First Trust

FPXE
First Trust IPOX® Europe Equity Opportunities ETF

The **First Trust IPOX® Europe Equity Opportunities ETF** is an exchange-traded fund (ETF) that seeks investment results that correspond generally to the price and yield (before the fund's fees and expenses) of an equity index called the IPOX® 100 Europe Index (the "index").

Fund Facts	
Fund Ticker	FPXE
Fund Inception Date	10/4/18
CUSIP	33734X788
Intraday NAV	FPXEIV
Primary Listing	Nasdaq
Rebalance Frequency	Quarterly

Index Details	
Index Ticker	IPOE
Index Inception Date	12/15/17

WHY FPXE?

- Access to the potential growth and innovation of the European economy. As of September 30, 2018, 139 initial public offerings (IPOs) totaling $26.8 billion had been launched in Europe year-to-date, according to IPOX® Schuster, LLC.
- Take advantage of the significant European IPO and spin-off market. Since 2007, 1,356 companies went public on an accessible stock exchange.[1]
- Capture the unique return potential of IPOs and spin-offs traded in Europe. The fund focuses on the performance of European companies for a holding period of the first 1,000 trading days.

An IPO is the public offering of shares of stock in a company to the general public for the first time on an exchange. Companies engage in IPOs for various reasons including to gain access to the capital markets in order to fund future growth and expansion. It is common for the closing market share price shortly after the IPO to be well above or below the initial offering price and it is difficult to predict which IPOs will be successful. FPXE provides a way for investors to gain exposure to recent IPOs and spin-offs of companies legally domiciled in Europe without the single stock risk of trying to pick which IPOs will be successful.

BROADEN MARKET EXPOSURE

While IPOs constitute a significant portion of the capital markets, there is a substantial time lag before they are added to most broad equity indexes. As a result, recent IPOs and spin-offs are generally underrepresented in index-based ETFs and mutual funds and they may benefit from broader ownership when they are subsequently added to a broad-based index. As of 9/30/18, IPOX® 100 Europe Index's holdings represented just 1.68% of the MSCI Europe Index, despite the fact that these stocks had an average market capitalization of approximately $6.31 billion each.[2] A portfolio of recent European IPOs may complement a core international holding by providing more complete exposure to the total European equity market.

INDEX CONSTRUCTION PROCESS

Identify the Universe

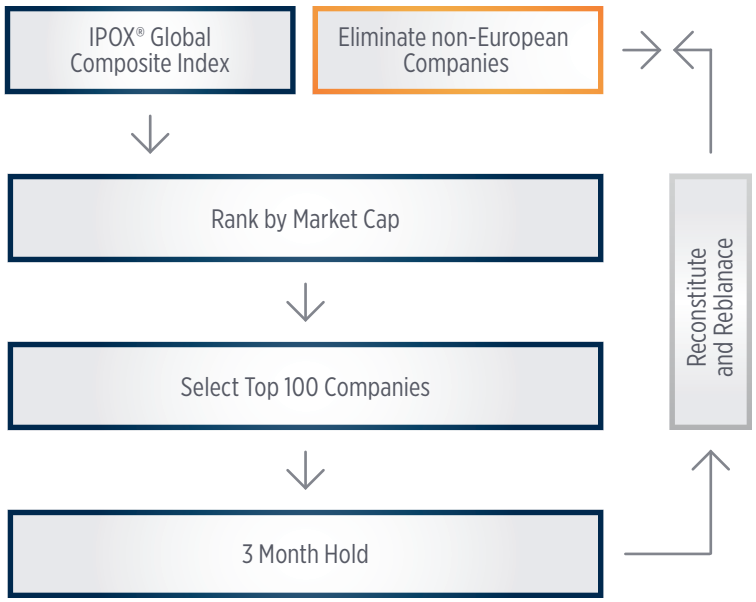
- Begin with the IPOX® Global Composite Index and eliminate all non-European companies.
- The IPOX® Global Composite Index is constructed and managed to provide a broad and objective view of global aftermarket performance of recent IPOs and spin-offs in both emerging and developed countries during their first 1,000 trading days. After applying initial screens, all eligible constituents generally must have at least six full days of trading in order to enter the index on each rebalance.

Rank by Market Capitalization

- Rank all companies in the IPOX® Global Composite Index by total market capitalization.
- The 100 largest and typically most liquid companies that are economically tied to Europe are selected, subject to a maximum weighting cap of 10% for each constituent. Securities with a weight of greater than 4% are capped at a cumulative weight of 40%.

Index Rebalancing

- The index is reconstituted and rebalanced quarterly.



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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.

ETF Characteristics

The fund lists and principally trades its shares on The Nasdaq Stock Market LLC.

The fund's return may not match the return of the IPOX® 100 Europe Index. 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 stock 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, sector, 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 is subject to greater risks of adverse events which occur in the European region and may experience greater volatility than a fund that is more broadly diversified geographically. 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. The United Kingdom's referendum on June 23, 2016 to leave the European Union (known as "Brexit") sparked depreciation in the value of the British pound, short-term declines in the stock markets and heightened risk of continued economic volatility worldwide.

The stocks of companies that have recently conducted an initial public offering are often subject to price volatility and speculative trading. These stocks may have exhibited above-average price appreciation in connection with the initial public offering prior to inclusion in the fund. The price of stocks included in the fund may not continue to appreciate and their performance may not replicate the performance exhibited in the past.

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.

Changes in currency exchange rates and the relative value of non-U.S. currencies will affect the value of the fund's investments and the value of fund 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 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.

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).

[1]Source: Data as of 9/30/18. IPOX® Schuster, LLC.

[2]Source: FactSet. The MSCI Europe Index designed to represent the performance of large- and mid-cap equities across 15 developed countries in Europe. Indexes are unmanaged and cannot be purchased directly by investors.