

## FINAL TERMS

dated 21 December 2018

in connection with the Base Prospectus dated 12 October 2018  
(as supplemented from time to time)

of

### UBS AG

*(a corporation limited by shares established under the laws of Switzerland)*  
**acting through its London Branch**



for the offer and the listing on a regulated or another equivalent market

of

**NOK 20,000,000.00 (indicative) UBS Express Certificates**

**ISIN NO0010840168**

**Valor 38712778**

**linked to shares**

These final terms (the "**Final Terms**") have been prepared for the purpose of Article 5 (4) of the Prospectus Directive and provide additional information to the base prospectus dated 12 October 2018, as supplemented from time to time (the "**Base Prospectus**", together with the Final Terms, the "**Prospectus**") that was prepared in accordance with the Financial Instruments Trading Act (SFS 1991:980). Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus.

**These Final Terms must be read in conjunction with the Base Prospectus, including all information incorporated by reference therein and any supplement(s) thereto. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus, as supplemented from time to time.** However, a summary of the individual issue of the Securities is annexed to these Final Terms. The Base Prospectus, any supplement to the Base Prospectus and these Final Terms will be available for viewing at [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest) (or any successor address notified by the Issuer to the Securityholders for this purpose by way of publication on [www.ubs.com/keyinvest](http://www.ubs.com/keyinvest)). Copies may be obtained during normal business hours at the registered offices of the Issuer.

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**OVERVIEW ON THE SECURITY STRUCTURE****UBS Autocallable/Express Securities**

UBS Autocallable/Express Securities are suitable for Securityholders expecting the price of the Underlying(s) to reach certain level(s), as specified in the applicable Product Terms, so that the product can early redeem.

In case the price of the Underlying(s) reaches certain level(s) on specific Observation Dates, as specified in the applicable Product Terms, the Securities will be early redeemed prior to the Maturity Date.

If the UBS Autocallable/Express Securities did not expire early on any of the previous Observation Dates, the UBS Autocallable/Express Securities will be redeemed at the Maturity Date, as specified in the applicable Product Terms. The Redemption Amount in the Redemption Currency depends on the individual product structure, as specified in the applicable Product Terms.

The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.

In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date payment of an Interest Amount/a Coupon: Such payment of an Interest Amount/a Coupon can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.

**PART A – PRODUCT TERMS**

The following “**Product Terms**” of the Securities shall, for the relevant Securities, complete and put in concrete terms the General Conditions for the purposes of such Securities.

The Product Terms are composed of

**Part 1: Key Terms and Definitions of the Securities**

**Part 2: Special Conditions of the Securities**

Product Terms and General Conditions together constitute the “**Conditions**” of the relevant Securities.

## Part 1: Product Terms: Key Terms and Definitions of the Securities

*The Securities use the following definitions and have, subject to an adjustment according to the Conditions of the Securities, the following key terms, both as described below in alphabetical order. The following does not represent a comprehensive description of the Securities, and is subject to and should be read in conjunction with the Conditions of the Securities. The following use of the symbol "\*\*\*" in the Key Terms and Definitions of the Securities indicates that the relevant determination will be made by the Calculation Agent or the Issuer, as the case may be, and will be published without undue delay thereafter in accordance with the applicable legal requirements of the relevant jurisdiction.*

### A.

**Additional Termination Event:** Additional Termination Event means in relation to a share used as the Underlying any of the following events:

- (i) The Issuer obtains knowledge about the intention of the Company to distribute a dividend, where the ex dividend day of this distributions falls within the term of the Securities.
- (ii) The Issuer obtains knowledge about the intention to discontinue permanently the quotation of the shares of the Company on the Relevant Exchange due to a merger or a new company formation, due to a transformation of the Company into a legal form without shares, or due to any other comparable reason, in particular as a result of a delisting of the Company.
- (iii) An insolvency proceeding or any other similar proceeding under the jurisdiction applicable to and governing the Company is initiated with respect to the assets of the Company.
- (iv) Take-over of the shares of the Company, which in the Issuer's opinion, results in a significant impact on the liquidity of such shares in the market.
- (v) Offer to the shareholders of the Company pursuant to the German Stock Corporation Act (*Aktiengesetz*), the German Law regulating the Transformation of Companies (*Umwandlungsgesetz*) or any other similar proceeding under the jurisdiction applicable to and governing the Company to convert existing shares of the Company to cash settlement, to Securities other than shares or rights, which are not quoted on a stock exchange and/or in a trading system.

### B.

**Banking Day:** The Banking Day means each day on which the banks in Oslo, Norway, are open for business and the Clearing System settles securities dealings.

### C.

**Calculation Agent:** UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basle, Switzerland, acting through its London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom.

### CA Rules:

CA Rules means the Norwegian Securities Register Act (*Lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter*) as well as any regulation and operating procedure applicable to and/or issued by the Clearing System.

### Clearing System:

Clearing System means Verdipapirsentralen ASA, P.O. Box 1174 Sentrum, 0107 Oslo, Norway, in its capacity as central securities depository under the

Norwegian Securities Register Act (*Lov av 5. Juli 2002 nr. 64 om registrering av finansielle instrumenter*) or any successor in this capacity.

**E.**

**Expiration Date:**

The Expiration Date means 8 February 2024.

Unless already redeemed, repurchased and/or declared void, any rights conferred by the Securities shall be deemed exercised for the purpose of Art. 2 paragraph 1 m) ii) of the Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) on the Expiration Date without requiring any exercise notice, transfer of the Securities or the fulfilment of any other prerequisites.

**F.**

**Fixing Date:**

The Fixing Date means 8 February 2019.

If this day is not an Underlying Calculation Date in relation to an Underlying<sub>(i)</sub>, the immediately succeeding Underlying Calculation Date is deemed to be the Fixing Date in relation to all Underlyings.

In the case of abbreviation or extension of the Subscription Period the Fixing Date may be changed accordingly.

**Fixing Time:**

The Fixing Time equals the time of the official determination of the closing price of the respective Underlying<sub>(i)</sub>.

**G.**

**Governing Law:**

German law governed Securities. Any reference to reasonable discretion in the Conditions shall be construed as references to reasonable discretion in accordance with § 315 BGB or §§ 315, 317 BGB, as the case may be.

**I.**

**Initial Payment Date:**

The Initial Payment Date means 27 February 2019.

In the case of abbreviation or extension of the Subscription Period the Initial Payment Date may be changed accordingly.

**Issue Date:**

The Issue Date means 27 February 2019.

In the case of abbreviation or extension of the Subscription Period the Issue Date may be changed accordingly.

**Issuer:**

The Issuer means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland, acting through its London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom.

**Issuing Agent:**

The Issuing Agent means Nordea Bank Abp, filial i Norge, Investor Solutions & Services, Essendropsgate 7, PO Box 1166 Sentrum, 0107 Oslo, Norway, or any successor in this capacity. As long as any Security is outstanding, there will at all times be an Issuing Agent duly authorised as such under the CA Rules with regard to the Securities.

**L.****Loss Threshold:**

The Loss Threshold<sub>(i)</sub> of the Underlying<sub>(i)</sub> equals 60 % of the Reference Level of the Underlying<sub>(i)</sub> (one (1) unit of the Underlying Currency equals one (1) unit NOK, "**Quanto NOK**").

The term "Loss Threshold" shall also refer to all Loss Thresholds<sub>(i=1)</sub> to <sub>(i=4)</sub>.

The Loss Threshold will be fixed on the Fixing Date at the Fixing Time. \*

**M.****Maturity Date:**

The Maturity Date means the twelfth Banking Day (i) after the relevant Valuation Date, (ii) in case of an early expiration after the Early Expiration Date and (iii) in the case of a termination by the Issuer in accordance with § 8 of the Conditions of the Securities, after the Termination Date.

**Minimum Trading Size:**

The Minimum Trading Size equals nominal NOK 10,000.00.

**N.****Nominal Amount  
(Denomination):**

The Nominal Amount (Denomination) per Security equals NOK 10,000.00.

**O.****Observation Date:**

The Observation Date<sub>(k=1)</sub> means 8 March 2019,  
 the Observation Date<sub>(k=2)</sub> means 8 April 2019,  
 the Observation Date<sub>(k=3)</sub> means 8 May 2019,  
 the Observation Date<sub>(k=4)</sub> means 11 June 2019,  
 the Observation Date<sub>(k=5)</sub> means 8 July 2019,  
 the Observation Date<sub>(k=6)</sub> means 8 August 2019,  
 the Observation Date<sub>(k=7)</sub> means 9 September 2019,  
 the Observation Date<sub>(k=8)</sub> means 8 October 2019,  
 the Observation Date<sub>(k=9)</sub> means 8 November 2019,  
 the Observation Date<sub>(k=10)</sub> means 9 December 2019,  
 the Observation Date<sub>(k=11)</sub> means 8 January 2020,  
 the Observation Date<sub>(k=12)</sub> means 10 February 2020,  
 the Observation Date<sub>(k=13)</sub> means 9 March 2020,  
 the Observation Date<sub>(k=14)</sub> means 8 April 2020,  
 the Observation Date<sub>(k=15)</sub> means 8 May 2020,  
 the Observation Date<sub>(k=16)</sub> means 8 June 2020,  
 the Observation Date<sub>(k=17)</sub> means 8 July 2020,  
 the Observation Date<sub>(k=18)</sub> means 10 August 2020,  
 the Observation Date<sub>(k=19)</sub> means 8 September 2020,  
 the Observation Date<sub>(k=20)</sub> means 8 October 2020,  
 the Observation Date<sub>(k=21)</sub> means 9 November 2020,  
 the Observation Date<sub>(k=22)</sub> means 8 December 2020,  
 the Observation Date<sub>(k=23)</sub> means 8 January 2021,  
 the Observation Date<sub>(k=24)</sub> means 8 February 2021,  
 the Observation Date<sub>(k=25)</sub> means 8 March 2021,  
 the Observation Date<sub>(k=26)</sub> means 8 April 2021,  
 the Observation Date<sub>(k=27)</sub> means 10 May 2021,  
 the Observation Date<sub>(k=28)</sub> means 8 June 2021,  
 the Observation Date<sub>(k=29)</sub> means 8 July 2021,  
 the Observation Date<sub>(k=30)</sub> means 9 August 2021,  
 the Observation Date<sub>(k=31)</sub> means 8 September 2021,  
 the Observation Date<sub>(k=32)</sub> means 8 October 2021,  
 the Observation Date<sub>(k=33)</sub> means 8 November 2021,  
 the Observation Date<sub>(k=34)</sub> means 8 December 2021,  
 the Observation Date<sub>(k=35)</sub> means 10 January 2022,

the Observation Date<sub>(k=36)</sub> means 8 February 2022,  
 the Observation Date<sub>(k=37)</sub> means 8 March 2022,  
 the Observation Date<sub>(k=38)</sub> means 8 April 2022,  
 the Observation Date<sub>(k=39)</sub> means 9 May 2022,  
 the Observation Date<sub>(k=40)</sub> means 8 June 2022,  
 the Observation Date<sub>(k=41)</sub> means 8 July 2022,  
 the Observation Date<sub>(k=42)</sub> means 8 August 2022,  
 the Observation Date<sub>(k=43)</sub> means 8 September 2022,  
 the Observation Date<sub>(k=44)</sub> means 10 October 2022,  
 the Observation Date<sub>(k=45)</sub> means 8 November 2022,  
 the Observation Date<sub>(k=46)</sub> means 8 December 2022,  
 the Observation Date<sub>(k=47)</sub> means 9 January 2023,  
 the Observation Date<sub>(k=48)</sub> means 8 February 2023,  
 the Observation Date<sub>(k=49)</sub> means 8 March 2023,  
 the Observation Date<sub>(k=50)</sub> means 11 April 2023,  
 the Observation Date<sub>(k=51)</sub> means 8 May 2023,  
 the Observation Date<sub>(k=52)</sub> means 8 June 2023,  
 the Observation Date<sub>(k=53)</sub> means 10 July 2023,  
 the Observation Date<sub>(k=54)</sub> means 8 August 2023,  
 the Observation Date<sub>(k=55)</sub> means 8 September 2023,  
 the Observation Date<sub>(k=56)</sub> means 9 October 2023,  
 the Observation Date<sub>(k=57)</sub> means 8 November 2023,  
 the Observation Date<sub>(k=58)</sub> means 8 December 2023,  
 the Observation Date<sub>(k=59)</sub> means 8 January 2024, and  
 the Observation Date<sub>(k=60)</sub> means the Expiration Date.

