

ANNUAL REPORT

DECEMBER 31, 2013

VIXY VIX Short-Term Futures ETF
VIXM VIX Mid-Term Futures ETF
UVXY Ultra VIX Short-Term Futures ETF
SVXY Short VIX Short-Term Futures ETF

Geared

Short Commodity

CMD UltraShort DJ-UBS Commodity
SCO UltraShort DJ-UBS Crude Oil
KOLD UltraShort DJ-UBS Natural Gas
GLL UltraShort Gold
ZSL UltraShort Silver

Short Currency

EUFX Short Euro
CROC UltraShort Australian Dollar
EUO UltraShort Euro
YCS UltraShort Yen

Ultra Commodity

UCD Ultra DJ-UBS Commodity
UCO Ultra DJ-UBS Crude Oil
BOIL Ultra DJ-UBS Natural Gas
UGL Ultra Gold
AGQ Ultra Silver

Ultra Currency

GDAY Ultra Australian Dollar
ULE Ultra Euro
YCL Ultra Yen

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Geared

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Dear Shareholder:

I am pleased to present the ProShares Trust II Annual Report to shareholders for the 12 months ended December 31, 2013.

Commodities Mixed; Gold and Silver Plummet

Commodities as a group declined 9.5% for the 12-month period, as measured by the Dow Jones-UBS Commodity IndexSM, but the performance of individual components of the index was mixed. Crude oil and natural gas both gained, with the Dow Jones-UBS WTI Crude Oil SubindexSM and Dow Jones-UBS Natural Gas SubindexSM up 6.8% and 5.0%, respectively. Crude oil prices were supported by a disruption in Libyan production, unrest in Iraq and tensions over Tehran's disputed nuclear program. Natural gas prices rose steadily in 2013, as demand for natural gas rose faster than increases in supply.

Gold and silver, on the other hand, delivered their worst performances since at least 1984. Gold fell 27.3% for the year, as measured by the London Gold P.M. Fixing, and silver dropped 34.9%, according to the London Silver Fixing. With a positive outlook for the U.S. economy, as well as tapering of quantitative easing and potential future interest rate hikes by the Federal Reserve, investors have moved away from gold and silver into investments like stocks, which are tied to the economic cycle.

Yen and Aussie Dollar Decline; Euro Gains

The Japanese yen declined 17.7% against the U.S. dollar for the 12 months ended December 31, as a result of aggressive measures by the Japanese government aimed at lifting the Japanese economy out of a deflationary

spiral. The Australian dollar fell 14.0% against the U.S. dollar, triggered by the Australia central bank governor's comment that a weaker Aussie dollar is preferable to lower interest rates, and that the currency should continue to lose value as the U.S. Fed scales down its stimulus.

The euro appreciated somewhat against the U.S. dollar, up 4.5%. The U.S. dollar was up 0.3% against the basket of major currencies that compose the U.S. Dollar Index[®].

VIX[®] Futures Decline

Investors' expectations of stock market volatility tend to go down as the stock market rises (and vice versa), which is exactly what happened in 2013. For the 12 months ended December 31, while the S&P 500[®] was up 32.4%, the S&P 500[®] VIX[®] Short-Term and Mid-Term Futures Indexes, which measure investor expectations of future volatility, were down 65.7% and 43.8%, respectively.

ProShares Trust II offers you tools that can help you manage risk or express a view on commodities, currencies or volatility. Thank you for the trust and confidence you have placed in us by investing in ProShares.

Sincerely,

Michael L. Sapir
Chief Executive Officer



Report of Independent Registered Public Accounting Firm

To the Shareholders of ProShares Trust II:

In our opinion, the accompanying combined and individual statements of financial condition, including the schedule of investments, and the related combined and individual statements of operations, of changes in shareholders' equity and of cash flows, present fairly, in all material respects, the combined financial position of the ProShares Trust II at December 31, 2013 and 2012, and the individual financial positions of each of the following twenty-one funds comprising the ProShares Trust II

ProShares VIX Short-Term Futures ETF(a)
ProShares VIX Mid-Term Futures ETF(a)
ProShares Ultra VIX Short-Term Futures ETF(b)
ProShares Short VIX Short-Term Futures ETF(b)
ProShares UltraShort DJ-UBS Commodity(a)
ProShares UltraShort DJ-UBS Crude Oil(a)
ProShares UltraShort DJ-UBS Natural Gas(b)
ProShares UltraShort Gold(a)
ProShares UltraShort Silver(a)
ProShares Short Euro(c)
ProShares UltraShort Australian Dollar(d)
ProShares UltraShort Euro(a)

ProShares UltraShort Yen(a)
ProShares Ultra DJ-UBS Commodity(a)
ProShares Ultra DJ-UBS Crude Oil(a)
ProShares Ultra DJ-UBS Natural Gas(b)
ProShares Ultra Gold(a)
ProShares Ultra Silver(a)
ProShares Ultra Australian Dollar(d)
ProShares Ultra Euro(a)
ProShares Ultra Yen(a)

ProShares Trust II ("combined") (a)

- (a) A statement of financial condition, including the schedule of investments, is presented as of December 31, 2013 and 2012, and the related statements of operations, of changes in shareholders' equity and of cash flows are presented for each of the three years in the period ended December 31, 2013.
- (b) A statement of financial condition, including the schedule of investments, is presented as of December 31, 2013 and 2012, and the related statements of operations, of changes in shareholders' equity and of cash flows are presented for the year ended December 31, 2013, the year ended December 31, 2012 and for the period from April 5, 2011 (Inception) through December 31, 2011.
- (c) A statement of financial condition, including the schedule of investments, is presented as of December 31, 2013 and 2012, and the related statements of operations, of changes in shareholders' equity and of cash flows are presented for the year ended December 31, 2013 and for the period from June 26, 2012 (Commencement of Investment Operations) through December 31, 2012.
- (d) A statement of financial condition, including the schedule of investments, is presented as of December 31, 2013 and 2012, and the related statements of operations, of changes in shareholders' equity and of cash flows are presented for the year ended December 31, 2013 and for the period from July 17, 2012 (Commencement of Investment Operations) through December 31, 2012.

(collectively, the "Trust") at December 31, 2013 and 2012, and the combined and individual results of their operations and their cash flows, for the respective periods described in (a) (b) (c) and (d) in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the combined Trust and each of the individual funds maintained, in all material respects, effective internal control over financial reporting as of December 31, 2013, based on criteria established in *Internal Control - Integrated Framework (1992)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Trust's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the combined Trust and each of the individual fund financial statements and on the combined Trust's and each of the individual fund's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audits of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A trust's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A trust's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the trust; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the trust are being made only in accordance with authorizations of management and directors of the trust; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the trust's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Prucena Inhouse Capital LLP

Baltimore, Maryland
February 28, 2014

PROSHARES VIX SHORT-TERM FUTURES ETF

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 4,333,752	\$ 2,989,958
Segregated cash balances with brokers for futures contracts	64,020,350	34,109,998
Short-term U.S. government and agency obligations (Note 3) (cost \$207,628,319 and \$144,057,296, respectively)	207,636,383	144,060,921
Receivable from capital shares sold	—	2,518,068
Receivable on open futures contracts	3,179,017	—
Total assets	<u>279,169,502</u>	<u>183,678,945</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	8,562,195	14,374,851
Payable on open futures contracts	—	31,540,181
Management fee payable	208,753	106,449
Total liabilities	<u>8,770,948</u>	<u>46,021,481</u>
Shareholders' equity		
Shareholders' equity	<u>270,398,554</u>	<u>137,657,464</u>
Total liabilities and shareholders' equity	<u>\$279,169,502</u>	<u>\$183,678,945</u>
Shares outstanding (Note 1)	<u>9,474,812</u>	<u>1,640,001</u>
Net asset value per share (Note 1)	<u>\$ 28.54</u>	<u>\$ 83.94</u>
Market value per share (Note 1) (Note 2)	<u>\$ 28.53</u>	<u>\$ 85.05</u>

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(77% of shareholders' equity)		
U.S. Treasury Bills:		
0.017% due 02/06/14	\$ 2,615,000	\$ 2,614,962
0.053% due 02/27/14	2,692,000	2,691,895
0.017% due 03/06/14	6,069,000	6,068,469
0.059% due 03/13/14	12,085,000	12,084,060
0.023% due 03/20/14	15,212,000	15,210,048
0.059% due 04/03/14	44,723,000	44,715,087
0.067% due 04/10/14	10,572,000	10,570,705
0.065% due 04/17/14	13,137,000	13,135,659
0.082% due 04/24/14	4,895,000	4,894,086
0.086% due 05/01/14	46,609,000	46,601,297
0.087% due 05/08/14	20,030,000	20,026,144
0.078% due 05/22/14	14,365,000	14,361,648
0.064% due 06/19/14	9,631,000	9,627,404
0.078% due 06/26/14	5,037,000	5,034,919
Total short-term U.S. government and agency obligations		
(cost \$207,628,319)		<u>\$207,636,383</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires January 2014	11,195	\$156,170,250	\$(14,731,214)
VIX Futures – CBOE, expires February 2014	7,748	114,283,000	(1,921,472)
			<u>\$(16,652,686)</u>

†† Cash collateral in the amount of \$64,020,350 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(105% of shareholders' equity)		
U.S. Treasury Bills:		
0.090% due 01/10/13	\$ 1,444,000	\$ 1,443,990
0.105% due 02/07/13	22,447,000	22,446,328
0.097% due 02/14/13	41,769,000	41,767,504
0.054% due 02/21/13	15,723,000	15,722,345
0.077% due 03/28/13	9,903,000	9,902,182
0.055% due 04/25/13	52,791,000	<u>52,778,572</u>
Total short-term U.S. government and agency obligations		
(cost \$144,057,296)		<u><u>\$144,060,921</u></u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires January 2013	4,208	\$74,481,600	\$ 2,368,824
VIX Futures – CBOE, expires February 2013	3,372	62,382,000	<u>(2,590,243)</u>
			<u><u>\$ (221,419)</u></u>

^{††} Cash collateral in the amount of \$34,109,998 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Investment Income			
Interest	\$ 77,010	\$ 77,462	\$ 12,243
Expenses			
Management fee	1,661,129	1,129,484	96,904
Offering costs	—	1,090	197,908
Total expenses	<u>1,661,129</u>	<u>1,130,574</u>	<u>294,812</u>
Net investment income (loss)	<u>(1,584,119)</u>	<u>(1,053,112)</u>	<u>(282,569)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(144,618,136)	(160,953,587)	3,732,227
Short-term U.S. government and agency obligations ...	<u>(6,516)</u>	<u>5,730</u>	<u>2,218</u>
Net realized gain (loss)	<u>(144,624,652)</u>	<u>(160,947,857)</u>	<u>3,734,445</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(16,431,267)	1,354,551	(1,575,970)
Short-term U.S. government and agency obligations ...	<u>4,439</u>	<u>4,586</u>	<u>(961)</u>
Change in net unrealized appreciation/depreciation	<u>(16,426,828)</u>	<u>1,359,137</u>	<u>(1,576,931)</u>
Net realized and unrealized gain (loss)	<u>(161,051,480)</u>	<u>(159,588,720)</u>	<u>2,157,514</u>
Net income (loss)	<u>\$(162,635,599)</u>	<u>\$(160,641,832)</u>	<u>\$ 1,874,945</u>
Net income (loss) per weighted-average share (Note 1)	<u>\$ (36.12)</u>	<u>\$ (156.90)</u>	<u>\$ 17.22</u>
Weighted-average shares outstanding (Note 1)	<u>4,503,256</u>	<u>1,023,881</u>	<u>108,855</u>

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$ 137,657,464	\$ 30,549,903	\$ 400
Addition of 16,095,000, 5,585,000 and 945,000 shares, respectively (Note 1)	688,146,488	801,055,108	297,178,431
Redemption of 8,260,189, 4,025,000 and 865,000 shares, respectively (Note 1)	<u>(392,769,799)</u>	<u>(533,305,715)</u>	<u>(268,503,873)</u>
Net addition (redemption) of 7,834,811, 1,560,000 and 80,000 shares, respectively (Note 1)	<u>295,376,689</u>	<u>267,749,393</u>	<u>28,674,558</u>
Net investment income (loss)	(1,584,119)	(1,053,112)	(282,569)
Net realized gain (loss)	(144,624,652)	(160,947,857)	3,734,445
Change in net unrealized appreciation/depreciation . .	<u>(16,426,828)</u>	<u>1,359,137</u>	<u>(1,576,931)</u>
Net income (loss)	<u>(162,635,599)</u>	<u>(160,641,832)</u>	<u>1,874,945</u>
Shareholders' equity, end of period	<u><u>\$ 270,398,554</u></u>	<u><u>\$ 137,657,464</u></u>	<u><u>\$ 30,549,903</u></u>

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$(162,635,599)	\$(160,641,832)	\$ 1,874,945
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(29,910,352)	(34,109,998)	—
Net sale (purchase) of short-term U.S. government and agency obligations	(63,571,023)	(116,698,511)	(27,358,785)
Change in unrealized appreciation/depreciation on investments	(4,439)	(4,586)	961
Decrease (Increase) in receivable on futures contracts	(3,179,017)	742,451	(742,451)
Change in offering cost	—	1,090	197,908
Increase (Decrease) in management fee payable	102,304	82,174	24,275
Increase (Decrease) in payable on futures contracts	(31,540,181)	31,540,181	—
Increase (Decrease) in payable for offering costs	—	—	(198,998)
Net cash provided by (used in) operating activities	<u>(290,738,307)</u>	<u>(279,089,031)</u>	<u>(26,202,145)</u>
Cash flow from financing activities			
Proceeds from addition of shares	690,664,556	800,446,503	295,268,968
Payment on shares redeemed	<u>(398,582,455)</u>	<u>(518,930,864)</u>	<u>(268,503,873)</u>
Net cash provided by (used in) financing activities	<u>292,082,101</u>	<u>281,515,639</u>	<u>26,765,095</u>
Net increase (decrease) in cash	1,343,794	2,426,608	562,950
Cash, beginning of period	<u>2,989,958</u>	<u>563,350</u>	<u>400</u>
Cash, end of period	<u><u>\$ 4,333,752</u></u>	<u><u>\$ 2,989,958</u></u>	<u><u>\$ 563,350</u></u>

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 1,906,397	\$ 2,063,715
Segregated cash balances with brokers for futures contracts	8,454,390	7,830,000
Short-term U.S. government and agency obligations (Note 3) (cost \$46,039,268 and \$79,927,870, respectively)	46,040,233	79,930,866
Receivable on open futures contracts	100,734	—
Total assets	<u>56,501,754</u>	<u>89,824,581</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	5,321,983	50,571,549
Payable on open futures contracts	—	1,890,675
Management fee payable	45,448	59,365
Total liabilities	<u>5,367,431</u>	<u>52,521,589</u>
Shareholders' equity		
Shareholders' equity	<u>51,134,323</u>	<u>37,302,992</u>
Total liabilities and shareholders' equity	<u>\$56,501,754</u>	<u>\$89,824,581</u>
Shares outstanding	<u>2,650,005</u>	<u>1,075,005</u>
Net asset value per share	<u>\$ 19.30</u>	<u>\$ 34.70</u>
Market value per share (Note 2)	<u>\$ 19.29</u>	<u>\$ 34.22</u>

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(90% of shareholders' equity)		
U.S. Treasury Bills:		
0.011% due 02/06/14	\$19,317,000	\$19,316,718
0.051% due 03/06/14	2,946,000	2,945,742
0.056% due 03/13/14	2,264,000	2,263,824
0.046% due 03/20/14	3,121,000	3,120,599
0.071% due 04/10/14	3,040,000	3,039,628
0.066% due 04/17/14	164,000	163,983
0.083% due 05/01/14	3,432,000	3,431,433
0.086% due 05/08/14	1,000,000	999,808
0.066% due 05/22/14	9,827,000	9,824,707
0.065% due 06/12/14	934,000	933,791
Total short-term U.S. government and agency obligations		
(cost \$46,039,268)		<u>\$46,040,233</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires April 2014	594	\$ 9,652,500	\$(1,429,410)
VIX Futures – CBOE, expires May 2014	1,005	16,884,000	(2,133,680)
VIX Futures – CBOE, expires June 2014	1,005	17,336,250	(1,205,329)
VIX Futures – CBOE, expires July 2014	411	7,274,700	(128,270)
			<u>\$(4,896,689)</u>

†† Cash collateral in the amount of \$8,454,390 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(214% of shareholders' equity)		
U.S. Treasury Bills:		
0.090% due 01/10/13	\$ 1,475,000	\$ 1,474,990
0.100% due 01/31/13	40,751,000	40,749,851
0.102% due 02/07/13	1,558,000	1,557,953
0.095% due 02/14/13	5,987,000	5,986,785
0.064% due 02/21/13	9,153,000	9,152,619
0.077% due 03/28/13	4,023,000	4,022,668
0.061% due 04/25/13	16,990,000	16,986,000
Total short-term U.S. government and agency obligations (cost \$79,927,870) . . .		<u>\$79,930,866</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires April 2013	322	\$ 6,568,800	\$ (673,760)
VIX Futures – CBOE, expires May 2013	580	12,180,000	(991,470)
VIX Futures – CBOE, expires June 2013	580	12,702,000	233,160
VIX Futures – CBOE, expires July 2013	258	5,869,500	(38,340)
			<u>\$(1,470,410)</u>

†† Cash collateral in the amount of \$7,830,000 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

STATEMENTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Investment Income			
Interest	\$ 25,811	\$ 49,908	\$ 4,090
Expenses			
Management fee	572,377	835,393	—
Offering costs	—	682	123,692
Limitation by Sponsor	—	—	(2,481)
Total expenses	572,377	836,075	121,211
Net investment income (loss)	(546,566)	(786,167)	(117,121)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(28,219,863)	(75,241,919)	(514,060)
Short-term U.S. government and agency obligations	(78)	47	333
Net realized gain (loss)	(28,219,941)	(75,241,872)	(513,727)
Change in net unrealized appreciation/depreciation on			
Futures contracts	(3,426,279)	4,642,340	(6,112,750)
Short-term U.S. government and agency obligations	(2,031)	8,950	(5,954)
Change in net unrealized appreciation/depreciation	(3,428,310)	4,651,290	(6,118,704)
Net realized and unrealized gain (loss)	(31,648,251)	(70,590,582)	(6,632,431)
Net income (loss)	\$(32,194,817)	\$(71,376,749)	\$(6,749,552)
Net income (loss) per weighted-average share	\$ (11.62)	\$ (36.77)	\$ (34.29)
Weighted-average shares outstanding	2,770,279	1,941,194	196,828

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$ 37,302,992	\$ 90,821,428	\$ 400
Addition of 6,050,000, 2,425,000 and 1,600,000 shares, respectively	151,394,850	127,092,035	123,191,472
Redemption of 4,475,000, 2,575,000 and 375,000 shares, respectively	<u>(105,368,702)</u>	<u>(109,233,722)</u>	<u>(25,620,892)</u>
Net addition (redemption) of 1,575,000, (150,000) and 1,225,000 shares, respectively	<u>46,026,148</u>	<u>17,858,313</u>	<u>97,570,580</u>
Net investment income (loss)	(546,566)	(786,167)	(117,121)
Net realized gain (loss)	(28,219,941)	(75,241,872)	(513,727)
Change in net unrealized appreciation/depreciation	<u>(3,428,310)</u>	<u>4,651,290</u>	<u>(6,118,704)</u>
Net income (loss)	<u>(32,194,817)</u>	<u>(71,376,749)</u>	<u>(6,749,552)</u>
Shareholders' equity, end of period	<u><u>\$ 51,134,323</u></u>	<u><u>\$ 37,302,992</u></u>	<u><u>\$ 90,821,428</u></u>

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ (32,194,817)	\$ (71,376,749)	\$ (6,749,552)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(624,390)	(7,830,000)	—
Net sale (purchase) of short-term U.S. government and agency obligations	33,888,602	9,470,473	(89,398,343)
Change in unrealized appreciation/depreciation on investments	2,031	(8,950)	5,954
Decrease (Increase) in receivable on futures contracts	(100,734)	798,319	(798,319)
Decrease (Increase) in Limitation by Sponsor	—	2,481	(2,481)
Change in offering cost	—	682	123,692
Increase (Decrease) in management fee payable	(13,917)	59,365	—
Increase (Decrease) in payable on futures contracts	(1,890,675)	1,890,675	—
Increase (Decrease) in payable for offering costs	—	—	(124,374)
Net cash provided by (used in) operating activities	<u>(933,900)</u>	<u>(66,993,704)</u>	<u>(96,943,423)</u>
Cash flow from financing activities			
Proceeds from addition of shares	151,394,850	127,092,035	123,191,472
Payment on shares redeemed	<u>(150,618,268)</u>	<u>(58,662,173)</u>	<u>(25,620,892)</u>
Net cash provided by (used in) financing activities	<u>776,582</u>	<u>68,429,862</u>	<u>97,570,580</u>
Net increase (decrease) in cash	(157,318)	1,436,158	627,157
Cash, beginning of period	<u>2,063,715</u>	<u>627,557</u>	<u>400</u>
Cash, end of period	<u><u>\$ 1,906,397</u></u>	<u><u>\$ 2,063,715</u></u>	<u><u>\$ 627,557</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 2,240,977	\$ 1,790,825
Segregated cash balances with brokers for futures contracts	107,101,750	38,727,007
Short-term U.S. government and agency obligations (Note 3) (cost \$109,530,861 and \$97,445,279, respectively)	109,533,487	97,440,843
Unrealized appreciation on swap agreements	—	301,351
Receivable from capital shares sold	10,903,664	18,127,289
Total assets	<u>229,779,878</u>	<u>156,387,315</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	—	35,907,787
Payable on open futures contracts	3,356,803	35,666,735
Management fee payable	189,491	96,661
Total liabilities	<u>3,546,294</u>	<u>71,671,183</u>
Shareholders' equity		
Shareholders' equity	<u>226,233,584</u>	<u>84,716,132</u>
Total liabilities and shareholders' equity	<u>\$229,779,878</u>	<u>\$156,387,315</u>
Shares outstanding (Note 1) (Note 9)	<u>3,372,389</u>	<u>105,202</u>
Net asset value per share (Note 1) (Note 9)	<u>\$ 67.08</u>	<u>\$ 805.27</u>
Market value per share (Note 1) (Note 2) (Note 9)	<u>\$ 67.12</u>	<u>\$ 836.00</u>

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(48% of shareholders' equity)		
U.S. Treasury Bills:		
0.100% due 02/13/14	\$ 1,326,000	\$ 1,325,985
0.051% due 03/06/14	4,280,000	4,279,625
0.054% due 03/13/14	7,790,000	7,789,394
0.056% due 04/03/14	18,200,000	18,196,780
0.068% due 04/10/14	5,109,000	5,108,374
0.087% due 04/17/14	6,764,000	6,763,310
0.083% due 04/24/14	9,924,000	9,922,147
0.071% due 05/01/14	5,689,000	5,688,060
0.089% due 05/08/14	4,169,000	4,168,197
0.071% due 05/22/14	23,839,000	23,833,438
0.064% due 06/19/14	11,560,000	11,555,684
0.078% due 06/26/14	10,907,000	10,902,493
Total short-term U.S. government and agency obligations		
(cost \$109,530,861)		<u>\$109,533,487</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires January 2014	18,727	\$261,241,650	\$(21,472,637)
VIX Futures – CBOE, expires February 2014	12,964	191,219,000	(2,537,274)
			<u>\$(24,009,911)</u>

†† Cash collateral in the amount of \$107,101,750 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(115% of shareholders' equity)		
U.S. Treasury Bills:		
0.086% due 01/10/13	\$ 2,053,000	\$ 2,052,986
0.103% due 02/07/13	485,000	484,986
0.080% due 02/14/13	5,349,000	5,348,808
0.007% due 02/21/13†	21,419,000	21,418,107
0.055% due 04/25/13	68,152,000	68,135,956
Total short-term U.S. government and agency obligations (cost \$97,445,279) . . .		<u>\$97,440,843</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires January 2013	4,779	\$84,588,300	\$ 3,733,522
VIX Futures – CBOE, expires February 2013	3,827	70,799,500	(1,676,460)
			<u>\$ 2,057,062</u>

Swap Agreements^

	<u>Rate Received (Paid)</u>	<u>Termination Date</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Societe Generale S.A. based on S&P 500 VIX Short-Term Futures Index	(0.25)%	01/07/13	\$13,570,122	\$301,351
				<u>\$301,351</u>

† All or partial amount pledged as collateral for swap agreements.

†† Cash collateral in the amount of \$38,727,007 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

^ The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For swap agreements, a positive amount represents “long” exposure to the benchmark index. A negative amount represents “short” exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	Year ended December 31, 2013	Year ended December 31, 2012	April 5, 2011 (Inception) through December 31, 2011
Investment Income			
Interest	\$ 70,016	\$ 61,217	\$ —
Expenses			
Management fee	2,555,345	1,579,190	4,264
Brokerage commissions	2,343,432	1,413,912	5,441
Offering costs	—	69,761	7,073
Total expenses	4,898,777	3,062,863	16,778
Net investment income (loss)	(4,828,761)	(3,001,646)	(16,778)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(401,363,569)	(488,564,265)	(3,524,662)
Swap agreements	(4,453,107)	(20,857,599)	—
Short-term U.S. government and agency obligations ...	18,730	20,334	(91)
Net realized gain (loss)	(405,797,946)	(509,401,530)	(3,524,753)
Change in net unrealized appreciation/depreciation on			
Futures contracts	(26,066,973)	2,819,852	(762,790)
Swap agreements	(301,351)	301,351	—
Short-term U.S. government and agency obligations ...	7,062	(4,436)	—
Change in net unrealized appreciation/depreciation	(26,361,262)	3,116,767	(762,790)
Net realized and unrealized gain (loss)	(432,159,208)	(506,284,763)	(4,287,543)
Net income (loss)	<u>\$(436,987,969)</u>	<u>\$(509,286,409)</u>	<u>\$(4,304,321)</u>
Net income (loss) per weighted-average share (Note 1) (Note 9)	<u>\$ (271.58)</u>	<u>\$ (6,520.87)</u>	<u>\$(36,477.30)</u>
Weighted-average shares outstanding (Note 1) (Note 9)	<u>1,609,086</u>	<u>78,101</u>	<u>118</u>

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	Year ended December 31, 2013	Year ended December 31, 2012	April 5, 2011 (Inception) through December 31, 2011
Shareholders' equity, beginning of period	\$ 84,716,132	\$ 9,881,113	\$ —
Addition of 9,900,000, 663,438 and 333 shares, respectively (Note 1) (Note 9)	1,958,417,114	1,600,919,494	14,185,434
Redemption of 6,632,813, 558,569 and 0 shares, respectively (Note 1) (Note 9)	(1,379,911,693)	(1,016,798,066)	—
Net addition (redemption) of 3,267,187, 104,869 and 333 shares, respectively (Note 1) (Note 9)	578,505,421	584,121,428	14,185,434
Net investment income (loss)	(4,828,761)	(3,001,646)	(16,778)
Net realized gain (loss)	(405,797,946)	(509,401,530)	(3,524,753)
Change in net unrealized appreciation/depreciation	(26,361,262)	3,116,767	(762,790)
Net income (loss)	(436,987,969)	(509,286,409)	(4,304,321)
Shareholders' equity, end of period	<u>\$ 226,233,584</u>	<u>\$ 84,716,132</u>	<u>\$ 9,881,113</u>

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>April 5, 2011 (Inception) through December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ (436,987,969)	\$ (509,286,409)	\$ (4,304,321)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(68,374,743)	(32,423,207)	(6,303,800)
Net sale (purchase) of short-term U.S. government and agency obligations	(12,085,582)	(97,445,279)	—
Change in unrealized appreciation/depreciation on investments	294,289	(296,915)	—
Change in offering cost	—	21,691	(21,691)
Increase (Decrease) in management fee payable ...	92,830	92,397	4,264
Increase (Decrease) in payable on futures contracts	(32,309,932)	33,813,769	1,852,966
Increase (Decrease) in payable for offering costs ..	—	(28,764)	28,764
Net cash provided by (used in) operating activities	<u>(549,371,107)</u>	<u>(605,552,717)</u>	<u>(8,743,818)</u>
Cash flow from financing activities			
Proceeds from addition of shares	1,965,640,739	1,585,261,789	11,715,850
Payment on shares redeemed	<u>(1,415,819,480)</u>	<u>(980,890,279)</u>	<u>—</u>
Net cash provided by (used in) financing activities	<u>549,821,259</u>	<u>604,371,510</u>	<u>11,715,850</u>
Net increase (decrease) in cash	450,152	(1,181,207)	2,972,032
Cash, beginning of period	<u>1,790,825</u>	<u>2,972,032</u>	<u>—</u>
Cash, end of period	<u><u>\$ 2,240,977</u></u>	<u><u>\$ 1,790,825</u></u>	<u><u>\$ 2,972,032</u></u>

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 2,153,370	\$ 2,236,726
Segregated cash balances with brokers for futures contracts	33,552,650	20,731,497
Short-term U.S. government and agency obligations (Note 3) (cost \$105,554,675 and \$53,683,800, respectively)	105,559,022	53,686,352
Receivable from capital shares sold	—	13,232,678
Receivable on open futures contracts	603,833	5,524,721
Total assets	<u>141,868,875</u>	<u>95,411,974</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	—	12,699,384
Management fee payable	117,673	48,957
Total liabilities	<u>117,673</u>	<u>12,748,341</u>
Shareholders' equity		
Shareholders' equity	<u>141,751,202</u>	<u>82,663,633</u>
Total liabilities and shareholders' equity	<u>\$141,868,875</u>	<u>\$95,411,974</u>
Shares outstanding (Note 1) (Note 9)	<u>2,100,040</u>	<u>2,500,040</u>
Net asset value per share (Note 1) (Note 9)	<u>\$ 67.50</u>	<u>\$ 33.06</u>
Market value per share (Note 1) (Note 2) (Note 9)	<u>\$ 67.47</u>	<u>\$ 32.73</u>

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(74% of shareholders' equity)		
U.S. Treasury Bills:		
0.050% due 02/06/14	\$ 8,766,000	\$ 8,765,872
0.100% due 02/13/14	8,128,000	8,127,905
0.053% due 02/27/14	1,793,000	1,792,930
0.013% due 03/06/14	1,232,000	1,231,892
0.039% due 03/13/14	4,585,000	4,584,644
0.029% due 03/20/14	6,029,000	6,028,226
0.066% due 04/03/14	17,343,000	17,339,931
0.068% due 04/10/14	6,065,000	6,064,257
0.070% due 04/17/14	12,309,000	12,307,744
0.084% due 04/24/14	6,658,000	6,656,757
0.081% due 05/01/14	4,968,000	4,967,179
0.088% due 05/08/14	645,000	644,876
0.061% due 05/22/14	14,609,000	14,605,591
0.065% due 06/12/14	12,444,000	12,441,218
Total short-term U.S. government and agency obligations		
(cost \$105,554,675)		<u>\$105,559,022</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires January 2014	5,867	\$81,844,650	\$7,103,655
VIX Futures – CBOE, expires February 2014	4,061	59,899,750	1,013,300
			<u>\$8,116,955</u>

†† Cash collateral in the amount of \$33,552,650 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(65% of shareholders' equity)		
U.S. Treasury Bills:		
0.086% due 01/10/13	\$ 4,756,000	\$ 4,755,968
0.104% due 02/07/13	8,617,000	8,616,742
0.102% due 02/14/13	13,626,000	13,625,512
0.071% due 02/21/13	6,902,000	6,901,712
0.077% due 03/28/13	5,388,000	5,387,555
0.066% due 04/18/13	8,636,000	8,634,220
0.061% due 04/25/13	5,766,000	5,764,643
Total short-term U.S. government and agency obligations (cost \$53,683,800) ...		<u>\$53,686,352</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires January 2013	2,556	\$45,241,200	\$(2,014,234)
VIX Futures – CBOE, expires February 2013	2,051	37,943,500	627,059
			<u>\$(1,387,175)</u>

†† Cash collateral in the amount of \$20,731,497 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>April 5, 2011 (Inception) through December 31, 2011</u>
Investment Income			
Interest	\$ 36,503	\$ 18,261	\$ 1
Expenses			
Management fee	845,479	196,650	5,916
Brokerage commissions	519,393	189,549	3,345
Offering costs	—	69,761	7,073
Total expenses	<u>1,364,872</u>	<u>455,960</u>	<u>16,334</u>
Net investment income (loss)	<u>(1,328,369)</u>	<u>(437,699)</u>	<u>(16,333)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	87,175,105	13,203,419	1,355,975
Short-term U.S. government and agency obligations	<u>6,005</u>	<u>2,652</u>	<u>(138)</u>
Net realized gain (loss)	<u>87,181,110</u>	<u>13,206,071</u>	<u>1,355,837</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	9,504,130	(1,477,355)	90,180
Short-term U.S. government and agency obligations	<u>1,795</u>	<u>2,552</u>	<u>—</u>
Change in net unrealized appreciation/depreciation	<u>9,505,925</u>	<u>(1,474,803)</u>	<u>90,180</u>
Net realized and unrealized gain (loss)	<u>96,687,035</u>	<u>11,731,268</u>	<u>1,446,017</u>
Net income (loss)	<u>\$95,358,666</u>	<u>\$11,293,569</u>	<u>\$1,429,684</u>
Net income (loss) per weighted-average share (Note 1) (Note 9)	<u>\$ 53.11</u>	<u>\$ 10.81</u>	<u>\$ 3.06</u>
Weighted-average shares outstanding (Note 1) (Note 9) ..	<u>1,795,656</u>	<u>1,044,576</u>	<u>467,456</u>

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	Year ended December 31, 2013	Year ended December 31, 2012	April 5, 2011 (Inception) through December 31, 2011
Shareholders' equity, beginning of period	\$ 82,663,633	\$ 7,760,424	\$ —
Addition of 11,500,000, 20,900,000 and 600,040 shares, respectively (Note 1) (Note 9)	529,295,847	536,782,526	6,330,740
Redemption of 11,900,000, 19,000,000 and 0 shares, respectively (Note 1) (Note 9)	<u>(565,566,944)</u>	<u>(473,172,886)</u>	<u>—</u>
Net addition (redemption) of (400,000), 1,900,000 and 600,040 shares, respectively (Note 1) (Note 9)	<u>(36,271,097)</u>	<u>63,609,640</u>	<u>6,330,740</u>
Net investment income (loss)	(1,328,369)	(437,699)	(16,333)
Net realized gain (loss)	87,181,110	13,206,071	1,355,837
Change in net unrealized appreciation/depreciation	<u>9,505,925</u>	<u>(1,474,803)</u>	<u>90,180</u>
Net income (loss)	<u>95,358,666</u>	<u>11,293,569</u>	<u>1,429,684</u>
Shareholders' equity, end of period	<u><u>\$ 141,751,202</u></u>	<u><u>\$ 82,663,633</u></u>	<u><u>\$7,760,424</u></u>

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>April 5, 2011 (Inception) through December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ 95,358,666	\$ 11,293,569	\$ 1,429,684
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(12,821,153)	(18,479,139)	(2,252,358)
Net sale (purchase) of short-term U.S. government and agency obligations	(51,870,875)	(53,683,800)	—
Change in unrealized appreciation/depreciation on investments	(1,795)	(2,552)	—
Decrease (Increase) in receivable on futures contracts	4,920,888	(5,524,721)	—
Change in offering cost	—	21,691	(21,691)
Increase (Decrease) in management fee payable ...	68,716	43,041	5,916
Increase (Decrease) in payable for offering costs ..	—	(28,764)	28,764
Net cash provided by (used in) operating activities	<u>35,654,447</u>	<u>(66,360,675)</u>	<u>(809,685)</u>
Cash flow from financing activities			
Proceeds from addition of shares	542,528,525	523,549,848	6,330,740
Payment on shares redeemed	<u>(578,266,328)</u>	<u>(460,473,502)</u>	<u>—</u>
Net cash provided by (used in) financing activities	<u>(35,737,803)</u>	<u>63,076,346</u>	<u>6,330,740</u>
Net increase (decrease) in cash	(83,356)	(3,284,329)	5,521,055
Cash, beginning of period	<u>2,236,726</u>	<u>5,521,055</u>	<u>—</u>
Cash, end of period	<u><u>\$ 2,153,370</u></u>	<u><u>\$ 2,236,726</u></u>	<u><u>\$ 5,521,055</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS COMMODITY

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 374,245	\$ 296,119
Short-term U.S. government and agency obligations (Note 3) (cost \$3,453,851 and \$2,803,598, respectively)	3,453,890	2,803,904
Unrealized appreciation on swap agreements	<u>—</u>	<u>148,502</u>
Total assets	<u>3,828,135</u>	<u>3,248,525</u>
Liabilities and shareholders' equity		
Liabilities		
Management fee payable	3,043	2,560
Unrealized depreciation on swap agreements	<u>27,665</u>	<u>—</u>
Total liabilities	<u>30,708</u>	<u>2,560</u>
Shareholders' equity		
Shareholders' equity	<u>3,797,427</u>	<u>3,245,965</u>
Total liabilities and shareholders' equity	<u>\$3,828,135</u>	<u>\$3,248,525</u>
Shares outstanding	<u>59,997</u>	<u>59,997</u>
Net asset value per share	<u>\$ 63.29</u>	<u>\$ 54.10</u>
Market value per share (Note 2)	<u>\$ 58.41</u>	<u>\$ 51.64</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS COMMODITY

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(91% of shareholders' equity)		
U.S. Treasury Bills:		
0.023% due 02/06/14†	\$2,691,000	\$2,690,961
0.053% due 02/27/14	290,000	289,989
0.040% due 03/20/14†	200,000	199,974
0.061% due 04/10/14†	273,000	272,966
Total short-term U.S. government and agency obligations (cost \$3,453,851)		<u>\$3,453,890</u>

Swap Agreements[^]

	<u>Rate Received (Paid)</u>	<u>Termination Date</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Deutsche Bank AG based on Dow Jones-UBS Commodity Index	(0.25)%	01/06/14	\$(2,912,629)	\$(11,710)
Swap agreement with Goldman Sachs International based on Dow Jones-UBS Commodity Index	(0.25)	01/06/14	(3,114,183)	(12,945)
Swap agreement with UBS AG based on Dow Jones-UBS Commodity Index	(0.60)	01/06/14	(1,567,698)	(3,010)
				<u>\$(27,665)</u>

† All or partial amount pledged as collateral for swap agreements.

