

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
ProShares Hedged FTSE Europe ETF		47-3999295	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Ed Karpowicz	240-497-6487	ekarpowicz@proshares.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
7501 Wisconsin Avenue, Suite 1000E		Bethesda, MD 20814	
8 Date of action		9 Classification and description	
12/31/16		Common Stock - Regulated Investment Company	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
74347B615	N/A	HGEU	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **ProShares Hedged FTSE Europe ETF paid quarterly distributions to common shareholders during the taxable calendar year 2016. A portion of four of these distributions constitutes a non-taxable return of capital.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **The portion of these distributions that constitutes a non-taxable return of capital will decrease a U.S. taxpayer's basis in the shares of ProShares Hedged FTSE Europe ETF. The non-taxable return of capital is as follows:**

Distribution on Ex-Date:	Per Share Reduction of Basis in Common Stock
March 23, 2016	\$0.001592
June 22, 2016	\$0.010961
September 21, 2016	\$0.005213
December 21, 2016	\$0.000797

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **ProShares Hedged FTSE Europe ETF's current and accumulated earnings were compared to distributions paid during the calendar year 2016. The non-taxable return of capital represents the amount of distributions paid during the taxable calendar year 2016 in excess of ProShares Hedged FTSE Europe ETF's current and accumulated earnings and profits under IRC Section 316.**