The term "Observation Date" shall also refer to all Observation Dates<sub>(k=1)</sub> to <sub>(k=60)</sub>.

If one of these days is not an Underlying Calculation Date in relation to an Underlying<sub>(i)</sub>, the immediately succeeding Underlying Calculation Date is deemed to be the relevant Observation Date in relation to all Underlyings.

## P.

### Paying Agent:

The Paying Agent means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basle, Switzerland, acting through its London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom, and Nordea Bank Abp, filial i Norge, Investor Solutions & Services, Essendropsgate 7, PO Box 1166 Sentrum, 0107 Oslo, Norway. The term "Paying Agent" shall also refer to all Paying Agents including the Principal Paying Agent.

### Payout Factor:

The Payout Factor equals 0.0085 (indicative), subject to a minimum of 0.007.

The Payout Factor will be fixed on the Fixing Date.\*

### Price of the Underlying:

The Price of the Underlying<sub>(i)</sub> means the official closing price of the Underlying<sub>(i)</sub> as determined on the Relevant Exchange.

### Principal Paying Agent:

The Principal Paying Agent means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basle, Switzerland, acting through its London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom.



**R.**

**Redemption Currency:** The Redemption Currency means Norwegian Krona ("**NOK**").

**Reference Level:**

The Reference Level<sub>(i)</sub> of the Underlying<sub>(i)</sub> equals the Price of the Underlying<sub>(i)</sub> on the Fixing Date at the Fixing Time (one (1) unit of the Underlying Currency equals one (1) unit NOK, "**Quanto NOK**").

The term "Reference Level" shall also refer to all Reference Levels<sub>(i=1)</sub> to <sub>(i=4)</sub>.

The Reference Level will be fixed on the Fixing Date at the Fixing Time.\*

**Relevant Exchange:**

The Relevant Exchange means  
in relation to the Underlying<sub>(i=1)</sub> Oslo Stock Exchange,  
in relation to the Underlying<sub>(i=2)</sub> Nasdaq Helsinki,  
in relation to the Underlying<sub>(i=3)</sub> Nasdaq Stockholm, and  
in relation to the Underlying<sub>(i=4)</sub> Nasdaq Stockholm.

**Relevant Futures and Options Exchange:**

The Relevant Futures and Options Exchange means the futures and options exchange(s), on which futures and option contracts on the Underlying are primarily traded, as determined by the Calculation Agent.

**Relevant Underlying:**

The Relevant Underlying means the Underlying<sub>(i)</sub> with the **lowest** performance with respect to the Settlement Price in relation to the Reference Level.

**S.****Securities:**

Securities means the UBS Express Certificates issued by the Issuer in the Aggregate Nominal Amount and with the Denomination of the Nominal Amount per Security with the following product features:

|                                     |                |
|-------------------------------------|----------------|
| Participation Factor:               | Not Applicable |
| Leverage Factor:                    | Not Applicable |
| Multiplier:                         | Not Applicable |
| Multiplication Factor:              | Not Applicable |
| Leverage:                           | Not Applicable |
| Reverse Structure:                  | Not Applicable |
| Express Structure:                  | Applicable     |
| Thresholds, Barriers or Levels:     | Applicable     |
| Maximum Amount:                     | Not Applicable |
| Relevant Underlying:                | Applicable     |
| Physical Delivery:                  | Not Applicable |
| Final Lock-In:                      | Not Applicable |
| Automatic Termination:              | Not Applicable |
| Currency Conversion:                | Not Applicable |
| Dual Currency:                      | Not Applicable |
| Capital Protection:                 | Not Applicable |
| No predefined term:                 | Not Applicable |
| Time-lagged Valuation:              | Not Applicable |
| Minimum Exercise Size:              | Not Applicable |
| Securityholder's Termination Right: | Not Applicable |
| Quanto:                             | Applicable     |
| Consideration of Components:        | Not Applicable |
| Individual Determination:           | Applicable     |
| Collective Determination:           | Not Applicable |

|                       |                |
|-----------------------|----------------|
| Benchmark Adjustment: | Not Applicable |
|-----------------------|----------------|

The Securities are being issued in uncertificated and dematerialised form to be registered in book-entry form at the Clearing System (also the "**Norwegian Securities**") and will not be represented by definitive securities.

**Settlement Cycle:** The Settlement Cycle means the number of business days following a trade in the Underlying on the Relevant Exchange in which settlement will customarily occur according to the rules of the Relevant Exchange.

**Settlement Price:** The Settlement Price of the Underlying<sub>(i)</sub> equals the Price of the Underlying<sub>(i)</sub> on the Valuation Date at the Valuation Time (one (1) unit of the Underlying Currency equals one (1) unit NOK, "**Quanto NOK**").

**Strike:** The Strike<sub>(i)</sub> of the Underlying<sub>(i)</sub> equals 100 % of the Reference Level of the Underlying<sub>(i)</sub> (one (1) unit of the Underlying Currency equals one (1) unit NOK, "**Quanto NOK**").

The term "Strike" shall also refer to all Strikes<sub>(i=1)</sub> to <sub>(i=4)</sub>.

The Strike will be fixed on the Fixing Date at the Fixing Time.\*

**T.**  
**Term of the Securities:** The Term of the Securities means the period commencing on the Issue Date and ending on the Expiration Date at the Valuation Time.

**Termination Amount:** The Termination Amount equals an amount in the Redemption Currency, which is determined by the Calculation Agent at its reasonable discretion and considering the then prevailing Price of the Underlying as the fair market price of a Security at the occurrence of the termination of the Securities.

**U.**  
**Underlyings:** The Underlying<sub>(i=1)</sub> equals the share of Norsk Hydro ASA (ISIN NO0005052605, Bloomberg: NHY NO),  
  
the Underlying<sub>(i=2)</sub> equals the share of Nokia Oyj (ISIN FI0009000681, Bloomberg: NOKIA FH),  
  
the Underlying<sub>(i=3)</sub> equals the share of Nordea Bank Abp (ISIN FI4000297767, Bloomberg: NDA SS), and  
  
the Underlying<sub>(i=4)</sub> equals the share of H & M Hennes & Mauritz AB (ISIN SE0000106270, Bloomberg: HMB SS).

The term "Underlying" shall also refer to all Underlyings<sub>(i=1)</sub> to <sub>(i=4)</sub>.

To avoid currency fluctuations in relation to the respective Underlying<sub>(i)</sub> that is denominated in a currency other than the Redemption Currency, the Price of the Underlying is expressed on a quanto NOK basis, i.e. the currency relating to the Underlying is considered according to amount as a NOK price without conversion in relation to the Price of the Underlying or the Settlement Price (one (1) unit of the Underlying Currency equals one (1) unit NOK, "**Quanto NOK**").

**Underlying Calculation Date:** The Underlying Calculation Date means each day, on which the Relevant Exchange is open for trading and the Price of the Underlying is determined in accordance with the relevant rules.

**Underlying Currency:** The Underlying Currency<sub>(i=1)</sub> in relation to the Underlying<sub>(i=1)</sub> means Norwegian Krona ("**NOK**"), the Underlying Currency<sub>(i=2)</sub> in relation to the Underlying<sub>(i=2)</sub> means Euro ("**EUR**"), the Underlying Currency<sub>(i=3)</sub> in relation to the Underlying<sub>(i=3)</sub> means Swedish Krona ("**SEK**"), and the Underlying Currency<sub>(i=4)</sub> in relation to the Underlying<sub>(i=4)</sub> means Swedish Krona ("**SEK**").

The term "Underlying Currency" shall also refer to all Underlying Currencies<sub>(i=1)</sub> to <sub>(i=4)</sub>.

One (1) unit of the Underlying Currency equals one (1) unit NOK, "**Quanto NOK**").

## V.

**Valuation Date:** The Valuation Date means the Expiration Date.

If this day is not an Underlying Calculation Date in relation to an Underlying<sub>(i)</sub>, the immediately succeeding Underlying Calculation Date is deemed to be the relevant Valuation Date in relation to all Underlyings.

**Valuation Time:** The Valuation Time equals the time of official determination of the closing price of the respective Underlying<sub>(i)</sub>.

## Part 2: Product Terms: Special Conditions of the Securities

### § 1 Security Right

#### (1) Security Right of the Securityholders

The Issuer hereby warrants to the Securityholder (§ 4 (2)) of each (1) Security relating to the Price of the Underlyings in accordance with these Conditions that such Securityholder shall have the following right (the “**Security Right**”):

- (a) For any of the Observation Dates<sub>(k=1)</sub> to <sub>(k=23)</sub> the Securityholder is entitled to receive the Additional Amount<sub>(k)</sub> (§ 1 (2)). Such Additional Amount<sub>(k)</sub> shall be paid twelve Banking Days after the relevant Observation Date<sub>(k=1)</sub> to <sub>(k=23)</sub>. The provisions of these Conditions relating to the payment of the Redemption Amount shall apply *mutatis mutandis* to such payment.
- (b) If on any of the Observation Dates<sub>(k=24)</sub> to <sub>(k=59)</sub> the Price of **all** Underlyings<sub>(i)</sub> is **equal to or higher than the respective Strike<sub>(i)</sub>**, the Securities will expire early on such Observation Date<sub>(k=24)</sub> to <sub>(k=59)</sub> (the “**Early Expiration Date**”) and the Securityholder is entitled to receive the Settlement Amount (as defined below), commercially rounded to two decimal places (the “**Redemption Amount**”).