[^] The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

* For swap agreements, a positive amount represents "long" exposure to the benchmark index. A negative amount represents "short" exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS COMMODITY

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(86% of shareholders' equity)		
U.S. Treasury Bills:		
0.095% due 01/03/13	\$ 147,000	\$ 147,000
0.126% due 02/14/13†	2,498,000	2,497,911
0.086% due 02/21/13†	159,000	158,993
Total short-term U.S. government and agency obligations (cost \$2,803,598)		<u>\$2,803,904</u>

Swap Agreements[^]

	<u>Rate Received (Paid)</u>	<u>Termination Date</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Goldman Sachs International based on Dow Jones-UBS Commodity Index	(0.25)%	01/07/13	\$(4,729,704)	\$104,181
Swap agreement with UBS AG based on Dow Jones-UBS Commodity Index	(0.60)	01/07/13	(1,763,052)	44,321
				<u>\$148,502</u>

† All or partial amount pledged as collateral for swap agreements.

[^] The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For swap agreements, a positive amount represents "long" exposure to the benchmark index. A negative amount represents "short" exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS COMMODITY
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Investment Income			
Interest	\$ 1,899	\$ 3,017	\$ 3,661
Expenses			
Management fee	34,029	50,766	136,814
Total expenses	34,029	50,766	136,814
Net investment income (loss)	(32,130)	(47,749)	(133,153)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Swap agreements	760,002	761,879	(3,511,808)
Short-term U.S. government and agency obligations	24	62	1,755
Net realized gain (loss)	760,026	761,941	(3,510,053)
Change in net unrealized appreciation/depreciation on			
Swap agreements	(176,167)	(422,249)	734,901
Short-term U.S. government and agency obligations	(267)	520	(273)
Change in net unrealized appreciation/depreciation	(176,434)	(421,729)	734,628
Net realized and unrealized gain (loss)	583,592	340,212	(2,775,425)
Net income (loss)	<u>\$ 551,462</u>	<u>\$ 292,463</u>	<u>\$(2,908,578)</u>
Net income (loss) per weighted-average share (Note 1)	<u>\$ 9.19</u>	<u>\$ 3.00</u>	<u>\$ (9.57)</u>
Weighted-average shares outstanding (Note 1)	<u>59,997</u>	<u>97,565</u>	<u>303,998</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS COMMODITY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$3,245,965	\$ 9,107,146	\$ 1,440,073
Addition of 0, 0 and 1,780,000 shares, respectively (Note 1)	—	—	84,549,839
Redemption of 0, 100,000 and 1,650,006 shares, respectively (Note 1)	<u>—</u>	<u>(6,153,644)</u>	<u>(73,974,188)</u>
Net addition (redemption) of 0, (100,000) and 129,994 shares, respectively (Note 1)	<u>—</u>	<u>(6,153,644)</u>	<u>10,575,651</u>
Net investment income (loss)	(32,130)	(47,749)	(133,153)
Net realized gain (loss)	760,026	761,941	(3,510,053)
Change in net unrealized appreciation/depreciation	<u>(176,434)</u>	<u>(421,729)</u>	<u>734,628</u>
Net income (loss)	<u>551,462</u>	<u>292,463</u>	<u>(2,908,578)</u>
Shareholders' equity, end of period	<u><u>\$3,797,427</u></u>	<u><u>\$ 3,245,965</u></u>	<u><u>\$ 9,107,146</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS COMMODITY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ 551,462	\$ 292,463	\$ (2,908,578)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Net sale (purchase) of short-term U.S. government and agency obligations	(650,253)	5,731,306	(6,940,121)
Change in unrealized appreciation/depreciation on investments	176,434	421,729	(734,628)
Increase (Decrease) in management fee payable	<u>483</u>	<u>(4,795)</u>	<u>6,082</u>
Net cash provided by (used in) operating activities	<u>78,126</u>	<u>6,440,703</u>	<u>(10,577,245)</u>
Cash flow from financing activities			
Proceeds from addition of shares	—	—	84,549,839
Payment on shares redeemed	<u>—</u>	<u>(6,153,644)</u>	<u>(73,974,188)</u>
Net cash provided by (used in) financing activities	<u>—</u>	<u>(6,153,644)</u>	<u>10,575,651</u>
Net increase (decrease) in cash	78,126	287,059	(1,594)
Cash, beginning of period	<u>296,119</u>	<u>9,060</u>	<u>10,654</u>
Cash, end of period	<u><u>\$ 374,245</u></u>	<u><u>\$ 296,119</u></u>	<u><u>\$ 9,060</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS CRUDE OIL

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 1,872,915	\$ 658,676
Segregated cash balances with brokers for futures contracts	7,633,395	4,401,374
Short-term U.S. government and agency obligations (Note 3) (cost \$247,573,678 and \$87,042,320, respectively)	247,584,623	87,046,389
Receivable from capital shares sold	—	4,031,477
Receivable on open futures contracts	1,503,943	—
Total assets	<u>258,594,876</u>	<u>96,137,916</u>
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	—	979,336
Management fee payable	201,827	70,254
Unrealized depreciation on swap agreements	2,332,900	5,607,060
Total liabilities	<u>2,534,727</u>	<u>6,656,650</u>
Shareholders' equity		
Shareholders' equity	<u>256,060,149</u>	<u>89,481,266</u>
Total liabilities and shareholders' equity	<u>\$258,594,876</u>	<u>\$96,137,916</u>
Shares outstanding	<u>8,069,944</u>	<u>2,219,944</u>
Net asset value per share	<u>\$ 31.73</u>	<u>\$ 40.31</u>
Market value per share (Note 2)	<u>\$ 31.58</u>	<u>\$ 40.44</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS CRUDE OIL

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(97% of shareholders' equity)		
U.S. Treasury Bills:		
0.022% due 02/06/14†	\$53,403,000	\$ 53,402,221
0.052% due 03/06/14†	14,666,000	14,664,717
0.057% due 03/13/14	2,963,000	2,962,769
0.042% due 03/20/14†	19,889,000	19,886,448
0.075% due 04/03/14	4,678,000	4,677,172
0.061% due 04/10/14†	28,254,000	28,250,539
0.080% due 04/17/14†	60,345,000	60,338,840
0.093% due 04/24/14†	2,000,000	1,999,627
0.080% due 05/01/14†	6,659,000	6,657,899
0.088% due 05/08/14†	2,477,000	2,476,523
0.061% due 05/22/14†	41,947,000	41,937,212
0.076% due 06/05/14†	5,200,000	5,198,777
0.079% due 06/26/14	5,134,000	5,131,879
Total short-term U.S. government and agency obligations (cost		
\$247,573,678)		<u>\$247,584,623</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Crude Oil – NYMEX, expires March 2014	2,203	\$217,105,650	\$(1,232,773)

Swap Agreements^

	<u>Rate Received (Paid)</u>	<u>Termination Date</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Deutsche Bank AG based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)%	01/06/14	\$(81,834,893)	\$ (570,114)
Swap agreement with Goldman Sachs International based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)	01/06/14	(79,971,962)	(632,990)
Swap agreement with Societe Generale S.A. based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)	01/06/14	(53,493,455)	(402,586)
Swap agreement with UBS AG based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)	01/06/14	(79,680,364)	(727,210)
				<u>\$(2,332,900)</u>

† All or partial amount pledged as collateral for swap agreements.

†† Cash collateral in the amount of \$7,633,395 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

^ The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

* For swap agreements, a positive amount represents “long” exposure to the benchmark index. A negative amount represents “short” exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS CRUDE OIL

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(97% of shareholders' equity)		
U.S. Treasury Bills:		
0.095% due 01/03/13	\$28,622,000	\$28,621,984
0.096% due 01/10/13†	9,012,000	9,011,940
0.105% due 01/31/13†	14,165,000	14,164,600
0.105% due 02/07/13†	937,000	936,972
0.118% due 02/14/13†	19,431,000	19,430,304
0.071% due 02/21/13†	5,758,000	5,757,760
0.077% due 03/28/13	6,391,000	6,390,472
0.061% due 04/25/13†	2,733,000	2,732,357
Total short-term U.S. government and agency obligations (cost \$87,042,320) . . .		<u>\$87,046,389</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Crude Oil – NYMEX, expires March 2013	825	\$76,122,750	\$(4,029,721)

Swap Agreements^

	<u>Rate Received (Paid)</u>	<u>Termination Date</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Goldman Sachs International based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)%	01/07/13	\$(37,668,290)	\$(1,880,292)
Swap agreement with Societe Generale S.A. based on Dow Jones-UBS WTI Crude Oil Subindex	(0.25)	01/07/13	(16,223,148)	(1,730,366)
Swap agreement with UBS AG based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)	01/07/13	(48,930,885)	(1,996,402)
				<u>\$(5,607,060)</u>

† All or partial amount pledged as collateral for swap agreements.

†† Cash collateral in the amount of \$4,401,374 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

^ The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For swap agreements, a positive amount represents “long” exposure to the benchmark index. A negative amount represents “short” exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS CRUDE OIL
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Investment Income			
Interest	\$ 113,487	\$ 75,194	\$ 70,449
Expenses			
Management fee	2,581,084	1,121,597	1,228,633
Brokerage commissions	77,031	32,261	53,551
Total expenses	2,658,115	1,153,858	1,282,184
Net investment income (loss)	(2,544,628)	(1,078,664)	(1,211,735)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(4,299,671)	16,109,009	11,024,364
Swap agreements	(8,005,328)	31,455,754	15,696,502
Short-term U.S. government and agency obligations ...	5,188	5,203	11,832
Net realized gain (loss)	(12,299,811)	47,569,966	26,732,698
Change in net unrealized appreciation/depreciation on			
Futures contracts	2,796,948	(4,276,761)	2,631,460
Swap agreements	3,274,160	(8,252,300)	6,756,848
Short-term U.S. government and agency obligations ...	6,876	6,720	(7,928)
Change in net unrealized appreciation/depreciation	6,077,984	(12,522,341)	9,380,380
Net realized and unrealized gain (loss)	(6,221,827)	35,047,625	36,113,078
Net income (loss)	\$ (8,766,455)	\$ 33,968,961	\$34,901,343
Net income (loss) per weighted-average share (Note 1)	\$ (1.05)	\$ 11.32	\$ 12.25
Weighted-average shares outstanding (Note 1)	8,388,848	3,000,545	2,849,379

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS CRUDE OIL

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011**

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$ 89,481,266	\$ 144,389,893	\$ 132,214,257
Addition of 23,300,000, 5,900,000 and 12,530,000 shares, respectively (Note 1)	764,617,811	230,873,903	544,053,277
Redemption of 17,450,000, 7,400,000 and 11,410,059 shares, respectively (Note 1)	<u>(589,272,473)</u>	<u>(319,751,491)</u>	<u>(566,778,984)</u>
Net addition (redemption) of 5,850,000, (1,500,000) and 1,119,941 shares, respectively (Note 1)	<u>175,345,338</u>	<u>(88,877,588)</u>	<u>(22,725,707)</u>
Net investment income (loss)	(2,544,628)	(1,078,664)	(1,211,735)
Net realized gain (loss)	(12,299,811)	47,569,966	26,732,698
Change in net unrealized appreciation/ depreciation	<u>6,077,984</u>	<u>(12,522,341)</u>	<u>9,380,380</u>
Net income (loss)	<u>(8,766,455)</u>	<u>33,968,961</u>	<u>34,901,343</u>
Shareholders' equity, end of period	<u><u>\$ 256,060,149</u></u>	<u><u>\$ 89,481,266</u></u>	<u><u>\$ 144,389,893</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS CRUDE OIL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ (8,766,455)	\$ 33,968,961	\$ 34,901,343
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(3,232,021)	4,677,309	(4,826,183)
Net sale (purchase) of short-term U.S. government and agency obligations	(160,531,358)	44,894,524	3,695,071
Change in unrealized appreciation/depreciation on investments	(3,281,036)	8,245,580	(6,748,920)
Decrease (Increase) in receivable on futures contracts	(1,503,943)	576,597	(576,597)
Increase (Decrease) in management fee payable	131,573	(39,824)	(7,199)
Increase (Decrease) in payable on futures contracts	(979,336)	979,336	(1,140,144)
Net cash provided by (used in) operating activities	<u>(178,162,576)</u>	<u>93,302,483</u>	<u>25,297,371</u>
Cash flow from financing activities			
Proceeds from addition of shares	768,649,288	226,842,426	544,053,277
Payment on shares redeemed	(589,272,473)	(319,751,491)	(573,092,737)
Net cash provided by (used in) financing activities	<u>179,376,815</u>	<u>(92,909,065)</u>	<u>(29,039,460)</u>
Net increase (decrease) in cash	1,214,239	393,418	(3,742,089)
Cash, beginning of period	658,676	265,258	4,007,347
Cash, end of period	<u><u>\$ 1,872,915</u></u>	<u><u>\$ 658,676</u></u>	<u><u>\$ 265,258</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS NATURAL GAS

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 564,647	\$ 310,060
Segregated cash balances with brokers for futures contracts	2,384,800	1,795,030
Short-term U.S. government and agency obligations (Note 3) (cost \$18,274,602 and \$10,042,198, respectively)	18,274,713	10,042,731
Receivable on open futures contracts	1,520,548	632,777
Total assets	<u>22,744,708</u>	<u>12,780,598</u>
Liabilities and shareholders' equity		
Liabilities		
Management fee payable	9,941	12,258
Total liabilities	<u>9,941</u>	<u>12,258</u>
Shareholders' equity		
Shareholders' equity	<u>22,734,767</u>	<u>12,768,340</u>
Total liabilities and shareholders' equity	<u>\$22,744,708</u>	<u>\$12,780,598</u>
Shares outstanding (Note 1)	<u>324,952</u>	<u>125,008</u>
Net asset value per share (Note 1)	<u>\$ 69.96</u>	<u>\$ 102.14</u>
Market value per share (Note 1) (Note 2)	<u>\$ 69.36</u>	<u>\$ 101.64</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS NATURAL GAS

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(80% of shareholders' equity)		
U.S. Treasury Bills:		
0.049% due 02/06/14	\$ 146,000	\$ 145,998
0.051% due 03/06/14	731,000	730,936
0.056% due 03/13/14	1,392,000	1,391,892
0.034% due 03/20/14	905,000	904,884
0.059% due 04/10/14	675,000	674,917
0.075% due 04/17/14	522,000	521,947
0.081% due 05/01/14	2,245,000	2,244,629
0.068% due 05/08/14	3,322,000	3,321,361
0.065% due 06/12/14	1,761,000	1,760,606
0.064% due 06/19/14	6,580,000	6,577,543
Total short-term U.S. government and agency obligations		
(cost \$18,274,602)		<u>\$18,274,713</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Natural Gas – NYMEX, expires March 2014	1,084	\$45,452,120	\$1,042,300

†† Cash collateral in the amount of \$2,384,800 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS NATURAL GAS

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(79% of shareholders' equity)		
U.S. Treasury Bills:		
0.095% due 01/03/13	\$2,387,000	\$ 2,386,998
0.090% due 01/10/13	36,000	36,000
0.100% due 01/31/13	1,634,000	1,633,954
0.104% due 02/07/13	2,406,000	2,405,928
0.078% due 02/21/13	3,580,000	3,579,851
Total short-term U.S. government and agency obligations		
(cost \$10,042,198)		<u>\$10,042,731</u>

Futures Contracts Sold^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Natural Gas – NYMEX, expires March 2013	759	\$25,540,350	\$409,135

^{††} Cash collateral in the amount of \$1,795,030 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS NATURAL GAS

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND FOR THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>April 5, 2011 (Inception) through December 31, 2011</u>
Investment Income			
Interest	\$ 8,620	\$ 7,994	\$ 13
Expenses			
Management fee	172,542	76,306	5,069
Brokerage commissions	45,438	64,176	4,082
Offering costs	—	63,919	6,474
Total expenses	<u>217,980</u>	<u>204,401</u>	<u>15,625</u>
Net investment income (loss)	<u>(209,360)</u>	<u>(196,407)</u>	<u>(15,612)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(2,585,514)	1,212,600	1,776,461
Short-term U.S. government and agency obligations . . .	<u>619</u>	<u>395</u>	<u>(138)</u>
Net realized gain (loss)	<u>(2,584,895)</u>	<u>1,212,995</u>	<u>1,776,323</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	633,165	(971,875)	1,381,010
Short-term U.S. government and agency obligations . . .	<u>(422)</u>	<u>744</u>	<u>(211)</u>
Change in net unrealized appreciation/depreciation	<u>632,743</u>	<u>(971,131)</u>	<u>1,380,799</u>
Net realized and unrealized gain (loss)	<u>(1,952,152)</u>	<u>241,864</u>	<u>3,157,122</u>
Net income (loss)	<u>\$(2,161,512)</u>	<u>\$ 45,457</u>	<u>\$3,141,510</u>
Net income (loss) per weighted-average share (Note 1)	<u>\$ (9.52)</u>	<u>\$ 0.36</u>	<u>\$ 41.88</u>
Weighted-average shares outstanding (Note 1)	<u>227,135</u>	<u>126,135</u>	<u>75,008</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS NATURAL GAS

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND FOR THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	Year ended December 31, 2013	Year ended December 31, 2012	April 5, 2011 (Inception) through December 31, 2011
Shareholders' equity, beginning of period	\$ 12,768,340	\$ 7,142,310	\$ —
Addition of 587,500, 262,500 and 75,008 shares, respectively (Note 1)	43,490,786	33,115,715	4,000,800
Redemption of 387,556, 212,500 and 0 shares, respectively (Note 1)	(31,362,847)	(27,535,142)	—
Net addition (redemption) of 199,944, 50,000 and 75,008 shares, respectively (Note 1) . . .	12,127,939	5,580,573	4,000,800
Net investment income (loss)	(209,360)	(196,407)	(15,612)
Net realized gain (loss)	(2,584,895)	1,212,995	1,776,323
Change in net unrealized appreciation/depreciation	632,743	(971,131)	1,380,799
Net income (loss)	(2,161,512)	45,457	3,141,510
Shareholders' equity, end of period	<u>\$ 22,734,767</u>	<u>\$ 12,768,340</u>	<u>\$7,142,310</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT DJ-UBS NATURAL GAS

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

AND FOR THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>April 5, 2011 (Inception) through December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ (2,161,512)	\$ 45,457	\$ 3,141,510
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(589,770)	(355,255)	(1,439,775)
Net sale (purchase) of short-term U.S. government and agency obligations	(8,232,404)	(7,420,303)	(2,621,895)
Change in unrealized appreciation/depreciation on investments	422	(744)	211
Decrease (Increase) in receivable on futures contracts	(887,771)	(509,649)	(123,128)
Change in offering cost	—	20,150	(20,150)
Increase (Decrease) in management fee payable ...	(2,317)	7,189	5,069
Increase (Decrease) in payable for offering costs ..	—	(26,624)	26,624
Net cash provided by (used in) operating activities	<u>(11,873,352)</u>	<u>(8,239,779)</u>	<u>(1,031,534)</u>
Cash flow from financing activities			
Proceeds from addition of shares	43,490,786	33,115,715	4,000,800
Payment on shares redeemed	<u>(31,362,847)</u>	<u>(27,535,142)</u>	<u>—</u>
Net cash provided by (used in) financing activities	<u>12,127,939</u>	<u>5,580,573</u>	<u>4,000,800</u>
Net increase (decrease) in cash	254,587	(2,659,206)	2,969,266
Cash, beginning of period	<u>310,060</u>	<u>2,969,266</u>	<u>—</u>
Cash, end of period	<u><u>\$ 564,647</u></u>	<u><u>\$ 310,060</u></u>	<u><u>\$ 2,969,266</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 197,647	\$ 175,194
Segregated cash balances with brokers for futures contracts	15,950	14,850
Short-term U.S. government and agency obligations (Note 3) (cost \$148,987,995 and \$88,573,928, respectively)	148,988,329	88,575,398
Unrealized appreciation on forward agreements	5,633,053	3,729,856
Receivable on open futures contracts	300	—
Total assets	<u>154,835,279</u>	<u>92,495,298</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	15,275,004	—
Payable on open futures contracts	—	3,980
Management fee payable	123,819	74,576
Total liabilities	<u>15,398,823</u>	<u>78,556</u>
Shareholders' equity		
Shareholders' equity	<u>139,436,456</u>	<u>92,416,742</u>
Total liabilities and shareholders' equity	<u>\$154,835,279</u>	<u>\$92,495,298</u>
Shares outstanding (Note 1)	<u>1,346,978</u>	<u>1,446,978</u>
Net asset value per share (Note 1)	<u>\$ 103.52</u>	<u>\$ 63.87</u>
Market value per share (Note 1) (Note 2)	<u>\$ 103.53</u>	<u>\$ 62.60</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations (107% of shareholders' equity)		
U.S. Treasury Bills:		
0.017% due 02/06/14†	\$ 6,963,000	\$ 6,962,898
0.050% due 03/06/14	39,266,000	39,262,564
0.027% due 03/20/14†	49,626,000	49,619,632
0.071% due 04/03/14	22,053,000	22,049,098
0.087% due 05/01/14†	11,790,000	11,788,051
0.088% due 05/08/14†	14,693,000	14,690,172
0.076% due 06/05/14†	4,617,000	4,615,914
Total short-term U.S. government and agency obligations (cost \$148,987,995)		<u>\$148,988,329</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Gold Futures – COMEX, expires February 2014	2	\$240,460	\$14,520

Forward Agreements^

	<u>Rate Received (Paid)</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Deutsche Bank AG based on 0.995 Fine Troy Ounce Gold	(0.30)%	01/06/14	\$(112,800)	\$(135,867,600)	\$2,258,281
Forward agreements with Goldman Sachs International based on 0.995 Fine Troy Ounce Gold	(0.40)	01/06/14	(46,698)	(56,247,741)	1,411,290
Forward agreements with Societe Generale S.A. based on 0.995 Fine Troy Ounce Gold	(0.50)	01/06/14	(20,700)	(24,933,150)	665,044
Forward agreements with UBS AG based on 0.995 Fine Troy Ounce Gold	(0.40)	01/06/14	(51,150)	(61,610,175)	1,298,438
					<u>\$5,633,053</u>

† All or partial amount pledged as collateral for forward agreements.

†† Cash collateral in the amount of \$15,950 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

^ The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

* For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(96% of shareholders' equity)		
U.S. Treasury Bills:		
0.096% due 01/03/13	\$58,266,000	\$58,265,967
0.100% due 01/31/13†	15,118,000	15,117,574
0.118% due 02/14/13†	2,904,000	2,903,896
0.090% due 02/21/13†	4,411,000	4,410,816
0.061% due 04/25/13†	7,879,000	7,877,145
Total short-term U.S. government and agency obligations (cost \$88,573,928) . . .		<u>\$88,575,398</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Gold Futures – COMEX, expires February 2013	2	\$335,160	\$15,240

Forward Agreements^

	<u>Rate Received (Paid)</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Deutsche Bank AG based on 0.995 Fine Troy Ounce Gold	(0.30)%	01/07/13	\$(65,500)	\$(108,574,765)	\$2,389,236
Forward agreements with Goldman Sachs International based on 0.995 Fine Troy Ounce Gold	(0.65)	01/07/13	(16,598)	(27,513,343)	452,059
Forward agreements with Societe Generale S.A. based on 0.995 Fine Troy Ounce Gold	(0.50)	01/07/13	(13,400)	(22,212,242)	499,264
Forward agreements with UBS AG based on 0.995 Fine Troy Ounce Gold	(0.65)	01/07/13	(15,850)	(26,273,436)	389,297
					<u>\$3,729,856</u>

† All or partial amount pledged as collateral for forward agreements.

†† Cash collateral in the amount of \$14,850 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

^ The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Investment Income			
Interest	\$ 61,891	\$ 76,519	\$ 51,785
Expenses			
Management fee	1,237,712	1,182,691	1,092,472
Brokerage commissions	39	41	2,512
Total expenses	<u>1,237,751</u>	<u>1,182,732</u>	<u>1,094,984</u>
Net investment income (loss)	<u>(1,175,860)</u>	<u>(1,106,213)</u>	<u>(1,043,199)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	97,060	7,600	(813,845)
Forward agreements	61,027,349	(10,075,098)	(44,365,616)
Short-term U.S. government and agency obligations ...	<u>(1,351)</u>	<u>1,849</u>	<u>1,157</u>
Net realized gain (loss)	<u>61,123,058</u>	<u>(10,065,649)</u>	<u>(45,178,304)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(720)	(26,560)	334,550
Forward agreements	1,903,197	(29,671,502)	36,392,749
Short-term U.S. government and agency obligations ...	<u>(1,136)</u>	<u>5,325</u>	<u>(7,112)</u>
Change in net unrealized appreciation/depreciation	<u>1,901,341</u>	<u>(29,692,737)</u>	<u>36,720,187</u>
Net realized and unrealized gain (loss)	<u>63,024,399</u>	<u>(39,758,386)</u>	<u>(8,458,117)</u>
Net income (loss)	<u>\$61,848,539</u>	<u>\$(40,864,599)</u>	<u>\$ (9,501,316)</u>
Net income (loss) per weighted-average share (Note 1)	<u>\$ 39.77</u>	<u>\$ (21.80)</u>	<u>\$ (6.71)</u>
Weighted-average shares outstanding (Note 1)	<u>1,555,197</u>	<u>1,874,767</u>	<u>1,415,797</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Shareholders' equity, beginning of period	\$ 92,416,742	\$198,298,571	\$ 77,732,507
Addition of 2,650,000, 50,000 and 2,525,000 shares, respectively (Note 1)	233,728,116	2,905,948	196,587,378
Redemption of 2,750,000, 1,000,497 and 812,500 shares, respectively (Note 1)	(248,556,941)	(67,923,178)	(66,519,998)
Net addition (redemption) of (100,000), (950,497) and 1,712,500 shares, respectively (Note 1)	(14,828,825)	(65,017,230)	130,067,380
Net investment income (loss)	(1,175,860)	(1,106,213)	(1,043,199)
Net realized gain (loss)	61,123,058	(10,065,649)	(45,178,304)
Change in net unrealized appreciation/depreciation	1,901,341	(29,692,737)	36,720,187
Net income (loss)	61,848,539	(40,864,599)	(9,501,316)
Shareholders' equity, end of period	<u>\$ 139,436,456</u>	<u>\$ 92,416,742</u>	<u>\$198,298,571</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ 61,848,539	\$(40,864,599)	\$ (9,501,316)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(1,100)	2,920	346,730
Net sale (purchase) of short-term U.S. government and agency obligations	(60,414,067)	76,103,102	(84,565,840)
Change in unrealized appreciation/depreciation on investments	(1,902,061)	29,666,177	(36,385,637)
Decrease (Increase) in receivable on futures contracts	(300)	—	—
Increase (Decrease) in management fee payable	49,243	(49,997)	59,641
Increase (Decrease) in payable on futures contracts	(3,980)	3,980	(94,800)
Net cash provided by (used in) operating activities	<u>(423,726)</u>	<u>64,861,583</u>	<u>(130,141,222)</u>
Cash flow from financing activities			
Proceeds from addition of shares	233,728,116	2,905,948	196,587,378
Payment on shares redeemed	<u>(233,281,937)</u>	<u>(67,923,178)</u>	<u>(66,519,998)</u>
Net cash provided by (used in) financing activities	<u>446,179</u>	<u>(65,017,230)</u>	<u>130,067,380</u>
Net increase (decrease) in cash	22,453	(155,647)	(73,842)
Cash, beginning of period	<u>175,194</u>	<u>330,841</u>	<u>404,683</u>
Cash, end of period	<u><u>\$ 197,647</u></u>	<u><u>\$ 175,194</u></u>	<u><u>\$ 330,841</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 461,167	\$ 344,378
Segregated cash balances with brokers for futures contracts	22,000	24,200
Short-term U.S. government and agency obligations (Note 3) (cost \$114,822,672 and \$86,199,868, respectively)	114,826,066	86,206,701
Unrealized appreciation on forward agreements	—	19,307,685
Receivable on open futures contracts	2,450	—
Total assets	<u>115,311,683</u>	<u>105,882,964</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	—	5,138,116
Payable on open futures contracts	—	2,520
Management fee payable	94,140	85,625
Unrealized depreciation on forward agreements	2,227,857	—
Total liabilities	<u>2,321,997</u>	<u>5,226,261</u>
Shareholders' equity		
Shareholders' equity	112,989,686	100,656,703
Total liabilities and shareholders' equity	<u>\$115,311,683</u>	<u>\$105,882,964</u>
Shares outstanding (Note 1)	<u>1,258,489</u>	<u>1,958,489</u>
Net asset value per share (Note 1)	<u>\$ 89.78</u>	<u>\$ 51.40</u>
Market value per share (Note 1) (Note 2)	<u>\$ 90.19</u>	<u>\$ 50.07</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(102% of shareholders' equity)		
U.S. Treasury Bills:		
0.017% due 02/06/14	\$14,500,000	\$ 14,499,789
0.100% due 02/13/14	3,997,000	3,996,953
0.051% due 03/06/14†	26,555,000	26,552,676
0.025% due 03/13/14†	4,084,000	4,083,682
0.047% due 03/20/14†	23,168,000	23,165,027
0.075% due 04/17/14†	8,507,000	8,506,132
0.081% due 05/01/14†	25,666,000	25,661,758
0.057% due 05/22/14†	8,362,000	8,360,049
Total short-term U.S. government and agency obligations (cost \$114,822,672) . . .		<u>\$114,826,066</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Silver Futures – COMEX, expires March 2014	2	\$193,700	\$14,200

Forward Agreements^

	<u>Rate Received (Paid)</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Deutsche Bank AG based on 0.999 Fine Troy Ounce Silver	(0.30)%	01/06/14	\$(6,145,000)	\$(119,839,790)	\$ (445,752)
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver	(0.40)	01/06/14	(2,366,500)	(46,151,483)	(1,257,636)
Forward agreements with Societe Generale S.A. based on 0.999 Fine Troy Ounce Silver	(0.50)	01/06/14	(1,163,000)	(22,680,826)	(7,359)
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver	(0.45)	01/06/14	(1,903,000)	(37,112,306)	(517,110)
					<u>\$(2,227,857)</u>

† All or partial amount pledged as collateral for forward agreements.

†† Cash collateral in the amount of \$22,000 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

^ The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(86% of shareholders' equity)		
U.S. Treasury Bills:		
0.085% due 01/10/13†	\$ 4,414,000	\$ 4,413,971
0.100% due 02/07/13†	11,897,000	11,896,644
0.105% due 02/14/13†	34,295,000	34,293,771
0.086% due 02/21/13†	34,563,000	34,561,560
0.061% due 04/25/13†	1,041,000	1,040,755
Total short-term U.S. government and agency obligations (cost \$86,199,868) . . .		<u>\$86,206,701</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Silver Futures – COMEX, expires March 2013	2	\$302,270	\$40,020

Forward Agreements^

	<u>Rate Received (Paid)</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Deutsche Bank AG based on 0.999 Fine Troy Ounce Silver	(0.30)%	01/07/13	\$(3,453,000)	\$(103,432,889)	\$10,786,801
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver	(0.80)	01/07/13	(1,127,500)	(33,773,699)	3,141,119
Forward agreements with Societe Generale S.A. based on 0.999 Fine Troy Ounce Silver	(0.50)	01/07/13	(1,253,000)	(37,532,989)	3,255,649
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver	(0.85)	01/07/13	(877,000)	(26,270,097)	2,124,116
					<u>\$19,307,685</u>

† All or partial amount pledged as collateral for forward agreements.

