

Specified Securities Information

UBS Group Funding (Switzerland) AG

SPECIFIED SECURITIES INFORMATION

Type of Information:	Specified Securities Information
Date of Announcement:	5 November 2018
Issuer Name:	UBS Group Funding (Switzerland) AG
Name and Title of Representative:	Antonio Boné, Authorized Signatory
Address of Head Office:	Bahnhofstrasse 45, 8001 Zürich, Switzerland
Telephone:	+41 44 239 26 55
Contact Person:	Takashi Tsukioka, Attorney-at-law Motoki Saito, Attorney-at-law Hironobu Kumoto, Attorney-at-law Nagashima Ohno & Tsunematsu Address: JP Tower, 2-7-2 Marunouchi, Chiyoda-ku, Tokyo 100-7036 Telephone: +81 3-6889-7000
Type of Securities:	Notes
Total Issuance Value of Securities or Total Sale Value of Securities:	JPY 150,000,000,000
Contents of Program Information:	
Date of Announcement:	22 March 2018
Scheduled Issuance Period:	23 March 2018 to 22 March 2019
Maximum Outstanding Issuance Amount:	Unlimited
Matters related to Financial Instruments Exchange Market, etc.:	Not applicable
Address of Website for Announcement:	https://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html
Status of Submission of Annual Securities Reports:	None

Notes to Investors:

1. TOKYO PRO-BOND Market is a market for professional investors, etc. (*Tokutei Toushika tou*) as defined in Article 2, Paragraph 3, Item 2(b)(2) of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA") (the "**Professional Investors, Etc.**"). Notes listed on the market ("**Listed Notes**") may involve high investment risk. Investors should be aware of the listing eligibility and timely disclosure requirements that apply to issuers of Listed Notes on the TOKYO PRO-BOND Market and associated risks such as the fluctuation of market prices and shall bear responsibility for their investments. Prospective investors should make investment decisions only after having carefully considered the contents of this Specified Securities Information.

2. Where this Specified Securities Information (a) contains any false statement on important matters, or (b) lacks information on: (i) important matters that should be announced or (ii) a material fact that is necessary to avoid misleading content, a person who, at the time of announcement of this Specified Securities Information, is an officer (meaning an officer stipulated in Article 21, Paragraph 1, Item 1 of the FIEA (meaning a director of the board (*torishimari-yaku*), accounting advisor (*kaikei-sanyo*), company auditor (*kansa-yaku*) or executive officer (*shikkou-yaku*), or a person equivalent to any of these) of the issuer that announced the Specified Securities Information shall be liable to compensate persons who acquired the securities for any damage or loss arising from the false statement or lack of information in accordance with Article 21, Paragraph 1, Item 1 of the FIEA applied *mutatis mutandis* in Article 27-33 of the FIEA and persons who acquired or disposed of the securities for any damage or loss arising from the false statement or lack of information in accordance with Article 22 of the FIEA applied *mutatis mutandis* in Article 27-34 of the FIEA. However, this shall not apply to cases where the person who acquired the securities was aware of the existence of the false statement or the lack of information at the time of subscription for acquisition of the securities. Additionally, the officer shall not be required to assume the liability prescribed above, where he/she proves that he/she was not aware of, and was unable to obtain knowledge of, even with reasonable care, the existence of the false statement or the lack of information.
3. The regulatory framework for TOKYO PRO-BOND Market is different in fundamental aspects from the regulatory framework applicable to other exchange markets in Japan. Investors should be aware of the rules and regulations of the TOKYO PRO-BOND Market, which are available on the Tokyo Stock Exchange website.
4. Tokyo Stock Exchange does not express opinions or issue guarantees, etc. regarding the content of the Specified Securities Information (including but not limited to, whether the Specified Securities Information (a) contains a false statement or (b) lacks information on: (i) important matters that should be announced or (ii) a material fact that is necessary to avoid misleading content) and shall not be liable for any damage or loss.
5. All prospective investors who purchase the notes of UBS Group Funding (Switzerland) AG (the “**Issuer**”) to be issued under this Specified Securities Information (the “**Notes**”) should be aware that when they offer to purchase the Notes, they shall be required to (i) enter into and agree to the terms of a transfer restriction agreement with the Issuer and/or the person making a solicitation, or (ii) (in case of an offer to acquire the Notes to be newly issued) agree to comply with the terms of a transfer restriction that is described as constituting the terms of the Notes or the conditions of the transaction for the Notes in a document describing the information on the Notes and is explained by a financial instrument business operator, etc. (*kinyushohin torihikigyosha tou*) making a solicitation. The terms of such transfer restriction agreement or transfer restriction provide that prospective investors agree not to sell, transfer or otherwise dispose of the Notes to be held by them to any person other than the Professional Investors, Etc., except for the transfer of the Notes to the following:
 - (a) the Issuer or the officer (meaning directors, company auditors, executive officers or persons equivalent thereto) thereof who holds shares or equity pertaining to voting rights exceeding 50% of all the voting rights in the Issuer which is calculated by excluding treasury shares and any non-voting rights shares (the “**Voting Rights Held by All the Shareholders, Etc.**” (*SouKabunushi Tou no Giketsuken*)) (as prescribed in Article 29-4, Paragraph 2 of the FIEA; the same shall apply hereinafter) of the Issuer under his/her own name or another person's name (hereinafter such Officer shall be referred to as the “**Specified Officer**” (*Tokutei Yakuin*) in this Paragraph), or to a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50 % of the Voting Rights Held by All the Shareholders, Etc. are held by the Specified Officer (the “**Controlled Juridical Person, Etc.**”) (*Hi-Shihai Houjin Tou*) including a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. are jointly held by the Specified Officer and the Controlled Juridical Person, Etc. (as prescribed in Article 11-2, Paragraph 1, Item 2 (c) of the Cabinet Office Ordinance on Definitions under Article 2 of the Financial Instruments and Exchange Act (MOF Ordinance No.14 of 1993, as amended)); or