The “**Settlement Amount**” will be calculated in accordance with the following formula:

$$\text{Nominal Amount} + \text{Nominal Amount} \times \text{Payout Factor}$$

- (c) If the Securities did not expire early in accordance with paragraph (b) and if on any of the Observation Dates<sub>(k=24)</sub> to <sub>(k=59)</sub> the Price of **at least one** Underlying<sub>(i)</sub> is **lower than the respective Strike<sub>(i)</sub>**, the Securityholder is entitled to receive the relevant Additional Amount<sub>(k)</sub> (§ 1 (2)). Such Additional Amount<sub>(k)</sub> shall be paid twelve Banking Days after the relevant Observation Date<sub>(k=24)</sub> to <sub>(k=59)</sub>. The provisions of these Conditions relating to the payment of the Redemption Amount shall apply *mutatis mutandis* to such payment.
- (d) If the Securities did not expire early on any of the previous Observation Dates<sub>(k=24)</sub> to <sub>(k=59)</sub> in accordance with paragraph (b) and if the Settlement Price of **all** Underlyings<sub>(i)</sub> is **equal to or higher than the respective Loss Threshold<sub>(i)</sub>**, the Securityholder is entitled to receive the Settlement Amount (as defined below), commercially rounded to two decimal places, (the “**Redemption Amount**”).

The “**Settlement Amount**” will be calculated in accordance with the following formula:

$$\text{Nominal Amount} + \text{Nominal Amount} \times \text{Payout Factor}$$

- (e) If the Securities did not expire early on any of the previous Observation Dates<sub>(k=24)</sub> to <sub>(k=59)</sub> in accordance with paragraph (b) and if the Settlement Price of **at least one** Underlying<sub>(i)</sub> is **lower than the respective Loss Threshold<sub>(i)</sub>**, the Securityholder is entitled to receive the Settlement Amount (as defined below) commercially rounded to two decimal places (the “**Redemption Amount**”).

The “**Settlement Amount**” is calculated in accordance with the following formula:

$$\text{Nominal Amount} \times \left( \frac{\text{Settlement Price of the Relevant Underlying}}{\text{Reference Level of the Relevant Underlying}} + \text{Payout Factor} \right)$$

#### (2) Additional Amount

The “**Additional Amount<sub>(k)</sub>**” in relation to the respective Observation Date<sub>(k)</sub> is calculated as follows:

$$\text{Nominal Amount} \times \text{Payout Factor}$$

#### (3) Determinations and Calculations in connection with the Security Right

Any determination and calculation in connection with the Security Right, in particular the calculation

of the Redemption Amount, will be made by the Calculation Agent. Determinations and calculations made in this respect by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Securityholders.

**§ 2**

*(Intentionally left blank)*

**§ 3**

*(Intentionally left blank)*

|                                   |
|-----------------------------------|
| <b>PART B – OFFERING AND SALE</b> |
|-----------------------------------|

|   |
|---|
| <b>I. Offering for Sale and Issue Price</b> |
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|   |  |
|---|--|
| <b>Offering for Sale and Issue Price:</b>                   | <p>The UBS Express Certificates (the “<b>Securities</b>”, and each a “<b>Security</b>”) are issued by the Issuer in the Aggregate Nominal Amount and with the Denomination of the Nominal Amount per Security.</p> <p>It has been agreed that, on or after the respective Issue Date of the Securities, the Manager may purchase Securities and shall place the Securities for sale at the Issue Price under terms subject to change in the Public Offer Jurisdictions (as defined in “VI. Consent to Use of Prospectus” below) during the Subscription Period (as defined in “II. Subscription, Purchase and Delivery of the Securities” below).</p> <p>The Issue Price was fixed at the Start of the public offer of the Securities (as defined in “II. Subscription, Purchase and Delivery of the Securities” below). After closing of the Subscription Period (as defined in “II. Subscription, Purchase and Delivery of the Securities” below) the selling price will then be adjusted on a continual basis to reflect the prevailing market situation.</p> <p>The Manager (as defined below) shall be responsible for coordinating the entire Securities offering.</p> |
| <b>Aggregate Nominal Amount:</b>                            | <p>The Aggregate Nominal Amount equals NOK 20,000,000.00 (indicative).</p> <p>The Aggregate Nominal Amount will be fixed at the end of the Subscription Period.</p>  |
| <b>Issue Date:</b>  | <p>The Issue Date means 27 February 2019.</p> <p>In the case of abbreviation or extension of the Subscription Period the Issue Date may be changed accordingly.</p>  |
| <b>Issue Price:</b>   | <p>The Issue Price equals 100 % of the Nominal Amount.</p>   |
| <b>Manager:</b>   | <p>The Manager means UBS Limited, 5 Broadgate, London EC2M 2QS, United Kingdom.</p>  |
| <b>Type and form of the Securities:</b>                     | <p>Certificates</p>  |
| <b>Clearing system:</b>                                     | <p>Verdipapirsentralen ASA, P.O. Box 1174 Sentrum, 0107 Oslo, Norway, or any successor in this capacity.</p>   |
| <b>Security identification number(s) of the Securities:</b> | <p>ISIN: NO0010840168<br/>Valor: 38712778</p>  |
| <b>Currency:</b>  | <p>The currency of the Securities is Norwegian Krona (“<b>NOK</b>”).</p>   |

## II. Subscription, Purchase and Delivery of the Securities

|   |  |
|---|--|
| <b>Subscription, Purchase and Delivery of the Securities:</b> | <p>The Securities may be subscribed from the Manager during normal banking hours during the Subscription Period. The Issue Price per Security is payable on the Initial Payment Date.</p> <p>The Issuer reserves the right to earlier close or to extend the Subscription Period if market conditions so require.</p> <p>After the Initial Payment Date, the appropriate number of Securities shall be credited to the investor's account in accordance with the rules of the corresponding Clearing System. If the Subscription Period is shortened or extended, the Initial Payment Date may also be brought forward or postponed.</p> |
| <b>Subscription Period:</b>                                   | <p>21 December 2018 until 1 February 2019 (17:30 hrs local time Oslo)</p> <p>The Issuer reserves the right to earlier close or to extend the Subscription Period by giving notice to the investors if market conditions so require.</p>  |
| <b>Start of the public offer of the Securities:</b>           | 21 December 2018 in Norway   |
| <b>Prohibition of Sales to EEA Retail Investors:</b>          | Not Applicable   |
| <b>Initial Payment Date:</b>                                  | <p>The Initial Payment Date means 27 February 2019.</p> <p>In the case of abbreviation or extension of the Subscription Period the Initial Payment Date may be changed accordingly.</p>  |

## PART C – OTHER INFORMATION

### I. Applicable specific risks

#### Applicable specific risks:

In particular the specific risk factors, which are described in the Base Prospectus under the heading "Security specific Risks" and "Underlying specific Risks" related to the following product features are applicable to the Securities:

"risks related to Securities linked to an **Underlying**"

"product feature **"Express Structure"**"

"product feature **"Thresholds, Barriers or Levels"**"

"product feature **"Relevant Underlying"**"

"product feature **"Securityholder's Termination Right"** does **not** apply"

"product feature **"Quanto"**"

"risks related to a **share** as the Underlying"

### II. Listing and Trading

#### Listing and Trading:

The Issuer intends to apply for listing of the Securities on Nasdaq Stockholm, market segment STO Structured Products NOK (the **"Security Exchange"**).

### III. Commissions paid by the Issuer

#### Commissions paid by the Issuer:

- |                                      |   |
|--------------------------------------|---|
| (i) Underwriting and/or placing fee: | Not Applicable                                |
| (ii) Selling commission:             | Not Applicable                                |
| (iii) Listing Commission:            | Not Applicable                                |
| (iv) Other:                          | Fee of up to 1 % per annum, all paid upfront. |

### IV. Any interests, including conflicting ones, of natural and legal persons involved that is material to the issue/offer of the Securities

#### Any interests, including conflicting ones, of natural and legal persons involved that is material to the issue/offer of the Securities:

As far as the Issuer is aware, no person involved in the issue and offer and listing of the Securities has an interest material to the issue and the offer and the listing.

### V. Rating

#### Ratings:

The Securities have not been rated.



## VI. Consent to Use of Prospectus

The Issuer consents to the use of the Base Prospectus together with the relevant Final Terms in connection with a public offer of the Securities (a “**Public Offer**”) by any financial intermediary (each an “**Authorised Offeror**”) which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC).

|                                   |   |
|-----------------------------------|---|
| <b>Offer Period:</b>              | Subscription Period (as defined in “II. Subscription, Purchase and Delivery of the Securities” above) |
| <b>Public Offer Jurisdiction:</b> | Norway  |

## VII. Indication of Yield

|               |                |
|---------------|----------------|
| <b>Yield:</b> | Not Applicable |
|---------------|----------------|

## VIII. Other information about the Securities

|   |   |
|---|---|
| <b>Procedure for redemption of Securities:</b>                                      | As specified in § 1 of the Conditions of the Securities Part 2: Product Terms: Special Conditions of the Securities of these Final Terms.   |
| <b>Disturbing events that affect the Underlyings:</b>                               | As specified in § 11 of the General Conditions of the Securities of the Base Prospectus dated 12 October 2018, as supplemented from time to time.   |
| <b>Adjustment rules for taking into account events that affect the Underlyings:</b> | As specified in § 6 (b) of the General Conditions of the Securities of the Base Prospectus dated 12 October 2018, as supplemented from time to time.  |
| <b>Explanation of how the Underlyings affect the Securities:</b>                    | As specified in the section OVERVIEW ON THE SECURITY STRUCTURE of these Final Terms.  |
| <b>Paying Agent:</b>  | The Paying Agent means UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basle, Switzerland, acting through its London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom, and Nordea Bank Abp, filial i Norge, Investor Solutions & Services, Essendropsgate 7, PO Box 1166 Sentrum, 0107 Oslo, Norway. The term “Paying Agent” shall also refer to all Paying Agents including the Principal Paying Agent. |
| <b>Calculation Agent:</b>   | UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basle, Switzerland, acting through its London Branch, 5 Broadgate, London EC2M 2QS, United Kingdom.  |
| <b>Information after the Issue Date:</b>  | The Issuer does not intend to give information about the Securities after the Issue Date.   |

**PART D – COUNTRY SPECIFIC INFORMATION**

**Additional Paying Agent(s) (if any):** Not Applicable

|  |
|--|
| <b>PART E – INFORMATION ABOUT THE UNDERLYING</b> |
|--|

**Norsk Hydro ASA (ISIN NO0005052605)**

Norsk Hydro ASA is a supplier of aluminum and aluminum products. The company provides automotive and transport products, building systems, casthouse products, extruded products, rolled products, and wire rod. Norsk Hydro ASA conducts its business worldwide.

Further information as well as information about the past and the further performance and the volatility of the Underlying can be obtained from the internet page [www.hydro.com](http://www.hydro.com).

**Nokia Oyj (ISIN FI0009000681)**

Nokia Oyj is a global communications company. The company produces a broad range of technological devices and software, and operates networks, sales and communication channels around the globe.

Further information as well as information about the past and the further performance and the volatility of the Underlying can be obtained from the internet page [www.nokia.com](http://www.nokia.com).