†† Cash collateral in the amount of \$24,200 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

^ The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012, 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Investment Income			
Interest	\$ 60,178	\$ 100,092	\$ 146,064
Expenses			
Management fee	1,033,442	1,503,193	3,530,293
Brokerage commissions	40	41	3,784
Total expenses	1,033,482	1,503,234	3,534,077
Net investment income (loss)	(973,304)	(1,403,142)	(3,388,013)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	137,040	960	2,855,508
Forward agreements	113,319,364	(28,115,932)	(174,216,829)
Short-term U.S. government and agency obligations ...	6,916	5,567	(774)
Net realized gain (loss)	113,463,320	(28,109,405)	(171,362,095)
Change in net unrealized appreciation/depreciation on			
Futures contracts	(25,820)	(20,830)	580,270
Forward agreements	(21,535,542)	(23,708,038)	53,026,068
Short-term U.S. government and agency obligations ...	(3,439)	12,171	(8,741)
Change in net unrealized appreciation/depreciation	(21,564,801)	(23,716,697)	53,597,597
Net realized and unrealized gain (loss)	91,898,519	(51,826,102)	(117,764,498)
Net income (loss)	\$ 90,925,215	\$(53,229,244)	\$(121,152,511)
Net income (loss) per weighted-average share (Note 1)	\$ 58.14	\$ (18.23)	\$ (26.05)
Weighted-average shares outstanding (Note 1)	1,563,968	2,919,786	4,650,772

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$ 100,656,703	\$ 246,813,921	\$ 99,032,781
Addition of 3,450,000, 5,960,000 and 14,127,500 shares, respectively (Note 1)	251,109,632	310,340,710	1,193,126,146
Redemption of 4,150,000, 7,220,385 and 11,405,122 shares, respectively (Note 1)	<u>(329,701,864)</u>	<u>(403,268,684)</u>	<u>(924,192,495)</u>
Net addition (redemption) of (700,000), (1,260,385) and 2,722,378 shares, respectively (Note 1)	<u>(78,592,232)</u>	<u>(92,927,974)</u>	<u>268,933,651</u>
Net investment income (loss)	(973,304)	(1,403,142)	(3,388,013)
Net realized gain (loss)	113,463,320	(28,109,405)	(171,362,095)
Change in net unrealized appreciation/depreciation	<u>(21,564,801)</u>	<u>(23,716,697)</u>	<u>53,597,597</u>
Net income (loss)	<u>90,925,215</u>	<u>(53,229,244)</u>	<u>(121,152,511)</u>
Shareholders' equity, end of period	<u><u>\$ 112,989,686</u></u>	<u><u>\$ 100,656,703</u></u>	<u><u>\$ 246,813,921</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ 90,925,215	\$ (53,229,244)	\$ (121,152,511)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	2,200	18,940	469,523
Net sale (purchase) of short-term U.S. government and agency obligations	(28,622,804)	129,158,389	(110,042,156)
Change in unrealized appreciation/depreciation on investments	21,538,981	23,695,867	(53,017,327)
Decrease (Increase) in receivable on futures contracts	(2,450)	—	—
Increase (Decrease) in management fee payable	8,515	(95,259)	104,981
Increase (Decrease) in payable on futures contracts	(2,520)	2,520	(227,423)
Net cash provided by (used in) operating activities	<u>83,847,137</u>	<u>99,551,213</u>	<u>(283,864,913)</u>
Cash flow from financing activities			
Proceeds from addition of shares	251,109,632	318,778,691	1,184,688,165
Payment on shares redeemed	(334,839,980)	(418,633,692)	(903,689,371)
Net cash provided by (used in) financing activities	<u>(83,730,348)</u>	<u>(99,855,001)</u>	<u>280,998,794</u>
Net increase (decrease) in cash	116,789	(303,788)	(2,866,119)
Cash, beginning of period	344,378	648,166	3,514,285
Cash, end of period	<u>\$ 461,167</u>	<u>\$ 344,378</u>	<u>\$ 648,166</u>

See accompanying notes to financial statements.

PROSHARES SHORT EURO
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 863,980	\$ 302,359
Segregated cash balances with brokers for futures contracts	128,700	63,250
Short-term U.S. government and agency obligations (Note 3) (cost \$7,901,405 and \$3,409,716, respectively)	7,902,056	3,409,904
Receivable on open futures contracts	9,100	6,612
Offering costs (Note 5)	—	19,770
Limitation by Sponsor	—	2,145
Total assets	<u>8,903,836</u>	<u>3,804,040</u>
Liabilities and shareholders' equity		
Liabilities		
Management fee payable	6,994	—
Payable for offering costs	—	41,000
Total liabilities	<u>6,994</u>	<u>41,000</u>
Shareholders' equity		
Shareholders' equity	<u>8,896,842</u>	<u>3,763,040</u>
Total liabilities and shareholders' equity	<u>\$8,903,836</u>	<u>\$3,804,040</u>
Shares outstanding	<u>250,005</u>	<u>100,005</u>
Net asset value per share	<u>\$ 35.59</u>	<u>\$ 37.63</u>
Market value per share (Note 2)	<u>\$ 35.66</u>	<u>\$ 37.64</u>

See accompanying notes to financial statements.

PROSHARES SHORT EURO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(89% of shareholders' equity)		
U.S. Treasury Bills:		
0.037% due 02/06/14	\$ 357,000	\$ 356,995
0.053% due 02/27/14	2,859,000	2,858,889
0.053% due 03/06/14	1,505,000	1,504,868
0.057% due 03/13/14	110,000	109,991
0.086% due 06/12/14	3,072,000	3,071,313
Total short-term U.S. government and agency obligations (cost \$7,901,405)		<u>\$7,902,056</u>

Futures Contracts Sold^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Euro Fx Currency Futures – CME, expires March 2014	52	\$8,962,200	\$(33,231)

^{††} Cash collateral in the amount of \$128,700 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

See accompanying notes to financial statements.

PROSHARES SHORT EURO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(91% of shareholders' equity)		
U.S. Treasury Bills:		
0.100% due 01/31/13	\$3,410,000	\$3,409,904
Total short-term U.S. government and agency obligations (cost \$3,409,716)		<u>\$3,409,904</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Euro Fx Currency Futures – CME, expires March 2013	23	\$3,797,300	\$(55,056)

†† Cash collateral in the amount of \$63,250 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

See accompanying notes to financial statements.

PROSHARES SHORT EURO*

STATEMENTS OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2013 AND FOR THE PERIOD FROM JUNE 26, 2012
(COMMENCEMENT OF INVESTMENT OPERATIONS) THROUGH DECEMBER 31, 2012

	<u>Year ended December 31, 2013</u>	<u>June 26, 2012 (Commencement of Investment Operations) through December 31, 2012</u>
Investment Income		
Interest	\$ 1,996	\$ 1,508
Expenses		
Management fee	35,075	—
Brokerage commissions	812	313
Offering costs	45,511	21,231
Limitation by Sponsor	(28,232)	(2,145)
Total expenses	<u>53,166</u>	<u>19,399</u>
Net investment income (loss)	<u>(51,170)</u>	<u>(17,891)</u>
Realized and unrealized gain (loss) on investment activity		
Net realized gain (loss) on		
Futures contracts	(381,987)	(164,400)
Short-term U.S. government and agency obligations	157	(1)
Net realized gain (loss)	<u>(381,830)</u>	<u>(164,401)</u>
Change in net unrealized appreciation/depreciation on		
Futures contracts	21,825	(55,056)
Short-term U.S. government and agency obligations	463	188
Change in net unrealized appreciation/depreciation	<u>22,288</u>	<u>(54,868)</u>
Net realized and unrealized gain (loss)	<u>(359,542)</u>	<u>(219,269)</u>
Net income (loss)	<u>\$(410,712)</u>	<u>\$(237,160)</u>
Net income (loss) per weighted-average share	<u>\$ (2.75)</u>	<u>\$ (2.38)</u>
Weighted-average shares outstanding	<u>149,183</u>	<u>99,476</u>

* Since the Fund commenced investment operations on June 26, 2012, the Statement of Operations for the year ended December 31, 2011 has not been provided.

See accompanying notes to financial statements.

PROSHARES SHORT EURO*

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013 AND FOR THE PERIOD FROM JUNE 26, 2012
(COMMENCEMENT OF
INVESTMENT OPERATIONS) THROUGH DECEMBER 31, 2012

	Year ended December 31, 2013	June 26, 2012 (Commencement of Investment Operations) through December 31, 2012
Shareholders' equity, beginning of period	\$3,763,040	\$ 200
Addition of 150,000 and 100,000 shares, respectively	5,544,514	4,000,000
Net investment income (loss)	(51,170)	(17,891)
Net realized gain (loss)	(381,830)	(164,401)
Change in net unrealized appreciation/depreciation	22,288	(54,868)
Net income (loss)	<u>(410,712)</u>	<u>(237,160)</u>
Shareholders' equity, end of period	<u><u>\$8,896,842</u></u>	<u><u>\$3,763,040</u></u>

* Since the Fund commenced investment operations on June 26, 2012, the only activity for the year ended December 31, 2011 was the initial seeding of the Fund, as such the Statement of Changes in Shareholders' Equity for the year ended December 31, 2011 has not been provided.

See accompanying notes to financial statements.

PROSHARES SHORT EURO*

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2013 AND FOR THE PERIOD FROM JUNE 26, 2012
(COMMENCEMENT OF INVESTMENT OPERATIONS) THROUGH DECEMBER 31, 2012

	Year ended December 31, 2013	June 26, 2012 (Commencement of Investment Operations) through December 31, 2012
Cash flow from operating activities		
Net income (loss)	\$ (410,712)	\$ (237,160)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(65,450)	(63,250)
Net sale (purchase) of short-term U.S. government and agency obligations	(4,491,689)	(3,409,716)
Change in unrealized appreciation/depreciation on investments ...	(463)	(188)
Decrease (Increase) in receivable on futures contracts	(2,488)	(6,612)
Decrease (Increase) in Limitation by Sponsor	2,145	(2,145)
Change in offering cost	19,770	21,230
Increase (Decrease) in management fee payable	6,994	—
Increase (Decrease) in payable for offering costs	(41,000)	—
Net cash provided by (used in) operating activities	<u>(4,982,893)</u>	<u>(3,697,841)</u>
Cash flow from financing activities		
Proceeds from addition of shares	<u>5,544,514</u>	<u>4,000,000</u>
Net cash provided by (used in) financing activities	<u>5,544,514</u>	<u>4,000,000</u>
Net increase (decrease) in cash	561,621	302,159
Cash, beginning of period	<u>302,359</u>	<u>200</u>
Cash, end of period	<u><u>\$ 863,980</u></u>	<u><u>\$ 302,359</u></u>

* Since the Fund commenced investment operations on June 26, 2012, the only activity for the year ended December 31, 2011 was the initial seeding of the Fund, as such the Statement of Cash Flows for the year ended December 31, 2011 has not been provided.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 2,751,320	\$ 361,157
Segregated cash balances with brokers for futures contracts	1,141,635	144,540
Short-term U.S. government and agency obligations (Note 3) (cost \$24,197,046 and \$3,302,725, respectively)	24,198,507	3,302,907
Offering costs (Note 5)	—	22,129
Limitation by Sponsor	—	2,216
Total assets	<u>28,091,462</u>	<u>3,832,949</u>
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	86,166	10,950
Management fee payable	22,017	—
Payable for offering costs	—	41,000
Total liabilities	<u>108,183</u>	<u>51,950</u>
Shareholders' equity		
Shareholders' equity	<u>27,983,279</u>	<u>3,780,999</u>
Total liabilities and shareholders' equity	<u>\$28,091,462</u>	<u>\$3,832,949</u>
Shares outstanding	<u>600,005</u>	<u>100,005</u>
Net asset value per share	<u>\$ 46.64</u>	<u>\$ 37.81</u>
Market value per share (Note 2)	<u>\$ 46.66</u>	<u>\$ 37.74</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(86% of shareholders' equity)		
U.S. Treasury Bills:		
0.032% due 02/06/14	\$ 1,761,000	\$ 1,760,974
0.061% due 03/13/14	1,872,000	1,871,854
0.073% due 04/03/14	659,000	658,883
0.066% due 04/17/14	1,269,000	1,268,871
0.085% due 04/24/14	651,000	650,879
0.076% due 05/01/14	2,167,000	2,166,642
0.088% due 05/08/14	2,324,000	2,323,553
0.073% due 05/22/14	13,353,000	13,349,884
0.065% due 06/12/14	147,000	146,967
Total short-term U.S. government and agency obligations (cost \$24,197,046) . . .		<u>\$24,198,507</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Australian Dollar Fx Currency Futures – CME, expires March 2014 . . .	629	\$55,867,780	\$917,605

†† Cash collateral in the amount of \$1,141,635 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(87% of shareholders' equity)		
U.S. Treasury Bills:		
0.100% due 01/31/13	\$3,303,000	\$3,302,907
Total short-term U.S. government and agency obligations (cost \$3,302,725)		<u>\$3,302,907</u>

Futures Contracts Sold^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Australian Dollar Fx Currency Futures – CME, expires March 2013	73	\$7,537,250	\$85,590

^{††} Cash collateral in the amount of \$144,540 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR*

STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013
AND FOR THE PERIOD FROM JULY 17, 2012

(COMMENCEMENT OF INVESTMENT OPERATIONS) THROUGH DECEMBER 31, 2012

	<u>Year ended December 31, 2013</u>	<u>July 17, 2012 (Commencement of Investment Operations) through December 31, 2012</u>
Investment Income		
Interest	\$ 5,653	\$ 1,432
Expenses		
Management fee	106,713	—
Brokerage commissions	11,753	1,006
Offering costs	47,870	18,871
Limitation by Sponsor	(1,259)	(2,216)
Total expenses	<u>165,077</u>	<u>17,661</u>
Net investment income (loss)	<u>(159,424)</u>	<u>(16,229)</u>
Realized and unrealized gain (loss) on investment activity		
Net realized gain (loss) on		
Futures contracts	2,720,079	(288,740)
Short-term U.S. government and agency obligations	(74)	(4)
Net realized gain (loss)	<u>2,720,005</u>	<u>(288,744)</u>
Change in net unrealized appreciation/depreciation on		
Futures contracts	832,015	85,590
Short-term U.S. government and agency obligations	1,279	182
Change in net unrealized appreciation/depreciation	<u>833,294</u>	<u>85,772</u>
Net realized and unrealized gain (loss)	<u>3,553,299</u>	<u>(202,972)</u>
Net income (loss)	<u>\$3,393,875</u>	<u>\$(219,201)</u>
Net income (loss) per weighted-average share	<u>\$ 9.21</u>	<u>\$ (2.21)</u>
Weighted-average shares outstanding	<u>368,635</u>	<u>99,410</u>

* Since the Fund commenced investment operations on July 17, 2012, the Statement of Operations for the year ended December 31, 2011 has not been provided.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR*

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013 AND
FOR THE PERIOD FROM JULY 17, 2012

(COMMENCEMENT OF INVESTMENT OPERATIONS) THROUGH DECEMBER 31, 2012

	Year ended December 31, 2013	July 17, 2012 (Commencement of Investment Operations) through December 31, 2012
Shareholders' equity, beginning of period	\$ 3,780,999	\$ 200
Addition of 500,000 and 100,000 shares, respectively	20,808,405	4,000,000
Net investment income (loss)	(159,424)	(16,229)
Net realized gain (loss)	2,720,005	(288,744)
Change in net unrealized appreciation/depreciation	833,294	85,772
Net income (loss)	<u>3,393,875</u>	<u>(219,201)</u>
Shareholders' equity, end of period	<u><u>\$27,983,279</u></u>	<u><u>\$3,780,999</u></u>

* Since the Fund commenced investment operations on July 17, 2012, the only activity for the year ended December 31, 2011 was the initial seeding of the Fund, as such the Statement of Changes in Shareholders' Equity for the year ended December 31, 2011 has not been provided.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR*

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013 AND
FOR THE PERIOD FROM JULY 17, 2012
(COMMENCEMENT OF INVESTMENT OPERATION) THROUGH DECEMBER 31, 2012

	<u>Year ended December 31, 2013</u>	<u>July 17, 2012 (Commencement of Investment Operations) through December 31, 2012</u>
Cash flow from operating activities		
Net income (loss)	\$ 3,393,875	\$ (219,201)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(997,095)	(144,540)
Net sale (purchase) of short-term U.S. government and agency obligations	(20,894,321)	(3,302,725)
Change in unrealized appreciation/depreciation on investments ...	(1,279)	(182)
Decrease (Increase) in Limitation by Sponsor	2,216	(2,216)
Change in offering cost	22,129	18,871
Increase (Decrease) in management fee payable	22,017	—
Increase (Decrease) in payable on futures contracts	75,216	10,950
Increase (Decrease) in payable for offering costs	(41,000)	—
Net cash provided by (used in) operating activities	<u>(18,418,242)</u>	<u>(3,639,043)</u>
Cash flow from financing activities		
Proceeds from addition of shares	<u>20,808,405</u>	<u>4,000,000</u>
Net cash provided by (used in) financing activities	<u>20,808,405</u>	<u>4,000,000</u>
Net increase (decrease) in cash	2,390,163	360,957
Cash, beginning of period	<u>361,157</u>	<u>200</u>
Cash, end of period	<u><u>\$ 2,751,320</u></u>	<u><u>\$ 361,157</u></u>

* Since the Fund commenced investment operations on July 17, 2012, the only activity for the year ended December 31, 2011 was the initial seeding of the Fund, as such the Statement of Cash Flows for the year ended December 31, 2011 has not been provided.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 218,940	\$ 276,372
Short-term U.S. government and agency obligations (Note 3) (cost \$437,821,545 and \$553,417,216, respectively)	437,847,159	553,430,562
Unrealized appreciation on foreign currency forward contracts	151,351	251,047
Total assets	<u>438,217,450</u>	<u>553,957,981</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	5,971,084	13,282,209
Management fee payable	345,393	499,127
Unrealized depreciation on foreign currency forward contracts	13,899,858	13,398,619
Total liabilities	<u>20,216,335</u>	<u>27,179,955</u>
Shareholders' equity		
Shareholders' equity	418,001,115	526,778,026
Total liabilities and shareholders' equity	<u>\$438,217,450</u>	<u>\$553,957,981</u>
Shares outstanding	<u>24,500,014</u>	<u>27,700,014</u>
Net asset value per share	<u>\$ 17.06</u>	<u>\$ 19.02</u>
Market value per share (Note 2)	<u>\$ 17.06</u>	<u>\$ 19.01</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(105% of shareholders' equity)		
U.S. Treasury Bills:		
0.014% due 02/06/14†	\$ 32,976,000	\$ 32,975,519
0.053% due 02/27/14†	198,499,000	198,491,280
0.070% due 04/03/14	47,020,000	47,011,680
0.081% due 05/01/14†	59,285,000	59,275,202
0.083% due 05/08/14†	92,077,000	92,059,275
0.086% due 06/12/14†	8,036,000	8,034,203
Total short-term U.S. government and agency obligations		
(cost \$437,821,545)		<u>\$437,847,159</u>

Foreign Currency Forward Contracts^

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Euro with Goldman Sachs International	01/10/14	19,352,500	\$ 26,625,017	\$ 64,104
Euro with UBS AG	01/10/14	35,427,500	48,740,875	87,247
				<u>\$ 151,351</u>
Contracts to Sell				
Euro with Goldman Sachs International	01/10/14	(323,915,825)	\$(445,640,837)	\$ (6,820,802)
Euro with UBS AG	01/10/14	(338,474,500)	(465,670,547)	(7,079,056)
				<u>\$(13,899,858)</u>

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(105% of shareholders' equity)		
U.S. Treasury Bills:		
0.093% due 01/10/13†	\$446,483,000	\$446,480,031
0.104% due 01/31/13†	60,397,000	60,395,297
0.082% due 02/21/13†	37,139,000	37,137,452
0.061% due 04/25/13†	9,420,000	9,417,782
Total short-term U.S. government and agency obligations (cost		
\$553,417,216)		<u>\$553,430,562</u>

Foreign Currency Forward Contracts^

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Euro with Goldman Sachs International	01/04/13	82,837,700	\$ 109,305,330	\$ 251,047
Euro with UBS AG	01/04/13	175,817,700	231,993,545	(362,118)
				<u>\$ (111,071)</u>
Contracts to Sell				
Euro with Goldman Sachs International	01/04/13	(492,005,225)	\$(649,206,743)	\$ (6,048,832)
Euro with UBS AG	01/04/13	(563,892,200)	(744,062,460)	(6,987,669)
				<u>\$(13,036,501)</u>

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Investment Income			
Interest	\$ 224,967	\$ 525,386	\$ 271,533
Expenses			
Management fee	4,600,479	7,972,894	6,179,382
Total expenses	4,600,479	7,972,894	6,179,382
Net investment income (loss)	(4,375,512)	(7,447,508)	(5,907,849)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Foreign currency forward contracts	(48,063,036)	46,946,419	(5,409,463)
Short-term U.S. government and agency obligations ...	7,153	8,121	3,715
Net realized gain (loss)	(48,055,883)	46,954,540	(5,405,748)
Change in net unrealized appreciation/depreciation on			
Foreign currency forward contracts	(600,935)	(80,578,526)	90,625,031
Short-term U.S. government and agency obligations ...	12,268	37,347	(40,013)
Change in net unrealized appreciation/depreciation	(588,667)	(80,541,179)	90,585,018
Net realized and unrealized gain (loss)	(48,644,550)	(33,586,639)	85,179,270
Net income (loss)	\$(53,020,062)	\$(41,034,147)	\$79,271,421
Net income (loss) per weighted-average share	\$ (2.03)	\$ (0.99)	\$ 2.22
Weighted-average shares outstanding	26,095,630	41,293,047	35,660,288

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$ 526,778,026	\$1,100,159,546	\$ 444,412,995
Addition of 6,250,000, 12,900,000 and 50,600,000 shares, respectively	119,076,233	263,481,506	916,146,552
Redemption of 9,450,000, 39,300,000 and 18,400,000 shares, respectively	<u>(174,833,082)</u>	<u>(795,828,879)</u>	<u>(339,671,422)</u>
Net addition (redemption) of (3,200,000), (26,400,000) and 32,200,000 shares, respectively	<u>(55,756,849)</u>	<u>(532,347,373)</u>	<u>576,475,130</u>
Net investment income (loss)	(4,375,512)	(7,447,508)	(5,907,849)
Net realized gain (loss)	(48,055,883)	46,954,540	(5,405,748)
Change in net unrealized appreciation/depreciation	<u>(588,667)</u>	<u>(80,541,179)</u>	<u>90,585,018</u>
Net income (loss)	<u>(53,020,062)</u>	<u>(41,034,147)</u>	<u>79,271,421</u>
Shareholders' equity, end of period	<u><u>\$ 418,001,115</u></u>	<u><u>\$ 526,778,026</u></u>	<u><u>\$1,100,159,546</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ (53,020,062)	\$ (41,034,147)	\$ 79,271,421
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Net sale (purchase) of short-term U.S. government and agency obligations	115,595,671	458,781,066	(540,384,848)
Change in unrealized appreciation/depreciation on investments	588,667	80,541,179	(90,585,018)
Increase (Decrease) in management fee payable	<u>(153,734)</u>	<u>(348,383)</u>	<u>482,950</u>
Net cash provided by (used in) operating activities	<u>63,010,542</u>	<u>497,939,715</u>	<u>(551,215,495)</u>
Cash flow from financing activities			
Proceeds from addition of shares	119,076,233	284,781,239	894,846,819
Payment on shares redeemed	<u>(182,144,207)</u>	<u>(782,546,670)</u>	<u>(343,780,824)</u>
Net cash provided by (used in) financing activities	<u>(63,067,974)</u>	<u>(497,765,431)</u>	<u>551,065,995</u>
Net increase (decrease) in cash	(57,432)	174,284	(149,500)
Cash, beginning of period	<u>276,372</u>	<u>102,088</u>	<u>251,588</u>
Cash, end of period	<u><u>\$ 218,940</u></u>	<u><u>\$ 276,372</u></u>	<u><u>\$ 102,088</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 575,108	\$ 363,826
Short-term U.S. government and agency obligations (Note 3) (cost \$558,563,134 and \$362,731,936, respectively)	558,597,264	362,743,231
Unrealized appreciation on foreign currency forward contracts	31,317,568	38,346,817
Receivable from capital shares sold	—	7,613,633
Total assets	<u>590,489,940</u>	<u>409,067,507</u>
Liabilities and shareholders' equity		
Liabilities		
Management fee payable	437,540	271,235
Unrealized depreciation on foreign currency forward contracts	<u>1,930,884</u>	<u>232,642</u>
Total liabilities	<u>2,368,424</u>	<u>503,877</u>
Shareholders' equity		
Shareholders' equity	<u>588,121,516</u>	<u>408,563,630</u>
Total liabilities and shareholders' equity	<u>\$590,489,940</u>	<u>\$409,067,507</u>
Shares outstanding	<u>8,299,294</u>	<u>8,049,294</u>
Net asset value per share	<u>\$ 70.86</u>	<u>\$ 50.76</u>
Market value per share (Note 2)	<u>\$ 70.91</u>	<u>\$ 50.77</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(95% of shareholders' equity)		
U.S. Treasury Bills:		
0.021% due 02/06/14†	\$ 15,473,000	\$ 15,472,774
0.052% due 03/06/14	50,872,000	50,867,548
0.011% due 03/20/14†	83,948,000	83,937,227
0.087% due 04/17/14†	31,984,000	31,980,735
0.093% due 05/01/14†	20,349,000	20,345,637
0.086% due 05/08/14†	19,927,000	19,923,164
0.078% due 05/22/14	101,809,000	101,785,245
0.076% due 06/05/14	100,035,000	100,011,464
0.086% due 06/12/14†	100,037,000	100,014,631
0.085% due 06/26/14	34,273,000	34,258,839
Total short-term U.S. government and agency obligations (cost		
\$558,563,134)		<u>\$558,597,264</u>

Foreign Currency Forward Contracts[^]

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Yen with Goldman Sachs International	01/10/14	3,967,682,500	\$ 37,685,648	\$ (884,849)
Yen with UBS AG	01/10/14	3,710,762,600	35,245,383	(1,046,035)
				<u>\$ (1,930,884)</u>
Contracts to Sell				
Yen with Goldman Sachs International	01/10/14	(66,470,096,200)	\$(631,343,013)	\$15,716,318
Yen with UBS AG	01/10/14	(65,021,781,500)	(617,586,701)	15,601,250
				<u>\$31,317,568</u>

† All or partial amount pledged as collateral for foreign currency forward contracts.

[^] The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(89% of shareholders' equity)		
U.S. Treasury Bills:		
0.096% due 01/10/13†	\$ 97,804,000	\$ 97,803,349
0.100% due 01/31/13†	120,969,000	120,965,589
0.093% due 02/14/13†	11,501,000	11,500,588
0.074% due 02/21/13†	47,762,000	47,760,010
0.077% due 03/28/13	17,297,000	17,295,570
0.062% due 04/25/13†	67,434,000	67,418,125
Total short-term U.S. government and agency obligations (cost		
\$362,731,936)		<u>\$362,743,231</u>

Foreign Currency Forward Contracts[^]

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Yen with UBS AG	01/04/13	601,353,100	\$ 6,933,000	\$ (232,642)
				<u>\$ (232,642)</u>
Contracts to Sell				
Yen with Goldman Sachs International	01/04/13	(33,732,636,200)	\$(388,903,561)	\$18,518,532
Yen with UBS AG	01/04/13	(37,798,808,300)	(435,782,459)	19,828,285
				<u>\$38,346,817</u>

† All or partial amount pledged as collateral for foreign currency forward contracts.

[^] The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Investment Income			
Interest	\$ 209,601	\$ 170,226	\$ 182,452
Expenses			
Management fee	4,607,832	2,354,920	2,824,586
Total expenses	4,607,832	2,354,920	2,824,586
Net investment income (loss)	(4,398,231)	(2,184,694)	(2,642,134)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Foreign currency forward contracts	164,019,598	27,341,631	(50,029,053)
Short-term U.S. government and agency obligations	4,527	976	4,169
Net realized gain (loss)	164,024,125	27,342,607	(50,024,884)
Change in net unrealized appreciation/depreciation on			
Foreign currency forward contracts	(8,727,491)	42,478,321	11,773,508
Short-term U.S. government and agency obligations	22,835	14,768	(11,285)
Change in net unrealized appreciation/depreciation	(8,704,656)	42,493,089	11,762,223
Net realized and unrealized gain (loss)	155,319,469	69,835,696	(38,262,661)
Net income (loss)	\$150,921,238	\$67,651,002	\$(40,904,795)
Net income (loss) per weighted-average share (Note 1)	\$ 19.43	\$ 11.91	\$ (6.14)
Weighted-average shares outstanding (Note 1)	7,767,376	5,679,622	6,664,842

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$ 408,563,630	\$ 221,131,994	\$ 207,685,813
Addition of 5,650,000, 6,550,000 and 6,683,333 shares, respectively (Note 1)	362,152,598	291,223,076	308,667,664
Redemption of 5,400,000, 3,900,000 and 5,700,710 shares, respectively (Note 1)	<u>(333,515,950)</u>	<u>(171,442,442)</u>	<u>(254,316,688)</u>
Net addition (redemption) of 250,000, 2,650,000 and 982,623 shares, respectively (Note 1)	<u>28,636,648</u>	<u>119,780,634</u>	<u>54,350,976</u>
Net investment income (loss)	(4,398,231)	(2,184,694)	(2,642,134)
Net realized gain (loss)	164,024,125	27,342,607	(50,024,884)
Change in net unrealized appreciation/depreciation	<u>(8,704,656)</u>	<u>42,493,089</u>	<u>11,762,223</u>
Net income (loss)	<u>150,921,238</u>	<u>67,651,002</u>	<u>(40,904,795)</u>
Shareholders' equity, end of period	<u><u>\$ 588,121,516</u></u>	<u><u>\$ 408,563,630</u></u>	<u><u>\$ 221,131,994</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ 150,921,238	\$ 67,651,002	\$ (40,904,795)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Net sale (purchase) of short-term U.S. government and agency obligations	(195,831,198)	(143,324,171)	4,457,554
Change in unrealized appreciation/depreciation on investments	8,704,656	(42,493,089)	(11,762,223)
Increase (Decrease) in management fee payable	<u>166,305</u>	<u>91,011</u>	<u>10,066</u>
Net cash provided by (used in) operating activities	<u>(36,038,999)</u>	<u>(118,075,247)</u>	<u>(48,199,398)</u>
Cash flow from financing activities			
Proceeds from addition of shares	369,766,231	289,859,177	302,417,930
Payment on shares redeemed	<u>(333,515,950)</u>	<u>(171,442,442)</u>	<u>(254,316,688)</u>
Net cash provided by (used in) financing activities	<u>36,250,281</u>	<u>118,416,735</u>	<u>48,101,242</u>
Net increase (decrease) in cash	211,282	341,488	(98,156)
Cash, beginning of period	<u>363,826</u>	<u>22,338</u>	<u>120,494</u>
Cash, end of period	<u><u>\$ 575,108</u></u>	<u><u>\$ 363,826</u></u>	<u><u>\$ 22,338</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS COMMODITY

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 85,642	\$ 167,546
Short-term U.S. government and agency obligations (Note 3) (cost \$2,816,627 and \$6,240,818, respectively)	2,816,688	6,240,951
Unrealized appreciation on swap agreements	15,078	—
Total assets	<u>2,917,408</u>	<u>6,408,497</u>
Liabilities and shareholders' equity		
Liabilities		
Management fee payable	2,374	5,018
Unrealized depreciation on swap agreements	—	306,268
Total liabilities	<u>2,374</u>	<u>311,286</u>
Shareholders' equity		
Shareholders' equity	2,915,034	6,097,211
Total liabilities and shareholders' equity	<u>\$2,917,408</u>	<u>\$6,408,497</u>
Shares outstanding	<u>150,014</u>	<u>250,014</u>
Net asset value per share	<u>\$ 19.43</u>	<u>\$ 24.39</u>
Market value per share (Note 2)	<u>\$ 19.13</u>	<u>\$ 23.93</u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS COMMODITY

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(97% of shareholders' equity)		
U.S. Treasury Bills:		
0.026% due 02/06/14†	\$1,077,000	\$1,076,984
0.053% due 02/27/14	226,000	225,991
0.011% due 03/20/14†	517,000	516,934
0.081% due 05/01/14†	192,000	191,968
0.076% due 06/05/14	805,000	804,811
Total short-term U.S. government and agency obligations (cost \$2,816,627)		<u>\$2,816,688</u>

Swap Agreements[^]

	<u>Rate Received (Paid)</u>	<u>Termination Date</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Deutsche Bank AG based on Dow Jones-UBS Commodity Index	(0.25)%	01/06/14	\$2,549,441	\$ 6,454
Swap agreement with Goldman Sachs International based on Dow Jones-UBS Commodity Index	(0.25)	01/06/14	2,157,299	4,974
Swap agreement with UBS AG based on Dow Jones-UBS Commodity Index	(0.60)	01/06/14	1,113,381	3,650
				<u>\$15,078</u>

† All or partial amount pledged as collateral for swap agreements.

[^] The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

* For swap agreements, a positive amount represents "long" exposure to the benchmark index. A negative amount represents "short" exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS COMMODITY

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(102% of shareholders' equity)		
U.S. Treasury Bills:		
0.095% due 01/03/13	\$2,914,000	\$2,913,998
0.092% due 01/10/13†	2,530,000	2,529,983
0.118% due 02/14/13†	505,000	504,982
0.086% due 02/21/13†	292,000	291,988
Total short-term U.S. government and agency obligations (cost \$6,240,818)		<u>\$6,240,951</u>

Swap Agreements[^]

	<u>Rate Received (Paid)</u>	<u>Termination Date</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Goldman Sachs International based on Dow Jones-UBS Commodity Index	(0.25)%	01/07/13	\$7,780,320	\$(198,117)
Swap agreement with UBS AG based on Dow Jones- UBS Commodity Index	(0.60)	01/07/13	4,411,987	(108,151)
				<u>\$(306,268)</u>

† All or partial amount pledged as collateral for swap agreements.

