

March 25, 2020

News Release

UBS Elects Not to Exercise its Acceleration Option for ETRACS 2xMonthly Pay Leveraged US Small Cap High Dividend ETN Series B due November 10, 2048

New York, March 25, 2020 – UBS Investment Bank today announced that, following the occurrence of an Indicative Value Optional Acceleration Trigger, as a result of the indicative value of the 2xMonthly Pay Leveraged US Small Cap High Dividend ETN Series B due November 10, 2048 (Ticker: SMHB) (the “Securities”) falling below \$2.00 on March 18, 2020, UBS elected not to exercise its Acceleration Option.

As disclosed in more detail in the prospectus supplement relating to the Securities, upon the occurrence of an Indicative Value Optional Acceleration Trigger, UBS has the option (but is not required) to accelerate and redeem the Securities. UBS did not exercise the Acceleration Option and accordingly the Securities will remain outstanding in accordance with their terms. This announcement does not affect the terms of the Securities, including the right of noteholders to redeem their Securities on the terms and at the redemption price set forth in the prospectus supplement.

For more information regarding the terms of the Securities, including a description of the Acceleration Option, the prospectus supplement for the Securities can be accessed on EDGAR, the SEC website, at www.sec.gov, and the prospectus supplement is also available [here](#).

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About ETRACS

ETRACS ETNs are senior unsecured 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 is subject to a number of risks, including the risk of loss of some or all of the investor’s principal, and is subject to the creditworthiness of UBS AG. Investors are not guaranteed any coupon or distribution amount under the [ETNs](#). We urge you to read the more detailed explanation of risks described under “Risk Factors” in the applicable prospectus supplement for the ETRACS ETN.**

UBS AG has filed a registration statement (including a prospectus and supplements thereto) with the Securities and Exchange Commission, or SEC, for the offering of securities to which this communication relates. Before you invest, you should read the prospectus, along with the applicable prospectus supplement to understand fully the terms of the securities and other considerations that are important in making a decision about investing in the ETRACS. The applicable offering documents for each ETRACS may be obtained by clicking on the links above. You may also get these documents without cost by visiting EDGAR on the SEC website at



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www.sec.gov. The securities related to the offerings are not deposit liabilities and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency of the United States, Switzerland or any other jurisdiction.

About UBS

UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS's strategy is centered on our leading global wealth management business and our premier universal bank in Switzerland, enhanced by Asset Management and the Investment Bank. The bank focuses on businesses that have a strong competitive position in their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.

UBS is present in all major financial centers worldwide. It has offices in more than 50 regions and locations, with about 31% of its employees working in the Americas, 32% in Switzerland, 19% in the rest of Europe, the Middle East and Africa and 18% in Asia Pacific. UBS Group AG employs over 67,000 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 in conjunction with the relevant offering materials. UBS has filed a registration statement (including a prospectus, as supplemented by the applicable prospectus supplement, for the offering of the ETRACS ETNs) with the Securities and Exchange Commission (the "SEC") for the offering to which this communication relates. 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 get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, you can request the applicable prospectus supplement, by calling toll-free (+1-877-387 2275). In the US, securities underwriting, trading and brokerage activities and M&A advisor activities are provided by UBS Securities LLC, a registered broker/dealer that is a wholly owned subsidiary of UBS AG, a member of the New York Stock Exchange and other principal exchanges, and a member of SIPC. UBS Financial Services Inc. is a registered broker/dealer and affiliate of UBS Securities LLC.

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