

Media release

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UBS ETRACS LAUNCHES 2X LEVERAGED MSCI US REIT INDEX ETN OFFERING SIGNIFICANT MONTHLY INCOME POTENTIAL

ETRACS Monthly Pay 2xLeveraged MSCI REIT US INDEX ETN

New York, May 6, 2015 – UBS Investment Bank announced that today is the first day of trading on the NYSE Arca® for the [ETRACS Monthly Pay 2xLeveraged MSCI US REIT Index ETN \(NYSE Arca®: LRET\)](#), which is linked to the monthly compounded 2x leveraged performance of the **MSCI US REIT Index** (the “Index”).

LRET Profile

Underlying Index: MSCI US REIT Index

2x Index Yield:* 7.45%

Income Potential: Variable monthly coupon linked to 2 times the cash distributions, if any, of the Index constituents

*This figure is equal to two times the Index Yield calculated as of April 30, 2015 by the sponsor of the Index, MSCI. **Investors are not guaranteed any coupon or distribution amount under the ETN.**

LRET Offers Investors:

- Monthly compounded 2x leveraged exposure to the MSCI US REIT Index, less investor fees.
- Significant income potential in the form of a variable monthly coupon linked to 2x the cash distributions, if any, on the Index constituents.
- Leverage that is reset monthly, not daily.

"We are pleased to add another innovative product to our suite of ETNs", said Christopher Yeagley, Head of ETRACS. "We expect LRET to provide significant income potential."

About the MSCI US REIT Index

The MSCI US REIT Index is a free float-adjusted market capitalization weighted index that is comprised of equity REIT securities. The Index includes securities with exposure to core real estate (e.g. residential and retail properties) as well as securities with exposure to other types of real estate (e.g. casinos and theaters). **The index was created on June 20, 2005, and therefore, has no performance history prior to that date.**

Top 10 Index Constituents

Name	Ticker	% Weight
SIMON PROPERTY GROUP	SPG	8.48%
PUBLIC STORAGE	PSA	4.04%
HEALTH CARE REIT	HCN	3.74%
EQUITY RESIDENTIAL	EQR	3.74%
VENTAS INC	VTR	3.30%
AVALONBAY COMMUNITIES	AVB	3.21%
PROLOGIS	PLD	3.04%
BOSTON PROPERTIES	BXP	3.00%
HCP	HCP	2.77%
VORNADO REALTY TRUST	VNO	2.64%

Source: MSCI US; Top 10 of 140 constituents as of March 31, 2015

About ETRACS

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

ETRACS ETNs are exchange-traded notes, an innovative class of investment products offering access to markets and strategies that may not be readily available to investors, and offer unique diversification opportunities in a number of different sectors. ETRACS ETNs may offer:

- Convenience of an exchange-traded security
- Transparent exposure to a published index

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 involves 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 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, or product supplement and pricing supplement, for the ETRACS ETNs in which you are interested.

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Notes to Editors

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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 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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