[^] The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For swap agreements, a positive amount represents "long" exposure to the benchmark index. A negative amount represents "short" exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS COMMODITY
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Investment Income			
Interest	\$ 2,066	\$ 4,965	\$ 10,504
Expenses			
Management fee	40,543	78,449	156,105
Total expenses	40,543	78,449	156,105
Net investment income (loss)	(38,477)	(73,484)	(145,601)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Swap agreements	(1,254,251)	(536,107)	(2,051,498)
Short-term U.S. government and agency obligations ...	(44)	—	197
Net realized gain (loss)	(1,254,295)	(536,107)	(2,051,301)
Change in net unrealized appreciation/depreciation on			
Swap agreements	321,346	400,909	(2,462,927)
Short-term U.S. government and agency obligations ...	(72)	404	(727)
Change in net unrealized appreciation/depreciation	321,274	401,313	(2,463,654)
Net realized and unrealized gain (loss)	(933,021)	(134,794)	(4,514,955)
Net income (loss)	\$ (971,498)	\$(208,278)	\$(4,660,556)
Net income (loss) per weighted-average share	\$ (4.91)	\$ (0.65)	\$ (9.75)
Weighted-average shares outstanding	197,822	320,779	478,096

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS COMMODITY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Shareholders' equity, beginning of period	\$ 6,097,211	\$ 9,058,529	\$18,186,658
Addition of 0, 0 and 50,000 shares, respectively	—	—	1,782,755
Redemption of 100,000, 100,000 and 200,000 shares, respectively	(2,210,679)	(2,753,040)	(6,250,328)
Net addition (redemption) of (100,000), (100,000) and (150,000) shares, respectively	(2,210,679)	(2,753,040)	(4,467,573)
Net investment income (loss)	(38,477)	(73,484)	(145,601)
Net realized gain (loss)	(1,254,295)	(536,107)	(2,051,301)
Change in net unrealized appreciation/depreciation	321,274	401,313	(2,463,654)
Net income (loss)	(971,498)	(208,278)	(4,660,556)
Shareholders' equity, end of period	<u>\$ 2,915,034</u>	<u>\$ 6,097,211</u>	<u>\$ 9,058,529</u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS COMMODITY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ (971,498)	\$ (208,278)	\$(4,660,556)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Net sale (purchase) of short-term U.S. government and agency obligations	3,424,191	3,473,138	6,712,239
Change in unrealized appreciation/depreciation on investments	(321,274)	(401,313)	2,463,654
Increase (Decrease) in management fee payable	<u>(2,644)</u>	<u>(2,414)</u>	<u>(6,054)</u>
Net cash provided by (used in) operating activities	<u>2,128,775</u>	<u>2,861,133</u>	<u>4,509,283</u>
Cash flow from financing activities			
Proceeds from addition of shares	—	—	1,782,755
Payment on shares redeemed	<u>(2,210,679)</u>	<u>(2,753,040)</u>	<u>(6,250,328)</u>
Net cash provided by (used in) financing activities	<u>(2,210,679)</u>	<u>(2,753,040)</u>	<u>(4,467,573)</u>
Net increase (decrease) in cash	(81,904)	108,093	41,710
Cash, beginning of period	<u>167,546</u>	<u>59,453</u>	<u>17,743</u>
Cash, end of period	<u><u>\$ 85,642</u></u>	<u><u>\$ 167,546</u></u>	<u><u>\$ 59,453</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS CRUDE OIL

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 689,596	\$ 2,198,932
Segregated cash balances with brokers for futures contracts	3,821,895	23,356,627
Short-term U.S. government and agency obligations (Note 3) (cost \$137,423,179 and \$437,644,628, respectively)	137,435,610	437,662,650
Unrealized appreciation on swap agreements	1,957,893	33,333,620
Receivable on open futures contracts	—	3,430,415
Total assets	<u>143,904,994</u>	<u>499,982,244</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	—	16,071,243
Payable on open futures contracts	997,210	—
Management fee payable	<u>134,355</u>	<u>402,037</u>
Total liabilities	<u>1,131,565</u>	<u>16,473,280</u>
Shareholders' equity		
Shareholders' equity	<u>142,773,429</u>	<u>483,508,964</u>
Total liabilities and shareholders' equity	<u>\$143,904,994</u>	<u>\$499,982,244</u>
Shares outstanding	<u>4,449,170</u>	<u>16,449,170</u>
Net asset value per share	<u>\$ 32.09</u>	<u>\$ 29.39</u>
Market value per share (Note 2)	<u>\$ 32.22</u>	<u>\$ 29.32</u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS CRUDE OIL

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(96% of shareholders' equity)		
U.S. Treasury Bills:		
0.016% due 02/06/14†	\$13,712,000	\$ 13,711,800
0.100% due 02/13/14†	7,335,000	7,334,915
0.043% due 03/06/14	11,796,000	11,794,968
0.054% due 03/13/14	1,270,000	1,269,901
0.042% due 03/20/14	500,000	499,936
0.073% due 04/03/14	2,188,000	2,187,613
0.077% due 04/10/14	6,830,000	6,829,163
0.077% due 04/17/14†	69,787,000	69,779,876
0.085% due 04/24/14	1,277,000	1,276,762
0.083% due 05/01/14†	7,864,000	7,862,700
0.086% due 05/08/14†	10,806,000	10,803,920
0.071% due 05/22/14	2,580,000	2,579,398
0.076% due 06/05/14	424,000	423,900
0.065% due 06/12/14†	1,081,000	1,080,758
Total short-term U.S. government and agency obligations (cost \$137,423,179) . .		<u>\$137,435,610</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Crude Oil - NYMEX, expires March 2014	1,103	\$108,700,650	\$626,661

Swap Agreements^

	<u>Rate Received (Paid)</u>	<u>Termination Date</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Deutsche Bank AG based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)%	01/06/14	\$52,210,040	\$ 622,117
Swap agreement with Goldman Sachs International based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)	01/06/14	54,411,119	576,723
Swap agreement with Societe Generale S.A. based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)	01/06/14	26,715,890	275,816
Swap agreement with UBS AG based on Dow Jones-UBS WTI Crude Oil Sub-Index	(0.25)	01/06/14	43,518,797	483,237
				<u>\$1,957,893</u>

† All or partial amount pledged as collateral for swap agreements.

†† Cash collateral in the amount of \$3,821,895 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

^ The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For swap agreements, a positive amount represents "long" exposure to the benchmark index. A negative amount represents "short" exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS CRUDE OIL

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(91% of shareholders' equity)		
U.S. Treasury Bills:		
0.095% due 01/03/13	\$144,182,000	\$144,181,919
0.086% due 01/10/13†	12,362,000	12,361,918
0.100% due 01/31/13†	17,785,000	17,784,498
0.101% due 02/07/13†	104,961,000	104,957,860
0.111% due 02/14/13†	88,118,000	88,114,843
0.022% due 02/21/13†	33,883,000	33,881,588
0.077% due 03/28/13	9,851,000	9,850,186
0.066% due 04/18/13	2,900,000	2,899,402
0.061% due 04/25/13†	23,636,000	23,630,436
Total short-term U.S. government and agency obligations (cost \$437,644,628) . . .		<u>\$437,662,650</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Crude Oil - NYMEX, expires March 2013	4,378	\$403,958,060	\$21,960,410

Swap Agreements^

	<u>Rate Received (Paid)</u>	<u>Termination Date</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Goldman Sachs International based on Dow Jones-UBS WTI Crude Oil Subindex	(0.25)%	01/07/13	\$232,506,653	\$14,334,730
Swap agreement with Societe Generale S.A. based on Dow Jones-UBS WTI Crude Oil Subindex	(0.25)	01/07/13	128,396,742	8,989,866
Swap agreement with UBS AG based on Dow Jones- UBS WTI Crude Oil Subindex	(0.25)	01/07/13	202,152,019	10,009,024
				<u>\$33,333,620</u>

† All or partial amount pledged as collateral for swap agreements.

†† Cash collateral in the amount of \$23,356,627 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

^ The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For swap agreements, a positive amount represents “long” exposure to the benchmark index. A negative amount represents “short” exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS CRUDE OIL
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012, 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Investment Income			
Interest	\$ 135,291	\$ 240,162	\$ 159,287
Expenses			
Management fee	2,275,701	3,400,756	3,243,051
Brokerage commissions	55,871	87,836	102,605
Total expenses	<u>2,331,572</u>	<u>3,488,592</u>	<u>3,345,656</u>
Net investment income (loss)	<u>(2,196,281)</u>	<u>(3,248,430)</u>	<u>(3,186,369)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	52,686,859	(28,210,259)	36,556,166
Swap agreements	68,059,089	(55,851,708)	73,825,809
Short-term U.S. government and agency obligations ...	11,289	12,852	14,119
Net realized gain (loss)	<u>120,757,237</u>	<u>(84,049,115)</u>	<u>110,396,094</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(21,333,749)	23,325,740	(6,778,090)
Swap agreements	(31,375,727)	43,341,016	(15,657,040)
Short-term U.S. government and agency obligations ...	(5,591)	24,546	(17,109)
Change in net unrealized appreciation/ depreciation	<u>(52,715,067)</u>	<u>66,691,302</u>	<u>(22,452,239)</u>
Net realized and unrealized gain (loss)	<u>68,042,170</u>	<u>(17,357,813)</u>	<u>87,943,855</u>
Net income (loss)	<u>\$ 65,845,889</u>	<u>\$(20,606,243)</u>	<u>\$ 84,757,486</u>
Net income (loss) per weighted-average share (Note 1)	<u>\$ 8.54</u>	<u>\$ (1.84)</u>	<u>\$ 10.13</u>
Weighted-average shares outstanding (Note 1)	<u>7,709,992</u>	<u>11,187,012</u>	<u>8,370,067</u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS CRUDE OIL

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012, 2011**

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$ 483,508,964	\$ 251,395,322	\$ 228,133,077
Addition of 11,450,000, 28,550,000 and 29,625,000 shares, respectively (Note 1)	334,161,435	853,881,447	1,173,453,517
Redemption of 23,450,000, 18,250,000 and 28,038,334 shares, respectively (Note 1)	<u>(740,742,859)</u>	<u>(601,161,562)</u>	<u>(1,234,948,758)</u>
Net addition (redemption) of (12,000,000), 10,300,000 and 1,586,666 shares, respectively (Note 1)	<u>(406,581,424)</u>	<u>252,719,885</u>	<u>(61,495,241)</u>
Net investment income (loss)	(2,196,281)	(3,248,430)	(3,186,369)
Net realized gain (loss)	120,757,237	(84,049,115)	110,396,094
Change in net unrealized appreciation/depreciation	<u>(52,715,067)</u>	<u>66,691,302</u>	<u>(22,452,239)</u>
Net income (loss)	<u>65,845,889</u>	<u>(20,606,243)</u>	<u>84,757,486</u>
Shareholders' equity, end of period	<u><u>\$ 142,773,429</u></u>	<u><u>\$ 483,508,964</u></u>	<u><u>\$ 251,395,322</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS CRUDE OIL

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012, 2011**

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ 65,845,889	\$ (20,606,243)	\$ 84,757,486
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	19,534,732	(9,153,834)	(3,571,543)
Net sale (purchase) of short-term U.S. government and agency obligations	300,221,449	(190,718,535)	(2,541,758)
Change in unrealized appreciation/depreciation on investments	31,381,318	(43,365,562)	15,674,149
Decrease (Increase) in receivable on futures contracts	3,430,415	(3,430,415)	3,035,150
Increase (Decrease) in management fee payable ...	(267,682)	186,722	(1,007)
Increase (Decrease) in payable on futures contracts	997,210	—	—
Net cash provided by (used in) operating activities	<u>421,143,331</u>	<u>(267,087,867)</u>	<u>97,352,477</u>
Cash flow from financing activities			
Proceeds from addition of shares	334,161,435	853,881,447	1,173,453,517
Payment on shares redeemed	<u>(756,814,102)</u>	<u>(585,090,319)</u>	<u>(1,271,215,481)</u>
Net cash provided by (used in) financing activities	<u>(422,652,667)</u>	<u>268,791,128</u>	<u>(97,761,964)</u>
Net increase (decrease) in cash	(1,509,336)	1,703,261	(409,487)
Cash, beginning of period	<u>2,198,932</u>	<u>495,671</u>	<u>905,158</u>
Cash, end of period	<u><u>\$ 689,596</u></u>	<u><u>\$ 2,198,932</u></u>	<u><u>\$ 495,671</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS NATURAL GAS

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 3,102,827	\$ 3,385,764
Segregated cash balances with brokers for futures contracts	6,602,200	10,264,090
Short-term U.S. government and agency obligations (Note 3) (cost \$58,918,095 and \$64,312,441, respectively)	58,921,011	64,313,224
Total assets	<u>68,626,038</u>	<u>77,963,078</u>
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	5,628,532	4,891,783
Management fee payable	81,727	51,925
Total liabilities	<u>5,710,259</u>	<u>4,943,708</u>
Shareholders' equity		
Shareholders' equity	<u>62,915,779</u>	<u>73,019,370</u>
Total liabilities and shareholders' equity	<u>\$68,626,038</u>	<u>\$77,963,078</u>
Shares outstanding (Note 1)	<u>1,619,941</u>	<u>1,869,941</u>
Net asset value per share (Note 1)	<u>\$ 38.84</u>	<u>\$ 39.05</u>
Market value per share (Note 1) (Note 2)	<u>\$ 39.28</u>	<u>\$ 39.24</u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS NATURAL GAS

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(94% of shareholders' equity)		
U.S. Treasury Bills:		
0.015% due 02/06/14	\$ 371,000	\$ 370,995
0.100% due 02/13/14	3,925,000	3,924,954
0.053% due 03/06/14	1,197,000	1,196,895
0.055% due 03/13/14	6,686,000	6,685,480
0.042% due 03/20/14	2,792,000	2,791,642
0.055% due 04/03/14	5,086,000	5,085,100
0.060% due 04/10/14	8,844,000	8,842,917
0.080% due 04/17/14	43,000	42,996
0.082% due 04/24/14	4,789,000	4,788,106
0.092% due 05/01/14	3,500,000	3,499,421
0.091% due 05/08/14	2,534,000	2,533,512
0.064% due 05/22/14	5,515,000	5,513,713
0.076% due 06/05/14	10,791,000	10,788,461
0.082% due 06/26/14	2,858,000	2,856,819
Total short-term U.S. government and agency obligations (cost \$58,918,095) . . .		<u>\$58,921,011</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Natural Gas – NYMEX, expires March 2014	3,001	\$125,831,930	\$(3,656,539)

†† Cash collateral in the amount of \$6,602,200 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS NATURAL GAS

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(88% of shareholders' equity)		
U.S. Treasury Bills:		
0.095% due 01/03/13	\$ 934,000	\$ 934,000
0.087% due 01/10/13	10,170,000	10,169,932
0.102% due 02/07/13	3,849,000	3,848,885
0.104% due 02/14/13	3,103,000	3,102,889
0.048% due 02/21/13	26,359,000	26,357,902
0.077% due 03/28/13	1,410,000	1,409,883
0.066% due 04/18/13	2,987,000	2,986,384
0.059% due 04/25/13	15,507,000	15,503,349
Total short-term U.S. government and agency obligations (cost \$64,312,441) . . .		<u>\$64,313,224</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Natural Gas – NYMEX, expires March 2013	4,340	\$146,041,000	\$(3,816,950)

†† Cash collateral in the amount of \$10,264,090 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS NATURAL GAS

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	Year ended December 31, 2013	Year ended December 31, 2012	April 5, 2011 (Inception) through December 31, 2011
Investment Income			
Interest	\$ 33,341	\$ 30,397	\$ —
Expenses			
Management fee	707,598	404,318	1,454
Brokerage commissions	147,433	128,470	2,531
Offering costs	—	63,919	6,474
Total expenses	855,031	596,707	10,459
Net investment income (loss)	(821,690)	(566,310)	(10,459)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	41,418,165	(2,839,309)	(1,481,685)
Short-term U.S. government and agency obligations ...	4,691	4,126	(134)
Net realized gain (loss)	41,422,856	(2,835,183)	(1,481,819)
Change in net unrealized appreciation/depreciation on			
Futures contracts	160,411	(2,991,440)	(825,510)
Short-term U.S. government and agency obligations ...	2,133	783	—
Change in net unrealized appreciation/depreciation	162,544	(2,990,657)	(825,510)
Net realized and unrealized gain (loss)	41,585,400	(5,825,840)	(2,307,329)
Net income (loss)	\$40,763,710	\$(6,392,150)	\$(2,317,788)
Net income (loss) per weighted-average share (Note 1)	\$ 20.11	\$ (5.88)	\$ (100.96)
Weighted-average shares outstanding (Note 1)	2,027,064	1,088,025	22,957

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS NATURAL GAS

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	Year ended December 31, 2013	Year ended December 31, 2012	April 5, 2011 (Inception) through December 31, 2011
Shareholders' equity, beginning of period	\$ 73,019,370	\$ 4,079,349	\$ —
Addition of 5,400,000, 2,930,000 and 40,002 shares, respectively (Note 1)	182,988,911	133,210,470	6,397,137
Redemption of 5,650,000, 1,100,061 and 0 shares, respectively (Note 1)	<u>(233,856,212)</u>	<u>(57,878,299)</u>	<u>—</u>
Net addition (redemption) of (250,000), 1,829,939 and 40,002 shares, respectively (Note 1)	<u>(50,867,301)</u>	<u>75,332,171</u>	<u>6,397,137</u>
Net investment income (loss)	(821,690)	(566,310)	(10,459)
Net realized gain (loss)	41,422,856	(2,835,183)	(1,481,819)
Change in net unrealized appreciation/depreciation	<u>162,544</u>	<u>(2,990,657)</u>	<u>(825,510)</u>
Net income (loss)	<u>40,763,710</u>	<u>(6,392,150)</u>	<u>(2,317,788)</u>
Shareholders' equity, end of period	<u><u>\$ 62,915,779</u></u>	<u><u>\$ 73,019,370</u></u>	<u><u>\$ 4,079,349</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA DJ-UBS NATURAL GAS

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
AND THE PERIOD FROM APRIL 5, 2011 (INCEPTION) TO DECEMBER 31, 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>April 5, 2011 (Inception) through December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ 40,763,710	\$ (6,392,150)	\$ (2,317,788)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	3,661,890	(9,538,681)	(725,409)
Net sale (purchase) of short-term U.S. government and agency obligations	5,394,346	(64,312,441)	—
Change in unrealized appreciation/depreciation on investments	(2,133)	(783)	—
Change in offering cost	—	20,150	(20,150)
Increase (Decrease) in management fee payable	29,802	50,471	1,454
Increase (Decrease) in payable on futures contracts	736,749	4,891,783	—
Increase (Decrease) in payable for offering costs ...	—	(26,624)	26,624
Net cash provided by (used in) operating activities	<u>50,584,364</u>	<u>(75,308,275)</u>	<u>(3,035,269)</u>
Cash flow from financing activities			
Proceeds from addition of shares	182,988,911	133,210,470	6,397,137
Payment on shares redeemed	<u>(233,856,212)</u>	<u>(57,878,299)</u>	—
Net cash provided by (used in) financing activities	<u>(50,867,301)</u>	<u>75,332,171</u>	<u>6,397,137</u>
Net increase (decrease) in cash	<u>(282,937)</u>	<u>23,896</u>	<u>3,361,868</u>
Cash, beginning of period	<u>3,385,764</u>	<u>3,361,868</u>	—
Cash, end of period	<u>\$ 3,102,827</u>	<u>\$ 3,385,764</u>	<u>\$ 3,361,868</u>

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 142,566	\$ 342,345
Segregated cash balances with brokers for futures contracts	15,950	14,850
Short-term U.S. government and agency obligations (Note 3) (cost \$140,884,104 and \$350,608,755, respectively)	140,880,950	350,624,904
Receivable on open futures contracts	—	3,980
Total assets	<u>141,039,466</u>	<u>350,986,079</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	2,097,225	—
Payable on open futures contracts	300	—
Management fee payable	111,562	279,269
Unrealized depreciation on forward agreements	6,812,974	15,652,058
Total liabilities	<u>9,022,061</u>	<u>15,931,327</u>
Shareholders' equity		
Shareholders' equity	132,017,405	335,054,752
Total liabilities and shareholders' equity	<u>\$141,039,466</u>	<u>\$350,986,079</u>
Shares outstanding	<u>3,200,014</u>	<u>4,000,014</u>
Net asset value per share	<u>\$ 41.26</u>	<u>\$ 83.76</u>
Market value per share (Note 2)	<u>\$ 41.26</u>	<u>\$ 85.34</u>

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(107% of shareholders' equity)		
U.S. Treasury Bills:		
0.017% due 02/06/14†	\$39,093,000	\$ 39,092,430
0.051% due 03/06/14†	23,937,000	23,934,906
0.011% due 03/20/14†	51,752,000	51,745,359
0.080% due 04/17/14†	10,244,000	10,242,954
0.070% due 05/22/14†	15,423,000	15,419,401
0.086% due 06/12/14	446,000	445,900
Total short-term U.S. government and agency obligations (cost \$140,884,104) . . .		<u>\$140,880,950</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Gold Futures – COMEX, expires February 2014	2	\$240,460	\$(14,560)

Forward Agreements^

	<u>Rate Received (Paid)</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Deutsche Bank AG based on 0.995 Fine Troy Ounce Gold . . .	(0.30)%	01/06/14	\$108,500	\$130,688,250	\$(3,543,937)
Forward agreements with Goldman Sachs International based on 0.995 Fine Troy Ounce Gold	(0.45)	01/06/14	44,820	53,985,690	(1,327,335)
Forward agreements with Societe Generale S.A. based on 0.995 Fine Troy Ounce Gold	(0.50)	01/06/14	28,100	33,846,450	(785,038)
Forward agreements with UBS AG based on 0.995 Fine Troy Ounce Gold	(0.40)	01/06/14	37,600	45,289,200	(1,156,664)
					<u>\$(6,812,974)</u>

† All or partial amount pledged as collateral for forward agreements.

†† Cash collateral in the amount of \$15,950 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

^ The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

* For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(105% of shareholders' equity)		
U.S. Treasury Bills:		
0.096% due 01/03/13	\$146,333,000	\$146,332,918
0.087% due 01/10/13†	45,695,000	45,694,696
0.106% due 02/14/13†	153,832,000	153,826,489
0.090% due 02/21/13†	4,771,000	4,770,801
Total short-term U.S. government and agency obligations (cost \$350,608,755) . . .		<u>\$350,624,904</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Gold Futures – COMEX, expires February 2013	2	\$335,160	\$(15,240)

Forward Agreements^

	<u>Rate Received (Paid)</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Deutsche Bank					
AG based on 0.995 Fine Troy Ounce					
Gold	(0.30)%	01/07/13	\$120,800	\$200,241,704	\$ (4,622,873)
Forward agreements with Goldman Sachs					
International based on 0.995 Fine Troy					
Ounce Gold	(0.75)	01/07/13	91,420	151,540,535	(3,678,367)
Forward agreements with Societe Generale					
S.A. based on 0.995 Fine Troy Ounce					
Gold	(0.50)	01/07/13	98,400	163,110,792	(3,715,989)
Forward agreements with UBS AG based on					
0.995 Fine Troy Ounce Gold	(0.75)	01/07/13	93,400	154,822,642	(3,634,829)
					<u>\$(15,652,058)</u>

† All or partial amount pledged as collateral for forward agreements.

†† Cash collateral in the amount of \$14,850 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

^ The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Investment Income			
Interest	\$ 130,437	\$ 242,432	\$ 146,143
Expenses			
Management fee	2,055,613	3,411,655	3,118,702
Brokerage commissions	39	42	2,927
Total expenses	2,055,652	3,411,697	3,121,629
Net investment income (loss)	(1,925,215)	(3,169,265)	(2,975,486)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(97,160)	(7,480)	1,874,338
Forward agreements	(165,535,626)	(33,585,416)	98,213,726
Short-term U.S. government and agency obligations ...	7,780	3,264	2,234
Net realized gain (loss)	(165,625,006)	(33,589,632)	100,090,298
Change in net unrealized appreciation/depreciation on			
Futures contracts	680	26,420	(347,640)
Forward agreements	8,839,084	65,184,222	(89,560,867)
Short-term U.S. government and agency obligations ...	(19,303)	20,736	(12,664)
Change in net unrealized appreciation/ depreciation	8,820,461	65,231,378	(89,921,171)
Net realized and unrealized gain (loss)	(156,804,545)	31,641,746	10,169,127
Net income (loss)	\$(158,729,760)	\$ 28,472,481	\$ 7,193,641
Net income (loss) per weighted-average share	\$ (44.55)	\$ 6.90	\$ 1.87
Weighted-average shares outstanding	3,562,617	4,126,517	3,852,480

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Shareholders' equity, beginning of period	\$ 335,054,752	\$326,399,360	\$259,562,075
Addition of 550,000, 500,000 and 1,350,000 shares, respectively	30,696,013	49,880,610	128,281,626
Redemption of 1,350,000, 800,000 and 800,000 shares, respectively	<u>(75,003,600)</u>	<u>(69,697,699)</u>	<u>(68,637,982)</u>
Net addition (redemption) of (800,000), (300,000) and 550,000 shares, respectively	<u>(44,307,587)</u>	<u>(19,817,089)</u>	<u>59,643,644</u>
Net investment income (loss)	(1,925,215)	(3,169,265)	(2,975,486)
Net realized gain (loss)	(165,625,006)	(33,589,632)	100,090,298
Change in net unrealized appreciation/depreciation	<u>8,820,461</u>	<u>65,231,378</u>	<u>(89,921,171)</u>
Net income (loss)	<u>(158,729,760)</u>	<u>28,472,481</u>	<u>7,193,641</u>
Shareholders' equity, end of period	<u><u>\$ 132,017,405</u></u>	<u><u>\$335,054,752</u></u>	<u><u>\$326,399,360</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$(158,729,760)	\$ 28,472,481	\$ 7,193,641
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(1,100)	8,100	444,825
Net sale (purchase) of short-term U.S. government and agency obligations	209,724,651	48,713,572	(150,079,747)
Change in unrealized appreciation/depreciation on investments	(8,819,781)	(65,204,958)	89,573,531
Decrease (Increase) in receivable on futures contracts	3,980	(3,440)	60,290
Increase (Decrease) in management fee payable	(167,707)	(23,851)	98,922
Increase (Decrease) in payable on futures contracts	300	—	—
Net cash provided by (used in) operating activities	<u>42,010,583</u>	<u>11,961,904</u>	<u>(52,708,538)</u>
Cash flow from financing activities			
Proceeds from addition of shares	30,696,013	57,677,607	120,484,629
Payment on shares redeemed	<u>(72,906,375)</u>	<u>(69,697,699)</u>	<u>(68,637,982)</u>
Net cash provided by (used in) financing activities	<u>(42,210,362)</u>	<u>(12,020,092)</u>	<u>51,846,647</u>
Net increase (decrease) in cash	(199,779)	(58,188)	(861,891)
Cash, beginning of period	<u>342,345</u>	<u>400,533</u>	<u>1,262,424</u>
Cash, end of period	<u><u>\$ 142,566</u></u>	<u><u>\$ 342,345</u></u>	<u><u>\$ 400,533</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 463,001	\$ 890,051
Segregated cash balances with brokers for futures contracts	22,000	24,200
Short-term U.S. government and agency obligations (Note 3) (cost \$467,849,038 and \$891,006,493, respectively)	467,868,976	891,057,386
Receivable from capital shares sold	—	2,148,957
Receivable on open futures contracts	—	2,520
Total assets	<u>468,353,977</u>	<u>894,123,114</u>
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	2,450	—
Management fee payable	379,128	657,008
Unrealized depreciation on forward agreements	2,492,880	145,740,706
Total liabilities	<u>2,874,458</u>	<u>146,397,714</u>
Shareholders' equity		
Shareholders' equity	<u>465,479,519</u>	<u>747,725,400</u>
Total liabilities and shareholders' equity	<u>\$468,353,977</u>	<u>\$894,123,114</u>
Shares outstanding (Note 9)	<u>7,350,007</u>	<u>4,350,007</u>
Net asset value per share (Note 9)	<u>\$ 63.33</u>	<u>\$ 171.89</u>
Market value per share (Note 9) (Note 2)	<u>\$ 63.04</u>	<u>\$ 176.40</u>

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(101% of shareholders' equity)		
U.S. Treasury Bills:		
0.010% due 02/06/14†	\$246,229,000	\$246,225,410
0.047% due 03/06/14†	26,139,000	26,136,713
0.042% due 03/20/14†	1,793,000	1,792,770
0.070% due 04/03/14	14,766,000	14,763,387
0.066% due 04/10/14†	7,392,000	7,391,094
0.080% due 04/17/14†	137,765,000	137,750,937
0.093% due 04/24/14†	2,451,000	2,450,542
0.093% due 05/01/14	2,934,000	2,933,515
0.088% due 05/08/14†	5,908,000	5,906,863
0.069% due 05/22/14†	22,523,000	22,517,745
Total short-term U.S. government and agency obligations		
(cost \$467,849,038)		<u>\$467,868,976</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Silver Futures – COMEX, expires March 2014	2	\$193,700	\$(14,200)

Forward Agreements^

	<u>Rate Received (Paid)</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Deutsche Bank AG based on 0.999 Fine Troy Ounce Silver	(0.30)%	01/06/14	\$25,659,000	\$500,401,818	\$ (350,663)
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver	(0.45)	01/06/14	8,597,800	167,674,296	(1,345,433)
Forward agreements with Societe Generale S.A. based on 0.999 Fine Troy Ounce Silver	(0.50)	01/06/14	4,952,000	96,573,904	(28,581)
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver	(0.45)	01/06/14	8,516,000	166,079,032	(768,203)
					<u>\$(2,492,880)</u>

† All or partial amount pledged as collateral for forward agreements.

†† Cash collateral in the amount of \$22,000 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

^ The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(119% of shareholders' equity)		
U.S. Treasury Bills:		
0.088% due 01/10/13†	\$264,070,000	\$264,068,244
0.103% due 02/07/13	16,680,000	16,679,501
0.105% due 02/14/13†	293,246,000	293,235,493
0.085% due 02/21/13†	262,191,000	262,180,074
0.064% due 04/25/13†	54,907,000	54,894,074
Total short-term U.S. government and agency obligations		
(cost \$891,006,493)		<u>\$891,057,386</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Silver Futures – COMEX, expires March 2013	2	\$302,270	\$(40,020)

Forward Agreements^

	<u>Rate Received (Paid)</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value*</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Deutsche Bank AG based on 0.999 Fine Troy Ounce Silver . . .	(0.30)%	01/07/13	\$17,405,000	\$521,352,073	\$ (44,873,116)
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver	(0.90)	01/07/13	10,625,800	318,290,526	(34,491,042)
Forward agreements with Societe Generale S.A. based on 0.999 Fine Troy Ounce Silver	(0.50)	01/07/13	11,932,000	357,417,094	(34,802,217)
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver	(0.95)	01/07/13	9,948,000	297,987,366	(31,574,331)
					<u>\$(145,740,706)</u>

† All or partial amount pledged as collateral for forward agreements.

†† Cash collateral in the amount of \$24,200 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

^ The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

* For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Investment Income			
Interest	\$ 348,317	\$ 520,233	\$ 423,786
Expenses			
Management fee	5,628,988	7,438,345	8,372,487
Brokerage commissions	36	45	7,511
Total expenses	<u>5,629,024</u>	<u>7,438,390</u>	<u>8,379,998</u>
Net investment income (loss)	<u>(5,280,707)</u>	<u>(6,918,157)</u>	<u>(7,956,212)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(137,594)	(6,160)	4,093,993
Forward agreements	(701,395,135)	(66,420,332)	(213,571,085)
Short-term U.S. government and agency obligations ...	<u>14,261</u>	<u>5,369</u>	<u>46,248</u>
Net realized gain (loss)	<u>(701,518,468)</u>	<u>(66,421,123)</u>	<u>(209,430,844)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	25,820	20,830	(3,117,070)
Forward agreements	143,247,826	33,586,067	(225,518,341)
Short-term U.S. government and agency obligations ...	<u>(30,955)</u>	<u>61,788</u>	<u>(28,154)</u>
Change in net unrealized appreciation/depreciation	<u>143,242,691</u>	<u>33,668,685</u>	<u>(228,663,565)</u>
Net realized and unrealized gain (loss)	<u>(558,275,777)</u>	<u>(32,752,438)</u>	<u>(438,094,409)</u>
Net income (loss)	<u><u>\$ (563,556,484)</u></u>	<u><u>\$ (39,670,595)</u></u>	<u><u>\$ (446,050,621)</u></u>
Net income (loss) per weighted-average share (Note 1)			
(Note 9)	<u><u>\$ (93.80)</u></u>	<u><u>\$ (9.91)</u></u>	<u><u>\$ (173.02)</u></u>
Weighted-average shares outstanding (Note 1) (Note 9)	<u><u>6,008,363</u></u>	<u><u>4,001,407</u></u>	<u><u>2,578,021</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$ 747,725,400	\$ 606,824,420	\$ 547,003,919
Addition of 4,112,500, 2,262,500 and 3,912,500 shares, respectively (Note 1) (Note 9)	383,200,214	463,625,109	1,259,593,245
Redemption of 1,112,500, 1,425,000 and 2,150,000 shares, respectively (Note 1) (Note 9)	<u>(101,889,611)</u>	<u>(283,053,534)</u>	<u>(753,722,123)</u>
Net addition (redemption) of 3,000,000, 837,500 and 1,762,500 shares, respectively (Note 1) (Note 9)	<u>281,310,603</u>	<u>180,571,575</u>	<u>505,871,122</u>
Net investment income (loss)	(5,280,707)	(6,918,157)	(7,956,212)
Net realized gain (loss)	(701,518,468)	(66,421,123)	(209,430,844)
Change in net unrealized appreciation/depreciation	<u>143,242,691</u>	<u>33,668,685</u>	<u>(228,663,565)</u>
Net income (loss)	<u>(563,556,484)</u>	<u>(39,670,595)</u>	<u>(446,050,621)</u>
Shareholders' equity, end of period	<u><u>\$ 465,479,519</u></u>	<u><u>\$ 747,725,400</u></u>	<u><u>\$ 606,824,420</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$(563,556,484)	\$ (39,670,595)	\$ (446,050,621)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	2,200	25,750	2,345,963
Net sale (purchase) of short-term U.S. government and agency obligations	423,157,455	(119,069,929)	(276,038,294)
Change in unrealized appreciation/depreciation on investments	(143,216,871)	(33,647,855)	225,546,495
Decrease (Increase) in receivable on futures contracts	2,520	3,480	385,421
Increase (Decrease) in management fee payable	(277,880)	87,573	173,891
Increase (Decrease) in payable on futures contracts	2,450	—	—
Net cash provided by (used in) operating activities	<u>(283,886,610)</u>	<u>(192,271,576)</u>	<u>(493,637,145)</u>
Cash flow from financing activities			
Proceeds from addition of shares	385,349,171	475,442,719	1,245,626,678
Payment on shares redeemed	<u>(101,889,611)</u>	<u>(283,053,534)</u>	<u>(753,722,123)</u>
Net cash provided by (used in) financing activities	<u>283,459,560</u>	<u>192,389,185</u>	<u>491,904,555</u>
Net increase (decrease) in cash	(427,050)	117,609	(1,732,590)
Cash, beginning of period	<u>890,051</u>	<u>772,442</u>	<u>2,505,032</u>
Cash, end of period	<u><u>\$ 463,001</u></u>	<u><u>\$ 890,051</u></u>	<u><u>\$ 772,442</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA AUSTRALIAN DOLLAR

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 314,796	\$ 426,634
Segregated cash balances with brokers for futures contracts	128,865	158,400
Short-term U.S. government and agency obligations (Note 3) (cost \$2,716,026 and \$3,570,687, respectively)	2,716,439	3,570,894
Receivable on open futures contracts	10,650	12,000
Offering costs (Note 5)	—	22,128
Limitation by Sponsor	—	1,012
Total assets	<u>3,170,750</u>	<u>4,191,068</u>
Liabilities and shareholders' equity		
Liabilities		
Management fee payable	2,585	—
Payable for offering costs	—	41,000
Total liabilities	<u>2,585</u>	<u>41,000</u>
Shareholders' equity		
Shareholders' equity	<u>3,168,165</u>	<u>4,150,068</u>
Total liabilities and shareholders' equity	<u>\$3,170,750</u>	<u>\$4,191,068</u>
Shares outstanding	<u>100,005</u>	<u>100,005</u>
Net asset value per share	<u>\$ 31.68</u>	<u>\$ 41.50</u>
Market value per share (Note 2)	<u>\$ 31.61</u>	<u>\$ 41.45</u>

See accompanying notes to financial statements.

