

WISDOMTREE LARGE CAP DIVIDEND FUND OUTPERFORMED ACTIVE MANAGERS IN 2014

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During 2014 we've noticed that large caps¹ tended to outperform both mid-caps² and small caps³ in U.S. equity markets. While there are a lot of [active managers](#)⁴ focused on different ways to select and build portfolios of U.S. large caps, exchange-traded funds (ETFs) designed to track the returns of large-cap indexes after costs, fees and expenses are also becoming more prevalent. To illustrate how the two approaches compare, we looked at how the [WisdomTree LargeCap Dividend Fund \(DLN\)](#) has done against active managers in 2014. We chose DLN because by design it provides exposure to some of the largest dividend-paying companies in the U.S. **Average Annual Returns of DLN**

As of 9/30/2014

Fund Information	Total Return NAV (%)					Market Price (%)							
	Ticker	Exp. Ratio	Inception Date	YTD	1-Year	3-Year	5-Year	Since Fund Inception	YTD	1-Year	3-Year	5-Year	Since Fund Inception
WisdomTree LargeCap Dividend Fund	DLN	0.28%	6/16/2006	8.62%	18.90%	20.70%	15.65%	7.19%	8.68%	18.96%	20.66%	15.69%	7.16%
S&P 500 Index				8.34%	19.73%	22.99%	15.70%	7.91%	8.34%	19.73%	22.99%	15.70%	7.91%
Russell 1000 Value Index				8.07%	18.89%	23.93%	15.26%	6.81%	8.07%	18.89%	23.93%	15.26%	6.81%

DLN against U.S. 31, 2014

Large-Cap Managers,	as of										October				
	Average Annual Return					Calendar Year Return									
	3-Year	5-Year	Since DLN Inception ¹	10-Year	YTD 2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
WisdomTree LargeCap Dividend Fund	18.50%	16.69%	7.29%	N/A	11.41%	27.35%	12.88%	9.47%	15.00%	18.22%	-35.86%	2.99%	N/A	N/A	N/A
Russell 1000 Value	20.42%	16.49%	6.79%	7.90%	10.50%	32.53%	17.51%	0.39%	15.51%	19.69%	-36.85%	-0.17%	22.25%	7.05%	16.49%
S&P 500	19.77%	16.69%	7.93%	8.20%	10.99%	32.39%	16.00%	2.11%	15.06%	26.46%	-37.00%	5.49%	15.79%	4.91%	10.88%
Did More than 50% of Managers Outperform?															
WisdomTree LargeCap Dividend Fund	No	No	Yes	N/A	No	Yes	Yes	No	No	Yes	No	Yes	N/A	N/A	N/A
Russell 1000 Value	No	No	Yes	No	No	No	No	No	No	Yes	No	Yes	No	No	No
S&P 500	No	No	No	No	No	No	No	No	No	Yes	No	Yes	No	Yes	Yes
Percentage of Managers Beaten by the Specified Index															
WisdomTree LargeCap Dividend Fund	54.34%	80.63%	49.52%	N/A	91.03%	11.05%	24.78%	98.63%	60.05%	8.50%	71.75%	22.84%	N/A	N/A	N/A
Russell 1000 Value	87.51%	76.89%	37.89%	52.83%	81.25%	52.76%	80.45%	64.13%	65.00%	12.96%	62.82%	11.18%	96.64%	55.98%	88.22%
S&P 500	78.63%	80.66%	68.41%	62.23%	87.91%	51.40%	63.87%	80.84%	60.72%	40.22%	60.77%	40.86%	64.26%	32.33%	47.56%
Number of Managers	4343	4066	3752	3487	4754	4737	4909	4924	4792	4703	4587	4437	4284	4089	3948

¹Since DLN Inception¹ within this table refers to 7/1/06–10/31/14 since Zephyr StyleADVISOR can only run performance for full-month periods. Source: Zephyr StyleADVISOR, with managers comprised of the Morningstar Large Value, Large Blend and Large Growth universes to cover U.S. large-cap managers in total and not those managing any particular style. Performance is historical and does not guarantee future results. Current performance may be lower or higher than quoted. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Performance data for the most recent month-end is available at www.wisdomtree.com. WisdomTree shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Total returns are calculated using the daily 4:00 p.m. EST net asset value (NAV). Market price returns reflect the midpoint of the bid/ask spread as of the close of trading on the exchange where Fund shares are listed. Market price returns do not represent the returns you would receive if you traded shares at other times. You cannot invest directly in an index.

