

Media release

UBS SUSPENDS FURTHER SALES OF ETRACS 2xMONTHLY LEVERAGED LONG ALERIAN MLP INFRASTRUCTURE INDEX ETN

New York, December 4, 2015 – UBS AG announced today that it has suspended further sales from inventory of its outstanding ETRACS 2xMonthly Leveraged Long Alerian MLP Infrastructure Index ETN (NYSE Arca Ticker: MLPL). This suspension will remain in effect until further notice from UBS AG. As previously announced on October 8, 2015, UBS AG does not intend to issue any new notes of this ETN, which is part of a series of UBS AG debt securities designated as "Medium-Term Notes, Series A." As a result, following this announcement, UBS does not intend to make further sales of previously issued but unsold notes of this ETN or notes of this ETN that UBS Securities LLC may acquire in the future. This ETN will continue to trade on the NYSE Arca.

As disclosed in more detail in the applicable prospectus supplement, the market value of the notes may be influenced by, among other things, supply and demand for the notes. It is possible that the suspension of any further sales of these notes by UBS AG, as described above, may influence the market value of the notes. The suspension of further sales of these notes could affect the liquidity of the market for the notes, potentially leading to insufficient supply and causing the notes to trade at a premium above their closing or intraday indicative value. Any such premium may subsequently decrease at any time and for any reason without warning, resulting in financial loss to sellers who paid this premium when they acquired their notes. In addition, if investors elect to redeem their ETNs, any redemption will be at the redemption value set forth in the applicable prospectus supplement and will not include any premium above that value. Investors should always consult their financial advisors and compare the intraday indicative value of the notes with the notes' then-prevailing market price before purchasing or selling these notes, especially notes with premium characteristics.

This announcement does not affect the terms of the outstanding ETRACS 2xMonthly Leveraged Long Alerian MLP Infrastructure Index ETNs, including the right of noteholders to require UBS AG to redeem their notes on the terms, and at the redemption price, set forth in the applicable prospectus supplement and the right of UBS AG to call the notes at the prices and under the circumstances set forth in the applicable prospectus supplement.

The applicable prospectus supplement for this ETN can be accessed by [clicking here](#).

Media enquiries

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Notes to editors

About ETRACS

For further information about ETRACS ETNs, go to www.etracs.com or download the [ETRACS Full ETN List](#).

ETRACS ETNs are senior unsecured medium term notes issued by UBS AG, are traded on NYSE Arca®, and can be bought and sold through a broker or financial advisor. An investment in ETRACS ETNs involves significant risks including the risk of loss of some or all of the investor's principal, and is subject to the creditworthiness of UBS AG. You are not guaranteed any payment or coupon amount under the ETNs. We urge you to read the more detailed explanation of risks described under "Risk Factors" in the applicable prospectus supplement, or product supplement and pricing supplement, for the ETRACS ETNs in which you are interested.

About UBS

UBS is committed to providing private, institutional and corporate clients worldwide, as well as retail clients in Switzerland, with superior financial advice and solutions while generating attractive and sustainable returns for shareholders. Its strategy centers on its Wealth Management and Wealth Management Americas businesses and its leading universal bank in Switzerland, complemented by its Global Asset Management business and its Investment



Bank. These businesses share three key characteristics: they benefit from a strong competitive position in their targeted markets, are capital-efficient, and offer a superior structural growth and profitability outlook. UBS's strategy builds on the strengths of all of its businesses and focuses its efforts on areas in which it excels, while seeking to capitalize on the compelling growth prospects in the businesses and regions in which it operates. Capital strength is the foundation of its success.

UBS is present in all major financial centers worldwide. It has offices in more than 50 countries, with about 35% of its employees working in the Americas, 36% in Switzerland, 17% in the rest of Europe, the Middle East and Africa and 12% in Asia Pacific. UBS Group AG employs about 60,000 people around the world. Its shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).

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ETRACS ETNs are sold only by means of a prospectus, as supplemented by a prospectus supplement or product supplement and pricing supplement for the particular offering of ETRACS ETNs to which this communication relates. A registration statement of which these documents form a part has been filed with the Securities and Exchange Commission (the "SEC"). Before you invest, you should read these documents and any other documents that UBS has filed with the SEC for more complete information about UBS and the offering to which this communication relates. You may obtain these documents for free by visiting EDGAR on the SEC website at <http://www.sec.gov>. Alternatively, you can request the prospectus and the applicable prospectus supplement, or applicable product supplement and pricing supplement by calling toll-free (+1-877-387 2275). This communication shall not constitute an offer for or a solicitation of an offer to buy any ETRACS ETNs referenced herein.

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