

>> Fund Objective

This exchange-traded fund seeks to provide long-term total return.

>> Fund Facts

Fund Ticker	PRME
CUSIP	33739Q606
Intraday NAV	PRMEIV
Fund Inception Date	11/11/15
Expense Ratio	0.95%
30-Day SEC Yield [†]	1.90%
Primary Listing	NYSE Arca

>> Fund Description

- >> The First Trust Heitman Global Prime Real Estate ETF is an actively managed exchange-traded fund (ETF) that seeks long-term total return. The fund will seek to provide access to U.S. and non-U.S. real estate securities consisting of shares of public companies with professional management teams that own top tier, prime properties in the world's dominant cities.
 - The fund provides potentially beneficial diversification features and invests over a large pool of markets, property types and management teams.
- >> The fund uses Heitman's investment strategy to offer exposure to world-class property assets in prime markets that are unavailable or difficult to access in the private direct market.
 - Real estate securities are selected for the universe using the Global Industry Classification Standard (GICS®).
 - Heitman will screen securities within the universe based upon free float market capitalization and a daily trading volume threshold. Securities must also have at least 75% of their gross assets in Heitman-designated *Prime Markets* and at least 50% of their assets under management in Heitman-designated *Prime Assets*.
 - Regional teams from Heitman's Real Estate Securities group will then construct and establish a high conviction portfolio that they believe offers the best expected risk/return profile of the securities within the prime universe by considering the issuers' balance sheet, assessment of management's acumen and the projected long-term growth profile of the company.

>> Fund Sub-Advisor and Sub-Sub Advisors

- >> The portfolio is sub-advised by Heitman Real Estate Securities LLC ("HRES"). Heitman International Real Estate Securities HK Limited ("HIRES HK") and Heitman International Real Estate Securities GmbH ("HIRES GmbH") act as sub-sub advisors. HRES, HIRES HK and HIRES GmbH (collectively "Heitman") will manage the fund's portfolio.
- >> Founded in Chicago in 1966, Heitman's Real Estate Securities group now consists of over 25 investment professionals situated in offices across the globe: Chicago, London, Munich, Melbourne, and Hong Kong.
- >> Day-to-day management decisions for the fund's portfolio are made by:
 - Jerry Ehlinger, CFA, Managing Director of HRES LLC and Lead Portfolio Manager in the North American Public Real Estate Securities group
 - John White, Managing Director of Heitman HK Limited and Lead Portfolio Manager in the Asia-Pacific Public Real Estate Securities group
 - Jacques Perdrix, Senior Vice President of HRES LLC's European Public Real Estate Securities group
 - Andreas Welter, Senior Vice President of HRES LLC's European Public Real Estate Equity group

>> Performance Summary (%)

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund Performance*							
Net Asset Value (NAV)	0.16	0.87	4.62	—	—	—	4.10
After Tax Held	-0.34	0.04	1.91	—	—	—	2.10
After Tax Sold	0.09	0.49	2.61	—	—	—	2.22
Market Price	3.66	5.63	10.06	—	—	—	5.73
Index Performance**							
FTSE EPRA/NAREIT Developed Index	-0.15	0.76	4.62	—	—	—	6.74

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.

*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.

**The FTSE EPRA/NAREIT Developed Index is the fund's benchmark. 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.

>> Portfolio Information

Number Of Holdings	40
Maximum Market Cap.	\$54.65 Billion
Median Market Cap.	\$7.01 Billion
Minimum Market Cap.	\$1.15 Billion
Price/Earnings	15.00
Price/Book	1.48
Price/Cash Flow	12.61
Price/Sales	7.72

>> Top Country Exposure (%)

United States	50.70
Japan	11.20
Australia	7.05
Hong Kong	5.47
United Kingdom	5.15
France	3.88
Sweden	3.51
Spain	3.10
Canada	2.77
The Netherlands	2.70

>> Top Holdings (%)