**Nordea Bank Abp (ISIN FI4000297767)**

Nordea Bank Abp provides banking, financial, and related advisory services. The company offers financing and deposit services, savings and asset management, insurance products, investment banking, securities trading, cash management, and mobile banking. Nordea Bank Abp serves private individuals, companies, institutions, and the public sector. Nordea Bank Abp operates in the Nordic region.

Further information as well as information about the past and the further performance and the volatility of the Underlying can be obtained from the internet page [www.nordea.com](http://www.nordea.com).

**H & M Hennes & Mauritz AB (ISIN SE0000106270)**

H & M Hennes & Mauritz AB designs and retails fashions for women, men, teens, and children. The company sells a variety trendy, sporty, and classic garments in addition to accessories such as jewelery, bags, and scarves, and cosmetics. H & M Hennes & Mauritz AB owns and operates stores in many European countries and the United States.

Further information as well as information about the past and the further performance and the volatility of the Underlying can be obtained from the internet page <http://about.hm.com>.

## ANNEX TO THE FINAL TERMS: ISSUE SPECIFIC SUMMARY

*This summary relates to UBS Express Certificates described in the final terms (the “**Final Terms**”) to which this summary is annexed. This summary contains that information from the summary set out in the Base Prospectus which is relevant to the Securities together with the relevant information from the Final Terms. Words and expressions defined in the Final Terms and the Base Prospectus have the same meanings in this summary.*

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A – E (A.1 – E.7).

This Summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

| Element | Section A – Introduction and warnings |   |
|---------|---------------------------------------|---|
| A.1     | Warning.                              | <p>This Summary should be read as an introduction to the Base Prospectus. Any decision to invest in the Securities should be based on consideration of the Base Prospectus as a whole by the investor.</p> <p>Potential investors should be aware that where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the respective European Economic Area member state, have to bear the costs of translating the document before the legal proceedings are initiated.</p> <p>Those persons who are responsible for the summary including any translations thereof, or who have initiated the preparation can be held liable, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, all required key information.</p> <p>UBS AG in its capacity as Issuer who is responsible for the summary including the translation thereof can be held liable, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, all required key information.</p> |
| A.2     | Consent to use of Prospectus.         | <p>The Issuer consents to the use of the Base Prospectus together with the relevant Final Terms in connection with a public offer of the Securities (a “<b>Public Offer</b>”) by any financial intermediary (each an “<b>Authorised Offeror</b>”) which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) on the following basis:</p> <ul style="list-style-type: none"> <li>(a) the relevant Public Offer shall occur during the Subscription Period (the “<b>Offer Period</b>”);</li> <li>(b) the relevant Public Offer may only be made in Norway (the “<b>Public Offer Jurisdiction</b>”);</li> <li>(c) the relevant Authorised Offeror must be authorised to make such offers in the relevant Public Offer Jurisdiction under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and if any Authorised Offeror ceases to be so authorised then the above</li> </ul>   |

|  |  |   |
|--|--|---|
|  |  | <p>consent of the Issuer shall thereupon terminate;</p> <p>(d) any Authorised Offeror other than the Manager must comply with the restrictions set out in "Subscription and Sale" as if it were a Manager.</p> <p><b>Authorised Offerors will provide information to investors on the terms and conditions of the Public Offer of the Securities at the time such Public Offer is made by the Authorised Offeror to the investor.</b></p> |
|--|--|---|

| Element     | Section B – Issuer   |  |
|-------------|--|--|
| <b>B.1</b>  | Legal and commercial name of the issuer.   | The legal and commercial name of the Issuer is UBS AG (the " <b>Issuer</b> " and together with its subsidiaries " <b>UBS AG consolidated</b> ", or " <b>UBS AG Group</b> "; together with UBS Group AG, which is the holding company of UBS AG, and its subsidiaries, " <b>UBS Group</b> ", " <b>Group</b> ", " <b>UBS</b> " or " <b>UBS Group AG consolidated</b> ").   |
| <b>B.2</b>  | Domicile, legal form, legislation and country of incorporation of the issuer.                  | <p>The Issuer was incorporated under the name SBC AG on 28 February 1978 for an unlimited duration and entered in the Commercial Register of Canton Basel-City on that day. On 8 December 1997, the company changed its name to UBS AG. UBS AG in its present form was created on 29 June 1998 by the merger of Union Bank of Switzerland (founded 1862) and Swiss Bank Corporation (founded 1872). UBS AG is entered in the Commercial Registers of Canton Zurich and Canton Basel-City. The registration number is CHE-101.329.561.</p> <p>UBS AG is incorporated and domiciled in Switzerland and operates under the Swiss Code of Obligations as an <i>Aktiengesellschaft</i>, a corporation limited by shares.</p> <p>The addresses and telephone numbers of UBS AG's two registered offices and principal places of business are: Bahnhofstrasse 45, CH-8001 Zurich, Switzerland, telephone +41 44 234 1111; and Aeschenvorstadt 1, CH-4051 Basel, Switzerland, telephone +41 61 288 5050.</p> |
| <b>B.4b</b> | A description of any known trends affecting the issuer or the industries in which it operates. | <p><b>Trend Information</b></p> <p>As indicated in the UBS Group Third Quarter 2018 Report, global economic growth prospects and monetary policy normalization continue to provide a supportive backdrop to UBS's business, although ongoing geopolitical tensions, rising protectionism and trade disputes have further dampened investor sentiment and confidence. UBS expects these latter trends to continue to impact Global Wealth Management clients' transaction activity in the fourth quarter; however, moderately increased levels of volatility and volumes are generally positive for UBS's institutional business in the Investment Bank. Funding costs related to long-term debt and capital instruments issued to comply with regulatory funding and liquidity requirements will be higher than in the previous year, but should be broadly stable compared with the third quarter.</p>  |
| <b>B.5</b>  | Description of the group and the issuer's position within the group.                           | <p>UBS AG is a Swiss bank and the parent company of the UBS AG Group. It is 100% owned by UBS Group AG, which is the holding company of the UBS Group. UBS operates as a group with four business divisions and a Corporate Center.</p> <p>In 2014, UBS began adapting its legal entity structure to improve the resolvability of the Group in response to too big to fail requirements in Switzerland and recovery and resolution regulation in other countries in which the Group operates. In December 2014, UBS Group AG became the</p>  |

|             |  |  |
|-------------|--|--|
|             |  | <p>holding company of the Group.</p> <p>In 2015, UBS AG transferred its Personal &amp; Corporate Banking and Wealth Management businesses booked in Switzerland to the newly established UBS Switzerland AG, a banking subsidiary of UBS AG in Switzerland. In 2016, UBS Americas Holding LLC was designated as the intermediate holding company for UBS's US subsidiaries and UBS merged its Wealth Management subsidiaries in various European countries into UBS Europe SE, UBS's German-headquartered European subsidiary. Additionally, UBS transferred the majority of Asset Management's operating subsidiaries to UBS Asset Management AG.</p> <p>UBS Business Solutions AG, a wholly owned subsidiary of UBS Group AG, was established in 2015 and acts as the Group service company. In 2017, UBS's shared services functions in Switzerland and the UK were transferred from UBS AG to UBS Business Solutions AG. UBS also completed the transfer of shared services functions in the US to its US service company, UBS Business Solutions US LLC, a wholly owned subsidiary of UBS Americas Holding LLC.</p> <p>In 2015, UBS implemented a more self-sufficient business and operating model for UBS Limited, UBS's investment banking subsidiary in the UK. Given the continuing uncertainty on transition arrangements and the potential future restrictions on providing financial services into the EU from the UK, UBS is in the process of obtaining regulatory approvals for the merger of UBS Limited into UBS Europe SE. The timing and extent of the actions UBS takes may vary considerably from its current plan depending on regulatory requirements and the nature of any transition or successor agreements between the UK and the EU.</p> <p>Following the announcement by the China Securities Regulatory Commission that foreign investors will be permitted to increase their ownership percentages in China affiliates to a cap of 51%, and may be allowed to increase their ownership up to 100% in 2021, UBS submitted in May 2018 a preliminary application to increase the shareholding in its China affiliate, UBS Securities Co. Limited, from 24.99% to 51%. The transaction is subject to completion of a share purchase from existing shareholders and regulatory approval.</p> <p>UBS continues to consider further changes to the Group's legal structure in response to regulatory requirements and other external developments. Such changes may include further consolidation of operating subsidiaries in the EU, and adjustments to the booking entity or location of products and services.</p> |
| <b>B.9</b>  | Profit forecast or estimate.   | Not applicable; no profit forecast or estimate is included in this Prospectus.   |
| <b>B.10</b> | Qualifications in the audit report.  | Not applicable. There are no qualifications in the auditors' reports on the consolidated financial statements of UBS AG and the standalone financial statements of UBS AG for the years ended on 31 December 2017 and 31 December 2016.  |
| <b>B.12</b> | Selected historical key financial information / Material adverse change statement / Significant changes statement. | UBS AG derived the selected consolidated financial information included in the table below for the years ended 31 December 2017, 2016 and 2015 from the Annual Report 2017, which contains the audited consolidated financial statements of UBS AG, as well as additional unaudited consolidated financial information, for the year ended 31 December 2017 and comparative figures for the years ended 31 December 2016 and 2015. The selected consolidated financial information included in the table below for the nine months ended 30 September 2018 and 30 September 2017   |

