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Non-collateralised Structured Products
Launch Announcement for Warrants
to be issued by



UBS AG
(incorporated with limited liability in Switzerland)
acting through its London Branch
Sponsor
UBS SECURITIES ASIA LIMITED

Particulars of Warrants

We intend to issue the following Warrants:

Warrants	Series 1	Series 2
Stock code	15885	15886
Issue size	100,000,000 Warrants	100,000,000 Warrants
Type	European style cash settled call warrants	European style cash settled call warrants
Index	Hang Seng China Enterprises Index	Hang Seng China Enterprises Index
Board Lot	10,000 Warrants	10,000 Warrants
Issue Price	HKD 0.150	HKD 0.170
Strike Level	9,900.00	9,600.00
Index Currency Amount	HKD 1.00	HKD 1.00
Divisor	4,000	4,000
Launch Date	23 April 2014	23 April 2014
Issue Date	29 April 2014	29 April 2014
Listing Date	30 April 2014	30 April 2014
Expiry Date / Valuation Date⁺	30 October 2014	30 October 2014
Implied Volatility*	28.54%	27.02%
Effective Gearing*	7.10x	6.99x
Gearing*	16.51x	14.57x
Premium*	6.00%	3.78%

⁺ If the day specified is not the day on which the relevant Index Futures Contracts expire on the Hong Kong Futures Exchange Limited (or its successor or assign), the day on which the relevant Index Futures Contracts will expire on the Hong Kong Futures Exchange Limited (or its successor or assign).

* This data may fluctuate during the life of the Warrants and may not be comparable to similar information provided by other issuers of derivative warrants. Each issuer may use different pricing models.

How much will you receive at expiry?

You are not required to deliver any exercise notice and the Warrants will be automatically exercised on the relevant Expiry Date if the Cash Settlement Amount is greater than zero. You will receive a Cash Settlement Amount per Board Lot in Hong Kong dollars calculated as follows (if positive):

$$\text{Cash Settlement Amount per Board Lot} = \frac{(\text{Closing Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

“**Closing Level**” means the final settlement price for settling the Hang Seng China Enterprises Index Futures Contracts that are scheduled to expire during the month in which the Expiry Date of the relevant series of the Warrants is scheduled to fall (the “**Index Futures Contracts**”) determined pursuant to Regulation 012 of the Regulations for Trading Stock Index Futures Contracts and the Contract Specifications for Hang Seng China Enterprises Index Futures (as amended from time to time) of the Hong Kong Futures Exchange Limited (or its successor or assign).

Listing of the Warrants

We will make an application to the Stock Exchange for listing of, and permission to deal in the Warrants on the Stock Exchange.

Where do you obtain quotes?

You may request to obtain a quote for your Warrants by calling the following telephone number:

Stock code:	15885	15886
Name of Liquidity Provider:	UBS Securities Hong Kong Limited	
Address:	52/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong	
Broker ID Number:	9563	9563
Telephone number:	+ 852 2971 6628	

We do not have any special arrangements in place with any brokers with respect to our Warrants.

Where can you inspect the relevant documents?

The following documents (“**Listing Documents**”), each in separate English and Chinese versions, are available for inspection until the relevant Expiry Date at 52/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong :

- 1 our base listing document dated 7 April 2014; and
- 2 the relevant supplemental listing document for each series of the Warrants to be dated on or about 29 April 2014.

IMPORTANT INFORMATION

Unsecured nature of the Warrants

The Warrants constitute our general unsecured contractual obligations and of no other person. You are relying upon our creditworthiness and have no rights under the Warrants against the index compiler. If we become insolvent or default on our obligations under the Warrants, you may not be able to recover all or even part of the amount due under the Warrants (if any).

Issuer

Our long term debt ratings are:

Rating Agency	Rating as of the Launch Date
Moody's Investors Service, Inc., New York	A2
Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies Inc.	A

We are a licensed bank regulated by the Hong Kong Monetary Authority. We are also authorised and regulated by the Financial Market Supervisory Authority in Switzerland, and authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority in the United Kingdom.

Selling restriction

The Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and will not be offered, sold, delivered or traded, at any time, indirectly or directly, in the United States or to, or for the account or benefit of, any U.S. person (as defined in the Securities Act).

Investment risk

The price of the Warrants may fall in value as rapidly as it may rise and you may sustain a total loss of your investment. If the Cash Settlement Amount is less than or equal to zero, all Warrants will expire worthless on the relevant Expiry Date.

We or the Liquidity Provider may be the only market participant for the Warrants. The secondary market for the Warrants may be limited.

You must:

- carefully study the risk factors set out in the relevant Listing Documents;
- fully understand the potential risks and rewards and independently determine whether the Warrants are appropriate for you given your objectives, experience, financial and operational resources, and other relevant circumstances; and
- consult with such advisers as you deem necessary to assist yourself in making these determinations.

Index disclaimers

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Hong Kong, 23 April 2014