



UBS Group AG
AUD 700 million Perpetual Non Call 2024 High Trigger Permanent Write Down AT1 Capital Notes

Term Sheet dated 20 August 2019

Issuer:	UBS Group AG (the " Issuer ")
Instrument:	Tier 1 Capital Notes (" Notes ")
Issuer Ratings:	A- stable (S&P) A+ stable (Fitch)
Expected Instrument Ratings:	BB (S&P) BBB- (Fitch)
Currency:	AUD
Amount:	AUD 700,000,000
Pricing Date:	20 August 2019
Settlement Date:	27 August 2019 (T+5)
Maturity Date:	The Notes are perpetual securities in respect of which there is no fixed or final redemption date
First Call Date:	27 August 2024
Initial Interest Rate:	From (and including) the Issue Date to (but excluding) the First Call Date at 4.375 per cent per annum, paid semi-annually in arrear
Reset Interest Rate:	From (and including) the First Call Date at a new fixed rate equal to the AUD Semi Quarterly Mid-Swap Rate with a term of 5-years plus the Margin as determined by the Calculation Agent, which resets every 5-years thereafter. [Please see Condition 4(a) (<i>Interest Payment Dates</i>) for further details]
Semi Quarterly Mid-Swap Rate:	The 5-Year AUD Semi-Semi Mid-Swap Reference Rate, calculated as the mid-market arithmetic mean of the bid and offered swap rates appearing on Bloomberg Page IAUS10 (or its replacement page) at 10:30am (local time in Sydney), adjusted for quarterly basis, calculated as the arithmetic mean of the bid and offered swap rate by referencing Bloomberg Page IAUS15 (or its replacement page), as determined by the Calculation Agent on the Reset Rate of Interest Determination Date, or, if such rate does not appear on the Screen Page at such time on such Reset Rate of Interest Determination Date, the Reset Reference Bank Rate on such Reset Rate of Interest Determination Date. [Please see the Conditions 1 (<i>Definitions</i>) and 4 (<i>Interest</i>).]
Margin:	3.590%
Day Count Fraction	Act/Act (ICMA), Following, Unadjusted
Interest Payment Date:	Semi-annually in arrear on 27 August and 27 February of each year, commencing on 27 February 2020
Interest Payments:	Interest payments are fully discretionary and non-cumulative. [Please see Condition 4 (<i>Interest</i>) for further details]
Status of the Notes	The Notes will constitute direct, unsecured and subordinated obligations of the Issuer and rank pari passu and without any

preference among themselves. The rights and claims of the Holders against the Issuer under the Notes are subordinated [as described in Condition 3(b) (*Status and Subordination - Subordination*)]

Contractual Dividend Stopper:

If any Interest Payment is cancelled, UBS Group AG shall not: (a) recommend a dividend on its Ordinary Shares (other than a dividend in kind paid in Ordinary Shares); or (b) redeem, purchase or otherwise acquire Ordinary Shares (other than as a Permitted Transaction). [Please see Condition 4(j) (Cancellation of interest; prohibited interest) for further details.]

Redemption:

Anytime, in whole and not in part upon the occurrence of a Tax Event or a Regulatory Event. A Regulatory Event will have occurred if any of the Notes ceases to be eligible in full to be (A) treated as Additional Tier 1 Capital, and/or (B) counted towards either the Going-Concern LR Requirement or the Going-Concern RWA Requirement (or both)

On the First Call Date (27 August 2024) or any Interest Payment Date thereafter, in whole but not in part, at par at the option of the Issuer, together with any accrued and unpaid interest thereon to (but excluding) such Redemption Date

In each case (other than a Regulatory Event) subject to FINMA approval, if such approval is required under applicable Swiss laws and regulations. [Please see Clauses (b) through (e) of Condition 5 (*Redemption and Purchase*) for further details.]

Substitution and Amendment:

Upon the occurrence of a Tax Event, Regulatory Event or Alignment Event the Notes may be substituted, in whole but not in part, by or the Terms and Conditions may be amended so that the Notes remain or become, Compliant Securities. Compliant Securities must have economic terms which are not materially less favorable to a Holder than the Terms and Conditions. [Please see Condition 11 (*Substitution and Amendment*) for further details.]

Voluntary Issuer Substitution:

Subject to certain conditions, the Issuer may, without consent of the Holders, substitute UBS Group AG or, if it guaranteed the Notes, any other direct or indirect controlled subsidiary of UBS Group AG (provided that UBS Group AG holds at least 95 per cent of such subsidiary's capital and voting rights) for the Issuer for all purposes under the Notes. [Please see Condition 13 (*Issuer Substitution*) for further details.]

Contingent Write-down:

On the earlier of: (i) the occurrence of a Trigger Event; and (ii) upon the occurrence of a Viability Event

Upon a Contingent Write-down the full principal amount of the Notes (including accrued interest thereon) will automatically and permanently be written-down to zero on the Write-down Date. [Please see Condition 6 (*Contingent Write-down*) for further details.]

Viability Event:

Earlier of: (i) FINMA notifying UBS Group AG that a write-down is necessary to avoid bankruptcy or insolvency; or (ii) the Issuer receiving an irrevocable commitment of direct or indirect extraordinary support from the Public Sector without which it would have become insolvent or bankrupt (in FINMA's opinion). [Please see Condition 6(c) (*Viability Event*) for further details.]

Business Days:

Sydney, London, Zurich

Reoffer Price:	100.000%
Semi-Quarterly Mid Swap Reference:	0.785%
Reoffer Yield:	4.375%
Fixed Interest Rate¹:	4.375%
Sole Global Co-ordinator:	UBS AG, Australia Branch
Joint Lead Managers (Active):	UBS AG, Australia Branch Australia and New Zealand Banking Group Limited Commonwealth Bank of Australia National Australia Bank Limited ABN 12 004 044 937 Westpac Banking Corporation ABN 33 007 457
Joint Lead Managers (Passive):	Lloyds Bank Corporate Markets plc Nordea Bank Abp Société Générale SMBC Nikko Capital Markets Limited
CUSIP:	ZR2282195
ISIN:	CH0488506673
Documentation:	Standalone documentation
Listing:	SIX Swiss Exchange
Denomination:	AUD 200,000 and integral multiples of AUD 200,000 in excess thereof, subject to a minimum sale of AUD 500,000 in Australia
Selling Restrictions:	See "Subscription and Sale" in Standalone documentation
Governing Law:	Swiss law
Form of Notes:	The Notes will be issued in uncertificated form as uncertificated securities (Wertrechte) and will be entered into the main register (Hauptregister) of SIX SIS or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange.
Clearing:	Euroclear, Clearstream
Expected date for provisional admission of the Notes to trading on the SIX Swiss Exchange	27 August 2019

Risk Factors

The prospectus contains a number of Risk Factors relating to the Notes, to the market generally and to UBS that prospective investors should read carefully before deciding whether or not to invest

¹

Final fallback in case of benchmark replacement.

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SFA Product Classification - the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are "prescribed capital markets products"(as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

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