



Annual Management Report of Fund Performance

December 31, 2017

WisdomTree U.S. MidCap Dividend Index ETF (UMI/UMI.B)

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the ETF. You can obtain a copy of the annual financial statements at your request, and at no cost, by calling 1-866-893-TREE (8733), by writing to us at 161 Bay Street, 27th floor, Toronto, ON M5J 2S1 or by visiting our website at www.wisdomtree.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the ETF's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

WisdomTree U.S. MidCap Dividend Index ETF

Annual Management Report of Fund Performance

For the period ended December 31, 2017

MANAGEMENT REPORT OF FUND PERFORMANCE

WisdomTree Asset Management Canada, Inc. (“WisdomTree”) is pleased to provide you with the Annual Management Report of Fund Performance (“MRFP”) for the WisdomTree U.S. MidCap Dividend Index ETF (the “ETF”) for the period ended December 31, 2017. The ETF trades on the Toronto Stock exchange (the “TSX”) under the ticker symbols UMI (Hedged Units) and UMI.B (Non-Hedged Units).

WisdomTree is the trustee, manager and promoter of the ETF. Mellon Capital Management Corporation (the “Investment Advisor”) is the investment advisor to the ETF.

Investment Objectives and Strategies

The investment objective of the ETF is to track, to the extent possible, the price and yield performance of the WisdomTree U.S. MidCap Dividend Index (the “Index”), before fees and expenses. The Index is a fundamentally weighted index designed to provide exposure to the mid-capitalization segment of the U.S. dividend-paying market.

The investment strategy of the ETF is to invest in and hold a proportionate share of the constituent securities of the Index or otherwise invest in a manner intended to track the price and yield performance of the Index. The ETF uses derivative instruments to hedge the U.S. dollar exposure of the securities attributable to the Hedged Units to the Canadian dollar. Any U.S. dollar exposure of the securities attributable to the Non-Hedged Units will not be hedged to the Canadian dollar.

Risk

No material changes were made which affected the overall level of risk associated with an investment in the ETF for the period ended December 31, 2017. The overall level of risk associated with an investment in the ETF remains as disclosed in the most recent prospectus.

Results of Operations

From the ETF’s inception of September 19, 2017 to December 31, 2017, the ETF operated in accordance with its investment objective of tracking the Index, the Non-Hedged Units returned 9.38% versus the Index return of 10.28%. The Hedged Units returned 7.05% versus the 7.65% return of their benchmark index, WisdomTree U.S. MidCap Dividend Index CAD-Hedged. The difference in performance of the Non-Hedged Units and Hedged Units relative to their respective benchmark indexes is related to management fees and other miscellaneous factors.

The U.S. equity market, as measured by the S&P 500 Index, returned 21.83% in U.S. dollar terms and 13.83% in Canadian dollar terms for the 12-month period ended December 31, 2017. The period was characterized by its absence of significant market volatility in favor of generally steady gains, powered primarily by positive consumer and business survey data and corporate profit growth. At the end of the period, in the build up to reforms to the U.S. tax code equity markets rallied on a significant lowering of the corporate tax rate. These pro-growth policies favored growth stocks and small cap stocks with their local focus leading into the end of the period. Additionally, real 5-year U.S. rates began diverging with nominal 5-year U.S. rates which is important to note as the U.S. dollar declined along with the real rates towards the end of the period. With the Federal Reserve signaling more interest rate hikes in 2018, interest rate sensitive sectors such as telecommunication services, energy, and real estate under performed returning -1.22%, -1.08%, and 10.72% respectively. Their growth counterparts such as consumer discretionary and information technology which returned 23.38% and 39.39%, respectively. The ETF faced headwinds as the portfolio was significantly underweight technology by about 14%, and overweight real estate by about 13% relative to the S&P 500 Index.

The U.S. dollar strengthened following the election driven by higher U.S. sovereign debt yields, but that strengthening was reversed as reflationary price action occurred across asset classes, and the U.S. dollar lost approximately 6.47% to the Canadian dollar over the period. The performance of the Hedged Units and Non-Hedged Units diverged as the weakening U.S. dollar acted as a headwind to the returns of the Non-Hedged Units.

RECENT DEVELOPMENTS

On November 30, 2017, Questrade Russell US Midcap Growth Index ETF Hedged to CAD and Questrade Russell US Midcap Value Index ETF Hedged to CAD were merged with the ETF. The Questrade unitholders received Hedged Units of the ETF based on an exchange ratio determined by the relative values of the respective Questrade ETFs to the Hedged Units of the ETF.

