PROSHARES DECLINE OF THE RETAIL STORE ETF

EMTY

Retail Disruption Is Creating a Long-Term Investment Opportunity

Bricks-and-mortar retailers are struggling

Sales and profit margins at traditional bricks-and-mortar retail stores have been declining, threatening the future of many longstanding brands. At least 30 major retailers have declared bankruptcy over the past three years, nearly two-thirds of them in 2017 alone—companies like Toys "R" Us, RadioShack and Payless.

Retail disruption could be a long-term trend

Key indicators suggest that the transformation of retail could continue for years.

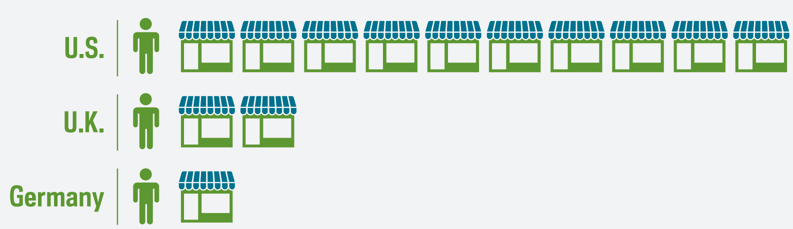
- By 2020, online sales growth is expected to outpace bricks-and-mortar retailers by 3 to 1 and account for $4 trillion of the global retail market.
- Experts predict that almost 25% of the nation's shopping malls will close in the next five years.

What's driving the decline?

Shopping is going digital. Forecasts for 2017 estimated a 35% increase in online sales, compared with 10% or less for physical retailers.

Consumer habits are changing. Approximately 3/4 of young shoppers prefer buying experiences, like travel and dining, over material possessions.

Retail floor space has outgrown the population. Per person, the United States has five times the square footage of the U.K. and 10 times that of Germany.



The First ETF Designed to Benefit from Declining Retail Stores

For ETF investors, retail disruption presents an opportunity. ProShares Decline of the Retail Store ETF (EMTY) is the first ETF designed to help investors benefit from the decline of bricks-and-mortar retailers.

The fund provides daily short exposure (-1x) to the Solactive-ProShares Bricks and Mortar Retail Store Index, which consists of retailers that rely principally on revenue from physical stores. EMTY is designed to benefit each day the index declines in value.

The Solactive-ProShares Bricks and Mortar Retail Store Index

Index Methodology

To be included in the Solactive-ProShares Bricks and Mortar Retail Store Index, a retailer must:

- Be characterized as receiving at least 50% of its revenue from retail operations.
- Receive 75% or more of its retail revenues from in-store sales.
- Be a U.S. company.

In addition, a retailer must have a market capitalization of at least $500 million, a six-month daily average value traded of at least $1 million, and meet other requirements.

The index is equally weighted, rebalanced monthly and reconstituted annually.

A New Standard for Measuring the Health of Bricks and Mortar Retailers

The Solactive-ProShares Bricks and Mortar Retail Store Index has an innovative design that separates bricks-and-mortar retailers—those that rely principally on revenue from their physical stores—from the rest of the retail sales industry. This is the first public securities index specifically designed to bring these legacy retailers together so that they can be treated as a unique investment opportunity.

As the only index of its type, the Solactive-ProShares Bricks and Mortar Retail Store Index is potentially positioned to become a standard by which the financial industry measures the health of the legacy physical retail industry.

About the ETF

Ticker Symbol: EMTY

Intraday Symbol: EMTY.IV

Bloomberg Index Symbol: SOEMTYTR

Investment Objective: EMTY seeks capital appreciation from the decline of bricks-and-mortar retailers through short exposure (-1x) to the Solactive-ProShares Bricks and Mortar Retail Store Index.

Inception: 11/14/2017

Accesses the declining trend in physical retail

EMTY is the first ETF specifically designed to benefit from the decline of bricks-and-mortar retailers.

Long-term retail disruption has created an opportunity

Physical retailers are under immense pressure. E-commerce is threatening to take over retail as consumer habits change, shopping moves online, and physical stores struggle to remain viable. With this disruption comes opportunity.

Exposure to the only index that specifically identifies retail stores

The Solactive-ProShares Bricks and Mortar Retail Store Index is the first comprehensive, public securities index composed solely of traditional retailers, and is positioned to potentially become an industry standard for measuring the health of bricks-and-mortar retailers.

Key Considerations

Daily Investment Objective

EMTY seeks a return that is -1x the return of the index (target) ***for a single day***, as measured from one NAV calculation to the next. Due to the compounding of daily returns, the fund's returns over periods other than one day will likely differ in amount and possibly direction from the target return for the same period. Investors should monitor holdings consistent with their strategies, as frequently as daily.

See prospectus

For more on risks, obtain a prospectus from your financial advisor or visit ProShares.com.

About ProShares

ProShares has been at the forefront of the ETF revolution since 2006. ProShares now offers one of the largest lineups of ETFs, with more than $26 billion in assets. The company is the leader in strategies such as dividend growth, alternative and geared (leveraged and inverse). ProShares continues to innovate with products that provide strategic and tactical opportunities for investors to manage risk and enhance returns.

Find out more

Visit ProShares.com or consult your financial advisor.

Retail revenue information in the Solactive-ProShares Bricks and Mortar Retail Store Index is based on Kantar Retail LLC data.

Sources include: ProShares; Bloomberg; Goldman Sachs Investment Research; Bankruptcy Data; U.S. Census Bureau; eMarketer; Euromonitor; IBGE; IPCA; AKIT; Japan METI; iResearch; NBS China; comScore; U.S. Department of Commerce for Retail; Cushman and Wakefield; Thompson, Derek, "The Great Retail Apocalypse of 2017," *The Atlantic*, 4/10/17; Peterson, Hayley, "The retail apocalypse has officially descended on America," *Business Insider*, 3/21/17; Peterson, Hayley, "Wall Street bank says a quarter of shopping malls will close in 5 years," *Business Insider*, 5/31/17; Beall, George, "The surprising retail habits of millennial shoppers," The Next Web, 9/11/17; Andrews, Travis, "America is 'over-stored' and Payless ShoeSource is the latest victim," *The Washington Post*, 4/5/17.

Investing involves risk, including the possible loss of principal. This ProShares ETF is non-diversified and entails certain risks, which may include risks associated with the use of derivatives (such as swap agreements, futures contracts and similar instruments), imperfect benchmark correlation, leverage and market price variance, all of which can increase volatility and decrease performance. This ProShares ETF seeks short exposure and should lose money when its index rises. Investments in the consumer discretionary and retailing industries are subject to risks such as changes in domestic and international economies, interest rates, competition and consumer confidence; disposable household income; consumer tastes and preferences; intense competition; changing demographics; marketing and public perception; and dependence on third-party suppliers and distribution systems. Investments in smaller companies typically exhibit higher volatility. 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.**

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 advisor or broker-dealer representative or visit ProShares.com.