|   |           |   |                                 |                             |          |
|---|-----------|---|---------------------------------|-----------------------------|----------|
|   |           | was derived from the UBS AG Third Quarter 2018 Report, which contains the UBS AG interim consolidated financial statements (unaudited), as well as additional unaudited consolidated financial information, for the nine months ended 30 September 2018 and comparative figures for the nine months ended 30 September 2017.  |                                 |                             |          |
|   |           | The consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and are stated in Swiss francs ("CHF"). Information for the years ended 31 December 2017, 2016 and 2015 which is indicated as being unaudited in the table below was included in the Annual Report 2017, but has not been audited on the basis that the respective disclosures are not required under IFRS, and therefore are not part of the audited financial statements. |                                 |                             |          |
|   |           | For information on the definition and the reason for the use of the metrics under the heading "Key performance indicators", except those disclosed in accordance with applicable legislation, and "Additional information - Profitability" in the table below, please refer to the respective footnotes.  |                                 |                             |          |
|   |           |   |                                 |                             |          |
|   |           | As of or for the nine months ended  |                                 | As of or for the year ended |          |
| CHF million, except where indicated                           | 30.9.18   | 30.9.17   | 31.12.17                        | 31.12.16                    | 31.12.15 |
|   | unaudited |   | audited, except where indicated |                             |          |
| <b>Results</b>  |           |   |                                 |                             |          |
| Operating income  | 22,839    | 22,237  | 29,479                          | 28,421                      | 30,605   |
| Operating expenses  | 17,971    | 17,993  | 24,481                          | 24,352                      | 25,198   |
| Operating profit / (loss) before tax                          | 4,868     | 4,244   | 4,998                           | 4,069                       | 5,407    |
| Net profit / (loss) attributable to shareholders              | 3,690     | 3,257   | 845                             | 3,207                       | 6,235    |
| <b>Key performance indicators</b>                             |           |   |                                 |                             |          |
| <b>Profitability and growth</b>                               |           |   |                                 |                             |          |
| Return on tangible equity (%) <sup>1</sup>                    | 11.3      | 9.6   | 2.0*                            | 6.9*                        | 13.5*    |
| Cost / income ratio (%) <sup>2</sup>                          | 78.5      | 80.8  | 82.7*                           | 85.6*                       | 82.0*    |
| Net profit growth (%) <sup>3</sup>                            | 13.3      | 26.8  | (73.7)*                         | (48.6)*                     | 78.0*    |
| <b>Resources</b>  |           |   |                                 |                             |          |
| Common equity tier 1 capital ratio (%) <sup>4, 5</sup>        | 13.7      | 14.0  | 14.0*                           | 14.5*                       | 15.4*    |
| Common equity tier 1 leverage ratio (%) <sup>6</sup>          | 3.83      | 3.76  | 3.7*                            | 3.7*                        | 3.6*     |
| Going concern leverage ratio (%) <sup>7, 8</sup>              | 4.6       | 4.2   | 4.2*                            | 4.2*                        | -        |
| <b>Additional information</b>                                 |           |   |                                 |                             |          |
| <b>Profitability</b>  |           |   |                                 |                             |          |
| Return on equity (%) <sup>9</sup>                             | 9.8       | 8.3   | 1.6*                            | 5.9*                        | 11.7*    |
| Return on risk-weighted assets, gross (%) <sup>10</sup>       | 12.2      | 12.9  | 12.8*                           | 13.2*                       | 14.3*    |
| Return on leverage ratio denominator, gross (%) <sup>11</sup> | 3.4       | 3.4   | 3.4*                            | 3.2*                        | -        |
| <b>Resources</b>  |           |   |                                 |                             |          |
| Total assets  | 933,091   | 914,551   | 916,363                         | 935,353                     | 943,256  |
| Equity attributable to shareholders                           | 50,136    | 53,246  | 50,718                          | 53,662                      | 55,248   |
| Common equity tier 1 capital <sup>5</sup>                     | 34,392    | 33,337  | 33,240                          | 32,447                      | 32,042   |
| Risk-weighted assets <sup>5</sup>                             | 251,428   | 237,322   | 236,606*                        | 223,232*                    | 208,186* |

|  |  |  |          |          |          |
|--|--|--|----------|----------|----------|
| Going concern capital ratio (%) <sup>8</sup>   | 16.5   | 15.6   | 15.6*    | 16.3*    | -        |
| Total loss-absorbing capacity ratio (%) <sup>8</sup>   | 31.3   | 31.5   | 31.4*    | 29.6*    | -        |
| Leverage ratio denominator <sup>12</sup>   | 898,894  | 885,896  | 887,189* | 870,942* | 898,251* |
| Total loss-absorbing capacity leverage ratio (%) <sup>8</sup>  | 8.8  | 8.4  | 8.4*     | 7.6*     |          |
| <b>Other</b>   |  |  |          |          |          |
| Invested assets (CHF billion) <sup>13</sup>  | 3,267  | 3,054  | 3,179    | 2,810    | 2,678    |
| Personnel (full-time equivalents)  | 47,091   | 48,949   | 46,009*  | 56,208*  | 58,131*  |
| * unaudited  |  |  |          |          |          |
| <sup>1</sup> Net profit attributable to shareholders before amortization and impairment of goodwill and intangible assets (annualized as applicable) / average equity attributable to shareholders less average goodwill and intangible assets. This metric provides information on the profitability of the business in relation to tangible equity.<br><sup>2</sup> Operating expenses / operating income before credit loss (expense) or recovery. This metric provides information on the efficiency of the business by comparing operating expenses with gross income.<br><sup>3</sup> Change in net profit attributable to shareholders from continuing operations between current and comparison periods / net profit attributable to shareholders from continuing operations of comparison period. This metric provides information on profit growth in comparison with prior period.<br><sup>4</sup> Common equity tier 1 capital / risk-weighted assets.<br><sup>5</sup> Based on the Basel III framework as applicable to Swiss systemically relevant banks ("SRB").<br><sup>6</sup> Common equity tier 1 capital / leverage ratio denominator. From 31 December 2015 onward, the leverage ratio denominator calculation is aligned with the Basel III rules.<br><sup>7</sup> Total going concern capital / leverage ratio denominator.<br><sup>8</sup> Based on the Swiss SRB rules as of 1 January 2020 according to the revised Swiss SRB framework that became effective 1 July 2016. Figures for prior periods are not available.<br><sup>9</sup> Net profit attributable to shareholders (annualized as applicable) / average equity attributable to shareholders. This metric provides information on the profitability of the business in relation to equity.<br><sup>10</sup> Operating income before credit loss (annualized as applicable) / average fully applied risk-weighted assets. This metric provides information on the revenues of the business in relation to risk-weighted assets.<br><sup>11</sup> Operating income before credit loss (annualized as applicable) / average fully applied leverage ratio denominator. From 31 December 2015 onward, the leverage ratio denominator calculation is aligned with the Basel III rules. For periods prior to 31 December 2015 the leverage ratio denominator is calculated in accordance with former Swiss SRB rules. Therefore the figure for the period ended on 31 December 2015 is not presented as it is not available on a fully comparable basis. This metric provides information on the revenues of the business in relation to leverage ratio denominator.<br><sup>12</sup> From 31 December 2015 onward, the leverage ratio denominator calculation is aligned with the Basel III rules.<br><sup>13</sup> Includes invested assets for Personal & Corporate Banking. |  |  |          |          |          |
|  | Material adverse change statement.   | There has been no material adverse change in the prospects of UBS AG or UBS AG Group since 31 December 2017.   |          |          |          |
|  | Significant changes statement.   | There has been no significant change in the financial or trading position of UBS AG or UBS AG Group since 30 September 2018, which is the end of the last financial period for which financial information has been published.   |          |          |          |
| <b>B.13</b>  | Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency. | Not applicable, no recent events particular to UBS AG have occurred, which are to a material extent relevant to the evaluation of UBS AG's solvency.   |          |          |          |
| <b>B.14</b>  | Description of the group and the issuer's position within the group.<br><br>Dependence upon other entities within the group.   | Please see element B.5<br><br>UBS AG is the parent company of, and conducts a significant portion of its operations through, its subsidiaries. UBS AG has contributed a significant portion of its capital and provides substantial liquidity to subsidiaries. In addition, UBS Business Solutions AG provides substantial services to group companies including UBS AG and its subsidiaries. To this extent, UBS AG is dependent on certain of the entities of the UBS AG Group and of the UBS Group. |          |          |          |



|             |   |  |
|-------------|---|--|
| <b>B.15</b> | Issuer's principal activities.  | <p>UBS AG with its subsidiaries provides financial advice and solutions to private, institutional and corporate clients worldwide, as well as private clients in Switzerland. The operational structure of the Group is comprised of the Corporate Center and the business divisions Global Wealth Management, Personal &amp; Corporate Banking, Asset Management and the Investment Bank. UBS's strategy is centered on its, in its own view, leading Global Wealth Management business and its premier universal bank in Switzerland, which are enhanced by Asset Management and the Investment Bank. UBS focuses on businesses that, in its opinion, have a strong competitive position in their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.</p> <p>According to article 2 of the articles of association of UBS AG dated 26 April 2018 ("<b>Articles of Association</b>"), the purpose of UBS AG is the operation of a bank. Its scope of operations extends to all types of banking, financial, advisory, trading and service activities in Switzerland and abroad. UBS AG may establish branches and representative offices as well as banks, finance companies and other enterprises of any kind in Switzerland and abroad, hold equity interests in these companies, and conduct their management. UBS AG is authorized to acquire, mortgage and sell real estate and building rights in Switzerland and abroad. UBS AG may borrow and invest money on the capital markets. UBS AG is part of the group of companies controlled by the group parent company UBS Group AG. It may promote the interests of the group parent company or other group companies. It may provide loans, guarantees and other kinds of financing and security for group companies.</p> |
| <b>B.16</b> | Direct or indirect shareholdings or control agreements of the issuer. | UBS Group AG owns 100% of the outstanding shares of UBS AG.  |

| <b>Element</b> | <b>Section C – Securities</b>   |  |
|----------------|---|--|
| <b>C.1</b>     | Type and the class of the securities, security identification number. | <p><b>Type and Form of Securities</b><br/>The Securities are certificates.</p> <p>The Securities (also the "<b>Norwegian Securities</b>") are registered with Verdipapirsentralen ASA ("<b>VPS</b>") as the relevant Clearing System and are issued in uncertificated and dematerialised book-entry form, and registered at VPS in accordance with the Norwegian Securities Register Act (<i>Lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter</i>). No physical securities, such as global temporary or permanent securities or definitive securities will be issued in respect of Norwegian Securities.</p> <p><b>Security identification number(s) of the Securities</b></p> <p>ISIN: NO0010840168<br/>Valor: 38712778</p> |
| <b>C.2</b>     | Currency of the securities.   | Norwegian Krona (" <b>NOK</b> ") (the " <b>Redemption Currency</b> ").   |
| <b>C.5</b>     | Restrictions on the free transferability of the securities.           | Not applicable. There are no restrictions on the free transferability of the Securities.   |
| <b>C.8</b>     | Rights attached to the securities,                                    | <p><b>Governing law of the Securities</b><br/>The Securities will be governed by German law ("<b>German law governed</b></p>   |

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|             | including ranking and limitations to those rights.                      | <p><b>Securities”).</b></p> <p>The legal effects of the registration of the Securities with the relevant Clearing System are governed by the laws of the jurisdiction of the Clearing System.</p> <p><b>Rights attached to the Securities</b></p> <p>The Securities provide, subject to the Conditions of the Securities, Securityholders, at maturity or upon exercise, with a claim for payment of the Redemption Amount in the Redemption Currency.</p> <p><b>Limitation of the rights attached to the Securities</b></p> <p>Under the conditions set out in the Conditions, the Issuer is entitled to terminate the Securities and to make certain adjustments to the Conditions.</p> <p><b>Status of the Securities</b></p> <p>The Securities will constitute direct, unsecured and unsubordinated obligations of the Issuer, ranking <i>pari passu</i> among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, other than obligations preferred by mandatory provisions of law.</p>  |
| <b>C.11</b> | Admission to trading on a regulated market or other equivalent markets. | The Issuer intends to apply for listing of the Securities on Nasdaq Stockholm, market segment STO Structured Products NOK.  |
| <b>C.15</b> | Influence of the underlying on the value of the securities.             | <p>The value of the Securities during their term depends on the performance of the Underlyings. In case the price of the Underlyings increases, also the value of the Securities (disregarding any special features of the Securities) is likely to increase.</p> <p>In particular, the Redemption Amount, if any, to be received by the Securityholder upon exercise of the Securities depends on the performance of the Underlyings.</p> <p>The following features are examples describing the dependency of the value of the Securities from the Underlyings:</p> <p><b>UBS Autocallable/Express Securities</b></p> <p>UBS Autocallable/Express Securities are suitable for Securityholders expecting the price of the Underlying(s) to reach certain level(s), as specified in the applicable Product Terms, so that the product can early redeem.</p> <p>In case the price of the Underlying(s) reaches certain level(s) on specific Observation Dates, as specified in the applicable Product Terms, the Securities will be early redeemed prior to the Maturity Date.</p> <p>If the UBS Autocallable/Express Securities did not expire early on any of the previous Observation Dates, the UBS Autocallable/Express Securities will be redeemed at the Maturity Date, as specified in the applicable Product Terms. The Redemption Amount in the Redemption Currency depends on the individual product structure, as specified in the applicable Product Terms.</p> <p>The Redemption Amount may be determined by reference to the performance of one or more Underlying(s), as specified in the relevant Product Terms.</p> |

