



FOR IMMEDIATE RELEASE

CONTACT: Ryan Issakainen
First Trust
(630) 765-8689
RIssakainen@FTAdvisors.com

First Trust to Launch First Trust Lunt U.S. Factor Rotation ETF

An index-tracking ETF that focuses on U.S. large-cap equities using a multi factor rotation discipline.

WHEATON, IL - (BUSINESS WIRE) - July 26, 2018 - [First Trust Advisors L.P.](#) ("First Trust"), a leading exchange-traded fund ("ETF") provider and asset manager, announced today that it has launched a new ETF, the First Trust Lunt U.S. Factor Rotation ETF (Cboe BZX: FCTR) (the "fund"). The 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 Lunt Capital Large Cap Factor Rotation Index (the "index"). The index is designed to provide exposure to U.S. large cap equities, rotating among select factors when they come into favor using the proprietary risk-adjusted relative strength methodology from Lunt Capital Management, Inc. ("Lunt Capital"). The index rotates among eight sub-indices, each of which exhibits the characteristics of the high and low side of four factors.

Factor-based investing is a strategy used to choose securities based on those factors which are associated with historically higher returns. "In recent years, the investment industry has highlighted the value of single and multi-factor investment solutions. The fund embraces a multi-factor approach with the important innovation of applying factor rotation to momentum, quality, value, and volatility," said John Lunt, President, Lunt Capital. Factor-based strategies attempt to offer exposure to securities which target a desired deviation from the risk-return profile relative to the broader market. Although single-factor investing offers the ability to hone in on a desirable characteristic of a stock, a multi-factor approach may provide the added benefit of diversification and provide a solution that seeks to enhance returns over time. "We are very pleased to join First Trust in launching the First Trust Lunt U.S. Factor Rotation ETF. First Trust and Lunt Capital both have a history of innovation, which made it a natural fit to work together in the next evolution of factor investing – multi-factor rotation," said John Lunt.

For more information about First Trust, please contact Ryan Issakainen CFA, Senior Vice President, ETF Strategist at (630) 765-8689 or RIssakainen@FTAdvisors.com.

About First Trust

First Trust is a federally registered investment advisor and serves as the fund's investment advisor. First Trust and its affiliate First Trust Portfolios L.P. ("FTP"), a FINRA registered broker-dealer, are privately held companies that provide a variety of investment services. First Trust has collective assets under management or supervision of approximately \$126 billion as of June 29, 2018 through unit investment trusts, exchange-traded funds, closed-end funds, mutual funds and separate managed accounts. First Trust is the supervisor of the First Trust unit investment trusts, while FTP is the sponsor. FTP is also a distributor of mutual fund shares and exchange-traded fund creation units. First Trust and FTP are based in Wheaton, Illinois. For more information, visit <http://www.ftportfolios.com>.

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 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 Cboe BZX Exchange, Inc.

The fund's return may not match the return of the Lunt Capital Large Cap Factor Rotation Index. The securities held by the fund will generally not be bought or sold in response to market fluctuations.

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. One of the principal risks of investing in the fund is market risk. Market risk is the risk that a particular security owned by the fund, fund shares or stocks in general may fall in value. There can be no assurance that the fund's investment objective will be achieved.

The fund may invest in securities issued by companies concentrated in a particular industry or sector, which involves additional risks including limited diversification.

The fund is not actively managed and generally will not attempt to take defensive positions in declining markets.

Because of market movement, there can be no assurance that the securities held by the fund will stay within the given market capitalization range.

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's strategy may frequently involve buying and selling portfolio securities to rebalance the fund's exposure to the sub-indices. High portfolio turnover may result in the fund paying higher levels of transaction costs and generating greater tax liabilities for shareholders. Portfolio turnover risk may cause the fund's performance to be less than you expect.

As the use of Internet technology has become more prevalent in the course of business, the fund has become more susceptible to potential operational risks through breaches in cyber security.

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 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.

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The Index is the property of Lunt Capital Management, Inc., which has contracted with Nasdaq, Inc. to calculate and maintain the Index. The fund is not sponsored, endorsed, sold or promoted by Nasdaq, Inc. or its affiliates (Nasdaq, with its affiliates, are referred to as the "Corporations"). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the fund. The Corporations make no representation or warranty, express or implied to the owners of the fund or any member of the public regarding the advisability of investing in securities generally or in the fund particularly, or the ability of the index to track general stock performance.

Source: First Trust Advisors L.P.