

The First Trust US IPO Index Fund is based on the IPOX®-100 U.S. Index. The index is a modified value-weighted price index measuring the performance of the top 100 U.S. IPOs ranked quarterly by market capitalization in the IPOX® Global Composite Index. The IPOX®-100 U.S. Index constituents are selected based on quantitative initial screens and range from large, mature companies and fast growing IPOs to IPOs underperforming the market.

Quarter End Performance	Quarter	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Fund Inception	Fund Details	
Fund Performance¹								Fund Ticker	FPX
NAV	-10.90%	-5.93%	20.27%	-7.74%	N/A	N/A	-0.66%	CUSIP	336920103
After Tax Held	-11.01%	-6.05%	19.58%	-8.09%	N/A	N/A	-0.93%	Intraday NAV	XPT
After Tax Sold	-7.08%	-3.85%	13.20%	-6.69%	N/A	N/A	-0.71%	Index Ticker	IPXO
Market Price	-10.90%	-5.88%	21.18%	-7.74%	N/A	N/A	-0.65%	Fund Inception Date	4/12/06
Index Performance								Index Inception Date	8/6/04
IPOX®-100 U.S. Index ²	-10.78%	-5.63%	20.99%	-7.18%	4.00%	N/A	-0.05%	Gross Expense Ratio (12/31/09)	1.34%
Russell 3000® Index	-11.32%	-6.05%	15.72%	-9.47%	-0.48%	N/A	-3.00%	Net Expense Ratio	0.60%
								Rebalance Frequency	Quarterly
								Dividend Frequency	Semi-Annual
								Primary Listing	NYSE Arca
								Marginable	YES
								Options	NO
								Short Sell	YES

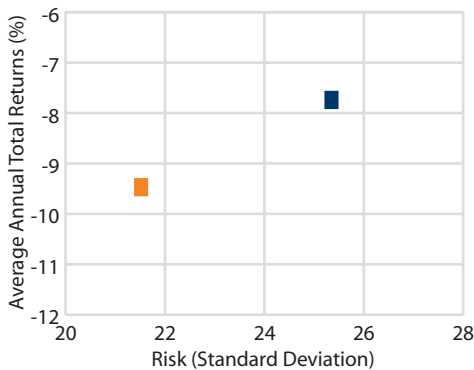
Performance data quoted represents past performance. Past performance is not a guarantee of future results and current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and shares when sold or redeemed, may be worth more or less than their original cost. You can obtain performance information which is current through the most recent month-end by visiting ftportfolios.com.

3-Year Statistics

	Standard Deviation	Alpha	Beta	Sharpe Ratio	Correlation
■ First Trust US IPO Index Fund	25.35%	4.05	1.12	-0.30	0.94
■ Russell 3000® Index	21.52%	—	1.00	-0.48	1.00

Pursuant to contract, First Trust has agreed to waive fees and/or pay fund expenses to prevent the net expense ratio of the fund from exceeding 0.60% per year, at least until May 15, 2011.

3-Year Risk/Return Comparison



¹After Tax Held returns represent return after taxes on distributions. Assumes shares have not been sold. After Tax Sold returns represent the return after taxes on distributions and the sale of fund shares. Returns do not represent the returns you would receive if you traded shares at other times. Market Price returns are based on the midpoint of the bid/ask spread. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. The fund's performance reflects fee waivers and expense reimbursements, absent which performance would have been lower.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

²Past performance is not a guarantee of future results. Performance information for the IPOX®-100 U.S. Index is for illustrative purposes only and does not represent actual fund performance. No representation is being made that any investment will achieve performance similar to that shown. The Index does not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown. Indexes are unmanaged and an investor cannot invest directly in an index. All index returns assume that dividends are reinvested when they are received.

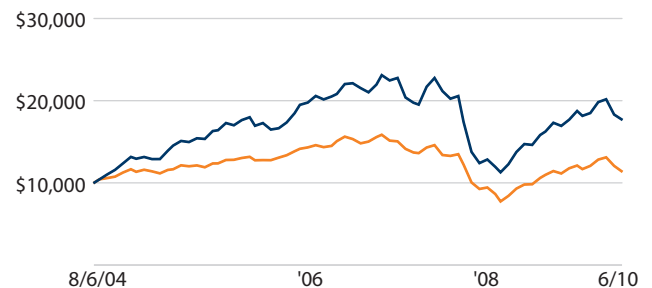
Index Performance History

Annual Total Returns

Year	IPOX®-100 U.S. Index ²	Russell 3000® Index
2005	24.68%	6.12%
2006	20.52%	15.71%
2007	15.15%	5.14%
2008	-43.59%	-37.31%
2009	45.97%	28.34%
6/30/10	-5.63%	-6.05%

Growth of \$10,000

	8/6/04 – 6/30/10
■ IPOX®-100 U.S. Index ²	\$17,689
■ Russell 3000® Index	\$11,376



Fund Objective

This exchange-traded fund seeks investment results that correspond generally to the price and yield (before the Fund's fees and expenses) of the IPOX®-100 U.S. Index.