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|  | <p>In addition, the Securityholder may, as specified in the relevant Product Terms, be entitled to receive on the relevant Interest/Coupon Payment Date payment of an Interest Amount/a Coupon: Such payment of an Interest Amount/a Coupon can either be unconditional (i.e. disregarding the performance of the Underlying(s)) or conditional, all as specified in the applicable Product Terms.</p> <p><b>The following descriptions of several performance structures might be used for the Securities described in the section above, if applicable.</b></p> <p><u>Underlyings</u></p> <p>Securities can either depend on one single Underlying, a basket of Underlyings, the best performing Underlying(s), the worst performing Underlying(s) or a combination of those. Basket performances are calculated as the weighted average of the performances of the individual Underlying(s).</p> <p>The weightings can either be predefined or be defined during the life of the product depending on certain conditions. Weights can for example depend on the relative performance of the Underlyings or the realised volatility of the Underlying(s).</p> <p><u>Performances</u></p> <p>In principle, the value of the Securities (disregarding any special features of the Securities) is likely to increase, in case the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, increases. In case the price of the Underlying or Basket Components decreases, also the value of the Securities (disregarding any special features of the Securities) is likely to decrease.</p> <p>In contrast thereto, Securities may, if so specified in the relevant Product Terms, provide for a so-called reverse structure. In this case the Securities (irrespective of the other features attached to the Securities or of any other factors, which may be relevant for the value of the Securities) <b>depreciate in value</b>, if the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, increases, or the Securities <b>increase in value</b>, if the price of the Underlying or, if in the applicable Product Terms in the definition of "Underlying" a "Basket" is specified to be applicable, in the Basket Components, decreases.</p> <p>The performance or levels of the Underlying(s) can be measured in various ways.</p> <p>Usually the performance is measured as the final level of the Underlying(s) as a percentage of the initial level of the Underlying(s). However the final level and/or the initial level can also either be defined as the average/maximum/minimum level of the Underlying(s) observed within a certain period. The initial level does not necessarily need to be observed on the strike date of the product but can also be observed during the life of the product.</p> <p>Performance can also be measured as the relative performance of one or more Underlying(s) relative to the performance of one or more different Underlying(s).</p> <p>Performances can also have a predefined or a variable and/or conditional cap. This means Securityholders accept a limitation of earning potential ("Cap") and may only participate in possible price increases (or decreases)</p> |
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|  |  | <p>of the Underlying(s) until a certain level is reached and no further. Additionally, performances can also have a predefined or a variable and/or conditional floor. This means Securityholders will have a minimum of earning potential ("Floor") and may only negatively participate in possible price decreases (or increases) of the Underlying(s) until a certain level is reached and no further.</p> <p><u>Barriers</u><br/>Products can have barriers that are activated as soon as certain conditions are met. Usually these barriers represent certain levels to be reached by the Underlying(s) on certain observation dates.</p> <p>Barriers can either be triggered by Underlying(s), performances or other measures reaching certain predefined levels. Some barriers are only triggered if more than one condition is met. Barriers can be either defined to be observed only on certain dates or continuously.</p> <p>Barriers either lead to the removal (Kick-Out) or addition (Kick-In) of certain features of the Securities. Features which are added or removed are for example coupons, participations or Underlying(s).</p> <p><u>Lock-In and Final Lock-In</u><br/>The relevant Product Terms may provide for a "Lock-In" feature, which means that certain amounts or performances, as specified in the Product Terms, will in the case of the occurrence of a predetermined lock-in event be "locked-in", i.e. fixed, set aside or otherwise economically preserved, as specified in the Product Terms. To the extent and under the conditions of applicable other features and as further specified in the applicable Product Terms, Securityholders do still participate in the future performance of the Underlying or, as the case may be, the Basket Components.</p> <p>If the relevant Product Terms specify that a "Final Lock-In" feature applies, certain amounts or performances, as specified in the Product Terms, will in the case of the occurrence of a predetermined lock-in event be "locked-in" to an extent that the participation of the Securityholders in the future performance of the Underlying or, as the case may be, the Basket Components is limited or even excluded.</p> <p><u>Automatic Termination Feature</u><br/>If the relevant Product Terms specify that the Automatic Termination feature applies, then the Securities may be terminated and redeemed early upon the occurrence of an automatic termination event (including, but not limited to, a Stop Loss Event or Knock Out Event).</p> <p><u>Investment Strategies</u><br/>Performance can be defined as the hypothetical performance of a certain predefined investment strategy. This can for example be a strategy that invests into the Underlying(s) only on certain predefined dates. Another example would be a strategy that invests into the Underlying(s) dependent on the realised volatility, performance, momentum or other metric of the Underlying(s) level over the life of the product.</p> <p><u>Bearish/Bullish/Variable Participation Rate</u><br/>Participation is usually proportional with a certain rate (which can itself be dependent on certain pre-conditions for example the performance of one or more Underlying(s)) and can be either negative or positive.</p> <p><u>Currency Conversion</u><br/>The Securityholder's right vested in the Securities may be determined on the basis of a currency other than the Redemption Currency, currency unit or calculation unit, and also the value of the Underlying or, as the case may be, the Basket Components may be determined in such a currency other</p> |
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|  |  | <p>than the Redemption Currency, currency unit or calculation unit. The currency exchange rate to be used to determine the Redemption Amount can either be predefined (quanto feature) or variable.</p> <p><u>Dual Currency</u><br/>The Securityholder is entitled to receive payments in the predetermined currency specified in the applicable Product Terms as the Redemption Currency. If the relevant Product Terms, however, specify the product feature "Dual Currency" to be applicable, the Issuer shall be entitled to replace, either during the life of the Securities or at the final redemption, this predetermined currency by another currency specified for that purposes in the applicable Product Terms. All following payments to the Securityholder will then be made in such other currency. The Securityholder may be exposed to currency risk in such event.</p> <p><u>Coupons/Interest Amounts/Other Proceeds</u><br/>If the relevant Product Terms specify unconditional Coupon, Interest Amount or other proceeds to apply, the Securityholder is entitled to receive payment of the relevant Coupon, Interest Amount or other proceeds, as specified in the applicable Product Terms.</p> <p>If the relevant Product Terms specify conditional Coupon, Interest Amount or other proceeds to apply, the Securityholder is entitled to receive payment of the relevant Coupon, Interest Amount or other proceeds provided that relevant conditions are met. If, in case of a conditional Coupon, Interest Amount or other proceeds, these requirements are not met, no Coupon, Interest Amount or other proceeds are paid.</p> <p>During their term products can therefore generate regular income. However, most products do not generate unconditional income, e.g. dividends or interest.</p> <p><u>Capital Protection</u><br/>Only if the product feature "Capital Protection" is specified to be applicable in the relevant Product Terms, the Settlement Amount is, in any case, at least equal to the capital protected Minimum Amount.</p> <p><u>Maximum Amount</u><br/>If the product feature "Maximum Amount" is specified to be applicable in the relevant Product Terms, the Settlement Amount is capped to the Maximum Amount multiplied, if so specified in the relevant Product Terms, by the Participation Factor, the Leverage Factor, the Multiplication Factor or the Multiplier, as specified to be applicable in the relevant Product Terms.</p> <p><u>Physical or Cash Settlement</u><br/>Only if the product feature "Physical Settlement" is specified to be applicable in the relevant Product Terms, the Product is possibly settled physically. Otherwise the settlement occurs in cash payment. The settlement can depend on the performance of the Underlying(s).</p> <p><u>General Early Redemption Right</u><br/>The Issuer and the Securityholders will only have a general early redemption right in relation to the Securities prior to the Maturity Date, if so specified in the applicable Product Terms.</p> <p><i>Issuer's Call Right</i><br/>If so specified in the applicable Product Terms, the Issuer has a right to call the Securities for early redemption by giving notice to that effect on certain predefined dates. The redemption value can either be predefined or dependent on the Underlying(s) level, certain dates or other parameters.</p> |
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|             |  | <p><i>Securityholder's Put Right</i></p> <p>If so specified in the applicable Product Terms, the Securityholder has the right to put the Securities for early redemption. The redemption value can either be predefined or dependent on the Underlying(s) level, certain dates or other parameters.</p>   |
| <b>C.16</b> | Expiration or maturity date, the exercise date or final reference date.          | <p>Maturity Date: 26 February 2024</p> <p>Expiration Date: 8 February 2024</p>  |
| <b>C.17</b> | Settlement procedure of the derivative securities.                               | <p>Payments shall, in all cases subject to any applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer agrees to be subject, be made in accordance with the relevant CA Rules to the relevant Clearing System or the relevant intermediary or to its order for credit to the accounts of the relevant account holders of the Clearing System or the relevant intermediary.</p> <p>The Issuer shall be discharged from its redemption obligations or any other payment or delivery obligations under the Conditions of the Securities by payment and/or delivery to the Clearing System in the manner described above.</p> |
| <b>C.18</b> | A description of how the return on derivative securities takes place.            | Securityholders will receive on the relevant Maturity Date payment of the Redemption Amount.  |
| <b>C.19</b> | Exercise price or final reference price of the underlying.                       | Settlement Price  |
| <b>C.20</b> | Type of the underlying and where the information on the underlying can be found. | <p><b>Type of Underlying: shares</b></p> <p>Norsk Hydro ASA<br/>Nokia Oyj<br/>Nordea Bank Abp<br/>H &amp; M Hennes &amp; Mauritz AG</p> <p>Information about the past and the further performance of the Underlyings and their volatility can be obtained on the internet page:</p> <p><a href="http://www.hydro.com">www.hydro.com</a><br/><a href="http://www.nokia.com">www.nokia.com</a><br/><a href="http://www.nordea.com">www.nordea.com</a><br/><a href="http://about.hm.com">http://about.hm.com</a></p>   |

| Element    | Section D – Risks   |  |
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| <b>D.2</b> | Key information on the key risks that is specific and individual to the issuer. | <p>The Securities entail an issuer risk, also referred to as debtor risk or credit risk for prospective investors. An issuer risk is the risk that UBS AG becomes temporarily or permanently unable to meet its obligations under the Securities.</p> <p><b>General insolvency risk</b></p> <p>Each investor bears the general risk that the financial situation of the Issuer could deteriorate. The debt or derivative securities of the Issuer will</p> |

