First Trust NASDAQ Technology Dividend Index Fund

**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 an equity index called the NASDAQ Technology Dividend Index℠.

**Fund Facts**
- **Fund Ticker**: TDIV
- **CUSIP**: 33738R118
- **Intraday NAV**: TDIVV
- **Fund Inception Date**: 8/13/12
- **Expense Ratio**: 0.50%
- **30-Day SEC Yield**: 2.33%
- **Rebalance Frequency**: Quarterly
- **Primary Listing**: Nasdaq

**Index Facts**
- **Index Ticker**: NOQ6DIVUSX
- **Index Inception Date**: 6/20/12
- **Index Yield**: 2.80%

**Performance Summary (%)**

<table>
<thead>
<tr>
<th></th>
<th>3 Month</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>Since Fund Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Asset Value (NAV)</strong></td>
<td>8.44</td>
<td>33.31</td>
<td>33.31</td>
<td>16.38</td>
<td>12.14</td>
<td>—</td>
<td>13.96</td>
</tr>
<tr>
<td>After Tax Held</td>
<td>8.11</td>
<td>32.00</td>
<td>32.00</td>
<td>15.15</td>
<td>10.94</td>
<td>—</td>
<td>12.72</td>
</tr>
<tr>
<td>After Tax Sold</td>
<td>5.00</td>
<td>19.66</td>
<td>19.66</td>
<td>12.26</td>
<td>9.01</td>
<td>—</td>
<td>10.74</td>
</tr>
<tr>
<td>Market Price</td>
<td>8.41</td>
<td>33.39</td>
<td>33.39</td>
<td>16.35</td>
<td>12.11</td>
<td>—</td>
<td>13.96</td>
</tr>
</tbody>
</table>

**Index Performance**

<table>
<thead>
<tr>
<th>Index Performance</th>
<th>3 Year Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>NASDAQ Technology Dividend Index℠</td>
<td>30.34</td>
</tr>
<tr>
<td>S&amp;P 500 Information Technology Index</td>
<td>28.43</td>
</tr>
</tbody>
</table>

**Calendar Year Total Returns (%)**

<table>
<thead>
<tr>
<th>Index Performance</th>
<th>3 Year Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P 500 Information Technology Index</td>
<td>—</td>
</tr>
</tbody>
</table>

**3-Year Statistics**

<table>
<thead>
<tr>
<th>Standard Deviation (%)</th>
<th>Alpha</th>
<th>Beta</th>
<th>Sharpe Ratio</th>
<th>Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>TDIV</td>
<td>13.98</td>
<td>0.34</td>
<td>1.07</td>
<td>1.04</td>
</tr>
<tr>
<td>S&amp;P 500 Information Technology Index</td>
<td>15.81</td>
<td>9.07</td>
<td>1.14</td>
<td>1.53</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
<td>12.10</td>
<td>—</td>
<td>1.00</td>
<td>1.10</td>
</tr>
</tbody>
</table>

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 www.ftportfolios.com.

30-day SEC yield is calculated by dividing the net investment income per share earned during the most recent 30-day period by the maximum offering price per share on the last day of the period. Index yield represents the weighted average trailing 12-month dividend of the constituents of the NASDAQ Technology Dividend Index℠.

NAV returns are based on the fund’s net asset value which represents the fund’s net assets (assets less liabilities) divided by the fund’s outstanding shares. After 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 on the stock exchange on which shares of the fund are listed for trading as of the time that the fund’s NAV is calculated. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. 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.

**Performance Information for the NASDAQ Technology Dividend Index℠** is for illustrative purposes only and does not represent actual fund performance. Indexes do 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.
The fund invests in telecommunications companies which are subject to certain risks, including a market characterized by increasing competition and regulation, the need to commit substantial capital to meet increasing competition and technological innovations that may make various products and services obsolete. There is no guarantee that any issuer will declare dividends in the future, or that, if declared, they will remain at current levels or increase over time. The fund is classified as “non-diversified” and may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the fund may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers, experience increased volatility and be highly concentrated in certain issuers. 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. The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial advisors are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

**Definitions**

**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 S&P 500 Information Technology Index includes all of the stocks in the information technology sector of the S&P 500 Index. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance.

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**Portfolio Information**

- **Number Of Holdings**: 92
- **Maximum Market Cap.**: $1,304.76 Billion
- **Median Market Cap.**: $14.03 Billion
- **Minimum Market Cap.**: $512 Million
- **Price/Earnings**: 18.37
- **Price/Book**: 3.75
- **Price/Cash Flow**: 9.64
- **Price/Sales**: 2.16

**Top Holdings (%)**

- Apple Inc.: 8.46
- Cisco Systems, Inc.: 8.15
- Microsoft Corporation: 8.02
- Intel Corporation: 7.69
- International Business Machines Corporation: 7.67
- Texas Instruments Incorporated: 7.61
- QUALCOMM Incorporated: 4.06
- Broadcom Inc.: 3.85
- Oracle Corporation: 3.63
- China Mobile Limited: 2.16

**Top Industry Exposure (%)**

- Semiconductors & Semiconductor Equipment: 28.51
- Software: 16.00
- Technology Hardware, Storage & Peripherals: 13.92
- Diversified Telecommunication Services: 11.62
- IT Services: 9.47
- Communications Equipment: 9.35
- Wireless Telecommunication Services: 8.53
- Electronic Equipment, Instruments & Components: 1.33
- Aerospace & Defense: 0.94
- Entertainment: 0.29

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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.