



QUARTERLY PERFORMANCE REVIEW As of 12/31/21

PROSHARES HIGH YIELD—INTEREST RATE HEDGED

Market overview

The U.S. corporate bond market eked out a positive return for the fourth quarter, up just 0.2% according to the Bloomberg U.S. Corporate Bond Index. The yield curve twisted during the period, with the middle of the curve rising while longer-term rates fell. Five-year and 10-year Treasury yields rose 30 bps and 2 bps, respectively, while the 30-year Treasury yield fell 14 bps. The U.S. high-yield bond market outperformed the investment-grade market, rising 0.7% as measured by the Bloomberg U.S. High Yield Index. Investors appeared to take a "risk-on" approach during the period, with high-yield credit spreads tightening 4 bps while investment-grade spreads widened. Bond investors homed in on the removal of "transitory" from the Fed's vocabulary during the quarter when referring to inflation and began to evaluate a potentially expedited pace of tightening.

Performance

HYHG returned almost 1.0% for the period, based on NAV, and slightly outperformed the standard high-yield bond market. The strategy benefitted from a tightening of credit spreads amongst lower rated bonds.

Fund performance and index history¹

	4Q 2021	Year to Date	1-Year	3-Year	5-Year	Fund Inception 5/21/13
ProShares High Yield—Interest Rate Hedged						
HYHG NAV Total Return	0.95%	5.51%	5.51%	5.81%	3.88%	2.68%
HYHG Market Price Total Return	1.05%	5.76%	5.76%	5.87%	3.84%	2.70%
FTSE Corporate High Yield (Treasury Rate-Hedged) Index	1.37%	6.01%	6.01%	6.31%	4.55%	3.53%
Bloomberg U.S. Corporate High Yield Index	0.71%	5.28%	5.28%	8.83%	6.29%	5.50%

Sources: ProShares and Morningstar. Periods greater than one year are annualized.

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Shares are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Market price returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. ET (when NAV is normally determined for most funds) and do not represent the returns you would receive if you traded shares at other times. Brokerage commissions will reduce returns. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 866.776.5125 or visiting ProShares.com. Index performance does not reflect any management fees, transaction costs or expenses. Indexes are unmanaged, and one cannot invest directly in any index.

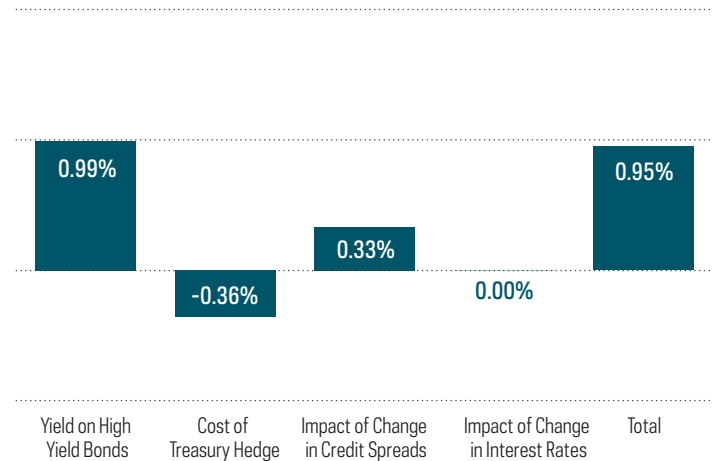
Sources: FactSet, Bloomberg. All attribution numbers above are estimated and are not exact. HYHG's total operating expenses are 0.50%. As of 12/31/21, HYHG's 30-day SEC yield was 3.59%. "30-day SEC yield" is a standard yield calculation developed by the Securities and Exchange Commission that allows investors to more fairly compare funds. ¹Market returns are based on the composite closing price and do not represent the returns you would receive if you traded shares at other times. The first trading date is typically several days after the fund inception date. Therefore, NAV is used to calculate market returns prior to the first trading date.

Performance attribution

The strategy consists of a portfolio of diversified high-yield bonds, combined with short positions in Treasury futures that are designed to offset the interest rate risk inherent in high-yield bonds. The strategy's performance can be broken into these components: 1) high-yield bond yields, 2) the cost of the Treasury hedge, 3) the impact of credit spread changes, and 4) the impact of interest rate changes.

