

PVI PowerShares VRDO Tax-Free Weekly Portfolio

As of Dec. 31, 2014

Fund Description

The PowerShares VRDO Tax-Free Weekly Portfolio is based on the Bloomberg US Municipal AMT-Free Weekly VRDO Index. The Fund generally will invest at least 80% of its total assets in variable rate demand obligation (VRDO) bonds that are exempt from federal income tax with interest rates that reset weekly, which comprise the Underlying Index. The Index is comprised of municipal securities issued in the primary market as VRDOs. VRDOs are floating-rate bonds that provide investors with tax-exempt income. VRDOs are generally purchased at par. When they are put back to an investment dealer, the investor generally receives par plus accrued interest. The Fund and the Index are rebalanced and reconstituted monthly.

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.

Fund Data

VRDO Tax-Free Weekly Portfolio	PVI
Intraday NAV (IIV)	PVIIV
CUSIP	73936T433
Listing Exchange	NYSE Arca
Number of Securities	28
30-Day SEC Yield	-0.14%
30-Day SEC Unsubsidized Yield	N/A
Years To Maturity	14.55
Total Expense Ratio	0.25%

N/A indicates that during the 30-day period shown, Fund costs did not exceed the expense cap as outlined in the prospectus and the Adviser did not waive any fees in accordance with the Fee Waiver and Expense Assumption Agreement. Please see current prospectus for more information.

As of Dec. 31, 2013, the source of the calculation for these Fund characteristics was changed from Bloomberg to Aladdin (BRS).

Underlying Index Data

Bloomberg US Municipal AMT-Free Weekly VRDO	BBUSVWFT
Index Provider	Bloomberg
Years To Maturity	19.87
Number of Securities	2,024

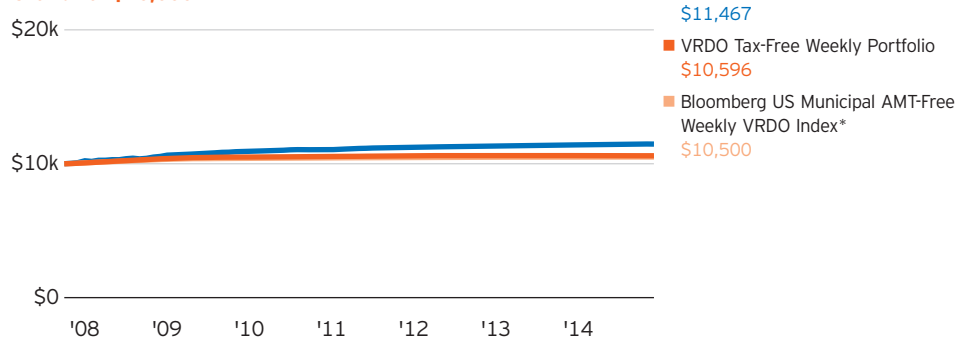
Fund Inception: Nov. 15, 2007

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

Bloomberg US Municipal AMT-Free Weekly VRDO Index* performance prior to Aug. 5, 2010 reflects that of the original Underlying Index Thomson Municipal Market Data VRDO Index. From Aug. 5, 2010, forward, the Index performance reflects that of the Underlying Index Bloomberg US Municipal AMT-Free Weekly VRDO Index AND IS NOT INTENDED FOR ANY THIRD PARTY USE.

Neither the underlying Index nor the benchmark

Growth of \$10,000



Data beginning Fund inception and ending Dec. 31, 2014. Fund performance shown at NAV.

Fund Performance & Index History (%)

	1 year	3 year	5 year	10 year	Fund Inception
Underlying Index					
Bloomberg US Municipal AMT-Free Weekly VRDO Index	0.06	0.12	-	-	-
Benchmark Index					
Barclays Municipal 1 Year Index	0.58	0.74	0.99	2.20	1.94
Fund					
NAV	-0.12	0.01	0.18	-	0.82
After Tax Held	-0.12	0.01	0.18	-	0.81
After Tax Sold	-0.07	0.02	0.19	-	0.82
Market Price	-0.12	-0.02	0.18	-	0.82

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.