- The IPOX®-100 U.S. Index is a modified value-weighted price index measuring the performance of the top 100 companies ranked quarterly by market capitalization in the IPOX® Global Composite Index.
- The index uses a 10% capping on all constituents and includes the 100 largest, typically best performing and most liquid U.S. initial public offerings ("IPOs") in the IPOX® Global Composite Index.
- The index is a rules based value-weighted index measuring the average performance of U.S. IPOs during the first 1000 trading days. Index constituents are selected based on quantitative initial screens.
- The index is reconstituted and adjusted quarterly.

Benefits of the IPOX®-100 Index ETF

- Systematic exposure to U.S. Equity Capital and Private Equity Activity and the growth and innovativeness of the U.S. economy via a semi-passive indexing approach.
- Based on well researched, totally disciplined and transparent index methodology. The IPOX®-100 U.S. Index has historically captured around 85% of total market capitalization created through U.S. IPO activity during the past four years. Tilt towards mid- and large-cap stocks.
- Investment tool for buy-and-hold investors seeking timely and systematic IPO exposure as well as active market participants due to dynamic index properties.

RISKS

The fund's shares will change in value, and you could lose money by investing in the fund. One of the principal risks of investing in the fund is market risk. Market risk is the risk that a particular stock owned by the fund, fund shares or stocks in general may fall in value.

The fund's return may not match the return of the IPOX®-100 U.S. Index. The fund may not be fully invested at times. Securities held by the fund will generally not be bought or sold in response to market fluctuations and the securities may be issued by companies concentrated in a particular industry. The fund may invest in small capitalization and mid capitalization companies. Such companies may experience greater price volatility than larger, more established companies.

Investors buying or selling fund shares on the secondary market may incur customary brokerage commissions. Investors who sell fund shares may receive less than the share's net asset value. Shares may be sold throughout the day on the exchange through any brokerage account. However, shares may only be redeemed directly from the fund by authorized participants, in very large creation/redemption units.

The fund is classified as "non-diversified." A non-diversified fund generally may invest a larger percentage of its assets in the securities of a smaller number of issuers. As a result, the fund may be more susceptible to the risks associated with these particular companies, or to a single economic, political or regulatory occurrence affecting these companies.

You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Portfolios L.P. at 1-800-621-1675 or visit www.ftportfolios.com to obtain a prospectus or summary prospectus which contains this and other information about the fund. The prospectus or summary prospectus should be read carefully before investing.

Not FDIC Insured • Not Bank Guaranteed • May Lose Value

Fund Data

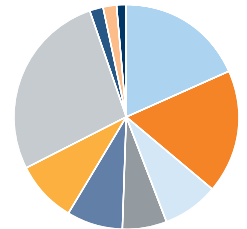
Number of Holdings	100
Maximum Market Cap.	\$85.11 Billion
Median Market Cap.	\$2.52 Billion
Minimum Market Cap.	\$694 Million
Price/Earnings	15.14
Price/Book	2.65
Price/Cash Flow	9.17
Price/Sales	1.70

Top 10 Holdings

Philip Morris International Inc.	PM	10.74%
Visa, Inc.	V	9.82%
MasterCard, Inc.	MA	5.37%
Covidien Plc	COV	4.14%
Viacom Inc. (Class B)	VIA/B	3.92%
Time Warner Cable, Inc.	TWC	3.80%
Spectra Energy Corporation	SE	2.68%
Tyco Electronics Ltd.	TEL	2.40%
Lorillard, Inc.	LO	2.27%
Mead Johnson Nutrition Company	MJN	2.11%

Sector Breakdown

Consumer Discretionary	18.47%
Consumer Staples	17.78%
Energy	8.00%
Financials	6.49%
Health Care	8.08%
Industrials	8.92%
Information Technology	27.25%
Materials	1.70%
Telecommunication Services	2.02%
Utilities	1.29%



A patent with respect to the IPOX® index methodology has been issued (U.S. Pat. No. 7,698,197). IPOX® is a registered international trademark of IPOX® Schuster LLC (www.ipoxschuster.com).

Standard Deviation is a measure of price variability (risk). **Alpha** is an indication of how much an investment outperforms or underperforms on a risk-adjusted basis relative to its benchmark. **Beta** is a measure of price variability relative to the market. **Sharpe Ratio** is a measure of excess reward per unit of volatility. **Correlation** is a measure of the similarity of performance.

The Russell 3000® Index is comprised of the 3000 largest and most liquid stocks based and traded in the U.S.

First Trust

First Trust Advisors L.P. is the adviser to the fund. First Trust Advisors L.P. is an affiliate of First Trust Portfolios L.P., the fund's distributor.

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