For definitions of terms and Indexes in the chart, visit our [glossary](#). • **DLN Outperformed More Than 91% of Large-Cap Active Managers in 2014:** For the year-to-date period through October 31, 2014, DLN's performance against U.S. large-cap active managers was impressive. We believe the primary reason for this is that DLN has more than 99% of its weight in securities greater than \$10 billion in [market capitalization](#). Large-cap U.S. stocks have been performing well, and DLN by design does not have exposure to other market capitalization size segments. • **2008 or 2009?** something we've heard over time is that in tough markets active managers can potentially take a portion of their assets and go into cash, thereby providing a mitigation of downside [risk](#). For this reason you may think active managers would have tended to outperform DLN in 2008, but that was not the case. As a matter of fact, DLN outperformed nearly 72% of the large-cap active managers

in 2008. One caveat is that DLN tends to participate less on the upside. For example, the Fund faced a much greater headwind from its competition in 2009, when it beat less than 10% of large-cap active managers. • **What Happened in 2011?** DLN beat almost 99% of active managers in 2011—a much higher percentage than either of its [market capitalization-weighted](#) benchmarks. Focusing on [dividends](#) during this period led to a less than 10% average weight to Financials, a sector that tended to be much more heavily represented within the market capitalization-weighted benchmarks. Within both of these benchmark Indexes, Financials was one of the worst-performing sectors during this period, so DLN's under-weight to this sector was helpful to relative returns. **To learn more about the WisdomTree LargeCap Dividend Fund (DLN), [visit our website](#).** Learn about our approach to dividends- read "The Dividends of a Dividend Approach" [white paper](#).

¹Source: Bloomberg. Refers to the [S&P 500 Index](#) from 12/31/13-10/31/14.

²Source: Bloomberg. Refers to the [S&P MidCap 400 Index](#) from 12/31/13-10/31/14. ³Source: Bloomberg. Refers to the [S&P SmallCap 600 Index](#) from 12/31/13-10/31/14. ⁴Refers to the active managers within the Morningstar Large Value, Large Blend and Large Growth categories, which for the period 12/31/13-10/31/14 totaled more than 4,750.

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DEFINITIONS

Active manager: Portfolio managers who run funds that attempt to outperform the market by selecting those securities they believe to be the best.

Market Capitalization: Market cap = share prices x number of shares outstanding. Firms with the highest values receive the highest weights in approaches designed to weight firms by market cap.

Risk: Also standard deviation, which measures the spread of actual returns around an average return during a specific period. Higher risk indicates greater potential for returns to be farther away from this average.

Market capitalization-weighting: Market cap = share prices x number of shares outstanding. Firms with the highest values receive the highest weights in approaches designed to weight firms by market cap.

Dividend: A portion of corporate profits paid out to shareholders.

S&P 500 Index: Market capitalization-weighted benchmark of 500 stocks selected by the Standard and Poor's Index Committee designed to represent the performance of the leading industries in the United States economy.

S&P MidCap 400 Index: provides investors with a benchmark for mid-sized companies. The index covers over 7% of the U.S. equity market, and seeks to remain an accurate measure of mid-sized companies, reflecting the risk and return characteristics of the broader mid-cap universe on an on-going basis.

S&P SmallCap 600 Index: Market capitalization-weighted measure of the performance of small cap equities within the United States, with constituents required to demonstrate profitability prior to gaining initial inclusion.