Invesco

powerSHARES®

PRFZ

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

As of Dec. 31, 2015

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 Index is designed to track the performance of small and medium-sized US companies. Companies are selected based on the following four fundamental measures of size: book value, cash flow, sales 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 Fund and the Index are reconstituted annually.

Fund Data

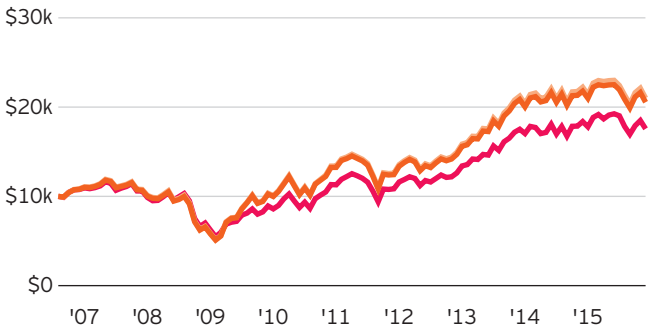
FTSE RAFI US 1500 Small-Mid Portfolio	PRFZ
Intraday NAV (IIV)	PRFZIV
CUSIP	73935X567
Listing Exchange	NASDAQ
Number of Securities	1,446
30-Day SEC Yield	1.19%
30-Day SEC Unsubsidized Yield	1.17%
Total Expense Ratio	0.42%
Net Expense Ratio	0.39%

The Adviser has contractually agreed to waive fees and/or pay certain Fund expenses through at least Aug. 31, 2016.

Underlying Index Data

FTSE RAFI US 1500 Small-Mid	FR15USTR
Index Provider	Research Affiliates, LLC

Growth of $10,000



- FTSE RAFI US 1500 Small-Mid Index $21,008
- FTSE RAFI US 1500 Small-Mid Portfolio $20,545
- Russell 2000 Index $17,566

Data beginning Fund inception and ending Dec. 31, 2015. Fund performance shown at NAV.

Fund Performance & Index History (%)

	1 year	3 year	5 year	10 year	Fund Inception
Underlying Index					
FTSE RAFI US 1500 Small-Mid Index	-5.49	12.05	9.42	–	8.33
Benchmark Index					
Russell 2000 Index	-4.41	11.65	9.19	6.80	6.26
Fund					
NAV	-5.70	11.79	9.18	–	8.07
After Tax Held	-6.25	11.38	8.85	–	7.82
After Tax Sold	-3.22	9.11	7.22	–	6.52
Market Price	-5.63	11.79	9.17	–	8.08

Returns less than one year are cumulative. 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 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. Fund performance reflects fee waivers, absent which, performance data quoted would have been lower.

5-Year Index Statistics

	Alpha	Beta	Correlation	Sharpe Ratio	Volatility (%)
FTSE RAFI US 1500 Small-Mid Index	–	–	–	0.59	15.88
Russell 2000 Index	0.37	0.98	0.99	0.57	15.95

Alpha, beta and correlation are that of the underlying index.

A Smart Beta Portfolio

Fund Inception: Sept. 20, 2006

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 Russell 2000® Index is an unmanaged index considered representative of small-cap stocks. 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.

PRFZ

PowerShares FTSE RAFI US 1500 Small-Mid Portfolio

As of Dec. 31, 2015

Top Fund Holdings (%)

Name	Weight
Pilgrims Pride	0.48
Acuity Brands	0.28
Global Payments	0.28
Pep Boys - Manny Moe & Jack	0.27
Ulta Salon Cosmetics & Fragrances	0.27
Beacon Roofing Supply	0.26
Regeneron Pharmaceuticals	0.25
Take-Two Interactive Software	0.25
Heartland Payment Systems	0.24
Lennox International	0.24
Amsurg	0.24
Norwegian Cruise Line	0.24
Sirona Dental Systems	0.24
Argo International	0.24
SEI Investments	0.24
Triple-S Management	0.23
Selective Insurance	0.23
A.O. Smith	0.23
Pharmerica	0.22
Express	0.22
Dycom	0.22
Vail Resorts	0.22
Core-Mark	0.22
Tempur-Pedic International	0.21
Cadence Design Systems	0.21
Boyd Gaming	0.21
Laclede	0.21
Astoria Financial	0.21
Convergys	0.21
Tetra Tech	0.21

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

Annual Index Performance (%)

	FTSE RAFI US 1500 Small-Mid Index	Russell 2000 Index
2007	-0.64	-1.57
2008	-38.28	-33.79
2009	55.74	27.17
2010	29.36	26.85
2011	-5.93	-4.17
2012	18.53	16.35
2013	42.17	38.82
2014	4.70	4.89
2015	-5.49	-4.41

Fund Details

P/B Ratio	1.83
P/E Ratio	26.82
Return on Equity	4.03%
Weighted Market Cap ($MM)	2,414

Fund Industry Allocations (%)

Banks	8.85
Real Estate Investment Trusts (REITs)	7.39
Hotels, Restaurants & Leisure	3.95
Machinery	3.90
IT Services	3.55
Software	3.16
Semiconductors & Semiconductor Equipment	3.14
Electronic Equipment, Instruments & Components	3.02
Oil, Gas & Consumable Fuels	2.96
Specialty Retail	2.75

Fund Market-Cap Allocations (%)

Large-Cap Blend	0.14
Large-Cap Growth	1.04
Large-Cap Value	–
Mid-Cap Blend	3.25
Mid-Cap Growth	12.44
Mid-Cap Value	1.15
Small-Cap Blend	31.58
Small-Cap Growth	19.45
Small-Cap Value	30.95

Fund Sector Allocations (%)

Consumer Discretionary	16.74
Consumer Staples	4.28
Energy	4.59
Financials	24.65
Health Care	8.32
Industrials	16.00
Information Technology	17.49
Materials	4.41
Telecommunication Services	1.65
Utilities	1.86

Leading the Intelligent ETF Revolution®

About 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. The Fund's return may not match the return of the Underlying Index. The fund is subject to certain other risks. Please see the current prospectus for more information regarding the risk associated with an investment in the fund.

Investments focused in a particular industry or sector are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

Stocks of small and mid-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

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. **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. **Weighted Harmonic Average Stock Price-to-Earnings Ratio (P/E Ratio)** is the share price divided by earnings per share. It is measured on a 12-month trailing basis. **Weighted Harmonic Average Stock Price-to-Book-Value Ratio (P/B 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. The **30-Day SEC Yield** is based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period. The **30-Day SEC Unsubsidized Yield** reflects the 30-day yield if the investment adviser were not waiving all or part of its fee or reimbursing the fund for part of its expenses. Total return would have also been lower in the absence of these temporary reimbursements or waivers. **Beta** is a measure of risk representing how a security is expected to respond to general market movements. **Smart Beta** represents an alternative and selection index based methodology that seeks to outperform a benchmark or reduce portfolio risk, or both. Smart beta funds may underperform cap-weighted benchmarks and increase portfolio risk.

Typically, security classifications used in calculating allocation tables are as of the last trading day of the previous month.

The Global Industry Classification Standard was developed by and is the exclusive property and a service mark of MSCI, Inc. and Standard & Poor's.

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Before investing, investors should carefully read the prospectus/summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the Fund call 800 983 0903 or visit invescopowershares.com for the prospectus/summary prospectus.

Note: Not all products available through all firms or in all jurisdictions.

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