As required by National Instrument 81-107 — *Independent Review Committee for Investment Funds* (“NI 81-107”), WisdomTree has established an independent review committee (the “IRC”) to review all conflict of interest matters identified and referred to the IRC by WisdomTree and to give its approval or recommendation, depending on the nature of the conflict of interest matters. The current members of the IRC for the WisdomTree ETFs are as follows:

Name	Municipality of Residence
Karen Fisher ¹	Newcastle, Ontario
Gerry O’ Connor	Woodbridge, Ontario
Anthony Cox	Toronto, Ontario

¹ Chair of the IRC

WisdomTree U.S. MidCap Dividend Index ETF

(continued)

RELATED PARTY TRANSACTIONS

WisdomTree is the trustee, manager and promoter of the ETF and is responsible for the administration of the WisdomTree ETFs. Each WisdomTree ETF pays the manager a management fee (see “Management Fees” below).

Management Fees

The ETF pays WisdomTree a management fee as set forth in the table below based on the average daily net assets value of the ETF. The management fee, plus applicable taxes, is accrued daily and paid monthly in arrears. WisdomTree may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

	Management Fee Rate
WisdomTree U.S. MidCap Dividend Index ETF	
Hedged Units	0.38%
Non-Hedged Units	0.35%

WisdomTree U.S. MidCap Dividend Index ETF

(continued)

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about each class of the ETF and is intended to help you understand its financial performance for the periods indicated.

	For the Period September 19, 2017* through December 31, 2017
Hedged Units	
NET ASSETS PER UNIT¹	
Net assets, beginning of period	\$ 25.00
Total revenue	0.27
Total expenses	(0.08)
Realized gains (losses) for the period	0.11
Unrealized gains (losses) for the period	0.93
Total increase (decrease) from operations ²	1.23
Distributions	
From income (excluding dividends)	(0.07)
From dividends	—
From capital gains	—
Return of capital	(0.05)
Total annual distributions ³	(0.12)
Net assets at end of period	\$ 26.64
RATIOS AND SUPPLEMENTAL DATA	
Total net asset value (000's) ⁴	\$18,411
Number of units outstanding (000's) ⁴	691
Management expense ratio ⁵	0.42%
Management expense ratio before waivers or absorptions ⁵	0.43%
Trading expense ratio ⁶	0.07%
Portfolio turnover rate ⁷	37%
Net asset value per unit	\$ 26.64
Closing market price	\$ 26.71

* Commencement of operations.

¹ This information is derived from the ETF's audited financial statements.

² Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the period.

³ Distributions were either paid in cash or reinvested in additional units of the ETF, or both. Reinvested units were consolidated.

⁴ This information is provided as at December 31 of the year shown.

⁵ The management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of average daily net asset value during the period. MER includes the waiver or absorption of certain operating expenses by WisdomTree, while the MER before waivers or absorptions shows the MER prior to operating expenses being waived or absorbed by WisdomTree.

⁶ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average daily net assets during the period.

⁷ The ETF's portfolio turnover rate indicates how actively the ETF's portfolio manager trades its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio's turnover rate in a period, the greater the trading costs payable by the ETF in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of the ETF.

WisdomTree U.S. MidCap Dividend Index ETF

(continued)

FINANCIAL HIGHLIGHTS (concluded)

	For the Period September 19, 2017* through December 31, 2017
Non-Hedged Units	
NET ASSETS PER UNIT¹	
Net assets, beginning of period	\$25.00
Increase (decrease) from operations	
Total revenue	0.26
Total expenses	(0.07)
Realized gains (losses) for the period	0.23
Unrealized gains (losses) for the period	1.79
Total increase (decrease) from operations ²	2.21
Distributions	
From income (excluding dividends)	(0.07)
From dividends	—
From capital gains	—
Return of capital	(0.05)
Total annual distributions ³	(0.12)
Net assets at end of period	\$27.18
RATIOS AND SUPPLEMENTAL DATA	
Total net asset value (000's) ⁴	\$2,718
Number of units outstanding (000's) ⁴	100
Management expense ratio ⁵	0.37%
Management expense ratio before waivers or absorptions ⁵	0.37%
Trading expense ratio ⁶	0.07%
Portfolio turnover rate ⁷	37%
Net asset value per unit	\$27.18
Closing market price	\$27.23

* Commencement of operations.

¹ This information is derived from the ETF's audited financial statements.

² Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the period.

³ Distributions were either paid in cash or reinvested in additional units of the ETF, or both. Reinvested units were consolidated.

⁴ This information is provided as at December 31 of the year shown.

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WisdomTree U.S. MidCap Dividend Index ETF

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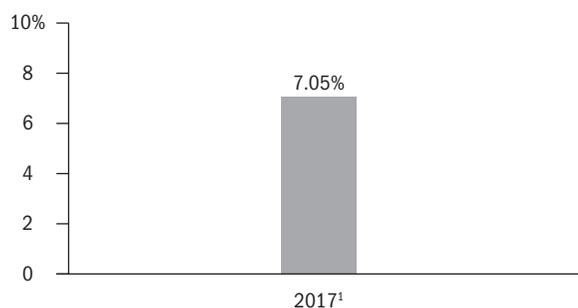
PAST PERFORMANCE

The ETF's performance information shown assumes that all distributions made by the ETF in the periods shown were reinvested in additional units of the ETF. These returns do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. These returns do not indicate how each class of the ETF will perform in the future.