PROSHARES ULTRA AUSTRALIAN DOLLAR

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(86% of shareholders' equity)		
U.S. Treasury Bills:		
0.016% due 02/06/14	\$ 78,000	\$ 77,999
0.053% due 02/27/14	105,000	104,996
0.065% due 04/17/14	86,000	85,991
0.086% due 06/12/14	2,448,000	2,447,453
Total short-term U.S. government and agency obligations (cost \$2,716,026)		<u>\$2,716,439</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Australian Dollar Fx Currency Futures – CME, expires March 2014	71	\$6,306,220	\$(118,220)

†† Cash collateral in the amount of \$128,865 was pledged to cover margin requirements for open futures contracts as of December 31, 2013.

See accompanying notes to financial statements.

PROSHARES ULTRA AUSTRALIAN DOLLAR

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(86% of shareholders' equity)		
U.S. Treasury Bills:		
0.100% due 01/31/13	\$3,178,000	\$3,177,910
0.086% due 02/21/13	393,000	392,984
Total short-term U.S. government and agency obligations (cost \$3,570,687)		<u>\$3,570,894</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Australian Dollar Fx Currency Futures – CME, expires March 2013	80	\$8,260,000	\$(99,030)

†† Cash collateral in the amount of \$158,400 was pledged to cover margin requirements for open futures contracts as of December 31, 2012.

See accompanying notes to financial statements.

PROSHARES ULTRA AUSTRALIAN DOLLAR*

STATEMENTS OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2013 AND FOR THE PERIOD FROM JULY 17, 2012
(COMMENCEMENT OF INVESTMENT OPERATIONS) THROUGH DECEMBER 31, 2012

	Year ended December 31, 2013	July 17, 2012 (Commencement of Investment Operations) through December 31, 2012
Investment Income		
Interest	\$ 1,570	\$ 1,493
Expenses		
Management fee	14,696	—
Brokerage commissions	1,545	932
Offering costs	47,870	18,871
Limitation by Sponsor	(27,636)	(1,012)
Total expenses	<u>36,475</u>	<u>18,791</u>
Net investment income (loss)	<u>(34,905)</u>	<u>(17,298)</u>
Realized and unrealized gain (loss) on investment activity		
Net realized gain (loss) on		
Futures contracts	(928,022)	265,990
Short-term U.S. government and agency obligations	8	(1)
Net realized gain (loss)	<u>(928,014)</u>	<u>265,989</u>
Change in net unrealized appreciation/depreciation on		
Futures contracts	(19,190)	(99,030)
Short-term U.S. government and agency obligations	206	207
Change in net unrealized appreciation/depreciation	<u>(18,984)</u>	<u>(98,823)</u>
Net realized and unrealized gain (loss)	<u>(946,998)</u>	<u>167,166</u>
Net income (loss)	<u>\$(981,903)</u>	<u>\$149,868</u>
Net income (loss) per weighted-average share	<u>\$ (9.82)</u>	<u>\$ 1.51</u>
Weighted-average shares outstanding	<u>100,005</u>	<u>99,410</u>

* Since the Fund commenced investment operations on July 17, 2012, the Statement of Operations for the year ended December 31, 2011 has not been provided.

See accompanying notes to financial statements.

PROSHARES ULTRA AUSTRALIAN DOLLAR*

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013 AND FOR THE PERIOD FROM JULY 17, 2012
(COMMENCEMENT OF INVESTMENT OPERATIONS) THROUGH DECEMBER 31, 2012

	<u>Year ended December 31, 2013</u>	<u>July 17, 2012 (Commencement of Investment Operations) through December 31, 2012</u>
Shareholders' equity, beginning of period	\$4,150,068	\$ 200
Addition of 0 and 100,000 shares, respectively	—	4,000,000
Net investment income (loss)	(34,905)	(17,298)
Net realized gain (loss)	(928,014)	265,989
Change in net unrealized appreciation/depreciation	<u>(18,984)</u>	<u>(98,823)</u>
Net income (loss)	<u>(981,903)</u>	<u>149,868</u>
Shareholders' equity, end of period	<u><u>\$3,168,165</u></u>	<u><u>\$4,150,068</u></u>

* Since the Fund commenced investment operations on July 17, 2012, the only activity for the year ended December 31, 2011 was the initial seeding of the Fund, as such the Statement of Changes in Shareholders' Equity for the year ended December 31, 2011 has not been provided.

See accompanying notes to financial statements.

PROSHARES ULTRA AUSTRALIAN DOLLAR*

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2013 AND FOR THE PERIOD FROM JULY 17, 2012
(COMMENCEMENT OF INVESTMENT OPERATIONS) THROUGH DECEMBER 31, 2012

	Year ended December 31, 2013	July 17, 2012 (Commencement of Investment Operations) through December 31, 2012
Cash flow from operating activities		
Net income (loss)	\$(981,903)	\$ 149,868
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Decrease (Increase) in segregated cash balances with brokers for futures contracts	29,535	(158,400)
Net sale (purchase) of short-term U.S. government and agency obligations	854,661	(3,570,687)
Change in unrealized appreciation/depreciation on investments ...	(206)	(207)
Decrease (Increase) in receivable on futures contracts	1,350	(12,000)
Decrease (Increase) in Limitation by Sponsor	1,012	(1,012)
Change in offering cost	22,128	18,872
Increase (Decrease) in management fee payable	2,585	—
Increase (Decrease) in payable for offering costs	(41,000)	—
Net cash provided by (used in) operating activities	<u>(111,838)</u>	<u>(3,573,566)</u>
Cash flow from financing activities		
Proceeds from addition of shares	—	4,000,000
Net cash provided by (used in) financing activities	<u>—</u>	<u>4,000,000</u>
Net increase (decrease) in cash	(111,838)	426,434
Cash, beginning of period	426,634	200
Cash, end of period	<u><u>\$ 314,796</u></u>	<u><u>\$ 426,634</u></u>

* Since the Fund commenced investment operations on July 17, 2012, the only activity for the year ended December 31, 2011 was the initial seeding of the Fund, as such the Statement of Cash Flows for the year ended December 31, 2011 has not been provided.

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 49,723	\$ 240,086
Short-term U.S. government and agency obligations (Note 3) (cost \$2,455,715 and \$4,546,872, respectively)	2,455,863	4,546,944
Unrealized appreciation on foreign currency forward contracts	120,908	89,473
Total assets	<u>2,626,494</u>	<u>4,876,503</u>
Liabilities and shareholders' equity		
Liabilities		
Management fee payable	2,721	3,873
Unrealized depreciation on foreign currency forward contracts	19,946	2,314
Total liabilities	<u>22,667</u>	<u>6,187</u>
Shareholders' equity		
Shareholders' equity	<u>2,603,827</u>	<u>4,870,316</u>
Total liabilities and shareholders' equity	<u>\$2,626,494</u>	<u>\$4,876,503</u>
Shares outstanding	<u>100,014</u>	<u>200,014</u>
Net asset value per share	<u>\$ 26.03</u>	<u>\$ 24.35</u>
Market value per share (Note 2)	<u>\$ 25.98</u>	<u>\$ 24.32</u>

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(94% of shareholders' equity)		
U.S. Treasury Bills:		
0.011% due 02/06/14†	\$ 431,000	\$ 430,994
0.100% due 02/13/14	1,236,000	1,235,985
0.053% due 02/27/14	115,000	114,995
0.021% due 03/06/14†	208,000	207,982
0.040% due 03/20/14	151,000	150,981
0.076% due 06/05/14	315,000	314,926
Total short-term U.S. government and agency obligations (cost \$2,455,715)		<u>\$2,455,863</u>

Foreign Currency Forward Contracts^

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Euro with Goldman Sachs International	01/10/14	2,652,025	\$ 3,648,635	\$ 56,991
Euro with UBS AG	01/10/14	3,078,100	4,234,826	63,917
				<u>\$120,908</u>
Contracts to Sell				
Euro with Goldman Sachs International	01/10/14	(1,918,800)	\$(2,639,870)	\$(19,770)
Euro with UBS AG	01/10/14	(26,300)	(36,184)	(176)
				<u>\$ (19,946)</u>

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(93% of shareholders' equity)		
U.S. Treasury Bills:		
0.096% due 01/10/13†	\$4,432,000	\$4,431,971
0.060% due 04/25/13	115,000	114,973
Total short-term U.S. government and agency obligations (cost \$4,546,872)		<u>\$4,546,944</u>

Foreign Currency Forward Contracts^

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Euro with Goldman Sachs International	01/04/13	3,207,025	\$4,231,708	\$38,327
Euro with UBS AG	01/04/13	4,319,600	5,699,764	51,146
				<u>\$89,473</u>
Contracts to Sell				
Euro with Goldman Sachs International	01/04/13	(23,900)	\$ (31,536)	\$ (635)
Euro with UBS AG	01/04/13	(100,900)	(133,139)	(1,679)
				<u>\$ (2,314)</u>

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Investment Income			
Interest	\$ 1,901	\$ 3,690	\$ 4,536
Expenses			
Management fee	36,925	63,816	79,638
Total expenses	36,925	63,816	79,638
Net investment income (loss)	(35,024)	(60,126)	(75,102)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Foreign currency forward contracts	210,150	(398,504)	354,369
Short-term U.S. government and agency obligations ...	55	78	36
Net realized gain (loss)	210,205	(398,426)	354,405
Change in net unrealized appreciation/depreciation on			
Foreign currency forward contracts	13,803	605,371	(866,391)
Short-term U.S. government and agency obligations ...	76	334	(509)
Change in net unrealized appreciation/depreciation	13,879	605,705	(866,900)
Net realized and unrealized gain (loss)	224,084	207,279	(512,495)
Net income (loss)	\$189,060	\$ 147,153	\$(587,597)
Net income (loss) per weighted-average share	\$ 1.19	\$ 0.52	\$ (1.95)
Weighted-average shares outstanding	159,192	285,533	300,973

See accompanying notes to financial statements.

PROSHARES ULTRA EURO

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Shareholders' equity, beginning of period	\$ 4,870,316	\$ 9,554,748	\$7,729,684
Addition of 50,000, 50,000 and 100,000 shares, respectively	1,261,329	1,209,580	2,412,661
Redemption of 150,000, 250,000 and 0 shares, respectively	<u>(3,716,878)</u>	<u>(6,041,165)</u>	<u>—</u>
Net addition (redemption) of (100,000), (200,000) and 100,000 shares, respectively	<u>(2,455,549)</u>	<u>(4,831,585)</u>	<u>2,412,661</u>
Net investment income (loss)	(35,024)	(60,126)	(75,102)
Net realized gain (loss)	210,205	(398,426)	354,405
Change in net unrealized appreciation/depreciation	<u>13,879</u>	<u>605,705</u>	<u>(866,900)</u>
Net income (loss)	<u>189,060</u>	<u>147,153</u>	<u>(587,597)</u>
Shareholders' equity, end of period	<u><u>\$ 2,603,827</u></u>	<u><u>\$ 4,870,316</u></u>	<u><u>\$9,554,748</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ 189,060	\$ 147,153	\$ (587,597)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Net sale (purchase) of short-term U.S. government and agency obligations	2,091,157	5,522,097	(2,695,059)
Change in unrealized appreciation/depreciation on investments	(13,879)	(605,705)	866,900
Increase (Decrease) in management fee payable	<u>(1,152)</u>	<u>(2,343)</u>	<u>117</u>
Net cash provided by (used in) operating activities	<u>2,265,186</u>	<u>5,061,202</u>	<u>(2,415,639)</u>
Cash flow from financing activities			
Proceeds from addition of shares	1,261,329	1,209,580	2,412,661
Payment on shares redeemed	<u>(3,716,878)</u>	<u>(6,041,165)</u>	<u>—</u>
Net cash provided by (used in) financing activities	<u>(2,455,549)</u>	<u>(4,831,585)</u>	<u>2,412,661</u>
Net increase (decrease) in cash	(190,363)	229,617	(2,978)
Cash, beginning of period	<u>240,086</u>	<u>10,469</u>	<u>13,447</u>
Cash, end of period	<u><u>\$ 49,723</u></u>	<u><u>\$ 240,086</u></u>	<u><u>\$ 10,469</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 28,116	\$ 138,033
Short-term U.S. government and agency obligations (Note 3) (cost \$2,928,242 and \$4,587,701, respectively)	2,928,556	4,587,918
Unrealized appreciation on foreign currency forward contracts	4,052	13,523
Total assets	<u>2,960,724</u>	<u>4,739,474</u>
Liabilities and shareholders' equity		
Liabilities		
Management fee payable	2,337	3,660
Unrealized depreciation on foreign currency forward contracts	163,361	507,819
Total liabilities	<u>165,698</u>	<u>511,479</u>
Shareholders' equity		
Shareholders' equity	2,795,026	4,227,995
Total liabilities and shareholders' equity	<u>\$2,960,724</u>	<u>\$4,739,474</u>
Shares outstanding	<u>150,014</u>	<u>150,014</u>
Net asset value per share	<u>\$ 18.63</u>	<u>\$ 28.18</u>
Market value per share (Note 2)	<u>\$ 18.61</u>	<u>\$ 28.28</u>

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2013

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(105% of shareholders' equity)		
U.S. Treasury Bills:		
0.031% due 02/06/14†	\$ 813,000	\$ 812,988
0.053% due 02/27/14	117,000	116,996
0.021% due 03/06/14†	144,000	143,987
0.086% due 06/12/14	1,855,000	1,854,585
Total short-term U.S. government and agency obligations		
(cost \$2,928,242)		<u>\$2,928,556</u>

Foreign Currency Forward Contracts[^]

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Yen with Goldman Sachs International	01/10/14	296,968,900	\$2,820,656	\$ (78,309)
Yen with UBS AG	01/10/14	321,381,200	3,052,527	(85,052)
				<u>\$(163,361)</u>
Contracts to Sell				
Yen with Goldman Sachs International	01/10/14	(11,926,300)	\$ (113,278)	\$ 2,462
Yen with UBS AG	01/10/14	(17,263,400)	(163,970)	1,590
				<u>\$ 4,052</u>

† All or partial amount pledged as collateral for foreign currency forward contracts.

[^] The positions and counterparties herein are as of December 31, 2013. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2012

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations (109% of shareholders' equity)		
U.S. Treasury Bills:		
0.098% due 01/10/13†	\$2,974,000	\$2,973,980
0.125% due 02/14/13	951,000	950,966
0.086% due 02/21/13	663,000	<u>662,972</u>
Total short-term U.S. government and agency obligations (cost \$4,587,701)		<u>\$4,587,918</u>

Foreign Currency Forward Contracts[^]

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Yen with Goldman Sachs International	01/04/13	353,636,200	\$4,077,072	\$(231,047)
Yen with UBS AG	01/04/13	424,732,500	4,896,741	<u>(276,772)</u>
				<u>\$(507,819)</u>
Contracts to Sell				
Yen with Goldman Sachs International	01/04/13	(19,923,300)	\$ (229,696)	\$ 7,325
Yen with UBS AG	01/04/13	(25,219,500)	(290,756)	<u>6,198</u>
				<u>\$ 13,523</u>

† All or partial amount pledged as collateral for foreign currency forward contracts.

[^] The positions and counterparties herein are as of December 31, 2012. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Investment Income			
Interest	\$ 1,795	\$ 3,524	\$ 1,871
Expenses			
Management fee	33,569	47,964	41,443
Total expenses	33,569	47,964	41,443
Net investment income (loss)	<u>(31,774)</u>	<u>(44,440)</u>	<u>(39,572)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Foreign currency forward contracts	(1,879,169)	(601,937)	564,813
Short-term U.S. government and agency obligations	68	27	19
Net realized gain (loss)	<u>(1,879,101)</u>	<u>(601,910)</u>	<u>564,832</u>
Change in net unrealized appreciation/depreciation on			
Foreign currency forward contracts	334,987	(597,023)	(180,776)
Short-term U.S. government and agency obligations	97	293	(207)
Change in net unrealized appreciation/depreciation	335,084	(596,730)	(180,983)
Net realized and unrealized gain (loss)	<u>(1,544,017)</u>	<u>(1,198,640)</u>	<u>383,849</u>
Net income (loss)	<u>\$(1,575,791)</u>	<u>\$(1,243,080)</u>	<u>\$ 344,277</u>
Net income (loss) per weighted-average share	<u>\$ (9.90)</u>	<u>\$ (8.29)</u>	<u>\$ 2.75</u>
Weighted-average shares outstanding	<u>159,192</u>	<u>150,014</u>	<u>125,219</u>

See accompanying notes to financial statements.

PROSHARES ULTRA YEN

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Shareholders' equity, beginning of period	\$ 4,227,995	\$ 5,471,075	\$ 5,024,240
Addition of 50,000, 0 and 50,000 shares, respectively	1,323,474	—	1,696,147
Redemption of 50,000, 0 and 50,000 shares, respectively	(1,180,652)	—	(1,593,589)
Net addition (redemption) of 0, 0 and 0 shares, respectively	142,822	—	102,558
Net investment income (loss)	(31,774)	(44,440)	(39,572)
Net realized gain (loss)	(1,879,101)	(601,910)	564,832
Change in net unrealized appreciation/depreciation	335,084	(596,730)	(180,983)
Net income (loss)	(1,575,791)	(1,243,080)	344,277
Shareholders' equity, end of period	<u>\$ 2,795,026</u>	<u>\$ 4,227,995</u>	<u>\$ 5,471,075</u>

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$(1,575,791)	\$(1,243,080)	\$ 344,277
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Net sale (purchase) of short-term U.S. government and agency obligations	1,659,459	779,250	(633,379)
Change in unrealized appreciation/depreciation on investments	(335,084)	596,730	180,983
Increase (Decrease) in management fee payable	<u>(1,323)</u>	<u>(665)</u>	<u>722</u>
Net cash provided by (used in) operating activities	<u>(252,739)</u>	<u>132,235</u>	<u>(107,397)</u>
Cash flow from financing activities			
Proceeds from addition of shares	1,323,474	—	1,696,147
Payment on shares redeemed	<u>(1,180,652)</u>	<u>—</u>	<u>(1,593,589)</u>
Net cash provided by (used in) financing activities	<u>142,822</u>	<u>—</u>	<u>102,558</u>
Net increase (decrease) in cash	(109,917)	132,235	(4,839)
Cash, beginning of period	<u>138,033</u>	<u>5,798</u>	<u>10,637</u>
Cash, end of period	<u><u>\$ 28,116</u></u>	<u><u>\$ 138,033</u></u>	<u><u>\$ 5,798</u></u>

See accompanying notes to financial statements.

PROSHARES TRUST II
COMBINED STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Assets		
Cash	\$ 23,390,732	\$ 19,959,356
Segregated cash balances with brokers for futures contracts	235,046,530	141,659,913
Short-term U.S. government and agency obligations (Note 3) (cost \$2,846,340,077 and \$3,335,156,145, respectively)	2,846,465,825	3,335,285,580
Unrealized appreciation on swap agreements	1,972,971	33,783,473
Unrealized appreciation on forward agreements	5,633,053	23,037,541
Unrealized appreciation on foreign currency forward contracts	31,593,879	38,700,860
Receivable from capital shares sold	10,903,664	47,672,102
Receivable on open futures contracts	6,930,575	9,613,025
Offering costs (Note 5)	—	257,927
Limitation by Sponsor	—	5,373
Total assets	<u>3,161,937,229</u>	<u>3,649,975,150</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	37,227,491	148,045,139
Payable on open futures contracts	10,071,461	74,986,160
Management fee payable	2,522,868	2,729,857
Payable for offering costs	—	316,900
Unrealized depreciation on swap agreements	2,360,565	5,913,328
Unrealized depreciation on forward agreements	11,533,711	161,392,764
Unrealized depreciation on foreign currency forward contracts	16,014,049	14,141,394
Total liabilities	<u>79,730,145</u>	<u>407,525,542</u>
Shareholders' equity		
Shareholders' equity	<u>3,082,207,084</u>	<u>3,242,449,608</u>
Total liabilities and shareholders' equity	<u>\$3,161,937,229</u>	<u>\$3,649,975,150</u>
Shares outstanding	<u>79,426,103</u>	<u>74,449,176</u>

See accompanying notes to financial statements.

PROSHARES TRUST II
COMBINED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Investment Income			
Interest	\$ 1,552,350	\$ 2,215,112	\$ 1,488,418
Expenses			
Management fee	30,836,871	32,848,387	30,117,213
Brokerage commissions	3,202,862	1,918,624	188,289
Offering costs	141,251	328,105	348,694
Limitation by Sponsor	(57,127)	(5,373)	(2,481)
Total expenses	34,123,857	35,089,743	30,651,715
Net investment income (loss)	(32,571,507)	(32,874,631)	(29,163,297)
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(398,397,208)	(725,476,541)	56,934,780
Swap agreements	55,106,405	(45,027,781)	83,959,005
Forward agreements	(692,584,048)	(138,196,778)	(333,939,804)
Foreign currency forward contracts	114,287,543	73,287,609	(54,519,334)
Short-term U.S. government and agency obligations ...	79,408	76,646	86,757
Net realized gain (loss)	(921,507,900)	(835,336,845)	(247,478,596)
Change in net unrealized appreciation/depreciation on			
Futures contracts	(53,329,004)	22,356,416	(14,502,350)
Swap agreements	(28,257,739)	35,368,727	(10,628,218)
Forward agreements	132,454,565	45,390,749	(225,660,391)
Foreign currency forward contracts	(8,979,636)	(38,091,857)	101,351,372
Short-term U.S. government and agency obligations ...	(3,687)	198,708	(141,848)
Change in net unrealized appreciation/depreciation	41,884,499	65,222,743	(149,581,435)
Net realized and unrealized gain (loss)	(879,623,401)	(770,114,102)	(397,060,031)
Net income (loss)	\$(912,194,908)	\$(802,988,733)	\$(426,223,328)

See accompanying notes to financial statements.

PROSHARES TRUST II

COMBINED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Shareholders' equity, beginning of period	\$ 3,242,449,608	\$ 3,278,846,852	\$ 2,028,159,279
Addition of 107,695,000, 95,788,453 and 126,593,731 shares, respectively	6,061,413,770	5,711,597,237	6,261,642,221
Redemption of 102,718,073*, 107,217,012** and 81,856,731 shares, respectively	<u>(5,309,461,386)</u>	<u>(4,945,005,748)</u>	<u>(4,584,731,320)</u>
Net addition (redemption) of 4,976,927, (11,428,559) and 44,737,000 shares, respectively	<u>751,952,384</u>	<u>766,591,489</u>	<u>1,676,910,901</u>
Net investment income (loss)	(32,571,507)	(32,874,631)	(29,163,297)
Net realized gain (loss)	(921,507,900)	(835,336,845)	(247,478,596)
Change in net unrealized appreciation/depreciation	<u>41,884,499</u>	<u>65,222,743</u>	<u>(149,581,435)</u>
Net income (loss)	<u>(912,194,908)</u>	<u>(802,988,733)</u>	<u>(426,223,328)</u>
Shareholders' equity, end of period	<u><u>\$ 3,082,207,084</u></u>	<u><u>\$ 3,242,449,608</u></u>	<u><u>\$ 3,278,846,852</u></u>

* Amount includes \$600 of redemptions related to the termination of offerings of the New Funds.

** Amount includes \$6,600 of redemptions related to de-registration of certain Funds.

See accompanying notes to financial statements.

PROSHARES TRUST II
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

	<u>Year ended December 31, 2013</u>	<u>Year ended December 31, 2012</u>	<u>Year ended December 31, 2011</u>
Cash flow from operating activities			
Net income (loss)	\$ (912,194,908)	\$ (802,988,733)	\$ (426,223,328)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(93,386,617)	(107,523,285)	(15,512,027)
Net sale (purchase) of short-term U.S. government and agency obligations	488,816,068	(20,329,180)	(1,278,435,361)
Change in unrealized appreciation/depreciation on investments	(95,213,503)	(42,866,327)	135,079,085
Decrease (Increase) in receivable on futures contracts	2,682,450	(7,365,990)	1,240,366
Increase (Decrease) in Limitation by Sponsor	5,373	(2,892)	(2,481)
Change in offering cost	64,027	1,223,953*	(1,084,596)
Increase (Decrease) in management fee payable	(206,989)	132,412	964,090
Increase (Decrease) in payable on futures contracts	(64,914,699)	73,133,194	390,599
Increase (Decrease) in payable for offering costs	(123,000)	(1,190,302)*	1,109,918
Net cash provided by (used in) operating activities	<u>(674,471,798)</u>	<u>(907,777,150)</u>	<u>(1,582,473,735)</u>
Cash flow from financing activities			
Proceeds from addition of shares	6,098,182,208	5,726,055,194	6,199,512,162
Payment on shares redeemed	<u>(5,420,279,034)***</u>	<u>(4,817,463,733)**</u>	<u>(4,610,918,074)</u>
Net cash provided by (used in) financing activities	<u>677,903,174</u>	<u>908,591,461</u>	<u>1,588,594,088</u>
Net increase (decrease) in cash	<u>3,431,376</u>	<u>814,311</u>	<u>6,120,353</u>
Cash, beginning of period	<u>19,959,356</u>	<u>19,145,045</u>	<u>13,024,692</u>
Cash, end of period	<u><u>\$ 23,390,732</u></u>	<u><u>\$ 19,959,356</u></u>	<u><u>\$ 19,145,045</u></u>

* Amount includes \$1,079,526 of offering cost related to de-registration of certain Funds.

** Amount includes \$6,600 of redemption related to de-registration of certain Funds.

*** Amount includes \$600 of redemptions related to the termination of offerings of the New Funds.

See accompanying notes to financial statements.

PROSHARES TRUST II

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 1 – ORGANIZATION

ProShares Trust II (formerly known as the Commodities and Currencies Trust) (the “Trust”) is a Delaware statutory trust formed on October 9, 2007 and is currently organized into separate series (each, a “Fund” and collectively, the “Funds”). As of December 31, 2013, the following twenty-one series of the Trust have commenced investment operations: (i) ProShares UltraShort DJ-UBS Commodity, ProShares UltraShort DJ-UBS Crude Oil, ProShares UltraShort DJ-UBS Natural Gas, ProShares UltraShort Gold, ProShares UltraShort Silver, ProShares UltraShort Australian Dollar, ProShares UltraShort Euro, ProShares UltraShort Yen, ProShares Ultra DJ-UBS Commodity, ProShares Ultra DJ-UBS Crude Oil, ProShares Ultra DJ-UBS Natural Gas, ProShares Ultra Gold, ProShares Ultra Silver, ProShares Ultra Australian Dollar, ProShares Ultra Euro and ProShares Ultra Yen (each, a “Leveraged Fund” and collectively, the “Leveraged Funds”); (ii) ProShares Short Euro (the “Short Euro Fund”); (iii) ProShares Ultra VIX Short-Term Futures ETF and ProShares Short VIX Short-Term Futures ETF (each, a “Geared VIX Fund” and collectively, the “Geared VIX Funds”); and (iv) ProShares VIX Short-Term Futures ETF and ProShares VIX Mid-Term Futures ETF (each, a “Matching VIX Fund” and collectively, the “Matching VIX Funds”). Each of the Funds listed above issues common units of beneficial interest (“Shares”), which represent units of fractional undivided beneficial interest in and ownership of only that Leveraged Fund, Short Euro Fund, Geared VIX Fund or Matching VIX Fund. The Shares of each Leveraged Fund, the Short Euro Fund, each Geared VIX Fund and each Matching VIX Fund are listed on the New York Stock Exchange Archipelago (“NYSE Arca”). The Leveraged Funds, the Short Euro Fund and the Geared VIX Funds, are collectively referred to as the “Geared Funds” in these Notes to Financial Statements. The Geared VIX Funds and the Matching VIX Funds are collectively referred to as the “VIX Funds” in these Notes to Financial Statements.

The Trust registered shares for thirty-two additional series: (i) ProShares Short DJ-UBS Natural Gas and ProShares Short Gold (collectively, the “Short Funds”); (ii) ProShares UltraShort VIX Short-Term Futures ETF, ProShares Ultra VIX Mid-Term Futures ETF, ProShares Short VIX Mid-Term Futures ETF and ProShares UltraShort VIX Mid-Term Futures ETF (collectively, the “New Geared VIX Funds”); (iii) ProShares Managed Futures Strategy and ProShares Commodity Managed Futures Strategy (each, a “Managed Futures Fund” and collectively, the “Managed Futures Funds”); (iv) ProShares Financial Managed Futures Strategy; (v) ProShares UltraPro Australian Dollar, ProShares Short Australian Dollar, ProShares UltraPro Short Australian Dollar, ProShares UltraPro Canadian Dollar, ProShares Ultra Canadian Dollar, ProShares Short Canadian Dollar, ProShares UltraShort Canadian Dollar, ProShares UltraPro Short Canadian Dollar, ProShares UltraPro Euro, ProShares UltraPro Short Euro, ProShares UltraPro Swiss Franc, ProShares Ultra Swiss Franc, ProShares Short Swiss Franc, ProShares UltraShort Swiss Franc, ProShares UltraPro Short Swiss Franc, ProShares UltraPro Yen, ProShares Short Yen and ProShares UltraPro Short Yen; and (vi) ProShares UltraPro U.S. Dollar, ProShares Ultra U.S. Dollar, ProShares Short U.S. Dollar, ProShares UltraShort U.S. Dollar and ProShares UltraPro Short U.S. Dollar (collectively, the “Currency Index Funds”). ProShares UltraPro Short Euro and the Managed Futures Funds are collectively referred to as the “New Funds” in these Notes to Financial Statements. The thirty-two additional series were never publicly offered and their registration has subsequently been terminated. Thus, as of December 31, 2013, the only Funds that have registered amounts are the twenty-one series of the Trust that have commenced investment operations.

The Trust had no operations prior to November 24, 2008, other than matters relating to its organization, the registration of each series under the Securities Act of 1933, as amended, and the sale and issuance to ProShare Capital Management LLC (the “Sponsor”) of fourteen Shares at an aggregate purchase price of \$350 in each of the following Funds: ProShares UltraShort DJ-UBS Commodity, ProShares UltraShort DJ-UBS Crude Oil, ProShares UltraShort Gold, ProShares UltraShort Silver, ProShares UltraShort Euro, ProShares UltraShort Yen, ProShares Ultra DJ-UBS Commodity, ProShares Ultra DJ-UBS Crude Oil, ProShares Ultra Gold, ProShares Ultra Silver, ProShares Ultra Euro and ProShares Ultra Yen.

Groups of Funds are collectively referred to in several different ways. References to “Short Funds,” “UltraShort Funds,” or “Ultra Funds” refer to the different Funds based upon their investment objectives, but without distinguishing among the Funds’ benchmarks. References to “Commodity Index Funds,” “Commodity Funds” and “Currency Funds” refer to the different Funds according to their general benchmark categories without distinguishing among the Funds’ investment objectives or Fund-specific benchmarks. References to “VIX Funds” refer to the different Funds based upon their investment objective and their general benchmark categories.

Each “Short” Fund seeks daily investment results (before fees and expenses) that correspond to the inverse (-1x) of the daily performance of its corresponding benchmark. Each “UltraShort” Fund seeks daily investment results (before fees and expenses) that correspond to two times the inverse (-2x) of the daily performance of its corresponding benchmark. Each “Ultra” Fund seeks daily investment results (before fees and expenses) that correspond to two times (2x) the daily performance of its corresponding benchmark. Each Matching VIX Fund seeks investment results (before fees and expenses), both over a single day and over time, that match the performance of its corresponding benchmark. Daily performance is measured from the calculation of one NAV to the next.

Each of the Funds generally invests in Financial Instruments (i.e., instruments whose value is derived from the value of an underlying asset, rate or index, including futures contracts, swap agreements, forward contracts and other instruments) as a substitute for investing directly in commodities, currencies, or spot volatility products in order to gain exposure to the commodity futures index, commodity, currency or exchange rate, equity volatility index or applicable commodity or financial futures contracts. Financial Instruments also are used to produce economically “inverse”, “inverse leveraged” or “leveraged” investment results for the Geared Funds.

The Geared Funds do not seek to achieve their stated investment objective over a period of time greater than a single day because mathematical compounding prevents the Geared Funds from achieving such results. Accordingly, results over periods of time greater than a single day should not be expected to be a simple multiple (e.g., -1x, -2x or 2x) of the period return of the corresponding benchmark and will likely differ significantly. The Matching VIX Funds seek to achieve their stated investment objective both over a single day and over time.

Renaming of Index

Effective as of January 2, 2012, the official name for the Dow Jones-UBS Crude Oil SubindexSM (Ticker: DJUBSCL) changed to the Dow Jones-UBS WTI Crude Oil SubindexSM. The ticker did not change as a result of the name change.

Share Splits and Reverse Share Splits

The table below includes Share splits and reverse Share splits for the Funds during the years ended December 31, 2011, 2012 and 2013. The ticker symbols for these Funds did not change, and each Fund continues to trade on the NYSE Arca.

