

PWP

As of Dec. 31, 2009

Fund Description

The PowerShares Dynamic Mid Cap Value Portfolio is based on the Dynamic Mid Cap Value IntellidexSM, which seeks to provide capital appreciation while maintaining consistent and accurate style exposure. The Fund will normally invest at least 90% of its total assets in common stocks that comprise the Index.

The Style Intellidexes apply a rigorous 10-factor style-isolation process to objectively segregate companies into their appropriate investment style and size universe. Each company is thoroughly evaluated to determine its investment merit by analyzing numerous unique financial characteristics from four broad financial perspectives: fundamental, valuation, timeliness and risk.

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. Concentrated market-cap investments involve greater risks than more diversified investments.

Fund Data³

Dynamic Mid Cap Value Portfolio	PWP
Intraday NAV (IIV)	PWP.IV

Underlying Index Data

Dynamic Mid Cap Value Intellidex	ILP
Index Provider	NYSE Arca

5-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 Citigroup MCV	-1.34	1.00	0.93
Russell MCV	-0.73	0.99	0.94
S&P 500	1.84	1.21	0.87

Fund Inception: March 3, 2005

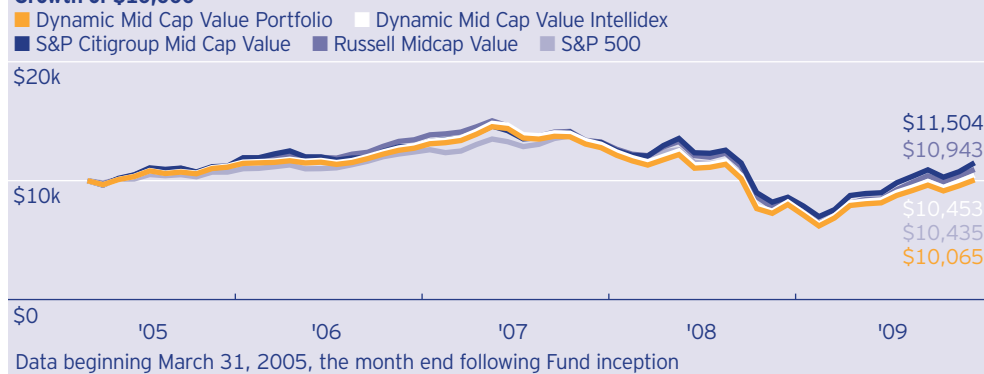
¹ Index returns do not represent Fund returns. An investor cannot invest directly in an index.

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

PowerShares Dynamic Mid Cap Value Portfolio

Growth of \$10,000¹



Fund Performance & Index History (%)¹

	1 Year	3 Year	5 Year	10 Year	Fund Inception ²
Underlying Index					
Dynamic Mid Cap Value Intellidex	27.32	-6.87	1.11	-	0.80
Benchmark Indexes					
S&P Citigroup Mid Cap Value	33.73	-3.67	2.70	-	2.73
Russell Midcap Value	34.21	-6.62	1.98	-	1.82
S&P 500	26.47	-5.62	0.42	-	0.51
Fund					
NAV	25.90	-7.54	-	-	0.00
After Tax Held	24.91	-8.12	-	-	-0.59
After Tax Sold	16.77	-6.65	-	-	-0.33
Market Price	25.78	-7.52	-	-	-0.03

Performance data quoted represents past performance. As stated in the Fund's prospectus, the gross annual fund operating expense ratio is 0.78%. 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.

5-Year Index Statistics^{1,3}

	Performance (%)	Volatility (%)	Sharpe Ratio
Dynamic Mid Cap Value Intellidex	1.11	20.74	-0.08
S&P Citigroup Mid Cap Value	2.70	19.94	0.00
Russell Midcap Value	1.98	20.37	-0.04
S&P 500	0.42	16.03	-0.14

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 Citigroup Mid Cap Value Index and the S&P 500[®] Index are unmanaged indexes considered representative of mid-cap value stocks and the U.S. stock market, respectively. The Russell Midcap[®] Value Index is an unmanaged index considered representative of mid-cap value stocks. The Russell Midcap Value 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.



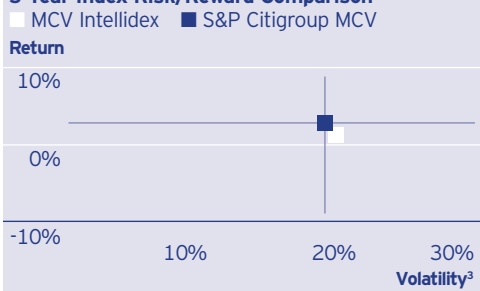
PowerShares Dynamic Mid Cap Value Portfolio

As of Dec. 31, 2009

Top 30 Fund Holdings (%) ⁴	Weight
Western Digital Corp.	3.57
L-3 Communications Holdings Inc.	3.36
Constellation Energy Group Inc.	3.32
DTE Energy Co.	3.31
Xerox Corp.	3.29
Harris Corp.	3.28
Dr Pepper Snapple Group Inc.	3.26
Goodrich Corp.	3.24
Computer Sciences Corp.	3.21
Humana Inc.	3.19
Forest Laboratories Inc.	3.18
Genuine Parts Co.	3.18
AmerisourceBergen Corp.	3.18
Fiserv Inc.	3.17
AES Corp.	3.15
XL Capital Ltd. (CI A)	3.14
Mattel Inc.	3.09
Sherwin-Williams Co.	3.05
Sara Lee Corp.	3.04
Garmin Ltd.	3.00
Principal Financial Group Inc.	2.91
Flowerserve Corp.	2.86
Jabil Circuit Inc.	0.70
Packaging Corp. of America	0.63
Health Management Associates Inc. (CI A)	0.62
McDermott International Inc.	0.62
EMCOR Group Inc.	0.60
Core Laboratories N.V.	0.60
Jarden Corp.	0.60
Rock-Tenn Co. (CI A)	0.60

Style Determinants	MCV Intellidex
Forecasted Earnings Growth	✓
Sales Growth	✓
Cash Flow Growth	✓
Book Growth	✓
Earnings Growth	✓
Price to Forecasted Earnings	✓
Price to Sales	✓
Price to Cash Flow	✓
Price to Book	✓
Dividend Yield	✓

5-Year Index Risk/Reward Comparison



Fund Sector Allocations (%)

Consumer Discretionary	15.67
Consumer Staples	7.97
Energy	0.60
Financials	9.39
Health Care	11.33
Industrials	16.15
Information Technology	20.60
Materials	7.35
Telecommunication Services	-
Utilities	10.95

	Annual Index Performance (%)		
	MCV Intellidex	S&P Citi MCV	Russell MCV
2004	21.24	18.93	23.71
2005	13.45	11.48	12.65
2006	15.34	14.62	20.22
2007	0.97	2.65	-1.42
2008	-37.16	-34.87	-38.44
2009	27.32	33.73	34.21

Fund Details³

Weighted Harmonic Average Stock Price-to-Earnings Ratio	14.08
Weighted Harmonic Average Stock Price-to-Book-Value Ratio	1.83
Weighted Average Return on Equity	12.10
Weighted Market Cap (mm)	6,206
Approximate Number of Securities	75
Expense Cap ⁵	0.60%
CUSIP	73935X880
Listing Exchange	NYSE Arca

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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.

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. Please refer to the prospectus for a complete fee schedule.

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.

The value of the stocks in the underlying Index is likely to be more volatile than stocks of other issues. Investors in the Fund should anticipate that the value of their Shares will increase in value more or less in correlation with increases or decreases in the value of the Intellidex.

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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.