIPS ETF	4.02
PowerShares DB Precious Metals Fund	4.01
Powershares DB Base Metals Fund	3.96
Powershares Global Gold and Precious Metals Portfolio	3.01
PowerShares Global Agriculture Portfolio	2.99

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

## Annual Index Performance

■ Ibbotson Alternative Completion Index ■ S&P 500



## Fund Category Allocation (%)

Fixed Income	33.23
International Equity	32.90
Commodity	21.82
Currency	8.02
Domestic Equity	4.03

## Leading the Intelligent ETF Revolution®

### About risk

The Fund is considered non-diversified and may be subject to greater risks than a diversified fund.

The Fund may be subject to the following risks as a result of its investment in the Underlying ETFs: Non-Correlation Risk, Participation Note Risk, Cash Transaction Risk, Geographic Risk, Concentration Risk, Sampling Risk, Valuation Risk, Call Risk, Liquidity Risk, Preferred Securities Risk, Micro Capitalization Company Risk, Small and Medium Capitalization Company Risk, Foreign Investment Risk, Emerging Market Securities Risk, Risks of Investing in Frontier Emerging Markets Securities, China Investment Risk, Currency Risk, Global Bonds Risk, Sovereign Debt Risk, Emerging Markets Sovereign Debt Risk, Writing Covered Call Option Risk, Agriculture Sector Risk, Consumer Discretionary Sector Risk, Energy Sector Risk, Financial Services Sector Risk, Gold and Precious Metals Industry Concentration Risk, Industrials Sector Risk, U.S. Federal Income Tax Risk. Please see the prospectus for more information.

ETNs are short-term investments and if leveraged may have amplified losses or gains. ETNs do not provide principal protection and may or may not make periodic coupon payments. ETNs are subject to credit risk and the value of the ETN may drop due to a downgrade in the issuer's credit rating, despite the underlying market benchmark or strategy remaining unchanged.

The Fund invests in fixed-income securities, such as notes and bonds, which carry interest rate and credit risk. Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa. Credit risk is the risk of loss on an investment due to the deterioration of an issuer's financial health.

The Fund's investment performance, because it is a fund of funds, largely depends on the investment performance of the Underlying ETFs in which it invests. An investment in the Fund is subject to the risks associated with the Underlying ETFs that comprise the Index. The Fund will indirectly pay a

proportional share of the expenses of the Underlying ETFs in which it invests (including operating expenses and management fees). There is a risk that the Index Provider's evaluations and assumptions regarding the asset classes represented in the Index may be incorrect based on actual market conditions. In addition, at times certain segments of the market represented by constituent Underlying ETFs in the Index may be out of favor and underperform other segments.

Certain ETNs in which the Fund may invest may be linked to master limited partnerships (MLPs). An MLP is a public limited partnership. Although the characteristics of MLPs closely resemble a traditional limited partnership, a major difference is that MLPs may trade on a public exchange or in the over-the-counter market. The ability to trade on a public exchange or in the over-the-counter market provides a certain amount of liquidity not found in many limited partnership investments. However, MLP interests may be less liquid than conventional publicly traded securities. The risks of investing in an MLP are similar to those of investing in a partnership and include more flexible governance structures, which could result in less protection for the MLP investor in a corporation. Investors in an MLP would normally not be liable for the debts of the MLP beyond the amount that the investor has contributed but investors may not be shielded to the same extent that a shareholder of a corporation would be. MLPs are generally considered interest-rate sensitive investments. During periods of interest rate volatility, these investments may not provide attractive returns.

The Fund may engage in frequent trading of securities in connection with rebalancing or adjusting its underlying index, high brokerage costs and higher taxable capital gains distributions to shareholders may occur due to portfolio turnover risk.

Securities lending involves a risk of loss because the borrower may fail to return the securities in a timely manner or at all. If a Fund is unable to recover the securities loaned, it may sell the collateral and purchase a replacement security in the market. Lending securities entails a risk of loss to the Funds if

and to the extent that the market value of the loaned securities increases and the collateral is not increased accordingly.

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 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.

Ibbotson Alternative Completion Index is a service mark of Ibbotson Associates ("Ibbotson") and has been licensed for use for certain purposes by Invesco PowerShares Capital Management LLC (the "Adviser"). The Fund is not sponsored, endorsed, sold or promoted by Ibbotson, and Ibbotson makes no representation regarding the advisability of investing in the Fund.

**Invesco 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. The prospectus contains this and other information about the Fund. For this and more complete information about the Fund call 800 983 0903 or visit [invescopowershares.com](http://invescopowershares.com) for a prospectus. Please read the prospectus carefully before investing.**

Note: Not all products available through all firms.