During the quarter, HYHG's bond portfolio yielded approximately 1.0%, while the cost of the Treasury hedge came to roughly 0.4%. The strategy gained approximately 0.3% from credit spread movement during the quarter. Because of the interest rate hedge constructed within the portfolio, the strategy experienced approximately zero impact from interest rate movements during the period.

4Q 2021 HYHG Contribution Analysis



ProShares makes reasonable efforts to obtain content from sources it believes to be reliable but cannot guarantee that the information is correct, accurate, complete or reliable. This material, other than historical fund performance, is not designed to represent the performance of a specific investment or to make any recommendation. Any forward-looking statements herein are based on expectations of ProShare Advisors LLC at this time. ProShares Advisors LLC undertakes no duty to update or revise any forward-looking statements as a result of new information, future events or otherwise.

Investing is currently subject to additional risks and uncertainties related to COVID-19, including general economic, market and business conditions; changes in laws or regulations or other actions made by governmental authorities or regulatory bodies; and world economic and political developments.

Investing involves risk, including the possible loss of principal. This ProShares ETF entails certain risks, including risks associated with the use of derivatives (swap agreements, futures contracts and similar instruments), imperfect benchmark correlation, leverage and market price variance, all of which can increase volatility and decrease performance. Please see the summary and full prospectuses for a more complete description of risks. **There is no guarantee any ProShares ETF will achieve its investment objective.**

Bonds will generally decrease in value as interest rates rise.

High yield bonds may involve greater levels of credit, liquidity and valuation risk than higher-rated instruments. High yield bonds are more volatile than investment grade securities, and they involve a greater risk of loss (including loss of principal) from missed payments, defaults or downgrades because of their speculative nature.

Short positions in a security lose value as that security's price increases.

The fund concentrates its investments in certain sectors. Narrowly focused investments typically exhibit higher volatility.

The index does not attempt to mitigate factors other than rising rates that impact the price and yield of corporate bonds, such as changes to the market's perceived underlying credit risk of the corporate entity.

HYHG seeks to hedge high yield bonds against the potential negative impact of rising Treasury interest rates by taking short positions in U.S. Treasury futures. The short positions are not intended to mitigate credit risk or other factors influencing the price of the bonds, which may have a greater impact than rising or falling interest rates. No hedge is perfect, and there is no guarantee the short positions will completely eliminate interest rate risk. Investors may be better off in a long-only high yield investment when interest rates fall than investing in HYHG, where hedging may limit potential gains or increase losses. Performance could be particularly poor during risk-averse, flight-to-quality environments, when high yield bonds commonly decline in value. HYHG may be more volatile than long-only high yield bond investments. HYHG may contain a significant allocation to callable high yield bonds, which are subject to prepayment and other risks that could result in losses for the fund. There is no guarantee the fund will have positive returns.

Carefully consider the investment objectives, risks, charges and expenses of ProShares before investing. This and other information can be found in their summary and full prospectuses. Read them carefully before investing. Obtain them from your financial professional or visit ProShares.com. ProShares are not suitable for all investors.

"FTSE®" and "FTSE High Yield (Treasury Rate-Hedged)" have been licensed for use by ProShares. FTSE is a trademark of the London Stock Exchange Plc and The Financial Times Limited and is used by FTSE International Limited ("FTSE") under license. ProShares have not been passed on by FTSE or its affiliates as to their legality or suitability. ProShares based on the FTSE High Yield (Treasury Rate-Hedged) Index are not sponsored, endorsed, sold or promoted by FTSE or its affiliates, and they make no representation regarding the advisability of investing in ProShares. **THIS ENTITY AND ITS AFFILIATES MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO PROSHARES.** ProShares are distributed by SEI Investments Distribution Co., which is not affiliated with the fund's advisor.

For financial professional use only. This material is not for public distribution. No permission is granted to sell, copy, publish, reproduce, distribute or modify this material, in whole or in part, without the advance, express, written permission of ProShares.