

Market overview

U.S. equities pulled back in the first quarter as rising trade-related tensions weighed on risk assets. By mid-February, the administration had designated April 2 as the date to unveil a package of reciprocal tariffs, invoking the International Emergency Economic Powers Act (IEEPA) to declare a national emergency. Markets reacted unfavorably after a string of soft economic releases weakened, including declines in consumer sentiment and business surveys. Meanwhile, 1-year inflation swaps climbed 72 basis points to 3.25%. The Federal Reserve held policy rates steady throughout the quarter amid elevated uncertainty. However, fed-funds futures shifted to price in three 25-basis-point rate cuts in 2025, up from two at the start of the year.

Among the eleven Russell 2000® Index sectors, all but the utilities sector (5.3%) posted losses during the first quarter, with notable declines coming from information technology (-18.5%), consumer discretionary (-14.9%) and industrials (-11.0%).

Performance

During the first quarter, SMDV's benchmark, the Russell 2000® Dividend Growth Index, outperformed the Russell 2000 Index by 7.1% (-2.4% vs -9.5%). The outperformance was driven by a mix of security selection and sector allocation effects.

Fund performance and index history ¹	1Q 2025	YTD	1 YR	3 YR	5 YR	10 YR	Fund Inception 2/3/15
ProShares Russell 2000 Dividend Growers ETF							
SMDV NAV Total Return	-2.46%	-2.46%	5.34%	3.32%	9.96%	7.32%	7.35%
SMDV Market Price Total Return	-2.50%	-2.50%	5.45%	3.34%	10.02%	7.34%	7.36%
Russell 2000 Dividend Growth Index	-2.37%	-2.37%	5.73%	3.71%	10.39%	7.78%	7.81%
Russell 2000 Index	-9.48%	-9.48%	-4.01%	0.52%	13.26%	6.29%	6.70%

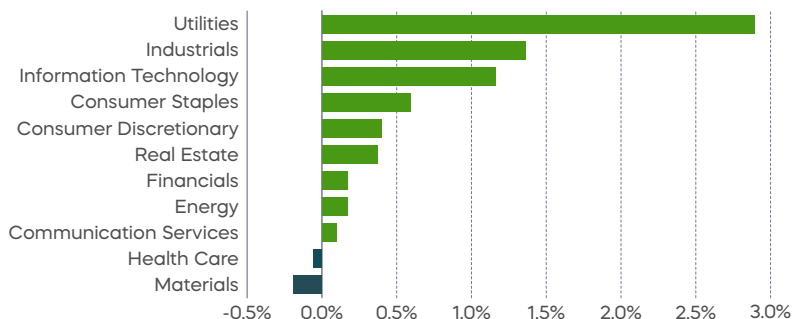
Source: ProShares and Morningstar. Periods greater than one year are annualized.

Attribution

In terms of sector allocation, SMDV holds a significant overweight in utilities sector, which was the only small-cap sector that generated positive returns during the quarter. The overweight added 2.3% to SMDV's relative performance versus the benchmark. In addition, SMDV's underweight in information technology and consumer discretionary contributed a combined allocation effect of 1.6% to relative performance. In terms of security selection, SMDV's industrials holdings declined 5.2%, whereas the industrials sector benchmark more than doubled the decline during the quarter, resulting in 1.5% of positive security selection effect.

(Continued on page 2)

Contribution to Relative Performance vs. Russell 2000



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. ¹Market 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.

Attribution (continued)

From an individual stock perspective, top contributors included utilities provider Middlesex Water Company (MSEX) and Avista Corp. (AVA). Shares of both companies benefited from investor’s rotation into defensive, regulated utilities amid growth uncertainty and market volatility. In addition, customer engagement and billing software provider CSG Systems (CSGS) posted strong performance during the quarter. The company announced strong earnings and raised its quarterly dividend by 6.7%. The biggest detractors from relative performance included industrial firms Apogee Enterprises (APOG) and Hillenbrand Inc. (HI). Both companies cited macroeconomic and tariff-related uncertainty as potential headwinds going forward.

Stock ²	Sector	1Q 2025 Performance	Russell 2000 Weight	SMDV's Index Weight ³	Contribution to Relative Performance
Positive Contributors					
Middlesex Water Company	Utilities	22.60%	0.04%	0.96%	0.28%
CSG Systems International, Inc.	Industrials	18.94%	0.07%	1.17%	0.27%
Avista Corporation	Utilities	15.71%	0.11%	1.09%	0.23%
Negative Contributors					
Apogee Enterprises, Inc.	Industrials	-34.80%	0.04%	0.71%	-0.22%
Johnson Outdoors Inc. Class A	Consumer Discretionary	-23.98%	0.01%	0.96%	-0.15%
Hillenbrand, Inc.	Industrials	-20.88%	0.08%	1.01%	-0.11%

Source: FactSet

SMDV’s index focuses on companies within the Russell 2000 Index—quality companies that have not just paid dividends but grown them for at least 10 consecutive years. As a group, SMDV’s holdings generally have had stable earnings, solid fundamentals, and strong histories of profit and growth. SMDV’s strategy has a demonstrated history of weathering market turbulence over time by capturing a significant portion of the gains of rising markets and fewer of the losses in falling markets.



Sources: FactSet, Bloomberg. SMDV’s total operating expenses are 0.40%. 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. ²Holdings are subject to change. ³SMDV’s average index weight from 1/1/25–3/31/25.

If fewer than 40 stocks meet criteria, the index may include companies with shorter dividend growth histories.

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. ProShare Advisors LLC undertakes no duty to update or revise any forward-looking statements as a result of new information, future events or otherwise.

Investing involves risk, including the possible loss of principal. This ProShares ETF is subject to certain risks, including the risk that the fund may not track the performance of the index and that the fund’s market price may fluctuate, which may decrease performance. Please see their summary and full prospectuses for a more complete description of risks. **There is no guarantee any ProShares ETF will achieve its investment objective.**

Investments in smaller companies typically exhibit higher volatility.

Small- and mid-cap companies may have limited product lines or resources, may be dependent upon a particular market niche and may have greater fluctuations in price than the stocks of larger companies. Small- and mid-cap companies may lack the financial and personnel resources to handle economic or industry-wide setbacks and, as a result, such setbacks could have a greater effect on small- and mid-cap security prices.

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.

The Global Industry Classification Standard (“GICS”) was developed by and is the exclusive property of MSCI Inc. (“MSCI”) and Standard & Poor’s, a division of The McGraw-Hill Companies Inc. (“S&P”). Neither MSCI, S&P nor any third party involved in making or compiling GICS or any GICS classifications makes any express or implied warranties or representations with respect thereto (or the results to be obtained by the use thereof).

“Russell 2000® Dividend Growth Index” and “Russell®” are trademarks of Russell Investment Group (“Russell”) and have been licensed for use by ProShares. ProShares have not been passed on by Russell as to their legality or suitability. ProShares based on the Russell 2000 Dividend Growth Index are not sponsored, endorsed, sold or promoted by Russell, and it makes 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.