

September 26, 2018

News Release

UBS launches the ETRACS Monthly Pay 2xLeveraged Preferred Stock ETN

New York, September 26, 2018 – [UBS Investment Bank](#) today announced that the [ETRACS Monthly Pay 2x Leveraged Preferred Stock ETN](#) (NYSE Arca®: [PFFL](#)), will begin trading on NYSE Arca®. PFFL is linked to the monthly compounded 2x leveraged performance of the Solactive Preferred Stock ETF Index.

About the Solactive Preferred Stock ETF Index

The Solactive Preferred Stock ETF Index is intended to track the price movements of an equally weighted portfolio containing two U.S. preferred stock ETFs. Each of the ETFs seeks to track the performance of separate indices, which measure the performance of a select group of preferred stock securities. **The Index was launched on August 31, 2018 and has no performance history prior to that date.**

For more information about the ETN, including the prospectus supplement, please visit www.etracs.com.

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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 offerings of securities to which this communication relates. Before you invest, you should read the applicable prospectus, pricing or product supplement, dated as of various dates, and the prospectus dated April 29, 2016 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 document for the ETRACS ETN may be obtained by clicking [here](#). You may also get these documents without cost by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, you can request the applicable prospectus supplement, or product supplement and pricing 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.

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

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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, or product supplement and pricing 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.

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