Fund	Execution Date (Prior to Opening of Trading)	Type of Split	Date Trading Resumed at Post- Split Price
ProShares UltraShort DJ-UBS Commodity	February 25, 2011	1-for-5 reverse Share split	February 25, 2011
ProShares UltraShort DJ-UBS Crude Oil	February 25, 2011	1-for-5 reverse Share split	February 25, 2011
ProShares UltraShort DJ-UBS Natural Gas	May 11, 2012	3-for-1 Share split	May 11, 2012
ProShares UltraShort DJ-UBS Natural Gas	June 10, 2013	1-for-4 reverse Share split	June 10, 2013
ProShares UltraShort Gold	October 5, 2012	1-for-4 reverse Share split	October 5, 2012
ProShares UltraShort Silver	February 25, 2011	1-for-4 reverse Share split	February 25, 2011
ProShares UltraShort Silver	May 11, 2012	1-for-5 reverse Share split	May 11, 2012
ProShares UltraShort Yen	October 13, 2011	1-for-3 reverse Share split	October 13, 2011
ProShares Ultra DJ-UBS Crude Oil	February 25, 2011	1-for-4 reverse Share split	February 25, 2011
ProShares Ultra DJ-UBS Natural Gas	May 11, 2012	1-for-5 reverse Share split	May 11, 2012
ProShares Ultra Silver	October 13, 2011	2-for-1 Share split	October 13, 2011
ProShares VIX Short-Term Futures ETF	June 10, 2013	1-for-5 reverse Share split	June 10, 2013
ProShares Ultra VIX Short-Term Futures ETF	March 8, 2012	1-for-6 reverse Share split	March 8, 2012
ProShares Ultra VIX Short-Term Futures ETF	September 7, 2012	1-for-10 reverse Share split	September 7, 2012
ProShares Ultra VIX Short-Term Futures ETF	June 10, 2013	1-for-10 reverse Share split	June 10, 2013
ProShares Short VIX Short-Term Futures ETF	October 5, 2012	2-for-1 Share split	October 5, 2012

The reverse splits were applied retroactively for all periods presented, reducing the number of Shares outstanding for each of ProShares UltraShort DJ-UBS Commodity, ProShares UltraShort DJ-UBS Crude Oil, ProShares UltraShort DJ-UBS Natural Gas, ProShares UltraShort Gold, ProShares UltraShort Silver, ProShares UltraShort Yen, ProShares Ultra DJ-UBS Crude Oil, ProShares Ultra DJ-UBS Natural Gas, ProShares VIX Short-Term Futures ETF and ProShares Ultra VIX Short-Term Futures ETF, and resulted in a proportionate increase in the price per Share and per Share information of each such Fund. Therefore, the reverse splits did not change the aggregate net asset value of a shareholder's investment at the time of the reverse split.

The splits were applied retroactively for all periods presented, increasing the number of Shares outstanding for ProShares UltraShort DJ-UBS Natural Gas, ProShares Ultra Silver and ProShares Short VIX Short-Term Futures ETF, and resulted in a proportionate decrease in the price per Share and per Share information of each such Fund. Therefore, the splits did not change the aggregate net asset value of a shareholder's investment at the time of the split.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed by each Fund, as applicable, in preparation of its financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”). Certain prior year amounts have been reclassified to conform to the current year presentation.

Use of Estimates & Indemnifications

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in these financial statements. Actual results could differ from those estimates.

In the normal course of business, the Trust enters into contracts that contain a variety of representations which provide general indemnifications. The Trust’s maximum exposure under these arrangements cannot be known; however, the Trust expects any risk of loss to be remote.

Basis of Presentation

Pursuant to rules and regulations of the U.S. Securities and Exchange Commission (“SEC”), audited financial statements are presented for the Trust as a whole, as the SEC registrant, and for each Fund individually. The debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular Fund shall be enforceable only against the assets of such Fund and not against the assets of the Trust generally or any other Fund. Accordingly, the assets of one Fund of the Trust include only those funds and other assets that are paid to, held by or distributed to the Trust for the purchase of Shares in that Fund.

Statement of Cash Flows

The cash amount shown in the Statements of Cash Flows is the amount reported as cash in the Statement of Financial Condition dated December 31, 2013 and 2012, and represents non-segregated cash with the custodian and does not include short-term investments.

Final Net Asset Value for Fiscal Period

The times of the calculation of the Leveraged Funds’, the Short Euro Fund’s, the Geared VIX Funds’ and the Matching VIX Funds’ final net asset value for creation and redemption of fund shares for the year ended December 31, 2013 were as follows. All times are Eastern Standard Time:

	<u>NAV Calculation Time</u>	<u>NAV Calculation Date</u>
UltraShort Silver, Ultra Silver	7:00 a.m.	December 31
UltraShort Gold, Ultra Gold	10:00 a.m.	December 30
UltraShort DJ-UBS Crude Oil, Ultra DJ- UBS Crude Oil	2:30 p.m.	December 31
UltraShort DJ-UBS Natural Gas, Ultra DJ-UBS Natural Gas	2:30 p.m.	December 31
UltraShort DJ-UBS Commodity, Ultra DJ-UBS Commodity	3:00 p.m.	December 31
UltraShort Australian Dollar, Ultra Australian Dollar	4:00 p.m.	December 31
Short Euro, UltraShort Euro, Ultra Euro	4:00 p.m.	December 31
UltraShort Yen, Ultra Yen	4:00 p.m.	December 31
VIX Short-Term Futures ETF, Ultra VIX Short-Term Futures ETF, Short VIX Short-Term Futures ETF	4:15 p.m.	December 31
VIX Mid-Term Futures ETF	4:15 p.m.	December 31

Although the Leveraged Funds', the Short Euro Fund's and the VIX Funds' shares may continue to trade on secondary markets subsequent to the calculation of the final NAV, these times represent the final opportunity to transact in creation or redemption units for the year ended December 31, 2013.

Market value per share is determined at the close of the NYSE Arca and may be later than when the Funds' NAV per share is calculated.

For financial reporting purposes, the Leveraged Funds, the Short Euro Fund, the VIX Funds value transactions based upon the final closing price in their primary markets. Accordingly, the investment valuations in these financial statements may differ from those used in the calculation of certain Leveraged Funds', the Short Euro Fund's and VIX Funds' final creation/redemption NAV for the year ended December 31, 2013.

Investment Valuation

Short-term investments are valued at amortized cost which approximates fair value for daily NAV purposes. For financial reporting purposes, short-term investments are valued at their market price using information provided by a third-party pricing service or market quotations. In each of these situations, valuations are typically categorized as Level I in the fair value hierarchy.

Derivatives (*e.g.*, futures contracts, swap agreements, forward agreements and foreign currency forward contracts) are generally valued using independent sources and/or agreements with counterparties or other procedures as determined by the Sponsor. Futures contracts, except for those entered into by the Gold, Silver, Australian Dollar and Short Euro Funds, are generally valued at the last settled price on the applicable exchange on which that future trades. Futures contracts entered into by the Gold, Silver, Australian Dollar and Short Euro Funds are valued at the last sales price prior to the time at which the NAV per Share of a Fund is determined. For financial reporting purposes, all futures contracts are valued at the last settled price. Futures contracts valuations are typically categorized as Level I in the fair value hierarchy. Swap agreements, forward agreements and foreign currency forward contracts valuations are typically categorized as Level II in the fair value hierarchy. If there was no sale on that day, and for non-exchange-traded derivatives, the Sponsor may in its sole discretion choose to determine a fair value price as the basis for determining the market value of such position for such day. Such fair value prices would be generally determined based on available inputs about the current value of the underlying financial instrument or commodity and would be based on principles that the Sponsor deems fair and equitable so long as such principles are consistent with normal industry standards. When market closing prices are not available, the Sponsor may fair value an asset of a Fund pursuant to the policies the Sponsor has adopted, which are consistent with normal industry standards. Depending on the source and relevant significance of valuation inputs, these instruments may be classified as Level II or Level III in the fair value hierarchy.

Fair value pricing may require subjective determinations about the value of an investment. While the Leveraged Funds', the Short Euro Fund's and the VIX Funds' policies are intended to result in a calculation of a Leveraged Fund's, the Short Euro Fund's or a VIX Fund's NAV that fairly reflects investment values as of the time of pricing, a Leveraged Fund, the Short Euro Fund or a VIX Fund cannot ensure that fair values determined by the Sponsor or persons acting at their direction would accurately reflect the price that a Fund could obtain for an investment if it were to dispose of that investment as of the time of pricing (for instance, in a forced or distressed sale). The prices used by a Leveraged Fund, the Short Euro Fund or a VIX Fund may differ from the value that would be realized if the investments were sold and the differences could be material to the financial statements.

Fair Value of Financial Instruments

The Funds disclose the fair value of their investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The disclosure requirements establish a fair value hierarchy that distinguishes between: (1) market participant assumptions developed based on market data obtained from sources

independent of the Funds (observable inputs); and (2) the Funds' own assumptions about market participant assumptions developed based on the best information available under the circumstances (unobservable inputs). The three levels defined by the disclosure requirements hierarchy are as follows:

Level I – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level II – Inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly or indirectly. Level II assets include the following: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level III – Unobservable pricing input at the measurement date for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available.

In some instances, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest input level that is significant to the fair value measurement in its entirety.

Fair value measurements also require additional disclosure when the volume and level of activity for the asset or liability have significantly decreased, as well as when circumstances indicate that a transaction is not orderly.

The following table summarizes the valuation of investments at December 31, 2013 using the fair value hierarchy:

	Level I - Quoted Prices		Level II - Other Significant Observable Inputs			Total
	Short-Term U.S. Government and Agencies	Futures Contracts*	Forward Agreements	Foreign Currency Forward Contracts	Swap Agreements	
UltraShort DJ-UBS						
Commodity	\$ 3,453,890	\$ —	\$ —	\$ —	\$ (27,665)	\$ 3,426,225
UltraShort DJ-UBS Crude Oil ...	247,584,623	(1,232,773)	—	—	(2,332,900)	244,018,950
UltraShort DJ-UBS Natural						
Gas	18,274,713	1,042,300	—	—	—	19,317,013
UltraShort Gold	148,988,329	14,520	5,633,053	—	—	154,635,902
UltraShort Silver	114,826,066	14,200	(2,227,857)	—	—	112,612,409
Short Euro	7,902,056	(33,231)	—	—	—	7,868,825
UltraShort Australian Dollar	24,198,507	917,605	—	—	—	25,116,112
UltraShort Euro	437,847,159	—	—	(13,748,507)	—	424,098,652
UltraShort Yen	558,597,264	—	—	29,386,684	—	587,983,948
Ultra DJ-UBS Commodity	2,816,688	—	—	—	15,078	2,831,766
Ultra DJ-UBS Crude Oil	137,435,610	626,661	—	—	1,957,893	140,020,164
Ultra DJ-UBS Natural Gas	58,921,011	(3,656,539)	—	—	—	55,264,472
Ultra Gold	140,880,950	(14,560)	(6,812,974)	—	—	134,053,416
Ultra Silver	467,868,976	(14,200)	(2,492,880)	—	—	465,361,896
Ultra Australian Dollar	2,716,439	(118,220)	—	—	—	2,598,219
Ultra Euro	2,455,863	—	—	100,962	—	2,556,825
Ultra Yen	2,928,556	—	—	(159,309)	—	2,769,247
VIX Short-Term Futures ETF ...	207,636,383	(16,652,686)	—	—	—	190,983,697
VIX Mid-Term Futures ETF	46,040,233	(4,896,689)	—	—	—	41,143,544
Ultra VIX Short-Term Futures						
ETF	109,533,487	(24,009,911)	—	—	—	85,523,576
Short VIX Short-Term Futures						
ETF	105,559,022	8,116,955	—	—	—	113,675,977
Total Trust	\$2,846,465,825	\$(39,896,568)	\$(5,900,658)	\$ 15,579,830	\$ (387,594)	\$2,815,860,835

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedules of Investments. Only current day's variation margin is reported within the Statements of Financial Condition in receivable/payable on open futures.

At December 31, 2013, there were no Level III portfolio investments for which significant unobservable inputs were used to determine fair value.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those securities.

The following table summarizes the valuation of investments at December 31, 2012 using the fair value hierarchy:

	Level I - Quoted Prices		Level II - Other Significant Observable Inputs			
	Short-Term U.S. Government and Agencies	Futures Contracts*	Forward Agreements	Foreign Currency Forward Contracts	Swap Agreements	Total
UltraShort DJ-UBS						
Commodity	\$ 2,803,904	\$ —	\$ —	\$ —	\$ 148,502	\$ 2,952,406
UltraShort DJ-UBS						
Crude Oil	87,046,389	(4,029,721)	—	—	(5,607,060)	77,409,608
UltraShort DJ-UBS						
Natural Gas	10,042,731	409,135	—	—	—	10,451,866
UltraShort Gold	88,575,398	15,240	3,729,856	—	—	92,320,494
UltraShort Silver	86,206,701	40,020	19,307,685	—	—	105,554,406
Short Euro	3,409,904	(55,056)	—	—	—	3,354,848
UltraShort Australian						
Dollar	3,302,907	85,590	—	—	—	3,388,497
UltraShort Euro	553,430,562	—	—	(13,147,572)	—	540,282,990
UltraShort Yen	362,743,231	—	—	38,114,175	—	400,857,406
Ultra DJ-UBS						
Commodity	6,240,951	—	—	—	(306,268)	5,934,683
Ultra DJ-UBS Crude						
Oil	437,662,650	21,960,410	—	—	33,333,620	492,956,680
Ultra DJ-UBS Natural						
Gas	64,313,224	(3,816,950)	—	—	—	60,496,274
Ultra Gold	350,624,904	(15,240)	(15,652,058)	—	—	334,957,606
Ultra Silver	891,057,386	(40,020)	(145,740,706)	—	—	745,276,660
Ultra Australian						
Dollar	3,570,894	(99,030)	—	—	—	3,471,864
Ultra Euro	4,546,944	—	—	87,159	—	4,634,103
Ultra Yen	4,587,918	—	—	(494,296)	—	4,093,622
VIX Short-Term						
Futures ETF	144,060,921	(221,419)	—	—	—	143,839,502
VIX Mid-Term						
Futures ETF	79,930,866	(1,470,410)	—	—	—	78,460,456
Ultra VIX Short-Term						
Futures ETF	97,440,843	2,057,062	—	—	301,351	99,799,256
Short VIX Short-Term						
Futures ETF	53,686,352	(1,387,175)	—	—	—	52,299,177
Total Trust	\$3,335,285,580	\$13,432,436	\$(138,355,223)	\$ 24,559,466	\$27,870,145	\$3,262,792,404

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- * Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedules of Investments. Only current day's variation margin is reported within the Statements of Financial Condition in receivable/payable on open futures.

At December 31, 2012, there were no Level III portfolio investments for which significant unobservable inputs were used to determine fair value.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those securities.

Investment Transactions and Related Income

Investment transactions are recorded on the trade date. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized appreciation/depreciation on open contracts are reflected in the Statements of Financial Condition and changes in the unrealized appreciation/depreciation between periods are reflected in the Statements of Operations. Discounts on short-term securities purchased are amortized and reflected as Interest Income in the Statements of Operations.

Brokerage Commissions and Fees

Each Fund pays its respective brokerage commissions, including applicable exchange fees, National Futures Association ("NFA") fees, give-up fees, pit brokerage fees and other transaction related fees and expenses charged in connection with trading activities for each Fund's investment in U.S. Commodity Futures Trading Commission regulated investments. The effects of trading spreads, financing costs/fees associated with Financial Instruments, and costs relating to the purchase of U.S. Treasury securities or similar high credit quality short-term fixed-income or similar securities would also be borne by the Funds. Brokerage commissions on futures contracts are recognized on a half-turn basis (e.g., the first half is recognized when the contract is purchased (opened) and the second half is recognized when the transaction is closed). For the year ended December 31, 2013, the Sponsor paid and is currently paying brokerage commissions on VIX futures contracts for the Matching VIX Funds.

Federal Income Tax

Each Fund is registered as a series of a Delaware statutory trust and is treated as a partnership for U.S. federal income tax purposes. Accordingly, no Fund expects to incur U.S. federal income tax liability; rather, each beneficial owner of a Fund's Shares is required to take into account its allocable share of its Fund's income, gain, loss, deductions and other items for its Fund's taxable year ending with or within the beneficial owner's taxable year.

Management of the Funds has reviewed all open tax years and major jurisdictions (*i.e.*, the last four tax year ends and the interim tax period since then, as applicable) and concluded that there is no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken in future tax returns. The Funds are also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. On an ongoing basis, management will monitor its tax positions taken under the interpretation to determine if adjustments to conclusions are necessary based on factors including, but not limited to, on-going analysis of tax law, regulation, and interpretations thereof.

NOTE 3 – INVESTMENTS

Short-Term Investments

The Funds may purchase U.S. Treasury Bills, agency securities, and other high-credit quality short-term fixed income or similar securities with original maturities of one year or less. A portion of these investments may be posted as collateral in connection with swap agreements and/or used as collateral for a Fund's trading in futures and forward contracts.

Accounting for Derivative Instruments

In seeking to achieve each Fund's investment objective, the Sponsor uses a mathematical approach to investing. Using this approach, the Sponsor determines the type, quantity and mix of investment positions, including derivative positions, which the Sponsor believes in combination, should produce returns consistent with a Fund's objective.

All open derivative positions at period end are reflected on each respective Fund's Schedule of Investments. Certain Funds utilized a varying level of derivative instruments in conjunction with investment securities in seeking to meet their investment objective during the period. While the volume of open positions may vary on a daily basis as each Fund transacts derivatives contracts in order to achieve the appropriate exposure to meet its investment objective the volume of these open positions relative to the net assets of each respective Fund at the date of this report is generally representative of open positions throughout the reporting period.

Following is a description of the derivative instruments used by the Funds during the reporting period, including the primary underlying risk exposures related to each instrument type.

Futures Contracts

The Funds enter into futures contracts to gain exposure to changes in the value of, or as a substitute for investing directly in (or shorting), an underlying index, currency or commodity. A futures contract obligates the seller to deliver (and the purchaser to accept) the future delivery of a specified quantity and type of asset at a specified time and place. The contractual obligations of a buyer or seller may generally be satisfied by taking or making physical delivery of the underlying commodity, if applicable, or by making an offsetting sale or purchase of an identical futures contract on the same or linked exchange before the designated date of delivery, or by cash settlement at expiration of contract.

Upon entering into a futures contract, each Fund is required to deposit and maintain as collateral at least such initial margin as required by the exchange on which the transaction is affected. The initial margin is segregated as cash balances with brokers for futures contracts, as disclosed in the Statements of Financial Condition, and is restricted as to its use. The Funds that enter into futures contracts maintain collateral at the broker in the form of cash. Pursuant to the futures contract, each Fund generally agrees to receive from or pay to the broker(s) an amount of cash equal to the daily fluctuation in value of the futures contract. Such receipts or payments are known as variation margin and are recorded by each Fund as unrealized gains or losses. Each Fund will realize a gain or loss upon closing of a futures transaction.

Futures contracts involve, to varying degrees, elements of market risk (specifically commodity price risk or equity market volatility risk) and exposure to loss in excess of the amount of variation margin. The face or contract amounts reflect the extent of the total exposure each Fund has in the particular classes of instruments. Additional risks associated with the use of futures contracts are imperfect correlation between movements in the price of the futures contracts and the market value of the underlying index or commodity and the possibility of an illiquid market for a futures contract. With futures contracts, there is minimal but some counterparty risk to the Funds since futures contracts are exchange-traded and the exchange's clearinghouse, as counterparty to all exchange-traded futures contracts, guarantees the futures contracts against default. Many futures exchanges and

boards of trade limit the amount of fluctuation permitted in futures contract prices during a single trading day. Once the daily limit has been reached in a particular contract, no trades may be made that day at a price beyond that limit or trading may be suspended for specified times during the trading day. Futures contracts prices could move to the limit for several consecutive trading days with little or no trading, thereby preventing prompt liquidation of futures positions and potentially subjecting a Fund to substantial losses. If trading is not possible, or if a Fund determines not to close a futures position in anticipation of adverse price movements, the Fund will be required to make daily cash payments of variation margin. The risk the Fund will be unable to close out a futures position will be minimized by entering into such transactions on a national exchange with an active and liquid secondary market.

Swap Agreements

Certain of the Funds enter into swap agreements for purposes of pursuing their investment objectives or as a substitute for investing directly in (or shorting) an underlying index, currency or commodity, or to create an economic hedge against a position. Swap agreements are two-party contracts that have traditionally been entered into primarily with institutional investors in over-the-counter (“OTC”) markets for a specified period, ranging from a day to more than one year. However, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) provides for significant reforms of the OTC derivative markets, including a requirement to execute certain swap and forward transactions on a CFTC-regulated market and/or to clear such transactions through a CFTC-regulated central clearing organization. In a standard swap transaction, two parties agree to exchange the returns earned or realized on a particular predetermined investment, instrument or index in exchange for a fixed or floating rate of return in respect of a predetermined notional amount. Transaction or commission costs are reflected in the benchmark level at which the transaction is entered into. The gross returns to be exchanged are calculated with respect to a notional amount and the benchmark returns to which the swap is linked. Swap agreements do not involve the delivery of underlying instruments.

Generally, swap agreements entered into by the Funds calculate and settle the obligations of the parties to the agreement on a “net basis” with a single payment. Consequently, each Fund’s current obligations (or rights) under a swap agreement will generally be equal only to the net amount to be paid or received under the agreement based on the relative values of such obligations (or rights) (the “net amount”). In a typical swap agreement entered into by a Matching VIX Fund or an Ultra Fund, the Matching VIX Fund or Ultra Fund would be entitled to settlement payments in the event the benchmark increases and would be required to make payments to the swap counterparties in the event the benchmark decreases, adjusted for any transaction costs or trading spreads on the notional amount the Funds may pay. In a typical swap agreement entered into by a Short Fund or an UltraShort Fund, the Short Fund or UltraShort Fund would be required to make payments to the swap counterparties in the event the benchmark increases and would be entitled to settlement payments in the event the benchmark decreases, adjusted for any transaction costs or trading spreads on the notional amount the Funds may pay.

The net amount of the excess, if any, of each Fund’s obligations over its entitlements with respect to each uncleared swap agreement is accrued on a daily basis and an amount of cash and/or securities having an aggregate value at least equal to such accrued excess is maintained for the benefit of the counterparty in a segregated account by the Funds’ Custodian. The net amount of the excess, if any, of each Fund’s entitlements over its obligations with respect to each uncleared swap agreement is accrued on a daily basis and an amount of cash and/or securities having an aggregate value at least equal to such accrued excess is maintained for the benefit of the Fund in a segregated account by the Fund’s Custodian. Until a swap agreement is settled in cash, the gain or loss on the notional amount less any transaction costs or trading spreads payable by each Fund on the notional amount are recorded as “unrealized appreciation or depreciation on swap agreements” and, when cash is exchanged, the gain or loss realized is recorded as “realized gains or losses on swap agreements.” Swap agreements are generally valued at the last settled price of the benchmark referenced asset.

The Trust, on behalf of a Fund, may enter into agreements with certain counterparties for derivative transactions. These agreements contain various conditions, events of default, termination events, covenants and

representations. The triggering of certain events or the default on certain terms of the agreement could allow a party to terminate a transaction under the agreement and request immediate payment in an amount equal to the net positions owed the party under the agreement. This could cause a Fund to have to enter into a new transaction with the same counterparty, enter into a transaction with a different counterparty or seek to achieve its investment objective through any number of different investments or investment techniques.

Swap agreements involve, to varying degrees, elements of market risk (commodity price risk) and exposure to loss in excess of the unrealized gain/loss reflected. The notional amounts reflect the extent of the total investment exposure each Fund has under the swap agreement, which may exceed the NAV of each Fund. Additional risks associated with the use of swap agreements are imperfect correlations between movements in the notional amount and the price of the underlying reference index and the inability of counterparties to perform. Each Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. A Fund will typically enter into swap agreements only with major global financial institutions. The creditworthiness of each of the firms that is a party to a swap agreement is monitored by the Sponsor. The Sponsor may use various techniques to minimize credit risk including early termination and payment, using different counterparties, limiting the net amount due from any individual counterparty and generally requiring collateral to be posted by the counterparty in an amount approximately equal to that owed to the Funds. All of the outstanding swap agreements at December 31, 2013 contractually terminate within one month but may be terminated without penalty by either party daily. Upon termination, the Fund is entitled to pay or receive the “unrealized appreciation or depreciation” amount.

The Funds, as applicable, collateralize swap agreements by segregating or designating cash and/or certain securities as indicated on the Statements of Financial Condition or Schedules of Investments. As noted above, collateral posted in connection with uncleared derivative transactions is held for the benefit of the counterparty in a segregated tri-party account at the Custodian to protect the counterparty against non-payment by the Funds. In the event of a default by the counterparty, the Funds will seek withdrawal of this collateral from the segregated account and may incur certain costs in exercising its right with respect to the collateral. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Funds may experience significant delays in obtaining any recovery in a bankruptcy or other reorganizational proceeding. The Funds may obtain only limited recovery or may obtain no recovery in such circumstances.

The Funds remain subject to credit risk with respect to the amount they expect to receive from counterparties. However, the Funds have sought to mitigate these risks in connection with uncleared swaps by generally requiring that the counterparties for each Fund agree to post collateral for the benefit of the Fund, marked to market daily, in an amount approximately equal to what the counterparty owes the Fund, subject to certain minimum thresholds. In the event of the bankruptcy of a counterparty, the Fund will have direct access to the collateral received from the counterparty, generally as of the day prior to the bankruptcy, because there is a one day time lag between the Fund’s request for collateral and the delivery of such collateral. To the extent any such collateral is insufficient, the Funds will be exposed to counterparty risk as described above, including the possible delays in recovering amounts as a result of bankruptcy proceedings. As of December 31, 2013, the collateral posted by counterparties consisted of cash and U.S. Treasury securities.

The counterparty/credit risk for cleared derivative transactions is generally lower than for uncleared OTC derivatives since generally a clearing organization becomes substituted for each counterparty to a cleared derivative contract and, in effect, guarantees the parties’ performance under the contract as each party to a trade looks only to the clearing organization for performance of financial obligations. In addition, cleared derivative transactions benefit from daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

Forward Contracts

Certain of the Funds enter into forward contracts for purposes of pursuing their investment objectives and as a substitute for investing directly in (or shorting) commodities and/or currencies. A forward contract is an

agreement between two parties to purchase or sell a specified quantity of an asset at or before a specified date in the future at a specified price. Forward contracts are typically traded in OTC markets and all details of the contract are negotiated between the counterparties to the agreement. Accordingly, the forward contracts are valued by reference to the contracts traded in the OTC markets.

The contractual obligations of a buyer or seller may generally be satisfied by taking or making physical delivery of the underlying commodity or currency, establishing an opposite position in the contract and recognizing the profit or loss on both positions simultaneously on the delivery date or, in some instances, paying a cash settlement before the designated date of delivery. The forward contracts are adjusted by the daily fluctuation of the underlying commodity or currency and any gains or losses are recorded for financial statement purposes as unrealized gains or losses until the contract settlement date.

Forward contracts have traditionally not been cleared or guaranteed by a third party. However, the Dodd-Frank Act provides for significant reforms of the OTC derivatives markets, including a requirement to execute most forward contracts on a CFTC-regulated market and/or to clear such transactions through a CFTC-regulated central clearing organization. The Funds may collateralize uncleared forward commodity contracts by segregating or designating cash and/or certain securities as indicated on their Statements of Financial Condition or Schedules of Investments. Such collateral is held for the benefit of the counterparty in a segregated tri-party account at the Custodian to protect the counterparty against non-payment by the Funds. In the event of a default by the counterparty, the Funds will seek withdrawal of this collateral from the segregated account and may incur certain costs in exercising its right with respect to the collateral. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Funds may experience significant delays in obtaining any recovery in a bankruptcy or other reorganizational proceeding. The Funds may obtain only limited recovery or may obtain no recovery in such circumstances.

The Funds remain subject to credit risk with respect to the amount they expect to receive from counterparties. However, the Funds have sought to mitigate these risks by generally requiring that the counterparties for each Fund agree to post collateral for the benefit of the Fund, marked to market daily, in an amount approximately equal to what the counterparty owes the Fund, subject to minimum thresholds. In the event of the bankruptcy of a counterparty, the Fund will have direct access to the collateral received from the counterparty, generally as of the day prior to the bankruptcy, because there is a one day time lag between the Fund's request for collateral and the delivery of such collateral. To the extent any such collateral is insufficient, the Fund will be exposed to counterparty risk as described above, including the possible delays in recovering amounts as a result of bankruptcy proceedings. As of December 31, 2013, the collateral posted by counterparties consisted of cash and U.S. Treasury securities.

Participants in trading foreign exchange forward contracts often do not require margin deposits, but rely upon internal credit limitations and their judgments regarding the creditworthiness of their counterparties. In recent years, however, many OTC market participants in foreign exchange trading have begun to require their counterparties to post margin.

A Fund will typically enter into forward contracts only with major global financial institutions. The creditworthiness of each of the firms that is a party to a forward contract is monitored by the Sponsor.

The counterparty/credit risk for cleared derivative transactions is generally lower than for uncleared OTC derivatives since generally a clearing organization becomes substituted for each counterparty to a cleared derivative contract and, in effect, guarantees the parties' performance under the contract as each party to a trade looks only to the clearing organization for performance of financial obligations. In addition, cleared derivative transactions benefit from daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

**Fair Value of Derivative Instruments
as of December 31, 2013**

Asset Derivatives				Liability Derivatives			
Derivatives not accounted for as hedging instruments	Statements of Financial Condition Location	Fund	Unrealized Appreciation	Statements of Financial Condition Location	Fund	Unrealized Depreciation	
Commodities Contracts	Receivables on open futures contracts, unrealized appreciation on swap and/or forward agreements	ProShares UltraShort DJ-UBS Natural Gas	\$ 1,042,300*	Payable on open futures contracts, unrealized depreciation on swap and/or forward agreements	ProShares UltraShort DJ-UBS Commodity	\$ 27,665	
		ProShares UltraShort Gold	5,647,573*		ProShares UltraShort DJ-UBS Crude Oil	3,565,673*	
		ProShares UltraShort Silver	14,200*		ProShares UltraShort Silver	2,227,857	
		ProShares Ultra DJ-UBS Commodity	15,078		ProShares Ultra DJ-UBS Natural Gas	3,656,539*	
		ProShares Ultra DJ-UBS Crude Oil	2,584,554*		ProShares Ultra Gold	6,827,534*	
					ProShares Ultra Silver	2,507,080*	
Foreign Exchange Contracts	Unrealized appreciation on foreign currency forward contracts and receivables on open futures contracts	ProShares UltraShort Australian Dollar	917,605*	Unrealized depreciation on foreign currency forward contracts and payable on open futures contracts	ProShares Short Euro	33,231*	
		ProShares UltraShort Euro	151,351		ProShares UltraShort Euro	13,899,858	
		ProShares UltraShort Yen	31,317,568		ProShares UltraShort Yen	1,930,884	
		ProShares Ultra Euro	120,908		ProShares Ultra Australian Dollar	118,220*	
		ProShares Ultra Yen	4,052		ProShares Ultra Euro	19,946	
					ProShares Ultra Yen	163,361	
VIX Futures Contracts	Receivables on open futures contracts	ProShares Short VIX Short-Term Futures ETF	8,116,955*	Payable on open futures contracts	ProShares VIX Short-Term Futures ETF	16,652,686*	
					ProShares VIX Mid-Term Futures ETF	4,896,689*	
					ProShares Ultra VIX Short-Term Futures ETF	24,009,911*	
Total Trust			\$49,932,144*	Total Trust			\$80,537,134*

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedules of Investments. Only current day's variation margin is reported within the Statements of Financial Condition in receivable/payable on open futures contracts.

