

» 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 S&P United States REIT Index.

» Fund Facts

Fund Ticker	FRI
CUSIP	33734G108
Intraday NAV	FRIIV
Fund Inception Date	5/8/07
Gross Expense Ratio [*]	0.52%
Net Expense Ratio	0.50%
30-Day SEC Yield [†]	2.55%
Unsubsidized 30-Day SEC Yield [#]	2.55%
Rebalance Frequency	Quarterly
Primary Listing	NYSE Arca

» Index Facts

Index Ticker	SREIUSRT
Index Inception Date	6/30/08
Index Yield [‡]	3.13%

» Index Description

- » The S&P United States REIT Index measures the investable U.S. real estate investment trust market and maintains a constituency that reflects the market's overall composition.
- » All securities added to the S&P United States REIT Index must meet certain liquidity and market capitalization requirements.
- » The Standard & Poor's Index Committee, a team of Standard & Poor's economists and index analysts, maintains the S&P United States REIT Index. Maintenance includes implementation of daily corporate actions, quarterly updates of significant events, and annual portfolio reconstitution each September. Share adjustments that exceed 5% are made at the time of the change. Share adjustments of less than 5% are made on a quarterly basis.

» Performance Summary (%)¹

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
Fund Performance*							
Net Asset Value (NAV)	1.07	22.67	36.54	9.39	6.09	10.52	5.16
After Tax Held	0.98	22.26	35.45	8.22	4.86	9.31	4.07
After Tax Sold	0.63	13.41	21.55	6.70	4.11	7.99	3.54
Market Price	1.07	22.67	36.54	9.42	6.09	10.53	5.16

» Index Performance**

S&P United States REIT Index	0.97	22.89	37.03	9.92	6.61	11.10	—
FTSE EPRA/NAREIT North America Index	0.68	22.98	39.25	9.06	6.06	10.39	5.30
Russell 3000® Index	-0.10	14.99	31.88	16.00	16.85	16.60	9.84

» Calendar Year Total Returns (%)¹

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD
FRI	7.90	17.39	1.82	29.61	1.97	7.92	3.79	-4.19	23.67	-8.10	22.67
FTSE EPRA/NAREIT North America Index	8.19	18.14	1.27	28.15	1.81	8.18	4.57	-3.89	24.51	-9.75	22.98
Russell 3000® Index	1.03	16.42	33.55	12.56	0.48	12.74	21.13	-5.24	31.02	20.89	14.99

» 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
FRI	19.93	-3.25	0.84	0.49	0.83
FTSE EPRA/NAREIT North America Index	21.36	-4.02	0.89	0.46	0.82
Russell 3000® Index	19.68	—	1.00	0.79	1.00

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.

^{*}Expenses are capped contractually at 0.50% per year, at least until April 30, 2022.

[†]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 and includes the effects of fee waivers and expense reimbursements.

[#]The unsubsidized 30-day SEC yield is calculated the same as the 30-day SEC yield, however it excludes contractual fee waivers and expense reimbursements.

[‡]Index yield represents the weighted average trailing 12-month dividend of the constituents of the S&P United States REIT Index.

¹On November 6, 2008, the fund's underlying index changed from the S&P REIT Composite Index to the S&P United States REIT Index. Therefore, the fund's performance and historical returns shown for the periods prior to November 6, 2008 are not necessarily indicative of the performance that the fund, based on its current index, would have generated.

***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 determined by using the midpoint of the national best bid offer price ("NBBO") 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. 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.

****Performance information for the S&P United States REIT 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.

>> Portfolio Information

Number Of Holdings	154
Maximum Market Cap.	\$92.72 Billion
Median Market Cap.	\$3.09 Billion
Minimum Market Cap.	\$130 Million
Price/Earnings	44.78
Price/Book	2.57
Price/Cash Flow	20.22
Price/Sales	9.12

>> Top Holdings (%)

Prologis, Inc.	8.20
Equinix, Inc.	6.27
Public Storage	4.00
Simon Property Group, Inc.	3.78
Digital Realty Trust, Inc.	3.61
Welltower, Inc.	3.08
AvalonBay Communities, Inc.	2.74
Equity Residential	2.44
Alexandria Real Estate Equities, Inc.	2.34
Realty Income Corporation	2.23

>> Top Sub-Industry Exposure (%)

Specialized REITs	23.78
Residential REITs	19.67
Industrial REITs	14.60
Retail REITs	13.29
Health Care REITs	10.75
Office REITs	9.20
Diversified REITs	5.03
Hotel & Resort REITs	3.68

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.

Risk Considerations

A fund's return may not match the return of its underlying index. A fund invests in securities included in the index regardless of investment merit and the securities held by a 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 a fund by authorized participants in very large creation/redemption units. If a 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 a fund's net asset value and possibly face delisting. A fund's shares will change in value, and you could lose money by investing in a fund. One of the principal risks of investing in a fund is market risk. Market risk is the risk that a particular stock owned by a fund, fund shares or stocks in general may fall in value. There can be no assurance that a fund's investment objective will be achieved. The outbreak of the respiratory disease designated as COVID-19 in December 2019 has caused significant volatility and declines in global financial markets, which have caused losses for investors. While the development of vaccines has slowed the spread of the virus and allowed for the resumption of "reasonably" normal business activity in the United States, many countries continue to impose lockdown measures in an attempt to slow the spread. Additionally, there is no guarantee that vaccines will be effective against emerging variants of the disease.

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

A fund may be a constituent of one or more indices or models which could greatly affect a fund's trading activity, size and volatility.

There is no assurance that the index provider or its agents will compile or maintain the index accurately.

A fund and a fund's advisor may seek to reduce various operational risks through controls and procedures, but it is not possible to completely protect against such risks.

High portfolio turnover may result in higher levels of transaction costs and may generate greater tax liabilities for shareholders.

The risks associated with investing in real estate and real estate investment trusts (REITs) include 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, dependency upon management skills, limited diversification, and other economic, political or regulatory occurrences. Increases in interest rates typically lower the present value of a REIT's future earnings stream, and may make financing property purchases and improvements more costly. The value of a fund will generally decline when investors in REIT stocks anticipate or experience rising interest rates.

A fund with significant exposure to a single asset class, industry, or sector may be more affected by an adverse economic or political development than a broadly diversified fund.

Securities of small- and mid-capitalization companies may experience greater price volatility and be less liquid than larger, more established companies.

Trading on the exchange may be halted due to market conditions or other reasons. There can be no assurance that the requirements to maintain the listing of a fund on the exchange will continue to be met or be unchanged.

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 professionals 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 **FTSE EPRA/NAREIT North America Index** is modified market cap weighted based on free float market capitalization and tracks the performance of listed real estate companies or REITs in North America. The **Russell 3000® Index** is comprised of the 3000 largest and most liquid stocks based and traded in the U.S.

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