Year-by-Year Returns

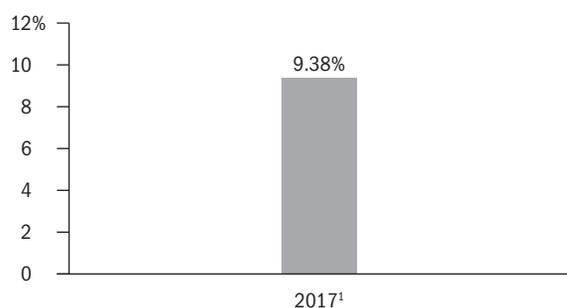
The following bar chart shows the performance of the ETF for the period. The chart shows in percentage terms how much an investment made on the first day of the period would have increased or decreased by the last day of the period.

Hedged Units



¹ For the period September 19, 2017 (commencement of operations) through December 31, 2017.

Non-Hedged Units



¹ For the period September 19, 2017 (commencement of operations) through December 31, 2017.

Annual Compound Returns

The following table compares the historical annual compound returns of the ETF with those of its benchmark. Please note that because the ETF has been in existence for less than one year, the table compares the total returns for the period shown, rather than the historical annual compound returns.

Period Ended December 31, 2017

	Since Inception ¹
Hedged Units	
WisdomTree U.S. MidCap Dividend Index ETF	7.05%
WisdomTree U.S. MidCap Dividend Index CAD-Hedged	7.65%
S&P MidCap 400 CAD-Hedged Index	8.24%
Non-Hedged Units	
WisdomTree U.S. MidCap Dividend Index ETF	9.38%
WisdomTree U.S. MidCap Dividend Index CAD	10.28%
S&P MidCap 400 Index CAD	10.37%

¹ For the period September 19, 2017 (commencement of operations) through December 31, 2017.

WisdomTree U.S. MidCap Dividend Index ETF

(concluded)

SUMMARY OF INVESTMENT PORTFOLIO

Sector Breakdown† as at 12/31/17

Sector	% of Net Asset Value
Consumer Discretionary	21.6%
Real Estate	16.6%
Industrials	15.2%
Utilities	10.6%
Materials	8.3%
Financials	7.9%
Information Technology	7.1%
Energy	6.9%
Consumer Staples	3.6%
Health Care	1.8%
Other Assets less Liabilities‡	0.4%
Total	100.0%

† The ETF's sector breakdown is expressed as a percentage of net asset value and may change over time. In addition, a sector may be comprised of several industries. It does not include derivatives (if any).

‡ Other assets include investment of cash collateral for securities on loan (if any).

Top 25 Holdings* as at 12/31/17

Description	% of Net Asset Value
Targa Resources Corp.	2.1%
Macquarie Infrastructure Corp.	1.2%
Macy's, Inc.	1.1%
Kohl's Corp.	1.0%
Tapestry, Inc.	1.0%
Gap, Inc. (The)	0.9%
Darden Restaurants, Inc.	0.9%
Helmerich & Payne, Inc.	0.9%
Baker Hughes Co.	0.8%
AES Corp.	0.8%
Western Union Co. (The)	0.8%
Whirlpool Corp.	0.8%
W.W. Grainger, Inc.	0.8%
SCANA Corp.	0.8%
CF Industries Holdings, Inc.	0.8%
Viacom, Inc.	0.8%
Pinnacle West Capital Corp.	0.7%
Hasbro, Inc.	0.7%
Interpublic Group of Cos., Inc. (The)	0.7%
Alliant Energy Corp.	0.7%
Tiffany & Co.	0.7%
HollyFrontier Corp.	0.7%
Nordstrom, Inc.	0.7%
OGE Energy Corp.	0.6%
C.H. Robinson Worldwide, Inc.	0.6%
Top holdings as a percentage of net asset value	21.6%

*Excludes derivatives and investment of cash collateral for securities on loan (if any).

Total Net Asset Value: \$21,128,298

The Summary of Investment Portfolio may change because of the ETF's ongoing portfolio transactions. Updates are available quarterly.



For more information, please contact us:

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Forward-Looking Statement

This report may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent certain beliefs regarding future events. By their nature, forward-looking statements involve assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. Readers of this document are cautioned not to place undue reliance on any forward-looking statements contained in this report as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the ETF may invest and the risks detailed from time to time in the ETF's prospectus. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the ETF, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Because of the potential impact of these factors, WisdomTree Asset Management Canada, Inc. does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

"WisdomTree" is a marketing name used by WisdomTree Investments, Inc. and its affiliates globally. WisdomTree Asset Management Canada, Inc., a wholly-owned subsidiary of WisdomTree Investments, Inc., is the manager and trustee of the WisdomTree ETFs listed for trading on the Toronto Stock Exchange.