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|  |  | <p>constitute immediate, unsecured and unsubordinated obligations of the Issuer, which, in particular in the case of insolvency of the Issuer, rank pari passu with each other and all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of those that have priority due to mandatory statutory provisions. The Securities are not bank deposits and an investment in the Securities carries risks which are very different from the risk profile of a bank deposit placed with the Issuer or its affiliates. The Issuer's obligations relating to the Securities are not protected by any statutory or voluntary deposit guarantee system or compensation scheme. <b>In the event of insolvency of the Issuer, investors may thus experience a total loss of their investment in the Securities.</b></p> <p>UBS AG as Issuer and UBS are subject to various risks relating to their business activities. Summarised below are the risks that may impact the Group's ability to execute its strategy, and affect its business activities, financial condition, results of operations and prospects, which the Group considers material and is presently aware of:</p> <ul style="list-style-type: none"> <li>• Market conditions and fluctuations may have a detrimental effect on UBS's profitability, capital strength, liquidity and funding position</li> <li>• Substantial changes in the regulation of UBS's businesses may adversely affect its business and UBS's ability to execute its strategic plans</li> <li>• If UBS is unable to maintain its capital strength, this may adversely affect its ability to execute its strategy, its client franchise and its competitive position</li> <li>• UBS may not be successful in the ongoing execution of its strategic plans</li> <li>• Material legal and regulatory risks arise in the conduct of UBS's business</li> <li>• Operational risks affect UBS's business</li> <li>• UBS's reputation is critical to the success of its business</li> <li>• Performance in the financial services industry is affected by market conditions and the macroeconomic climate</li> <li>• UK withdrawal from the EU</li> <li>• UBS may not be successful in implementing changes in its wealth management businesses to meet changing market, regulatory and other conditions</li> <li>• UBS may be unable to identify or capture revenue or competitive opportunities, or retain and attract qualified employees</li> <li>• UBS depends on its risk management and control processes to avoid or limit potential losses in its businesses</li> <li>• Liquidity and funding management are critical to UBS's ongoing performance</li> <li>• UBS's financial results may be negatively affected by changes to assumptions and valuations, as well as changes to accounting</li> </ul> |
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|            |  | <p>standards</p> <ul style="list-style-type: none"> <li>• The effect of taxes on UBS's financial results is significantly influenced by tax law changes and reassessments of its deferred tax assets</li> <li>• UBS's stated capital returns objective is based, in part, on capital ratios that are subject to regulatory change and may fluctuate significantly</li> <li>• UBS AG's operating results, financial condition and ability to pay its obligations in the future may be affected by funding, dividends and other distributions received from UBS Switzerland AG, UBS Americas Holding LLC, UBS Limited and other subsidiaries, which may be subject to restrictions</li> <li>• If UBS experiences financial difficulties, FINMA has the power to open resolution or liquidation proceedings or impose protective measures in relation to UBS Group AG, UBS AG or UBS Switzerland AG, and such proceedings or measures may have a material adverse effect on UBS's shareholders and creditors</li> <li>• Discontinuance of, or changes to, benchmark rates may require adjustments to agreements by UBS, its clients and other market participants, as well as to UBS's systems and processes</li> </ul> <p>However, because the business of a broad-based international financial services firm such as UBS is inherently exposed to risks many of which become apparent only with the benefit of hindsight, risks of which UBS is not presently aware or which it currently does not consider to be material could also adversely affect UBS.</p>  |
| <b>D.6</b> | Key information on the risks that are specific and individual to the securities. | <p>Potential investors of the Securities should recognise that the Securities <b>constitute a risk investment</b> which can lead to a <b>total loss</b> of their investment in the Securities. Securityholders will incur a loss, if the amount received in accordance with the Conditions of the Securities is below the purchase price of the Securities (including the transaction costs). Any investor bears the risk of the Issuer's financial situation worsening and the potential subsequent inability of the Issuer to pay its obligations under the Securities. Potential investors must therefore be prepared and able to sustain a partial or even a <b>total loss</b> of the invested capital. Any investors interested in purchasing the Securities should assess their financial situation, to ensure that they are in a position to bear the <b>risks of loss</b> connected with the Securities.</p> <p><b><u>Special risks related to specific features of the Security structure</u></b></p> <p>Potential investors should be aware that the amount of the Redemption Amount payable in accordance with the Conditions of the Securities depends on the performance of the Underlying. In case of an unfavourable development of the price of the Underlying, any amount received under the Securities may be lower than expected by the investors <b>and may even be equal to zero. In such case the Securityholders will incur a total loss of its investment (including any transaction costs).</b></p> <p>Potential investors should consider that the Securities may according to the Conditions of the Securities under certain circumstances expire prior to the Maturity Date without any notice or declaration by the Issuer or the Securityholder being required, so-called express structure. In case the Securities expire prior to the Maturity Date, the Securityholder is entitled to demand the payment of a cash amount in relation to the early expiration. However, the Securityholder is not entitled to request any further payments on the Securities after such early expiration.</p> |