**Fair Value of Derivative Instruments
as of December 31, 2012**

Asset Derivatives				Liability Derivatives		
Derivatives not accounted for as hedging instruments	Statements of Financial Condition Location	Fund	Unrealized Appreciation	Statements of Financial Condition Location	Fund	Unrealized Depreciation
Commodities Contracts	Receivables on open futures contracts, unrealized appreciation on swap and/or forward agreements	ProShares UltraShort DJ-UBS Commodity	\$ 148,502	Payable on open futures contracts, unrealized depreciation on swap and/or forward agreements	ProShares UltraShort DJ-UBS Crude Oil	\$ 9,636,781*
		ProShares UltraShort DJ-UBS Natural Gas	409,135*		ProShares Ultra DJ-UBS Commodity	306,268
		ProShares UltraShort Gold	3,745,096*		ProShares Ultra DJ-UBS Natural Gas	3,816,950*
		ProShares UltraShort Silver	19,347,705*		ProShares Ultra Gold	15,667,298*
		ProShares Ultra DJ-UBS Crude Oil	55,294,030*		ProShares Ultra Silver	145,780,726*
Foreign Exchange Contracts	Unrealized appreciation on foreign currency forward contracts and receivables on open futures contracts	ProShares UltraShort Australian Dollar	85,590*	Unrealized depreciation on foreign currency forward contracts and payable on open futures contracts	ProShares Short Euro	55,056*
		ProShares UltraShort Euro	251,047		ProShares UltraShort Euro	13,398,619
		ProShares UltraShort Yen	38,346,817		ProShares UltraShort Yen	232,642
		ProShares Ultra Euro	89,473		ProShares Ultra Australian Dollar	99,030*
		ProShares Ultra Yen	13,523		ProShares Ultra Euro	2,314
VIX Futures Contracts	Receivables on open futures contracts, unrealized appreciation on swap and/or forward agreements	ProShares Ultra VIX		Payable on open futures contracts, unrealized depreciation on swap and/or forward agreements	ProShares Ultra Yen	507,819
		ProShares VIX Short-Term Futures ETF	2,368,824*		ProShares VIX Short-Term Futures ETF	2,590,243*
		ProShares VIX Mid-Term Futures ETF	233,160*		ProShares VIX Mid-Term Futures ETF	1,703,570*
		ProShares Ultra VIX Short-Term Futures ETF	4,034,873*		ProShares Ultra VIX Short-Term Futures ETF	1,676,460*
		ProShares Short VIX Short-Term Futures ETF	627,059*		ProShares Short VIX Short-Term Futures ETF	2,014,234*
		Total Trust	\$124,994,834*		Total Trust	\$197,488,010*

The Effect of Derivative Instruments on the Statements of Operations
For the year ended December 31, 2013

Derivatives not accounted for as hedging instruments	Location of Gain or (Loss) on Derivatives Recognized in Income	Fund	Realized Gain or (Loss) on Derivatives Recognized in Income	Change in Unrealized Appreciation or Depreciation on Derivatives Recognized in Income
Commodity Contracts	Net realized gain (loss) on futures contracts, swap and/or forward agreements/changes in unrealized appreciation/ depreciation on futures contracts, swap and/or forward agreements	ProShares UltraShort DJ-UBS Commodity	\$ 760,002	\$ (176,167)
		ProShares UltraShort DJ-UBS Crude Oil	(12,304,999)	6,071,108
		ProShares UltraShort DJ-UBS Natural Gas	(2,585,514)	633,165
		ProShares UltraShort Gold	61,124,409	1,902,477
		ProShares UltraShort Silver	113,456,404	(21,561,362)
		ProShares Ultra DJ-UBS Commodity	(1,254,251)	321,346
		ProShares Ultra DJ-UBS Crude Oil	120,745,948	(52,709,476)
		ProShares Ultra DJ-UBS Natural Gas	41,418,165	160,411
		ProShares Ultra Gold	(165,632,786)	8,839,764
		ProShares Ultra Silver	(701,532,729)	143,273,646
Foreign Exchange Contracts	Net realized gain (loss) on futures contracts, swap and/or forward agreements/changes in unrealized appreciation/ depreciation on futures contracts, swap and/or forward agreements	ProShares Short Euro	(381,987)	21,825
		ProShares UltraShort Australian Dollar	2,720,079	832,015
		ProShares UltraShort Euro	(48,063,036)	(600,935)
		ProShares UltraShort Yen	164,019,598	(8,727,491)
		ProShares Ultra Australian Dollar	(928,022)	(19,190)
		ProShares Ultra Euro	210,150	13,803
		ProShares Ultra Yen	(1,879,169)	334,987
VIX Futures Contracts	Net realized gain (loss) on futures contracts and/or swap agreements /changes in unrealized appreciation/ depreciation on futures contracts and/or swap agreements	ProShares VIX Short-Term Futures ETF	(144,618,136)	(16,431,267)
		ProShares VIX Mid-Term Futures ETF	(28,219,863)	(3,426,279)
		ProShares Ultra VIX Short-Term Futures ETF	(405,816,676)	(26,368,324)
		ProShares Short VIX Short-Term Futures ETF	87,175,105	9,504,130
		Total Trust	<u>\$(921,587,308)</u>	<u>\$ 41,888,186</u>

The Effect of Derivative Instruments on the Statements of Operations
For the year ended December 31, 2012

Derivatives not accounted for as hedging instruments	Location of Gain or (Loss) on Derivatives Recognized in Income	Fund	Realized Gain or (Loss) on Derivatives Recognized in Income	Change in Unrealized Appreciation or Depreciation on Derivatives Recognized in Income
Commodity Contracts	Net realized gain (loss) on futures contracts, swap and/or forward agreements/changes in unrealized appreciation/depreciation on futures contracts, swap and/or forward agreements	ProShares UltraShort DJ-UBS	\$ 761,879	\$ (422,249)
		Commodity		
		ProShares UltraShort DJ-UBS	47,564,763	(12,529,061)
		Crude Oil		
		ProShares UltraShort DJ-UBS	1,212,600	(971,875)
		Natural Gas		
		ProShares UltraShort Gold	(10,067,498)	(29,698,062)
		ProShares UltraShort Silver	(28,114,972)	(23,728,868)
		ProShares Ultra DJ-UBS	(536,107)	400,909
		Commodity		
		ProShares Ultra DJ UBS Crude Oil	(84,061,967)	66,666,756
		ProShares Ultra DJ-UBS Natural Gas	(2,839,309)	(2,991,440)
		ProShares Ultra Gold	(33,592,896)	65,210,642
		ProShares Ultra Silver	(66,426,492)	33,606,897
Foreign Exchange Contracts	Net realized gain (loss) on futures contracts, swap and/or forward agreements/changes in unrealized appreciation depreciation on futures contracts, swap and/or forward agreements	ProShares Short Euro	(164,400)	(55,056)
		ProShares UltraShort Australian Dollar	(288,740)	85,590
		ProShares UltraShort Euro	46,946,419	(80,578,526)
		ProShares UltraShort Yen	27,341,631	42,478,321
		ProShares Ultra Australian Dollar	265,990	(99,030)
		ProShares Ultra Euro	(398,504)	605,371
		ProShares Ultra Yen	(601,937)	(597,023)
VIX Futures Contracts	Net realized gain (loss) on futures contracts, swap and/or forward agreements/changes in unrealized appreciation depreciation on futures contracts, swap and/or forward agreements	ProShares VIX Short-Term Futures ETF	(160,953,587)	1,354,551
		ProShares VIX Mid-Term Futures ETF	(75,241,919)	4,642,340
		ProShares Ultra VIX Short-Term Futures ETF	(509,421,864)	3,121,203
		ProShares Short VIX Short-Term Futures ETF	13,203,419	(1,477,355)
		Total Trust	<u>\$(835,413,491)</u>	<u>\$ 65,024,035</u>

The Effect of Derivative Instruments on the Statements of Operations
For the year ended December 31, 2011

Derivatives not accounted for as hedging instruments	Location of Gain or (Loss) on Derivatives Recognized in Income	Fund	Realized Gain or (Loss) on Derivatives Recognized in Income	Change in Unrealized Appreciation or Depreciation on Derivatives Recognized in Income
Commodity Contracts	Net realized gain (loss) on futures contracts, swap and/or forward agreements/changes in unrealized appreciation/ depreciation on futures contracts, swap and/or forward agreements	ProShares UltraShort DJ-UBS Commodity	\$ (3,511,808)	\$ 734,901
		ProShares UltraShort DJ-UBS Crude Oil	26,720,866	9,388,308
		ProShares UltraShort DJ-UBS Natural Gas	1,776,461	1,381,010
		ProShares UltraShort Gold	(45,179,461)	36,727,299
		ProShares UltraShort Silver	(171,361,321)	53,606,338
		ProShares Ultra DJ-UBS Commodity	(2,051,498)	(2,462,927)
		ProShares Ultra DJ-UBS Crude Oil	110,381,975	(22,435,130)
		ProShares Ultra DJ-UBS Natural Gas	(1,481,685)	(825,510)
		ProShares Ultra Gold	100,088,064	(89,908,507)
		ProShares Ultra Silver	(209,477,092)	(228,635,411)
Foreign Exchange Contracts	Net realized gain (loss) on foreign currency forward contracts/ changes in unrealized appreciation/ depreciation on foreign currency forward contracts	ProShares UltraShort Euro	(5,409,463)	90,625,031
		ProShares UltraShort Yen	(50,029,053)	11,773,508
		ProShares Ultra Euro	354,369	(866,391)
		ProShares Ultra Yen	564,813	(180,776)
VIX Futures Contracts	Net realized gain (loss) on futures contracts/ changes in unrealized appreciation/ depreciation on futures contracts	ProShares VIX Short-Term Futures ETF	3,732,227	(1,575,970)
		ProShares VIX Mid-Term Futures ETF	(514,060)	(6,112,750)
		ProShares Ultra VIX Short-Term Futures ETF	(3,524,662)	(762,790)
		ProShares Short VIX Short-Term Futures ETF	1,355,975	90,180
		Total Trust	<u>\$(247,565,353)</u>	<u>\$(149,439,587)</u>

Offsetting Assets and Liabilities

Effective January 1, 2013, the Funds adopted Financial Accounting Standards Update (“ASU”) No. 2011-11 “Disclosures about Offsetting Assets and Liabilities” which was subsequently clarified in ASU 2013-01 “Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities.” The amended standard requires an entity to disclose information about offsetting and related arrangements to enable users of that entity’s financial statements to understand the effect of those arrangements on its financial position. The Funds are subject to master netting agreements or similar arrangements that allow for amounts owed between the Funds and the counterparty to be netted upon an early termination. The party that has the larger payable pays the excess of the larger amount over the smaller amount to the other party. The master netting agreements or similar arrangements do not apply to amounts owed to/from different counterparties. As described above, the Funds utilize derivative instruments to achieve their investment objective during the year. The amounts shown in the Statement of Financial Condition do not take into consideration the effects of legally enforceable master netting agreements or similar arrangements. Information concerning the value of and amounts due under Repurchase Agreement transactions may be found on each Fund’s Schedule of Investments.

For financial reporting purposes, the Funds do not offset derivative assets and derivative liabilities that are subject to netting arrangements in the Statement of Financial Condition. The following table presents each Fund's derivatives by investment type and by counterparty net of amounts available for offset under a master netting agreement and the related collateral received or pledged by the Funds as of December 31, 2013 and December 31, 2012:

Fair Values of Derivative Instruments as of December 31, 2013

	Assets			Liabilities		
	Gross Amounts of Recognized Assets presented in the Statement of Financial Conditions	Gross Amounts Offset in the Statement of Financial Conditions	Net Amounts of Assets presented in the Statement of Financial Conditions	Gross Amounts of Recognized Liabilities presented in the Statement of Financial Conditions	Gross Amounts Offset in the Statement of Financial Conditions	Net Amounts of Liabilities presented in the Statement of Financial Conditions
ProShares UltraShort DJ-UBS Commodity						
Swap agreements	\$ —	\$—	\$ —	\$ 27,665	\$—	\$ 27,665
ProShares UltraShort DJ-UBS Crude Oil						
Futures contracts*	1,503,943	—	1,503,943	—	—	—
Swap agreements	—	—	—	2,332,900	—	2,332,900
ProShares UltraShort DJ-UBS Natural Gas						
Futures contracts*	1,520,548	—	1,520,548	—	—	—
ProShares UltraShort Gold						
Forward agreements	5,633,053	—	5,633,053	—	—	—
Futures contracts*	300	—	300	—	—	—
ProShares UltraShort Silver						
Forward agreements	—	—	—	2,227,857	—	2,227,857
Futures contracts*	2,450	—	2,450	—	—	—
ProShares Short Euro Futures contracts*	9,100	—	9,100	—	—	—
ProShares UltraShort Australian Dollar						
Futures contracts*	—	—	—	86,166	—	86,166
ProShares UltraShort Euro						
Foreign currency forward contracts	151,351	—	151,351	13,899,858	—	13,899,858
ProShares UltraShort Yen						
Foreign currency forward contracts	31,317,568	—	31,317,568	1,930,884	—	1,930,884
ProShares Ultra DJ-UBS Commodity Swap						
agreements	15,078	—	15,078	—	—	—
ProShares Ultra DJ-UBS Crude Oil						
Futures contracts*	—	—	—	997,210	—	997,210
Swap agreements	1,957,893	—	1,957,893	—	—	—
ProShares Ultra DJ-UBS Natural Gas Futures						
contracts*	—	—	—	5,628,532	—	5,628,532
ProShares Ultra Gold						
Forward agreements	—	—	—	6,812,974	—	6,812,974
Futures contracts*	—	—	—	300	—	300
ProShares Ultra Silver						
Forward agreements	—	—	—	2,492,880	—	2,492,880
Futures contracts*	—	—	—	2,450	—	2,450
ProShares Ultra Australian Dollar Futures						
contracts*	10,650	—	10,650	—	—	—
ProShares Ultra Euro						
Foreign currency forward contracts	120,908	—	120,908	19,946	—	19,946
ProShares Ultra Yen						
Foreign currency forward contracts	4,052	—	4,052	163,361	—	163,361
ProShares VIX Short-Term Futures ETF						
Futures contracts*	3,179,017	—	3,179,017	—	—	—
ProShares VIX Mid-Term Futures ETF						
Futures contracts*	100,734	—	100,734	—	—	—
ProShares Ultra VIX Short-Term Futures ETF						
Futures contracts*	—	—	—	3,356,803	—	3,356,803
ProShares Short VIX Short-Term Futures ETF						
Futures contracts*	603,833	—	603,833	—	—	—

* Current day's variation margin is reported within the Statements of Financial Condition in receivable/payable on open futures contracts; Cumulative appreciation/depreciation is reported in the Schedule of Investments.

Asset (Liability) amounts shown in the table below represent amounts owed to (by) the Funds for the derivative-related investments at December 31, 2013. These amounts may be collateralized by cash or financial instruments, segregated for the benefit of the Funds or the counterparties, depending on whether the related contracts are in an appreciated or depreciated position at period end. Amounts shown in the column labeled “Net Amount” represent the un-collateralized portions of these amounts at period end. These amounts may be un-collateralized due to timing differences related to market movements or due to minimum thresholds for collateral movement, as further described above under the caption “Account for Derivative Instruments”.

Gross Amounts Not Offset in the Statement of Financial Condition

	Amounts of Recognized Assets /(Liabilities) presented in the Statement of Financial Condition	Financial Instruments for the Benefit of (the Funds) / the Counterparties	Cash Collateral for the Benefit of (the Funds) / the Counterparties	Net Amount
ProShares UltraShort DJ-UBS Commodity				
Deutsche Bank AG	\$ (11,710)	\$ 11,710	\$ —	\$ —
Goldman Sachs International	(12,945)	12,945	—	—
UBS AG	(3,010)	3,010	—	—
ProShares UltraShort DJ-UBS Crude Oil Deutsche Bank AG	(570,114)	570,114	—	—
Goldman Sachs & Co.	1,503,943	—	—	1,503,943
Goldman Sachs International	(632,990)	632,990	—	—
Societe Generale S.A.	(402,586)	402,586	—	—
UBS AG	(727,210)	727,210	—	—
ProShares UltraShort DJ-UBS Natural Gas Goldman Sachs & Co.	1,520,548	—	—	1,520,548
ProShares UltraShort Gold				
Deutsche Bank AG	2,258,281	—	(2,258,281)	—
Goldman Sachs & Co.	300	—	—	300
Goldman Sachs International	1,411,290	(1,411,290)	—	—
Societe Generale S.A.	665,044	(665,044)	—	—
UBS AG	1,298,438	(1,298,438)	—	—
ProShares UltraShort Silver				
Deutsche Bank AG	(445,752)	445,752	—	—
Goldman Sachs & Co.	2,450	—	—	2,450
Goldman Sachs International	(1,257,636)	1,257,636	—	—
Societe Generale S.A.	(7,359)	7,359	—	—
UBS AG	(517,110)	517,110	—	—
ProShares Short Euro RBC Capital Markets	9,100	—	—	9,100
ProShares UltraShort Australian Dollar RBC Capital Markets	(86,166)	—	86,166	—
ProShares UltraShort Euro				
Goldman Sachs International	64,104	—	—	64,104
Goldman Sachs International	(6,820,802)	6,820,802	—	—
UBS AG	87,247	—	—	87,247
UBS AG	(7,079,056)	7,079,056	—	—
ProShares UltraShort Yen Goldman Sachs International	15,716,318	(13,635,426)	—	2,080,892
Goldman Sachs International	(884,849)	884,849	—	—
UBS AG	15,601,250	(14,004,926)	—	1,596,324
UBS AG	(1,046,035)	1,046,035	—	—
ProShares Ultra DJ-UBS Commodity				
Deutsche Bank AG	6,454	—	—	6,454
Goldman Sachs International	4,974	—	—	4,974
UBS AG	3,650	—	—	3,650
ProShares Ultra DJ-UBS Crude Oil Deutsche Bank AG	622,117	—	(622,117)	—
Goldman Sachs & Co.	(997,210)	—	997,210	—
Goldman Sachs International	576,723	(576,723)	—	—
Societe Generale S.A.	275,816	(275,816)	—	—
UBS AG	483,237	(483,237)	—	—
ProShares Ultra DJ-UBS Natural Gas Goldman Sachs & Co.	(5,628,532)	—	4,630,277	(998,255)
ProShares Ultra Gold				
Deutsche Bank AG	(3,543,937)	3,543,937	—	—
Goldman Sachs & Co.	(300)	—	300	—
Goldman Sachs International	(1,327,335)	1,327,335	—	—
Societe Generale S.A.	(785,038)	785,038	—	—
UBS AG	(1,156,664)	1,156,664	—	—
ProShares Ultra Silver Deutsche Bank AG	(350,663)	350,663	—	—
Goldman Sachs & Co.	(2,450)	—	2,450	—
Goldman Sachs International	(1,345,433)	1,345,433	—	—
Societe Generale S.A.	(28,581)	28,581	—	—
UBS AG	(768,203)	768,203	—	—
ProShares Ultra Australian Dollar RBC Capital Markets	10,650	—	—	10,650
ProShares Ultra Euro				
Goldman Sachs International	56,991	—	—	56,991
Goldman Sachs International	(19,770)	19,770	—	—
UBS AG	63,917	—	—	63,917
UBS AG	(176)	176	—	—
ProShares Ultra Yen				
Goldman Sachs International	2,462	—	—	2,462
Goldman Sachs International	(78,309)	78,309	—	—
UBS AG	1,590	—	—	1,590
UBS AG	(85,052)	85,052	—	—
ProShares VIX Short-Term Futures ETF RBC Capital Markets	3,179,017	—	—	3,179,017
ProShares VIX Mid-Term Futures ETF RBC Capital Markets	100,734	—	—	100,734
ProShares Ultra VIX Short-Term Futures ETF RBC Capital Markets	(3,356,803)	—	3,356,803	—
ProShares Short VIX Short-Term Futures ETF RBC Capital Markets	603,833	—	—	603,833

Fair Values of Derivative Instruments as of December 31, 2012

	Assets			Liabilities		
	Gross Amounts of Recognized Assets presented in the Statement of Financial Conditions	Gross Amounts Offset in the Statement of Financial Conditions	Net Amounts of Assets presented in the Statement of Financial Conditions	Gross Amounts of Recognized Liabilities presented in the Statement of Financial Conditions	Gross Amounts Offset in the Statement of Financial Conditions	Net Amounts of Liabilities presented in the Statement of Financial Conditions
ProShares UltraShort DJ-UBS Commodity Swap agreements	\$ 148,502	\$—	\$ 148,502	\$ —	\$—	\$ —
ProShares UltraShort DJ-UBS Crude Oil						
Futures contracts*	—	—	—	979,336	—	979,336
Swap agreements	—	—	—	5,607,060	—	5,607,060
ProShares UltraShort DJ-UBS Natural Gas						
Futures contracts*	632,777	—	632,777	—	—	—
ProShares UltraShort Gold						
Forward agreements	3,729,856	—	3,729,856	—	—	—
Futures contracts*	—	—	—	3,980	—	3,980
ProShares UltraShort Silver						
Forward agreements	19,307,685	—	19,307,685	—	—	—
Futures contracts*	—	—	—	2,520	—	2,520
ProShares Short Euro Futures contracts* . . .	6,612	—	6,612	—	—	—
ProShares UltraShort Australian Dollar						
Futures contracts*	—	—	—	10,950	—	10,950
ProShares UltraShort Euro						
Foreign currency forward contracts . . .	251,047	—	251,047	13,398,619	—	13,398,619
ProShares UltraShort Yen						
Foreign currency forward contracts . . .	38,346,817	—	38,346,817	232,642	—	232,642
ProShares Ultra DJ-UBS Commodity Swap agreements	—	—	—	306,268	—	306,268
ProShares Ultra DJ-UBS Crude Oil						
Futures contracts*	3,430,415	—	3,430,415	—	—	—
Swap agreements	33,333,620	—	33,333,620	—	—	—
ProShares Ultra DJ-UBS Natural Gas						
Futures contracts*	—	—	—	4,891,783	—	4,891,783
ProShares Ultra Gold						
Forward agreements	—	—	—	15,652,058	—	15,652,058
Futures contracts*	3,980	—	3,980	—	—	—
ProShares Ultra Silver						
Forward agreements	—	—	—	145,740,706	—	145,740,706
Futures contracts*	2,520	—	2,520	—	—	—
ProShares Ultra Australian Dollar Futures contracts*	12,000	—	12,000	—	—	—
ProShares Ultra Euro						
Foreign currency forward contracts . . .	89,473	—	89,473	2,314	—	2,314
ProShares Ultra Yen						
Foreign currency forward contracts . . .	13,523	—	13,523	507,819	—	507,819
ProShares VIX Short-Term Futures ETF						
Futures contracts*	—	—	—	31,540,181	—	31,540,181
ProShares VIX Mid-Term Futures ETF						
Futures contracts*	—	—	—	1,890,675	—	1,890,675
ProShares Ultra VIX Short-Term Futures ETF						
Futures contracts*	—	—	—	35,666,735	—	35,666,735
Swap agreements	301,351	—	301,351	—	—	—
ProShares Short VIX Short-Term Futures ETF Futures contracts*	5,524,721	—	5,524,721	—	—	—

* Current day's variation margin is reported within the Statements of Financial Condition in receivable/payable on open futures contracts; Cumulative appreciation/depreciation is reported in the Schedule of Investments.

Asset (Liability) amounts shown in the table below represent amounts owed to (by) the Funds for the derivative-related investments at December 31, 2012. These amounts may be collateralized by cash or financial instruments, segregated for the benefit of the Funds or the counterparties, depending on whether the related contracts are in an appreciated or depreciated position at period end. Amounts shown in the column labeled “Net Amount” represent the un-collateralized portions of these amounts at period end. These amounts may be un-collateralized due to timing differences related to market movements or due to minimum thresholds for collateral movement, as further described above under the caption “Account for Derivative Instruments”.

Gross Amounts Not Offset in the Statement of Financial Condition

	Amounts of Recognized Assets / (Liabilities) presented in the Statement of Financial Condition	Financial Instruments for the Benefit of (the Funds) / the Counterparties	Cash Collateral for the Benefit of (the Funds) / the Counterparties	Net Amount
ProShares UltraShort DJ-UBS Commodity				
Goldman Sachs International	\$ 104,181	\$ —	\$ —	\$ 104,181
UBS AG	44,321	—	—	44,321
ProShares UltraShort DJ-UBS Crude Oil				
Goldman Sachs & Co.	(979,336)	—	979,336	—
Goldman Sachs International	(1,880,292)	1,880,292	—	—
Societe Generale S.A.	(1,730,366)	1,730,366	—	—
UBS AG	(1,996,402)	1,996,402	—	—
ProShares UltraShort DJ-UBS Natural Gas	632,777	—	—	632,777
ProShares UltraShort Gold				
Deutsche Bank AG	2,389,236	—	(2,389,236)	—
Goldman Sachs & Co.	(3,980)	—	3,980	—
Goldman Sachs International	452,059	(452,059)	—	—
Societe Generale S.A.	499,264	—	(499,264)	—
UBS AG	389,297	(347,541)	—	41,756
ProShares UltraShort Silver				
Deutsche Bank AG	10,786,801	—	(10,300,000)	486,801
Goldman Sachs & Co.	(2,520)	—	2,520	—
Goldman Sachs International	3,141,119	(3,141,119)	—	—
Societe Generale S.A.	3,255,649	—	(3,255,649)	—
UBS AG	2,124,116	(2,065,937)	—	58,179
ProShares Short Euro RBC Capital Markets	6,612	—	—	6,612
ProShares UltraShort Australian Dollar RBC Capital Markets	(10,950)	—	10,950	—
ProShares UltraShort Euro				
Goldman Sachs International	251,047	—	—	251,047
Goldman Sachs International	(6,048,832)	6,048,832	—	—
UBS AG	(7,349,787)	7,349,787	—	—
ProShares UltraShort Yen				
Goldman Sachs International	18,518,532	(14,958,352)	—	3,560,180
UBS AG	19,828,285	(17,590,896)	—	2,237,389
UBS AG	(232,642)	232,642	—	—
ProShares Ultra DJ-UBS Commodity				
Goldman Sachs International	(198,117)	198,117	—	—
UBS AG	(108,151)	108,151	—	—
ProShares Ultra DJ-UBS Crude Oil				
Goldman Sachs & Co.	3,430,415	—	—	3,430,415
Goldman Sachs International	14,334,730	(11,924,574)	—	2,410,156
Societe Generale S.A.	8,989,866	—	(8,989,866)	—
UBS AG	10,009,024	(8,589,406)	—	1,419,618
ProShares Ultra DJ-UBS Natural Gas	(4,891,783)	—	4,891,783	—
ProShares Ultra Gold				
Deutsche Bank AG	(4,622,873)	4,622,873	—	—
Goldman Sachs & Co.	3,980	—	—	3,980
Goldman Sachs International	(3,678,367)	3,678,367	—	—
Societe Generale S.A.	(3,715,989)	3,715,989	—	—
UBS AG	(3,634,829)	3,634,829	—	—
ProShares Ultra Silver	(44,873,116)	42,756,218	—	(2,116,898)
Goldman Sachs & Co.	2,520	—	—	2,520
Goldman Sachs International	(34,491,042)	34,491,042	—	—
Societe Generale S.A.	(34,802,217)	34,802,217	—	—
UBS AG	(31,574,331)	31,574,331	—	—
ProShares Ultra Australian Dollar RBC Capital Markets	12,000	—	—	12,000
ProShares Ultra Euro				
Goldman Sachs International	38,327	—	—	38,327
Goldman Sachs International	(635)	635	—	—
UBS AG	51,146	—	—	51,146
UBS AG	(1,679)	1,679	—	—
ProShares Ultra Yen				
Goldman Sachs International	7,325	—	—	7,325
Goldman Sachs International	(231,047)	231,047	—	—
UBS AG	6,198	—	—	6,198
UBS AG	(276,772)	178,999	—	(97,773)
ProShares VIX Short-Term Futures ETF RBC Capital Markets	(31,540,181)	—	31,540,181	—
ProShares VIX Mid-Term Futures ETF RBC Capital Markets	(1,890,675)	—	1,890,675	—
ProShares Ultra VIX Short-Term Futures ETF				
RBC Capital Markets	(35,666,735)	—	35,666,735	—
Societe Generale S.A.	301,351	—	(301,351)	—
ProShares Short VIX Short-Term Futures ETF RBC Capital Markets	5,524,721	—	—	5,524,721

NOTE 4 – AGREEMENTS

Management Fee

Each Leveraged Fund, the Short Euro Fund and each Geared VIX Fund pays the Sponsor a Management Fee, monthly in arrears, in an amount equal to 0.95% per annum of its average daily NAV of such Fund. Each Matching VIX Fund pays the Sponsor a Management Fee, monthly in arrears, in an amount equal to 0.85% per annum of its average daily NAV of such Fund. The Sponsor did not and will not charge its fee in the first year of operation of each Fund in an amount equal to the offering costs. The Sponsor reimbursed each Fund to the extent that its offering costs exceed the Management Fee for the first year of operations. The Management Fee is paid in consideration of the Sponsor's services as commodity pool operator, and for managing the business and affairs of the Funds. From the Management Fee, the Sponsor pays the fees and expenses of the Administrator, Custodian, Distributor, ProFunds Distributors, Inc. ("PDI"), an affiliated broker-dealer of the Sponsor, Transfer Agent and any index licensors for the Funds, the routine operational, administrative and other ordinary expenses of each Fund, and the normal and expected expenses incurred in connection with the continuous offering of Shares of each Fund after the commencement of its trading operations, including, but not limited to, expenses such as tax preparation expenses, legal fees not in excess of \$100,000 per annum, ongoing SEC registration fees not exceeding 0.021% per annum of the NAV of a Fund and Financial Industry Regulatory Authority ("FINRA") filing fees, individual K-1 preparation and mailing fees not exceeding 0.10% per annum of the net assets of a Fund, and report preparation and mailing expenses. For the year ended December 31, 2013, the Sponsor paid and is currently paying brokerage commissions on VIX futures contracts for the Matching VIX Funds. Each Fund incurs and pays its non-recurring and unusual fees and expenses.

The Administrator

The Sponsor and the Trust, for itself and on behalf of each Fund, has appointed Brown Brothers Harriman & Co. ("BBH&Co.") as the Administrator of the Funds, and the Sponsor, and the Trust, on its own behalf and on behalf of each Fund, and BBH&Co. have entered into an Administrative Agency Agreement (the "Administration Agreement") in connection therewith. Pursuant to the terms of the Administration Agreement and under the supervision and direction of the Sponsor and the Trust, BBH&Co. prepares and files certain regulatory filings on behalf of the Funds. BBH&Co. may also perform other services for the Funds pursuant to the Administration Agreement as mutually agreed upon by the Sponsor, the Trust and BBH&Co. from time to time. Pursuant to the terms of the Administration Agreement, BBH&Co. also serves as the Transfer Agent of the Funds. The Administrator's fees are paid on behalf of the Funds by the Sponsor.

The Custodian

BBH&Co. serves as the Custodian of the Funds, and the Trust, on its own behalf and on behalf of each Fund, and BBH&Co. have entered into a Custodian Agreement in connection therewith. Pursuant to the terms of the Custodian Agreement, BBH&Co. is responsible for the holding and safekeeping of assets delivered to it by the Funds, and performing various administrative duties in accordance with instructions delivered to BBH&Co. by the Funds. The Custodian's fees are paid on behalf of the Funds by the Sponsor.

The Distributor

SEI Investments Distribution Co. ("SEI"), serves as Distributor of the Funds and assists the Sponsor and the Administrator with certain functions and duties relating to distribution and marketing, including taking creation and redemption orders, consulting with the marketing staff of the Sponsor and its affiliates with respect to compliance with the requirements of FINRA and/or the NFA in connection with marketing efforts, and reviewing and filing of marketing materials with FINRA and/or the NFA. SEI retains all marketing materials separately for each Fund, at c/o SEI, One Freedom Valley Drive, Oaks, PA 19456. The Sponsor, on behalf of each Fund, has entered into a Distribution Services Agreement with SEI.

Routine Operational, Administrative and Other Ordinary Expenses

The Sponsor pays all of the routine operational, administrative and other ordinary expenses of each Fund generally, as determined by the Sponsor including, but not limited to, fees and expenses of the Administrator, Custodian, Distributor, PDI, Transfer Agent, accounting and auditing fees and expenses, tax preparation expenses, legal fees not in excess of \$100,000 per annum, ongoing SEC registration fees not exceeding 0.021% per annum of the NAV of a Fund, FINRA filing fees, individual Schedule K-1 preparation and mailing fees not exceeding 0.10% per annum of the NAV of a Fund, and report preparation and mailing expenses.

Non-Recurring Fees and Expenses

Each Fund pays all its non-recurring and unusual fees and expenses, if any, as determined by the Sponsor. Non-recurring and unusual fees and expenses are fees and expenses which are unexpected or unusual in nature, such as legal claims and liabilities, litigation costs or indemnification or other material expenses which are not currently anticipated obligations of the Funds. Such fees and expenses are those that are non-recurring, unexpected or unusual in nature.

NOTE 5 – OFFERING COSTS

Offering costs will be amortized by the Funds over a twelve month period on a straight-line basis beginning once the fund commences operations. The Sponsor did not charge its Management Fee in the first year of operations of the UltraShort DJ-UBS Natural Gas Fund, Ultra DJ-UBS Natural Gas Fund, Ultra Australian Dollar Fund, UltraShort Australian Dollar Fund, Short Euro Fund, each Geared VIX Fund and each Matching VIX Fund in an amount equal to the offering costs. The Sponsor reimbursed each Fund, with the exception of each Matching VIX Fund, to the extent that its offering costs exceeded 0.95% of its average daily NAV for the first year of operations. The Sponsor reimbursed each Matching VIX Fund to the extent its offering costs exceeded 0.85% of its average daily NAV for the first year of operations.

NOTE 6 – CREATION AND REDEMPTION OF CREATION UNITS

Each Fund issues and redeems shares from time to time, but only in one or more Creation Units. A Creation Unit is a block of 50,000 Shares of a Geared Fund and 25,000 Shares of a Matching VIX Fund. Creation Units may be created or redeemed only by Authorized Participants. As a result of the Share splits and reverse Share splits as described in Note 1, certain redemptions as disclosed in the Statements of Changes in Shareholders' Equity reflect payment of fractional share balances on beneficial shareholder accounts.

Except when aggregated in Creation Units, the Shares are not redeemable securities. Retail investors, therefore, generally will not be able to purchase or redeem Shares directly from or with a Fund. Rather, most retail investors will purchase or sell Shares in the secondary market with the assistance of a broker. Thus, some of the information contained in these Notes to Financial Statements—such as references to the Transaction Fees imposed on purchases and redemptions—is not relevant to retail investors.

Transaction Fees on Creation and Redemption Transactions

The manner by which Creation Units are purchased or redeemed is dictated by the terms of the Authorized Participant Agreement and Authorized Participant Handbook. By placing a purchase order, an Authorized Participant agrees to: (1) deposit cash with the Custodian; and (2) if permitted by the Sponsor in its sole discretion, enter into or arrange for an exchange of futures contract for related position or block trade whereby the Authorized Participant would also transfer to such Fund a number and type of exchange-traded futures contracts at or near the closing settlement price for such contracts on the purchase order date.

Authorized Participants may pay a fixed transaction fee of up to \$500 in connection with each order to create or redeem a Creation Unit in order to compensate BBH&Co., as the Administrator, the Custodian and the

Transfer Agent of each Fund and its Shares, for services in processing the creation and redemption of Creation Units and to offset the costs of increasing or decreasing derivative positions. Authorized Participants also may pay a variable transaction fee to the Fund of up to 0.10% of the value of the Creation Unit that is purchased or redeemed unless the transaction fee is waived or otherwise adjusted by the Sponsor. The Sponsor provides such Authorized Participant with prompt notice in advance of any such waiver or adjustment of the transaction fee. Authorized Participants may sell the Shares included in the Creation Units they purchase from the Funds to other investors in the secondary market.

Transaction fees for the years ended December 31, 2013, 2012 and 2011, which are included in the Sale and/or Redemption of Shares on the Statements of Changes in Shareholders' Equity, were as follows:

Fund	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011
UltraShort DJ-UBS Commodity	\$ —	\$ 1,344	\$ 34,814
UltraShort DJ-UBS Crude Oil	298,261	120,983	244,564
UltraShort DJ-UBS Natural Gas	7,434	6,200	400
UltraShort Gold	105,508	15,695	57,263
UltraShort Silver	128,850	148,662	457,001
Short Euro*	—	—	—
UltraShort Australian Dollar**	—	—	—
UltraShort Euro	—	—	—
UltraShort Yen	—	—	—
Ultra DJ-UBS Commodity	487	603	1,754
Ultra DJ-UBS Crude Oil	236,956	317,803	532,022
Ultra DJ-UBS Natural Gas	42,172	19,179	641
Ultra Gold	23,035	26,057	43,207
Ultra Silver	107,285	164,212	454,059
Ultra Australian Dollar**	—	—	—
Ultra Euro	—	—	—
Ultra Yen	—	—	—
VIX Short-Term Futures ETF	—	—	—
VIX Mid-Term Futures ETF	—	—	—
Ultra VIX Short-Term Futures ETF	814,195	639,726	3,421
Short VIX Short-Term Futures ETF	130,779	119,942	754
Total Trust	\$1,894,962	\$1,580,406	\$1,829,900

* Fund commenced investment operations on June 26, 2012.