3-Year Index Statistics

	Alpha	Beta	Correlation	Sharpe Ratio	Volatility (%)
Bloomberg US Municipal AMT-Free Weekly VRDO Index	-	-	-	3.14	0.02
Barclays Municipal 1 Year Index	0.06	0.00	0.04	4.19	0.16

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

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 Thomson Municipal Market Data VRDO Index is designed to track the performance of a pool of tax-exempt Variable Rate Demand Obligations (VRDOs)

issued by municipalities in the United States on which the yields generally reset on a weekly basis.

The Barclays Municipal 1 Year Index is an unmanaged index of municipal bonds with a remaining maturity of one to two years.

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 Dec. 31, 2014

Top 10 Fund Holdings

Name	Coupon	Maturity	S&P/Moody's Rating	Weight (%)
City of CO Springs CO Utilities System Revenue	0.220	11/1/2036	AA/Aa2	8.18
Public Building Authority of Sevier County	0.020	6/1/2026	NR/Aa1	7.77
Southern California Public Power Authority	0.020	7/1/2023	AA/Aa3	6.69
California Statewide Communities Development	0.010	5/1/2033	A+/NR	6.69
University of Michigan	0.030	4/1/2032	AAA/Aaa	6.21
County of Luzerne PA	0.650	11/15/2026	AA/A2	4.78
Maryland Health & Higher Educational Facilities	0.020	7/1/2034	AA-/Aa3	4.78
County of Emery UT	0.020	7/1/2015	A+/Aa3	4.78
Abag Finance Authority for Nonprofit Corps	0.020	8/1/2024	AAA/Aa2	4.78
Waco Educational Finance Corp	0.020	2/1/2032	AAA/NR	4.59

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

Credit Ratings (%)

	S&P	Moody's
AAA/Aaa	25.83	9.27
AA/Aa	40.04	57.17
A/A	22.09	18.08
BBB/Baa	-	1.62
BB/Ba	-	-
B/B	-	-
Not Rated/Not Rated	12.06	13.86

Maturity (years)

	Weight (%)
0-1	4.78
1-5	3.44
5-10	14.33
10-15	27.29
15-20	32.21
20-25	14.30
25+	3.66

Annual Index Performance (%)

	Bloomberg US Muni	Barclays Muni 1 Yr.
2011	0.25	1.57
2012	0.20	0.84
2013	0.11	0.80
2014	0.06	0.58

State Allocation (%)

California	23.63
Florida	12.55
Tennessee	11.29
Colorado	8.18
Texas	7.45
Michigan	6.21
Maryland	4.97
New York	4.97
Pennsylvania	4.78
Utah	4.78

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About risk

The Fund's underlying securities may be subject to call risk, which may result in the Fund having to reinvest the proceeds at lower interest rates, resulting in a decline in the Fund's income.

Investments in fixed-income securities, such as notes and bonds, 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. Due to anticipated Federal Reserve Board policy changes, there is a risk that interest rates will rise in the near future.

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

The Fund's use of a representative sampling approach will result in its holding a smaller number of securities than are in the underlying Index, and may be subject to greater volatility.

There may not be an active secondary market with respect to particular variable rate instruments in which the Fund invests, which could make it difficult for the Fund to dispose of a variable rate instrument if the issuer and/or the Remarketing Agent defaulted on its payment obligation or during periods that the Fund is not entitled to exercise its demand rights, and the Fund could, for these or other reasons, suffer a loss with respect to such instruments.

Municipal insurance doesn't protect against losses in the fund.

Municipal securities may be affected by political changes as well as uncertainties in the municipal market related to taxation, legislative changes or the rights of municipal security holders. The market for municipal bonds may also be less liquid than for

taxable bonds.

The Fund currently intends to effect creations and redemptions principally for cash, rather than principally in-kind because of the nature of the Fund's investments. As such, investments in the Fund may be less tax efficient than investments in ETFs that create and redeem in-kind.

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. **Credit ratings** are assigned by Nationally Recognized Statistical Rating Organizations based on assessment of the credit worthiness of the underlying bond issuers. The ratings range from AAA (highest) to D (lowest) and are subject to change. Not rated indicates the debtor was not rated, and should not be interpreted as indicating low quality. Futures and other derivatives are not eligible for assigned credit ratings by any NRSRO and are excluded from quality allocations. For more information on rating methodologies, please visit the following NRSRO websites: standardandpoors.com and select "Understanding Ratings" under Rating Resources and moody.com and select "Rating Methodologies" under Research and Ratings. 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.

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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.