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|  |  | <p>The Securityholder, therefore, bears the risk of not participating in the performance of the Underlying to the expected extent and during the expected period.</p> <p>In the case of an early expiration of the Securities, the Securityholder also bears the so-called <b>risk of reinvestment</b>. The Securityholder may only be able to re-invest any amount paid by the Issuer in the case of an early expiration, if any, at market conditions, which are less favourable than those existing prevailing at the time of the acquisition of the Securities.</p> <p>Potential investors should consider that the Redemption Amount, if any, under the Securities depends on whether the price of the Underlying equals, and/or falls below respectively exceeds a certain threshold, barrier or level as specified in the relevant Final Terms, at a given time or, as the case may be, within a given period as determined by the Conditions of the Securities.</p> <p>Only provided that the relevant threshold, barrier or, as the case may be, level has not been reached and/or fallen below respectively exceeded at the time or period as determined by the Conditions of the Securities, the holder of a Security receives an amount, predetermined in the Conditions of the Securities as Redemption Amount. If so specified in the relevant Final Terms, the application of thresholds, barriers or levels as specified in the relevant Final Terms may in accordance with the Conditions of the Securities even result in a Redemption Amount of zero (0). Otherwise the Securityholder participates in the performance of the Underlying and, therefore, bears the risks of a total loss of the invested capital.</p> <p>Potential investors should consider that the calculation of the level of the Redemption Amount, if any, solely refers to the performance of the Relevant Underlying and, thereby, to the Underlying, showing a certain predetermined performance, e.g. the worst performance during an observation period.</p> <p>Potential investors should, consequently, be aware that compared to Securities, which refer to only one underlying, the Securities show a higher exposure to loss. This risk may not be reduced by a positive or, as the case may be, negative performance of the remaining Underlyings, because the remaining Underlyings are not taken into account when calculating the level of the Redemption Amount.</p> <p>Potential investors should consider that Securityholders do not have a termination right and the Securities may, hence, not be terminated by the Securityholders during their term. Prior to the maturity of the Securities the realisation of the economic value of the Securities (or parts thereof), is, unless the Securities have been subject to early redemption or termination by the Issuer in accordance with the Conditions of the Securities or, if so specified in the relevant Final Terms, an exercise of the Security Right by the Securityholders in accordance with the Conditions of the Securities, only possible by way of selling the Securities.</p> <p>Selling the Securities requires that market participants are willing to acquire the Securities at a certain price. In case that no market participants are readily available, the value of the Securities may not be realised. The issuance of the Securities does not result in an obligation of the Issuer towards the Securityholders to compensate for this or to repurchase the Securities.</p> <p>Potential investors should consider that the Price of the Underlying is determined in a currency other than the Redemption Currency, so-called underlying currency. The relevant Price of the Underlying used for the</p> |
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|  |  | <p>calculation of any amounts payable under the Securities is expressed in the Redemption Currency without any reference to the currency exchange rate between the underlying currency of the Underlying, and the Redemption Currency (so-called "quanto"-feature). As a result, the relative difference between the actual interest rate in relation to the underlying currency and the actual interest rate in relation to the Redemption Currency may have a negative impact on the value of the Securities.</p> <p><b><u>General risks related to the Securities</u></b></p> <p><b><i>Effect of downgrading of the Issuer's rating</i></b><br/> The general assessment of the Issuer's creditworthiness may affect the value of the Securities. As a result, any downgrading of the Issuer's rating by a rating agency may have a negative impact on the value of the Securities.</p> <p><b><i>Ratings are not Recommendations</i></b><br/> The ratings of UBS AG as Issuer should be evaluated independently from similar ratings of other entities, and from the rating, if any, of the debt or derivative securities issued. A credit rating is not a recommendation to buy, sell or hold securities issued or guaranteed by the rated entity and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.</p> <p>A rating of the Securities, if any, is not a recommendation to buy, sell or hold the Securities and may be subject to revision or withdrawal at any time by the relevant rating agency. Each rating should be evaluated independently of any other securities rating, both in respect of the rating agency and the type of security. Furthermore, rating agencies which have not been hired by the Issuer or otherwise to rate the Securities could seek to rate the Securities and if such "unsolicited ratings" are lower than the equivalent rating assigned to the Securities by the relevant hired rating agency, such ratings could have an adverse effect on the value of the Securities.</p> <p><b><i>Securityholders are exposed to the risk of a bail-in</i></b><br/> The Issuer and the Securities are subject to the Swiss Banking Act and FINMA's bank insolvency ordinance, which empowers FINMA as the competent resolution authority to in particular apply under certain circumstances certain resolution tools to credit institutions. These measures include in particular the write-down or conversion of securities into common equity of such credit institution (the so called bail-in). A write-down or conversion would have the effect that the Issuer would insofar be released from its obligations under the Securities. Securityholders would have no further claim against the Issuer under the Securities. The resolution tools may, hence, have a significant negative impact on the Securityholders' rights by suspending, modifying and wholly or partially extinguishing claims under the Securities. In the worst case, this can lead to a <b>total loss of the Securityholders' investment in the Securities</b>.</p> <p>Such legal provisions and/or regulatory measures may severely affect the rights of the Securityholders and may have a negative impact on the value of the Securities even prior to any non-viability or resolution in relation to the Issuer.</p> <p><b><i>The Conditions of the Securities do not contain any restrictions on the Issuer's or UBS's ability to restructure its business</i></b><br/> The Conditions of the Securities contain no restrictions on change of control events or structural changes, such as consolidations or mergers or demergers of the Issuer or the sale, assignment, spin-off, contribution, distribution, transfer or other disposal of all or any portion of the Issuer's or</p> |
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|  |  | <p>its subsidiaries' properties or assets in connection with the announced changes to its legal structure or otherwise and no event of default, requirement to repurchase the Securities or other event will be triggered under the Conditions of the Securities as a result of such changes. There is the risk that such changes, should they occur, would adversely affect the credit rating of the Issuer and/or increase the likelihood of the occurrence of an event of default. Such changes, should they occur, may adversely affect the Issuer's ability to redeem or pay interest on the Securities and/or lead to circumstances in which the Issuer may elect to cancel such interest (if applicable).</p> <p><b><i>Termination and Early Redemption at the option of the Issuer</i></b></p> <p>Potential investors in the Securities should furthermore be aware that the Issuer is, pursuant to the Conditions of the Securities, under certain circumstances, entitled to terminate and redeem the Securities in total prior to the scheduled Maturity Date. In this case the Securityholder is in accordance with the Conditions of the Securities entitled to demand the payment of a redemption amount in relation to this early redemption. However, the Securityholder is not entitled to request any further payments on the Securities after the relevant termination date. Furthermore, the Termination Amount, if any, payable in the case of an early redemption of the Securities by the Issuer can be considerably below the amount, which would be payable at the scheduled end of the term of the Securities.</p> <p>The Securityholder, therefore, bears the risk of not participating in the performance of the Underlying to the expected extent and during the expected period.</p> <p>In the case of a termination of the Securities by the Issuer, the Securityholder bears the risk of a reinvestment, i.e. the investor bears the risk that it will have to re-invest the Termination Amount, if any, paid by the Issuer in the case of termination at market conditions, which are less favourable than those prevailing at the time of the acquisition of the Securities.</p> <p><b><i>Adverse impact of adjustments of the Security Right</i></b></p> <p>There is the risk that certain events occur or certain measures are taken (by parties other than the Issuer) in relation to the Underlying, which potentially lead to changes to the Underlying or result in the underlying concept of the Underlying being changed, so-called Potential Adjustment Events and Replacement Events. In the case of the occurrence of a Potential Adjustment Event, the Issuer shall be entitled to adjust the Conditions of the Securities to account for these events or measures and shall, in the case of the occurrence of a Replacement Event, even be entitled to replace the Underlying. These adjustments might have a negative impact on the value of the Securities.</p> <p><b><i>Substitution of the Issuer</i></b></p> <p>Provided that the Issuer is not in default with its obligations under the Securities, the Issuer is in accordance with the Conditions of the Securities, at any time entitled, without the consent of the Securityholders, to substitute another company within the UBS Group as issuer (the "<b>Substitute Issuer</b>") with respect to all obligations under or in connection with the Securities.</p> <p>This may impact any listing of the Securities and, in particular, it may be necessary for the Substitute Issuer to reapply for listing on the relevant market or stock exchange on which the Securities are listed. In addition, following such a substitution, Securityholders will become subject to the credit risk of the Substitute Issuer.</p> |
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|  |  | <p><b><i>Trading in the Securities / Illiquidity</i></b></p> <p>It is not possible to predict if and to what extent a secondary market may develop in the Securities or at what price the Securities will trade in the secondary market or whether such market will be liquid or illiquid.</p> <p>Applications will be or have been made to the Security Exchange(s) specified for admission or listing of the Securities. If the Securities are admitted or listed, there is the risk that any such admission or listing will not be maintained. The fact that the Securities are admitted to trading or listed does not necessarily denote greater liquidity than if this were not the case. If the Securities are not listed or traded on any exchange, pricing information for the Securities may be more difficult to obtain and the liquidity of the Securities, if any, may be adversely affected. The liquidity of the Securities, if any, may also be affected by restrictions on the purchase and sale of the Securities in some jurisdictions. Additionally, the Issuer has the right (but no obligation) to purchase Securities at any time and at any price in the open market or by tender or private agreement. Any Securities so purchased may be held or resold or surrendered for cancellation.</p> <p>In addition, there is the risk that the number of Securities actually issued and purchased by investors is less than the intended Aggregate Nominal Amount of the Securities. Consequently, there is the risk that due to the low volume of Securities actually issued the liquidity of the Securities is lower than if all Securities were issued and purchased by investors.</p> <p>The Manager(s) intend, under normal market conditions, to provide bid and offer prices for the Securities of an issue on a regular basis. However, the Manager(s) make no firm commitment to the Issuer to provide liquidity by means of bid and offer prices for the Securities, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices. <b>Potential investors therefore should not rely on the ability to sell Securities at a specific time or at a specific price.</b></p> <p><b><i>Taxation in relation to the Securities</i></b></p> <p>Potential investors should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Securities are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial instruments such as the Securities. Potential investors are advised not to rely upon the tax summary contained in the Base Prospectus but to ask for their own tax advisor's advice on their individual taxation with respect to the acquisition, sale and redemption of the Securities. Only these advisors are in a position to duly consider the specific situation of the potential investor.</p> <p><b><i>Payments under the Securities may be subject to U.S. withholdings</i></b></p> <p>Securityholders should, consequently, be aware that payments under the Securities may under certain circumstances be subject to U.S. withholding tax. If an amount in respect of such U.S. withholding tax were to be deducted or withheld from payments on the Securities, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions of the Securities, be required to pay additional amounts as a result of the deduction or withholding of such tax.</p> <p><b><i>Changes in Taxation in relation to the Securities</i></b></p> <p>The considerations concerning the taxation of the Securities set forth in the Base Prospectus reflect the opinion of the Issuer on the basis of the legal situation identifiable as of the date hereof. However, there is the risk that the fiscal authorities and tax courts might take a different view, resulting in</p> |
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|  |  | <p>a different tax treatment of the Securities. Each investor should seek the advice of his or her personal tax consultant before deciding whether to purchase the Securities.</p> <p>Neither the Issuer nor the Manager assumes any responsibility vis-à-vis the Securityholders for the tax consequences of an investment in the Securities.</p> <p><b><i>Potential conflicts of interest</i></b></p> <p>The Issuer and affiliated companies may participate in transactions related to the Securities in some way, for their own account or for account of a client. Such transactions may not serve to benefit the Securityholders and may have a positive or negative effect on the value of the Underlying, and consequently on the value of the Securities. Furthermore, companies affiliated with the Issuer may become counterparties in hedging transactions relating to obligations of the Issuer stemming from the Securities. As a result, conflicts of interest can arise between companies affiliated with the Issuer, as well as between these companies and investors, in relation to obligations regarding the calculation of the price of the Securities and other associated determinations. In addition, the Issuer and its affiliates may act in other capacities with regard to the Securities, such as calculation agent, paying agent and administrative agent and/or index sponsor.</p> <p>Furthermore, the Issuer and its affiliates may issue other derivative instruments relating to the Underlying or, as the case may be, the Basket Components; introduction of such competing products may affect the value of the Securities. The Issuer and its affiliated companies may receive non-public information relating to the Underlying, and neither the Issuer nor any of its affiliates undertakes to make this information available to Securityholders. In addition, one or more of the Issuer's affiliated companies may publish research reports on the Underlying. Such activities could present conflicts of interest and may negatively affect the value of the Securities.</p> <p>Within the context of the offering and sale of the Securities, the Issuer or any of its affiliates may directly or indirectly pay fees in varying amounts to third parties, such as distributors or investment advisors, or receive payment of fees in varying amounts, including those levied in association with the distribution of the Securities, from third parties. Potential investors should be aware that the Issuer may retain fees in part or in full. The Issuer or, as the case may be, the Manager, upon request, will provide information on the amount of these fees.</p> <p><b><u>Risk factors relating to the Underlying</u></b></p> <p>The Securities depend on the value of the Underlying and the risk associated with this Underlying. The value of the Underlying depends upon a number of factors that may be interconnected. These may include economic, financial and political events beyond the Issuer's control. The past performance of an Underlying should not be regarded as an indicator of its future performance during the term of the Securities and the Issuer does not give any explicit or tacit warranty or representation regarding the future performance of the Underlying.</p> <p>Investors should be aware that the relevant Underlying will not be held by the Issuer for the benefit of the Securityholders, and that Securityholders will not obtain any rights of ownership (including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights) with respect to the Underlying.</p> |
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| <b>D.6</b> | Risk warning to the effect that investors may lose the value of their entire investment or part of it. | Each investor in the Securities bears the risk of the Issuer's financial situation worsening. Potential investors must therefore be prepared and able to sustain a partial or even a <b>total loss</b> of their entire investment. Any investors interested in purchasing the Securities should assess their financial situation, to ensure that they are in a position to bear the <b>risk of loss</b> connected with the Securities. |
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| Element     | Section E – Offer   |   |
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| <b>E.2b</b> | Reasons for the offer and use of proceeds.                                | Not applicable. Reasons for the offer and use of proceeds are not different from making profit and/or hedging certain risks.  |
| <b>E.3</b>  | Terms and conditions of the offer.  | <p>It has been agreed that, on or after the respective Issue Date of the Securities, the Manager may purchase Securities and shall place the Securities for sale at the Issue Price under terms subject to change in the Public Offer Jurisdictions during the Subscription Period (as defined below). The Issue Price was fixed at the Start of the public offer of the Securities. After closing of the Subscription Period the selling price will be adjusted on a continual basis to reflect the prevailing market situation.</p> <p>The Securities may be subscribed from the Manager during normal banking hours during 21 December 2018 and 1 February 2019 (the "<b>Subscription Period</b>"). The Issue Price per Security is payable on 27 February 2019 (the "<b>Initial Payment Date</b>").</p> <p>The Issuer reserves the right to earlier close or to extend the Subscription Period if market conditions so require.</p> <p>After the Initial Payment Date, the appropriate number of Securities shall be credited to the investor's account in accordance with the rules of the corresponding Clearing System. If the Subscription Period is shortened or extended, the Initial Payment Date may also be brought forward or postponed.</p>  |
| <b>E.4</b>  | Interest that is material to the issue/offer incl. conflicting interests. | <p><b>Conflicts of interest</b></p> <p>The Issuer and affiliated companies may participate in transactions related to the Securities in some way, for their own account or for account of a client. Such transactions may not serve to benefit the Securityholders and may have a positive or negative effect on the value of the Underlying, and consequently on the value of the Securities. Furthermore, companies affiliated with the Issuer may become counterparties in hedging transactions relating to obligations of the Issuer stemming from the Securities. As a result, conflicts of interest can arise between companies affiliated with the Issuer, as well as between these companies and investors, in relation to obligations regarding the calculation of the price of the Securities and other associated determinations. In addition, the Issuer and its affiliates may act in other capacities with regard to the Securities, such as calculation agent, paying agent and administrative agent and/or index sponsor.</p> <p>Furthermore, the Issuer and its affiliates may issue other derivative instruments relating to the Underlying; introduction of such competing products may affect the value of the Securities. The Issuer and its affiliated companies may receive non-public information relating to the Underlying, and neither the Issuer nor any of its affiliates undertakes to make this information available to Securityholders. In addition, one or more of the Issuer's affiliated companies may publish research reports on the Underlying. Such activities could present conflicts of interest and may negatively affect the value of the Securities.</p> |

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|            |  | <p>Within the context of the offering and sale of the Securities, the Issuer or any of its affiliates may directly or indirectly pay fees in varying amounts to third parties, such as distributors or investment advisors, or receive payment of fees in varying amounts, including those levied in association with the distribution of the Securities, from third parties. Potential investors should be aware that the Issuer may retain fees in part or in full. The Issuer or, as the case may be, the Manager, upon request, will provide information on the amount of these fees.</p> <p><b>Any interest that is material to the issue/offer including potential conflicting interests</b></p> <p>As far as the Issuer is aware, no person involved in the issue and offer and listing of the Securities has an interest material to the issue and offer and listing of the Securities.</p> |
| <b>E.7</b> | Estimated expenses charged to the investor by the issuer or the offeror. | Not applicable; no expenses are charged to the investor by the issuer or the Manager.   |