

UBS AG, ACTING THROUGH ITS LONDON BRANCH

(Incorporated with limited liability in Switzerland)

NOTICE TO WARRANTHOLDERS

To : ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY UBS AG, ACTING THROUGH ITS LONDON BRANCH (HSI 23400 UB ECW150528).

Notice is hereby given by UBS AG ("**UBS AG**" or the "**Issuer**") acting through its London Branch in respect of the European Style Index Call Warrants relating to the Hang Seng Index (HSI 23400 UB ECW150528) (the "**HSI Call Warrants**" or the "**Warrants**") on the following:

Terms defined or construed in the Supplemental Listing Document dated 19 December 2014 in relation to the Warrants issued by UBS AG bear the same meaning and construction in this Notice.

EXPIRY OF WARRANTS

In accordance with the terms and conditions of the Warrants, the Warrants have expired today:

Warrant	Expiry Date	Strike Level	Conversion Ratio
HSI Call Warrants	28 May 2015	23,400	0.001

The Warrants are cash-settled warrants which entitle a Warrantholder to be paid a cash settlement amount (if positive) (the "**Cash Settlement Amount**") in accordance with the terms and conditions of the Warrants.

The Warrants may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Warrantholders shall not be required to deliver an exercise notice. Exercise of Warrants shall be determined by the Closing Level of the Index. If the Closing Level of the Index is greater than the Strike Level and the Cash Settlement Amount (less any Exercise Expenses) is positive, all Warrants shall be deemed to have been automatically exercised at 5:00 p.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Warrants shall be paid in the manner set out in the terms and conditions of the Warrants. In the event the Closing Level of the Index is less than or equal to the Strike Level and the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Warrants shall be deemed to have expired at 5:00 p.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the Warrants.

As the Cash Settlement Amount (less any Exercise Expenses) for the Warrants is positive, the Warrants are deemed to have been automatically exercised at 5:00 p.m. (Singapore time) on 28 August 2014.

Accordingly, a holder of a Warrant is entitled to receive (less any Exercise Expenses):

Warrant	Cash Settlement Amount per Warrant ¹
HSI Call Warrants	S\$0.73155880

which will be paid in the manner set out in the terms and conditions of the Warrants.

Issued by
UBS AG, ACTING THROUGH ITS LONDON BRANCH

28 May 2015

¹ Warrantholders will be paid the aggregate Cash Settlement Amount less any Exercise Expenses.