** Fund commenced investment operations on July 17, 2012.

NOTE 7 – FINANCIAL HIGHLIGHTS

Selected data for a Share outstanding throughout the year ended December 31, 2013:

<u>For the Year Ended December 31, 2013</u>							
<u>Per Share Operating Performance</u>	<u>UltraShort DJ-UBS Commodity</u>	<u>UltraShort DJ-UBS Crude Oil</u>	<u>UltraShort DJ-UBS Natural Gas*</u>	<u>UltraShort Gold</u>	<u>UltraShort Silver</u>	<u>Short Euro</u>	<u>UltraShort Australian Dollar</u>
Net asset value, at December 31, 2012	\$54.1021	\$40.3079	\$102.1402	\$ 63.8688	\$51.3951	\$37.6285	\$37.8081
Net investment income (loss)	(0.5355)	(0.3033)	(0.9217)	(0.7561)	(0.6223)	(0.3430)	(0.4325)
Net realized and unrealized gain (loss)#	9.7270	(8.2745)	(31.2550)	40.4053	39.0092	(1.6988)	9.2628
Change in net asset value from operations	9.1915	(8.5778)	(32.1767)	39.6492	38.3869	(2.0418)	8.8303
Net asset value, at December 31, 2013	\$63.2936	\$31.7301	\$ 69.9635	\$103.5180	\$89.7820	\$35.5867	\$46.6384
Market value per share, at December 31, 2012†	\$ 51.64	\$ 40.44	\$ 101.64	\$ 62.60	\$ 50.07	\$ 37.64	\$ 37.74
Market value per share, at December 31, 2013†	\$ 58.41	\$ 31.58	\$ 69.36	\$ 103.53	\$ 90.19	\$ 35.66	\$ 46.66
Total Return, at net asset value	17.0%	(21.3)%	(31.5)%	62.1%	74.7%	(5.4)%	23.4%
Total Return, at market value	13.1%	(21.9)%	(31.8)%	65.4%	80.1%	(5.3)%	23.6%
Ratios to Average Net Assets							
Expense ratio	(0.95)%	(0.98)%	(1.20)%	(0.95)%	(0.95)%	(0.96)%	(1.02)%
Expense ratio, excluding brokerage commissions	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%
Net investment income (loss)	(0.90)%	(0.94)%	(1.15)%	(0.90)%	(0.89)%	(0.93)%	(0.99)%

* See Note 1 of these Notes to Financial Statements.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

For the Year Ended December 31, 2013

Per Share Operating Performance	UltraShort Euro	UltraShort Yen	Ultra DJ-UBS Commodity	Ultra DJ-UBS Crude Oil	Ultra DJ-UBS Natural Gas	Ultra Gold	Ultra Silver*
Net asset value, at December 31, 2012	\$19.0172	\$50.7577	\$24.3875	\$29.3941	\$39.0490	\$ 83.7634	\$ 171.8906
Net investment income (loss)	(0.1677)	(0.5662)	(0.1945)	(0.2849)	(0.4054)	(0.5404)	(0.8789)
Net realized and unrealized gain (loss)#	(1.7882)	20.6725	(4.7613)	2.9807	0.1947	(41.9677)	(107.6812)
Change in net asset value from operations	(1.9559)	20.1063	(4.9558)	2.6958	(0.2107)	(42.5081)	(108.5601)
Net asset value, at December 31, 2013	\$17.0613	\$70.8640	\$19.4317	\$32.0899	\$38.8383	\$ 41.2553	\$ 63.3305
Market value per share, at December 31, 2012†	\$ 19.01	\$ 50.77	\$ 23.93	\$ 29.32	\$ 39.24	\$ 85.34	\$ 176.40
Market value per share, at December 31, 2013†	\$ 17.06	\$ 70.91	\$ 19.13	\$ 32.22	\$ 39.28	\$ 41.26	\$ 63.04
Total Return, at net asset value	(10.3)%	39.6%	(20.3)%	9.2%	(0.5)%	(50.7)%	(63.2)%
Total Return, at market value	(10.3)%	39.7%	(20.1)%	9.9%	0.1%	(51.7)%	(64.3)%
Ratios to Average Net Assets							
Expense ratio	(0.95)%	(0.95)%	(0.95)%	(0.97)%	(1.15)%	(0.95)%	(0.95)%
Expense ratio, excluding brokerage commissions . . .	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%
Net investment income (loss)	(0.90)%	(0.91)%	(0.90)%	(0.92)%	(1.10)%	(0.89)%	(0.89)%

* See Note 9 of these Notes to Financial Statements.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

For the Year Ended December 31, 2013

Per Share Operating Performance	Ultra Australian Dollar	Ultra Euro	Ultra Yen	VIX Short-Term Futures ETF*	VIX Mid-Term Futures ETF	Ultra VIX Short-Term Futures ETF*^	Short VIX Short-Term Futures ETF^
Net asset value, at December 31, 2012	\$41.4986	\$24.3499	\$28.1840	\$ 83.9374	\$ 34.7003	\$ 805.2711	\$33.0649
Net investment income (loss)	(0.3490)	(0.2200)	(0.1996)	(0.3518)	(0.1973)	(3.0009)	(0.7398)
Net realized and unrealized gain (loss)#	(9.4695)	1.9047	(9.3526)	(55.0469)	(15.2071)	(735.1861)	35.1742
Change in net asset value from operations	(9.8185)	1.6847	(9.5522)	(55.3987)	(15.4044)	(738.1870)	34.4344
Net asset value, at December 31, 2013	\$31.6801	\$26.0346	\$18.6318	\$ 28.5387	\$ 19.2959	\$ 67.0841	\$67.4993
Market value per share, at December 31, 2012†	\$ 41.45	\$ 24.32	\$ 28.28	\$ 85.05	\$ 34.22	\$ 836.00	\$ 32.73
Market value per share, at December 31, 2013†	\$ 31.61	\$ 25.98	\$ 18.61	\$ 28.53	\$ 19.29	\$ 67.12	\$ 67.47
Total Return, at net asset value	(23.7)%	6.9%	(33.9)%	(66.0)%	(44.4)%	(91.7)%	104.1%
Total Return, at market value	(23.7)%	6.8%	(34.2)%	(66.5)%	(43.6)%	(92.0)%	106.2%
Ratios to Average Net Assets							
Expense ratio	(0.99)%	(0.95)%	(0.95)%	(0.85)%	(0.85)%	(1.82)%	(1.53)%
Expense ratio, excluding brokerage commissions	(0.95)%	(0.95)%	(0.95)%	(0.85)%	(0.85)%	(0.95)%	(0.95)%
Net investment income (loss)	(0.95)%	(0.90)%	(0.90)%	(0.81)%	(0.81)%	(1.80)%	(1.49)%

* See Note 1 of these Notes to Financial Statements.

^ See Note 9 of these Notes to Financial Statements.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

Selected data for a Share outstanding throughout the year ended December 31, 2012:

For the Period December 31, 2012

Per Share Operating Performance	UltraShort DJ-UBS Commodity+	UltraShort DJ-UBS Crude Oil+	UltraShort DJ-UBS Natural Gas*+	UltraShort Gold+	UltraShort Silver*+	Short Euro++	UltraShort Australian Dollar+++
Net asset value, beginning of period	\$56.9207	\$38.8151	\$ 95.2206	\$ 82.7114	\$ 76.6771	\$40.0000	\$40.0000
Net investment income (loss)	(0.4894)	(0.3595)	(1.5571)	(0.5901)	(0.4806)	(0.1799)	(0.1633)
Net realized and unrealized gain (loss)#	(2.3292)	1.8523	8.4767	(18.2525)	(24.8014)	(2.1916)	(2.0286)
Change in net asset value from operations	(2.8186)	1.4928	6.9196	(18.8426)	(25.2820)	(2.3715)	(2.1919)
Net asset value, at December 31, 2012	\$54.1021	\$40.3079	\$102.1402	\$ 63.8688	\$ 51.3951	\$37.6285	\$37.8081
Market value per share, at December 31, 2011†	\$ 56.19	\$ 38.69	\$ 95.84	\$ 79.24	\$ 79.35	\$ 40.00	\$ 40.00
Market value per share, at December 31, 2012†	\$ 51.64	\$ 40.44	\$ 101.64	\$ 62.60	\$ 50.07	\$ 37.64	\$ 37.74
Total Return, at net asset value	(5.0)%	3.8%	7.3%	(22.8)%	(33.0)%	(5.9)%^	(5.5)%^
Total Return, at market value	(8.1)%	4.5%	6.1%	(21.0)%	(36.9)%	(5.9)%^	(5.7)%^
Ratios to Average Net Assets							
Expense ratio	(0.95)%	(0.98)%	(1.39)%	(0.95)%	(0.95)%	(0.96)%**	(1.00)%**
Expense ratio, excluding brokerage commissions ...	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%**	(0.95)%**
Net investment income (loss)	(0.89)%	(0.91)%	(1.33)%	(0.89)%	(0.89)%	(0.89)%**	(0.92)%**

* See Note 1 of these Notes to Financial Statements.

+ For the year ended December 31, 2012.

++ From commencement of operations, June 26, 2012, through December 31, 2012.

+++ From commencement of operations, July 17, 2012, through December 31, 2012.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

^ Percentages are not annualized for the period ended December 31, 2012.

The returns for a share outstanding for 2011 are calculated based on the initial offering price upon commencement of investment operations of \$40.0000 for ProShares Short Euro and UltraShort Australian Dollar.

** Percentages are annualized.

For the Year Ended December 31, 2012

<u>Per Share Operating Performance</u>	<u>UltraShort Euro</u>	<u>UltraShort Yen</u>	<u>Ultra DJ-UBS Commodity</u>	<u>Ultra DJ-UBS Crude Oil</u>	<u>Ultra DJ-UBS Natural Gas*</u>	<u>Ultra Gold</u>	<u>Ultra Silver^</u>
Net asset value, at December 31, 2011	\$20.3357	\$40.9557	\$25.8805	\$ 40.8828	\$101.9786	\$75.9066	\$172.7611
Net investment income (loss) ...	(0.1804)	(0.3847)	(0.2291)	(0.2904)	(0.5205)	(0.7680)	(1.7289)
Net realized and unrealized gain (loss)#	(1.1381)	10.1867	(1.2639)	(11.1983)	(62.4091)	8.6248	0.8584
Change in net asset value from operations	(1.3185)	9.8020	(1.4930)	(11.4887)	(62.9296)	7.8568	(0.8705)
Net asset value, at December 31, 2012	\$19.0172	\$50.7577	\$24.3875	\$ 29.3941	\$ 39.0490	\$83.7634	\$171.8906
Market value per share, at December 31, 2011†	\$ 20.35	\$ 40.95	\$ 25.64	\$ 40.94	\$ 101.35	\$ 79.01	\$ 166.60
Market value per share, at December 31, 2012†	\$ 19.01	\$ 50.77	\$ 23.93	\$ 29.32	\$ 39.24	\$ 85.34	\$ 176.40
Total Return, at net asset value	(6.5)%	23.9%	(5.8)%	(28.1)%	(61.7)%	10.4%	(0.5)%
Total Return, at market value	(6.6)%	24.0%	(6.7)%	(28.4)%	(61.3)%	8.0%	5.9%
Ratios to Average Net Assets							
Expense ratio	(0.95)%	(0.95)%	(0.95)%	(0.97)%	(1.21)%	(0.95)%	(0.95)%
Expense ratio, excluding brokerage commissions	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%	(0.95)%
Net investment income (loss) ...	(0.89)%	(0.88)%	(0.89)%	(0.91)%	(1.15)%	(0.88)%	(0.88)%

* See Note 1 of these Notes to Financial Statements.

^ See Note 9 of these Notes to Financial Statements.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

For the Period Ended December 31, 2012

Per Share Operating Performance	Ultra Australian Dollar+	Ultra Euro++	Ultra Yen++	VIX Short- Term Futures ETF*++	VIX Mid- Term Futures ETF++	Ultra VIX Short- Term Futures ETF*^++	Short VIX Short-Term Futures ETF*^++
Net asset value, beginning of period	\$40.0000	\$23.8860	\$36.4704	\$ 381.8690	\$ 74.1396	\$ 29,673.0120	\$12.9332
Net investment income (loss)	(0.1740)	(0.2106)	(0.2962)	(1.0285)	(0.4050)	(38.4329)	(0.4190)
Net realized and unrealized gain (loss) #	1.6726	0.6745	(7.9902)	(296.9031)	(39.0343)	(28,829.3080)	20.5507
Change in net asset value from operations	1.4986	0.4639	(8.2864)	(297.9316)	(39.4393)	(28,867.7409)	20.1317
Net asset value, at December 31, 2012 ...	\$41.4986	\$24.3499	\$28.1840	\$ 83.9374	\$ 34.7003	\$ 805.2711	\$33.0649
Market value per share, at December 31, 2011† ..	\$ 40.00	\$ 23.87	\$ 36.50	\$ 378.70	\$ 74.13	\$ 29,184.00	\$ 13.07
Market value per share, at December 31, 2012† ..	\$ 41.45	\$ 24.32	\$ 28.28	\$ 85.05	\$ 34.22	\$ 836.00	\$ 32.73
Total Return, at net asset value	3.7%**	1.9%	(22.7)%	(78.0)%	(53.2)%	(97.3)%	155.7%
Total Return, at market value	3.6%**	1.9%	(22.5)%	(77.5)%	(53.8)%	(97.1)%	150.4%
Ratios to Average Net Assets							
Expense ratio	(1.00)%***	(0.95)%	(0.95)%	(0.85)%	(0.85)%	(1.77)%	(1.63)%
Expense ratio, excluding brokerage commissions	(0.95)%***	(0.95)%	(0.95)%	(0.85)%	(0.85)%	(0.95)%	(0.95)%
Net investment income (loss)	(0.92)%***	(0.90)%	(0.88)%	(0.79)%	(0.80)%	(1.73)%	(1.56)%

* See Note 1 of these Notes to Financial Statements.

^ See Note 9 of these Notes to Financial Statements.

+ From commencement of operations, July 17, 2012, through December 31, 2012.

++ For the year ended December 31, 2012.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

** Percentages are not annualized for the period ended December 31, 2012.

The returns for a share outstanding for 2011 are calculated based on the initial offering price upon commencement of investment operations of \$40.0000.

*** Percentages are annualized.

Selected data for a Share outstanding throughout the period ended December 31, 2011

For the Year Ended December 31, 2011

Per Share Operating Performance	UltraShort DJ-UBS Commodity*+	UltraShort DJ-UBS Crude Oil*+	UltraShort DJ-UBS Natural Gas*++	UltraShort Gold*+	UltraShort Silver*+	UltraShort Euro+	UltraShort Yen*+
Net asset value, beginning of period	\$47.9976	\$ 50.8516	\$53.3332	\$113.4823	\$ 199.4634	\$20.2928	\$47.0232
Net investment income (loss)	(0.4380)	(0.4253)	(0.2081)	(0.7368)	(0.7285)	(0.1657)	(0.3964)
Net realized and unrealized gain (loss)#	9.3611	(11.6112)	42.0955	(30.0341)	(122.0578)	0.2086	(5.6711)
Change in net asset value from operations	8.9231	(12.0365)	41.8874	(30.7709)	(122.7863)	0.0429	(6.0675)
Net asset value, at December 31, 2011	\$56.9207	\$ 38.8151	\$95.2206	\$ 82.7114	\$ 76.6771	\$20.3357	\$40.9557
Market value per share, at December 31, 2010†	\$ 48.30	\$ 50.85	\$ 53.32	\$ 111.20	\$ 196.40	\$ 20.31	\$ 47.01
Market value per share, at December 31, 2011†	\$ 56.19	\$ 38.69	\$ 95.84	\$ 79.24	\$ 79.35	\$ 20.35	\$ 40.95
Total Return, at net asset value	18.6%	(23.7)%	78.5%^	(27.1)%	(61.6)%	0.2%	(12.9)%
Total Return, at market value	16.3%	(23.9)%	79.7%^	(28.7)%	(59.6)%	0.2%	(12.9)%
Ratios to Average Net Assets							
Expense ratio	(0.95)%	(0.99)%	(1.29)%**	(0.95)%	(0.95)%	(0.95)%	(0.95)%
Expense ratio, excluding brokerage commissions ..	(0.95)%	(0.95)%	(0.95)%**	(0.95)%	(0.95)%	(0.95)%	(0.95)%
Net investment income (loss)	(0.92)%	(0.94)%	(1.28)%**	(0.91)%	(0.91)%	(0.91)%	(0.89)%

* See Note 1 of these Notes to Financial Statements.

+ For the year ended December 31, 2011.

++ From commencement of operations, October 4, 2011, through December 31, 2011.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

^ Percentages are not annualized for the period ended December 31, 2011.

The returns for a share outstanding for 2011 are calculated based on the initial offering price upon commencement of investment operations of \$40.0000.

** Percentages are annualized.

For the Year Ended December 31, 2011

Per Share Operating Performance	Ultra DJ-UBS Commodity+	Ultra DJ-UBS Crude Oil*+	Ultra DJ-UBS Natural Gas*++	Ultra Gold+	Ultra Silver*^+	Ultra Euro+	Ultra Yen+
Net asset value, beginning of period	\$ 36.3723	\$50.0017	\$200.0000	\$69.2163	\$ 312.5724	\$25.7644	\$33.4918
Net investment income (loss)	(0.3045)	(0.3807)	(0.4556)	(0.7724)	(3.0862)	(0.2495)	(0.3160)
Net realized and unrealized gain (loss)#	(10.1873)	(8.7382)	(97.5658)	7.4627	(136.7251)	(1.6289)	3.2946
Change in net asset value from operations	(10.4918)	(9.1189)	(98.0214)	6.6903	(139.8113)	(1.8784)	2.9786
Net asset value, at December 31, 2011	\$ 25.8805	\$40.8828	\$101.9786	\$75.9066	\$ 172.7611	\$23.8860	\$36.4704
Market value per share, at December 31, 2010†	\$ 36.27	\$ 49.98	\$ 200.00	\$ 70.72	\$ 317.20	\$ 25.86	\$ 33.29
Market value per share, at December 31, 2011†	\$ 25.64	\$ 40.94	\$ 101.35	\$ 79.01	\$ 166.60	\$ 23.87	\$ 36.50
Total Return, at net asset value	(28.8)%	(18.2)%	(49.0)%**	9.7%	(44.7)%	(7.3)%	8.9%
Total Return, at market value	(29.3)%	(18.1)%	(49.3)%**	11.7%	(47.5)%	(7.7)%	9.6%
Ratios to Average Net Assets							
Expense ratio	(0.95)%	(0.98)%	(1.25)%***	(0.95)%	(0.95)%	(0.95)%	(0.95)%
Expense ratio, excluding brokerage commissions	(0.95)%	(0.95)%	(0.95)%***	(0.95)%	(0.95)%	(0.95)%	(0.95)%
Net investment income (loss)	(0.89)%	(0.93)%	(1.25)%***	(0.91)%	(0.90)%	(0.90)%	(0.91)%

* See Note 1 of these Notes to Financial Statements.

^ See Note 9 of these Notes to Financial Statements.

+ For the year ended December 31, 2011.

++ From commencement of operations, October 4, 2011, through December 31, 2011.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

** Percentages are not annualized for the period ended December 31, 2011.

The returns for a share outstanding for 2011 are calculated based on the initial offering price upon commencement of investment operations of \$40.0000.

*** Percentages are annualized.

For the Year Ended December 31, 2011

<u>Per Share Operating Performance</u>	<u>VIX Short-Term Futures ETF*+</u>	<u>VIX Mid-Term Futures ETF+</u>	<u>Ultra VIX Short-Term Futures ETF*^++</u>	<u>Short VIX Short-Term Futures ETF*^++</u>
Net asset value, beginning of period	\$400.0000	\$80.0000	\$ 96,000.0000	\$10.0000
Net investment income (loss)	(2.5958)	(0.5950)	(142.1864)	(0.0349)
Net realized and unrealized gain (loss) #	(15.5352)	(5.2654)	(66,184.8016)	2.9681
Change in net asset value from operations	(18.1310)	(5.8604)	(66,326.9880)	2.9332
Net asset value, at December 31, 2011	\$381.8690	\$74.1396	\$ 29,673.0120	\$12.9332
Market value per share, at December 31,				
2010†	\$ 400.00	\$ 80.00	\$ 96,000.00	\$ 10.00
Market value per share, at December 31,				
2011†	\$ 378.70	\$ 74.13	\$ 29,184.00	\$ 13.07
Total Return, at net asset value	(4.5)%**	(7.3)%**	(69.1)%**	29.3%**
Total Return, at market value	(5.3)%**	(7.3)%**	(69.6)%**	30.7%**
Ratios to Average Net Assets				
Expense ratio	(0.85)%***	(0.85)%***	(1.41)%***	(1.19)%***
Expense ratio, excluding brokerage				
commissions	(0.85)%***	(0.85)%***	(0.95)%***	(0.95)%***
Net investment income (loss)	(0.81)%***	(0.82)%***	(1.41)%***	(1.19)%***

* See Note 1 of these Notes to Financial Statements.

^ See Note 9 of these Notes to Financial Statements.

+ From commencement of operations, January 3, 2011, through December 31, 2011.

++ From commencement of operations, October 3, 2011, through December 31, 2011.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

** Percentages are not annualized for the period ended December 31, 2011.

The returns for a share outstanding for 2011 are calculated based on the initial offering price upon commencement of investment operations of \$80.0000 for ProShares VIX Short-Term Futures ETF and ProShares VIX Mid-Term Futures ETF and \$40.0000 for ProShares Ultra VIX Short-Term Futures ETF and ProShares Short VIX Short-Term Futures ETF.

*** Percentages are annualized.

NOTE 8 – RISK

Correlation and Compounding Risk

The Geared Funds do not seek to achieve their stated investment objective over a period of time greater than a single day (as measured from NAV calculation time to NAV calculation time). The return of a Geared Fund for a period longer than a single day is the result of its return for each day compounded over the period and usually will differ from the inverse (-1x), two times the inverse (-2x), or two times (2x) of the return of the Geared Fund's benchmark for the period. A Fund will lose money if its benchmark performance is flat over time, and it is possible for a Geared Fund to lose money over time even if the performance of its benchmark increases (or decreases in the case of Short and UltraShort Funds), as a result of daily rebalancing, the benchmark's volatility and compounding. Longer holding periods, higher benchmark volatility, inverse exposure and greater leverage each affect the impact of compounding on a Fund's returns. Daily compounding of a Geared Fund's investment returns can dramatically and adversely affect its longer-term performance during periods of high volatility. Volatility may be at least as important to a Geared Fund's return for a period as the return of the Fund's underlying benchmark. The Matching VIX Funds seek to achieve their stated investment objective both over a single day and over time.

Each Ultra and UltraShort Fund uses leverage and should produce daily returns that are more volatile than that of its benchmark. For example, the daily return of an Ultra Fund with a 2x multiple should be approximately two times as volatile on a daily basis as is the return of a fund with an objective of matching the same benchmark. The daily return of a Short or UltraShort Fund is designed to return the inverse (-1x) or two times the inverse (-2x) of the return that would be expected of a fund with an objective of matching the same benchmark. The Geared Funds are not appropriate for all investors and present different risks than other funds. The Leveraged Funds use leverage and are riskier than similarly benchmarked exchange-traded funds that do not use leverage. An investor should only consider an investment in a Geared Fund if he or she understands the consequences of seeking daily leveraged, daily inverse or daily inverse leveraged investment results. Daily objective geared funds, if used properly and in conjunction with the investor's view on the future direction and volatility of the markets, can be useful tools for investors who want to manage their exposure to various markets and market segments and who are willing to monitor and/or periodically rebalance their portfolios. Shareholders who invest in the Funds should actively manage and monitor their investments, as frequently as daily.

While the Funds expect to meet their investment objectives, several factors may affect their ability to do so. Among these factors are: (1) the Sponsor's ability to purchase and sell Financial Instruments in a manner that correlates to a Fund's objective; (2) an imperfect correlation between the performance of Financial Instruments held by a Fund and the performance of the applicable benchmarks; (3) bid-ask spreads on such Financial Instruments; (4) fees, expenses, transaction costs, financing costs associated with the use of Financial Instruments and commission costs; (5) holding instruments traded in a market that has become illiquid or disrupted; (6) a Fund's Share prices being rounded to the nearest cent and/or valuation methodology; (7) changes to a benchmark index that are not disseminated in advance; (8) the need to conform a Fund's portfolio holdings to comply with investment restrictions or policies or regulatory or tax law requirements; (9) early and unanticipated closings of the markets on which the holdings of a Fund trade, resulting in the inability of the Fund to execute intended portfolio transactions; and (10) accounting standards.

A number of factors may affect a Geared Fund's ability to achieve a high degree of correlation with its benchmark, and there can be no guarantee that a Fund will achieve a high degree of correlation. Failure to achieve a high degree of correlation may prevent a Geared Fund from achieving its investment objective. In order to achieve a high degree of correlation with their underlying benchmarks, the Geared Funds seek to rebalance their portfolios daily to keep exposure consistent with their investment objectives. Being materially under- or over-exposed to the benchmark may prevent such Geared Funds from achieving a high degree of correlation with such benchmark. Market disruptions or closure, large amounts of assets into or out of the Geared Funds, regulatory restrictions or extreme market volatility will adversely affect such Funds' ability to adjust exposure to requisite levels. The target amount of portfolio exposure is impacted dynamically by the benchmarks' movements during each day. Because of this, it is unlikely that the Geared Funds will be perfectly exposed

(i.e., -1x, -2x or 2x, as applicable) to its benchmark at the end of each day, and the likelihood of being materially under- or over-exposed is higher on days when the benchmark levels are volatile near the close of the trading day. In addition, unlike other funds that do not rebalance their portfolios as frequently, each Geared Fund may be subject to increased trading costs associated with daily portfolio rebalancing in order to maintain appropriate exposure to the underlying benchmarks.

Counterparty Risk

Certain of the Funds will use swap agreements and/or forward contracts as a means to achieve their respective investment objectives. Such Funds will use either swap agreements and/or forward contracts referencing their respective benchmarks. These Funds may also invest in other swap agreements or forward contracts if such instruments tend to exhibit trading prices or returns that correlate with the benchmark or a component of the benchmark and will further the investment objective of the Fund. Certain Funds may invest in swap agreements or forward contracts if position accountability rules or position limits are reached with respect to specific futures contracts or the market for a specific futures contract experiences emergencies (e.g., natural disaster, terrorist attack or an act of God) or disruptions (e.g., a trading halt or a flash crash) that prevent the Funds from obtaining the appropriate amount of investment exposure to the affected futures contract or certain other futures contracts. Although unlikely, those Funds, under these circumstances, could have 100% exposure to swap agreements or forward contracts.

Swap agreements and forward contracts are generally traded in OTC markets and have only recently become subject to regulation by the CFTC. CFTC rules, however, do not cover all types of swap agreements and forward contracts. Investors, therefore, may not receive the protection of CFTC regulation or the statutory scheme of the Commodity Exchange Act (the “CEA”) in connection with each Fund’s swap agreements or forward contracts. The lack of regulation in these markets could expose investors to significant losses under certain circumstances, including in the event of trading abuses or financial failure by participants.

The Funds will be subject to credit risk with respect to the counterparties to the derivatives contracts (whether a clearing corporation in the case of cleared instruments or another third party in the case of OTC uncleared instruments). Unlike in futures contracts, the counterparty to uncleared swap agreements or forward contracts is generally a single bank or other financial institution, rather than a clearing organization backed by a group of financial institutions. As a result, a Fund is subject to credit risk with respect to the amount it expects to receive from counterparties to uncleared swaps and forward contracts entered into as part of that Fund’s principal investment strategy. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, a Fund could suffer significant losses on these contracts and the value of an investor’s investment in a Fund may decline.

The Funds have sought to mitigate these risks by generally requiring that the counterparties for each Fund agree to post collateral for the benefit of the Fund, marked to market daily, subject to certain minimum thresholds; however there are no limitations on the percentage of its assets each Fund may invest in swap agreements or forward contracts with a particular counterparty. To the extent any such collateral is insufficient or there are delays in accessing the collateral, the Funds will be exposed to counterparty risk as described above, including possible delays in recovering amounts as a result of bankruptcy proceedings. The Funds typically enter into transactions only with major global financial institutions.

OTC swaps or forward contracts are less liquid than futures contracts because they are not traded on an exchange, do not have uniform terms and conditions, and are generally entered into based upon the creditworthiness of the parties and the availability of credit support, such as collateral, and in general, are not transferable without the consent of the counterparty. If the level of the Fund’s benchmark has a dramatic intraday move that would cause a material decline in the Fund’s NAV, the terms of the swap may permit the counterparty to immediately close out the transaction with the Fund. In that event, it may not be possible for the Fund to enter into another swap agreement or to invest in other Financial Instruments necessary to achieve the desired exposure consistent with the Fund’s objective. This, in turn, may prevent the Fund from achieving its investment objective,

particularly if the level of the Fund's benchmark reverses all or part of its intraday move by the end of the day. In addition, cleared derivative transactions benefit from daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from such protections. This exposes the Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Funds to suffer a loss.

Each counterparty and/or any of its affiliates may be an Authorized Participant or shareholder of a Fund.

The counterparty risk for cleared derivative transactions is generally lower than for uncleared OTC derivatives since generally a clearing organization becomes substituted for each counterparty to a cleared derivative contract and, in effect, guarantees the parties' performance under the contract as each party to a trade looks only to the clearing house for performance of financial obligations. However, there can be no assurance that the clearing house, or its members, will satisfy its obligations to the Fund.

Leverage Risk

The Leveraged Funds may utilize leverage in seeking to achieve their respective investment objectives and will lose more money in market environments adverse to their respective daily investment objectives than funds that do not employ leverage. The use of leveraged and/or inverse leveraged positions could result in the total loss of an investor's investment.

For example, because the UltraShort Funds and Ultra Funds include a two times the inverse (-2x), or a two times (2x) multiplier, a single-day movement in the relevant benchmark approaching 50% at any point in the day (for an UltraShort Fund or an UltraShort Fund) could result in the total loss or almost total loss of an investor's investment if that movement is contrary to the investment objective of the Fund in which an investor has invested, even if such Fund's benchmark subsequently moves in an opposite direction, eliminating all or a portion of the movement. This would be the case with downward single-day or intraday movements in the underlying benchmark of an Ultra Fund or upward single-day or intraday movements in the benchmark of an UltraShort Fund, even if the underlying benchmark maintains a level greater than zero at all times.

Liquidity Risk

Financial Instruments cannot always be liquidated at the desired price. It is difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in a market. A market disruption can also make it difficult to liquidate a position or find a swap or forward contract counterparty at a reasonable cost. Market illiquidity may cause losses for the Funds. The large size of the positions which the Funds may acquire increases the risk of illiquidity by both making their positions more difficult to liquidate and increasing the losses incurred while trying to do so. Any type of disruption or illiquidity will potentially be exacerbated due to the fact that the Funds will typically invest in Financial Instruments related to one benchmark, which in many cases is highly concentrated.

"Contango" and "Backwardation" Risk

In Funds that hold futures contracts, as the futures contracts near expiration, they are generally replaced by contracts that have a later expiration. Thus, for example, a contract purchased and held in August 2013 may specify an October 2013 expiration. For an Ultra Fund and a Matching VIX Fund, as that contract nears expiration, it may be replaced by selling the October 2013 contract and purchasing the contract expiring in December 2013. This process is referred to as "rolling." Rolling may have a positive or negative impact on performance. For example, historically, the prices of certain types of futures contracts have frequently been higher for contracts with shorter-term expirations than for contracts with longer-term expirations, which is referred to as "backwardation." In these circumstances, absent other factors, the sale of the October 2013 contract would take place at a price that is higher than the price at which the December 2013 contract is purchased,

thereby creating a gain in connection with rolling. While certain types of futures contracts have historically exhibited consistent periods of backwardation, backwardation will likely not exist in these markets at all times. The presence of contango (where prices of contracts are higher in the distant delivery months than in the nearer delivery months due to the costs of long-term storage of a physical commodity prior to delivery or other factors) in certain futures contracts at the time of rolling would be expected to adversely affect an Ultra Fund or a Matching VIX Fund that invests in such futures, and positively affect a Short Fund or an UltraShort Fund that invests in such futures. Similarly, the presence of backwardation in certain futures contracts at the time of rolling such contracts would be expected to adversely affect the Short Funds and UltraShort Funds, and positively affect the Ultra Funds and Matching VIX Funds.

Since the introduction of VIX futures contracts, there have frequently been periods where VIX futures prices reflect higher expected volatility levels further out in time. This can result in a loss from “rolling” the VIX futures to maintain the constant weighted average maturity of the S&P 500 VIX Short-Term Futures Index or the S&P 500 VIX Mid-Term Futures Index (each a “VIX Futures Index”). Losses from exchanging a lower priced VIX future for a higher priced longer-term future in the rolling process would adversely affect the value of each VIX Futures Index and, accordingly, decrease the return of the Ultra VIX Short-Term Futures ETF and the Matching VIX Funds.

Gold and silver historically exhibit persistent “contango” markets rather than backwardation. Natural gas, like crude oil, moves in and out of backwardation and contango but historically has been in contango most commonly. It is generally believed this is because the market needs to build inventories for most of the year in order to have enough storage to make it through a normal winter. Periods of backwardation are typically thought to be caused by demand shocks or supply shortages such as an unusually cold winter or a hurricane.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated the possibility of subsequent events existing in the Trust’s and the Funds’ financial statements through the date the financial statements were issued. The subsequent events were as follows:

On January 10, 2014, the Trust announced a 2-for-1 split of the shares of beneficial interest of ProShares Short VIX Short-Term Futures ETF (NYSE Arca symbol “SVXY”). The split was effective prior to the opening of trading on NYSE Arca on January 24, 2014.

The split was effective for shareholders of record after the close of the markets on January 21, 2014 and payable after the close of the markets on January 23, 2014. The Fund traded at its post-split price on January 24, 2014. The ticker symbol for the Fund did not change, and the Fund continues to trade on NYSE Arca.

The split was applied retroactively for all periods presented, increasing the number of shares outstanding for ProShares Short VIX Short-Term Futures ETF, and resulted in a proportionate decrease in the price per share and per share information of Short VIX Short-Term Futures ETF. Therefore, the split did not change the aggregate net asset value of a shareholder’s investment at the time of the split.

On January 10, 2014, the Trust announced a 1-for-4 reverse split of the shares of beneficial interest of ProShares Ultra Silver (NYSE Arca symbol “AGQ”) and ProShares Ultra VIX Short-Term Futures ETF (NYSE Arca symbol “UVXY”). The reverse splits were effective prior to the opening of trading on NYSE Arca on January 24, 2014.

The reverse splits were effective for shareholders of record after the close of the markets on January 21, 2014. The Funds traded at their post-split prices on January 24, 2014. The ticker symbols for the Funds did not change, and each Fund continues to trade on NYSE Arca.

The reverse splits were applied retroactively for all periods presented, reducing the number of shares outstanding for ProShares Ultra Silver and ProShares Ultra VIX Short-Term Futures ETF, and resulted in a proportionate increase in the price per share and per share information of ProShares Ultra Silver and ProShares Ultra VIX Short-Term Futures ETF. Therefore, the reverse splits did not change the aggregate net asset value of a shareholder’s investment at the time of the reverse splits.

AFFIRMATION OF THE COMMODITY POOL OPERATOR

To the Shareholders of ProShares Trust II:

Pursuant to Rule 4.22(h) under the Commodity Exchange Act, the undersigned represents that, to the best of his knowledge and belief, the information contained in the Annual Report for the year ended December 31, 2013 for ProShares Trust II (the "Trust") and the following commodity pools of the Trust is accurate and complete:

ProShares VIX Short-Term Futures ETF
ProShares VIX Mid-Term Futures ETF
ProShares Ultra VIX Short-Term Futures ETF
ProShares Short VIX Short-Term Futures ETF
ProShares UltraShort DJ-UBS Commodity
ProShares UltraShort DJ-UBS Crude Oil
ProShares UltraShort DJ-UBS Natural Gas
ProShares UltraShort Gold
ProShares UltraShort Silver
ProShares Short Euro
ProShares UltraShort Australian Dollar
ProShares UltraShort Euro
ProShares UltraShort Yen
ProShares Ultra DJ-UBS Commodity
ProShares Ultra DJ-UBS Crude Oil
ProShares Ultra DJ-UBS Natural Gas
ProShares Ultra Gold
ProShares Ultra Silver
ProShares Ultra Australian Dollar
ProShares Ultra Euro
ProShares Ultra Yen

By:



Todd B. Johnson

Principal

ProShare Capital Management LLC, Commodity Pool Operator for ProShares Trust II

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ProShares Trust II

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