AvalonBay Communities, Inc.	7.80
Prologis, Inc.	6.33
Simon Property Group, Inc.	5.18
Federal Realty Investment Trust	4.01
Rexford Industrial Realty, Inc.	3.72
Fabege AB	3.48
Boston Properties, Inc.	3.16
Inmobiliaria Colonial, S.A.	3.08
Hudson Pacific Properties, Inc.	2.99
Sun Hung Kai Properties Limited	2.94

>> Top Sub-Industry Exposure (%)

Office REITs	22.81
Retail REITs	20.92
Industrial REITs	14.45
Residential REITs	11.31
Diversified REITs	9.81
Real Estate Operating Companies	8.79
Diversified Real Estate Activities	7.64
Hotel & Resort REITs	1.57

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.

ETF Characteristics

The fund lists and principally trades its shares on the NYSE Arca, Inc.

Investors buying or selling fund shares on the secondary market may incur customary brokerage commissions. Market prices may differ to some degree from the net asset value of the shares. 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, unlike mutual funds, shares may only be redeemed directly from the fund by authorized participants, in very large creation/redemption units. If the fund's authorized participants are unable to proceed with creation/redemption orders and no other authorized participant is able to step forward to create or redeem, fund shares may trade at a discount to the fund's net asset value and possibly face delisting.

Risk Considerations

The fund's shares will change in value and you could lose money by investing in the fund. The fund is subject to management risk because it is an actively managed portfolio. In managing the fund's investment portfolio, the advisor will apply investment techniques and risk analyses that may not have the desired result. There can be no assurance that the fund's investment objectives will be achieved.

The fund is subject to market risk. Market risk is the risk that a particular security owned by the fund or shares of the fund in general may fall in value. Some of the securities held by the fund may be restricted or illiquid.

The fund may invest in securities issued by companies concentrated in a particular industry or country which involves additional risks including limited diversification. The fund may invest in small capitalization and mid capitalization companies. Such companies may experience greater price volatility than larger, more established companies.

An investment in a fund containing securities of non-U.S. issuers is subject to additional risks, including currency fluctuations, political risks, withholding, the lack of adequate financial information, and exchange control restrictions impacting non-U.S. issuers. These risks may be heightened for securities of companies located in, or with significant operations in, emerging market countries. The fund may invest in depositary receipts which may be less liquid than the underlying shares in their primary trading market.

The fund invests in companies in the real estate industry, including real estate investment trusts (REITs) and real estate operating companies (REOCs). Therefore, the fund is subject to the risks associated with investing in real estate, which may include, but are not limited to, fluctuations in the value of underlying properties; defaults by borrowers or tenants; market saturation; changes in general and local economic conditions; decreases in market rates for rents; increases in competition, property taxes, capital expenditures or operating expenses; and other economic, political or regulatory occurrences affecting companies in the real estate industry.

The fund is subject to interest rate risk. Increases in interest rates typically coincide with higher investor required returns and can lower the present value of a REIT's future earnings stream if not met with a commensurate increase in growth.

The fund invests, in part, in securities issued by companies operating in Asia, and is therefore subject to certain risks associated specifically with Asia such as currency adjustments and devaluations relative to the U.S. dollar, serious exchange constraints, jurisdictional disputes and market volatility.

A significant number of countries in Europe are member states in the European Union, and the member states no longer control their own monetary policies. In these member states, the authority to direct monetary policies, including money supply and official interest rates for the Euro, is exercised by the European Central Bank. Furthermore, the European sovereign debt crisis has had, and continues to have, a significant negative impact on the economies of certain European countries and their future economic outlooks.

The fund invests in equity securities and the value of the shares will fluctuate with changes in the value of these equity securities. Equity securities prices fluctuate for several reasons, including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market.

Changes in currency exchange rates and the relative value of non-US currencies may affect the value of a fund's investments and the value of a fund's shares.

The fund currently has fewer assets than larger funds, and like other relatively new funds, large inflows and outflows may impact the fund's market exposure for limited periods of 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 advisor 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 and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.

Definitions

The **FTSE EPRA/NAREIT Developed Index** is designed to track the performance of listed real estate companies and REITs worldwide.