



FOR IMMEDIATE RELEASE

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DIREXION SHARES ANNOUNCES REVERSE SHARE SPLIT OF SIX ETFs

Boston, MA – February 2, 2011 - Direxion, a pioneer in providing alternative investment strategies to sophisticated investors, announced today it will execute a 1-for-5 reverse split of the shares of the Direxion Daily Financial Bear 3x Shares (FAZ), Direxion Daily Large Cap Bear 3x Shares (BGZ), Direxion Daily Mid Cap Bear 3x Shares (MWN), Direxion Daily Developed Markets Bear 3x Shares (DPK) and Direxion Daily Semiconductor Bear 3x Shares (SOXS). The reverse split will take effect on Thursday, Feb. 24, 2011.

Additionally, the firm announced it will execute a 1-for-3 reverse split of the shares of the Direxion Daily Small Cap Bear 3x Shares (TZA), which will also take effect on Thursday, Feb. 24, 2011.

The CUSIPs for the six ETFs will change as follows:

<u>ETF</u>	<u>OLD CUSIP</u>	<u>NEW CUSIP</u>
Direxion Daily Financial Bear 3x Shares	25459W490	25459W144
Direxion Daily Large Cap Bear 3x Shares	25459W854	25459W151
Direxion Daily Mid Cap Bear 3x Shares	25459W524	25459W136
Direxion Daily Developed Markets Bear 3x Shares	25459W797	25459W169
Direxion Daily Semiconductor Bear 3x Shares	25459W441	25459W128
Direxion Daily Small Cap Bear 3x Shares	25459W326	25459W110

Anyone that owns shares of the above ETFs as of the close of trading on Feb 23, 2011 that purchased those shares on or before Feb. 23, 2011 will participate in the reverse splits. The Depository Trust Company (“DTC”), the registered owner of all ETF shares, has been notified of the reverse splits and has been instructed to adjust each shareholder’s investment accordingly.

The shares of each ETF will be offered on a split-adjusted basis on Feb. 24, 2011. The total market value of the shares outstanding will not be affected as a result of this reverse split, except with respect to the redemption of fractional shares, as discussed below.

Hypothetical Example of 1-for-5 reverse split:

1-for-5 Reverse Split

<u>Period</u>	<u># of Shares Owned</u>	<u>Hypothetical Market Price</u>	<u>Total Share Value</u>
Pre-Split	100	\$10	\$1000
Post-Split	20	\$50	\$1000



Hypothetical Example of 1-for-3 reverse split:

1-for-3 Reverse Split

<u>Period</u>	<u># of Shares Owned</u>	<u>Hypothetical Market Price</u>	<u>Total Share Value</u>
Pre-Split	90	\$10	\$900
Post-Split	30	\$30	\$900

Redemption of Fractional Shares and Tax Consequences for each Reverse Split

As a result of the reverse splits, a shareholder of each ETF could potentially hold a fractional share. However, fractional shares cannot trade on NYSE Arca. Thus, each ETF will redeem for cash a shareholder's fractional shares at the Fund's split-adjusted NAV as of Feb. 23, 2011. Such redemptions could cause a shareholder to realize a gain or loss. Otherwise, the reverse split will not result in a taxable transaction for holders of ETF shares. No transaction fee will be imposed on shareholders for such redemption.

"Odd Lot" Unit

As a result of the reverse split, the ETFs will have outstanding one aggregation of less than 50,000 shares to make a creation unit, or an "odd lot unit." Thus, each ETF will provide one authorized participant with a one-time opportunity to redeem the respective odd lot unit at its split-adjusted NAV, or at the NAV on such date the authorized participant seeks to redeem the odd lot unit.

To speak to a member of the Direxion team, or request more information, please contact James Doyle at (973) 400-1341 or james@jcprinc.com.

About Direxion

Direxion Funds and Direxion Shares, managed by Rafferty Asset Management, LLC, offer leveraged index funds, ETFs and alternative-class fund products for investment advisors and sophisticated investors who seek to effectively manage risk and return in both bull and bear markets. Founded in 1997, the company has approximately \$7.5 billion in assets under management as of 12/31/10. The company's business model is built on continuous product innovation, exceptional customer service and a commitment to building strategic relationships with distribution partners. *For more information, please visit www.direxionshares.com.*

Disclosure:

An investor should consider the investment objectives, risks, charges, and expenses of Direxion Shares carefully before investing. The prospectus and summary prospectus contains this and other information about Direxion Shares. To obtain a prospectus, please visit www.direxionshares.com. The prospectus and summary prospectus should be read carefully before investing.

Investing in the funds may be more volatile than investing in broadly diversified funds. The use of leverage by a fund increases the risk to the fund. The more a fund invests in leveraged instruments, the more the leverage will



magnify gains or losses on those investments.

The Leveraged ETFs are not suitable for all investors and should be utilized only by sophisticated investors who understand leverage risk, consequences of seeking daily leveraged investment results and intend to actively monitor and manage their investments. Leverage ETFs are not designed to track the underlying index over a longer period of time.

The risks associated with the funds are detailed in the prospectus which include adverse market condition risk, adviser's investment strategy risk, aggressive investment techniques risk, concentration risk, counterparty risk, credit and lower-quality debt securities risk, equity securities risk, currency exchange risk, daily correlation risk, daily rebalancing and market volatility risk, early close/trading halt risk, depository receipt risk, foreign and emerging markets securities risk, sector securities risk, interest rate risk, inverse correlation risk, leverage risk, market risk, non-diversification risk, retail sector risk, shorting risk, small and mid cap company risk, tracking error risk, market timing activity and high portfolio turnover risk, commodities securities risk, geographic concentration risk, valuation time risk, derivatives risk, risks of investing in small- and/or mid-capitalization companies, natural gas sector risk, negative implications of daily goals in volatile markets risk, risks of investing in mining and metal industry securities, commodity-linked derivatives risk, wholly-owned subsidiary risk, tax and distribution risk, options and futures contracts risks, security selection risk, Debt Instrument Risk, Gain Limitation Risk, Real Estate Investment Risk, U.S. Government Securities Risk, and Special Risks of Exchange-Traded Funds.

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