- (b) a company that holds shares or equity pertaining to voting rights exceeding 50 % of the Voting Rights Held by All the Shareholders, Etc. of the Issuer in its own name or another person's name.
6. When (i) a solicitation of an offer to acquire the Notes or (ii) an offer to sell or a solicitation of an offer to purchase the Notes (collectively, "**Solicitation of the Note Trade**") is made, the following matters shall be notified from the person who makes such Solicitation of the Note Trade to the person to whom such Solicitation of the Note Trade is made in accordance with the FIEA and regulations thereunder (as amended from time to time):
- (a) no securities registration statement (pursuant to Article 4, Paragraphs 1 through 3 of the FIEA) has been filed with respect to the Solicitation of the Note Trade;
 - (b) the Notes fall, or will fall, under the Securities for Professional Investors (*Tokutei Touseika Muke Yukashoken*) (as defined in Article 4, Paragraph 3 of the FIEA);
 - (c) any acquisition or purchase of the Notes by such person pursuant to any Solicitation of the Note Trade is conditional upon such person (i) (in the case of a solicitation of an offer to acquire the Notes to be newly issued) (x) entering into an agreement providing for the restriction on transfer of the Notes as set forth in 5 (i) above with each of the Issuer and the person making such Solicitation of the Note Trade, or (y) agreeing to comply with the transfer restriction as set forth in 5 (ii) above, or (ii) (in the case of an offer to sell or a solicitation of an offer to purchase the Notes already issued) entering into an agreement providing for the restriction on transfer of the Notes as set forth in 5 (i) above with the person making such Solicitation of the Note Trade;
 - (d) Article 4, Paragraphs 3, 5 and 6 of the FIEA will be applicable to such certain solicitation, offers and other activities with respect to the Notes as provided in Article 4, Paragraph 2 of the FIEA;
 - (e) the Specified Securities Information, Etc. (*Tokutei Shouken Tou Jouhou*) (as defined in Article 27-33 of the FIEA) with respect to the Notes and the Issuer Filing Information, Etc. (*Hakkosha Tou Jouhou*) (as defined in Article 27-34 of the FIEA) with respect to the Issuer have been or will be made available for the Professional Investors, Etc. by way of such information being posted on the web-site maintained by the TOKYO PRO-BOND Market (<https://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html> or any successor website) in accordance with Articles 210 and 217 of the Special Regulations of Securities Listing Regulations Concerning Specified Listed Securities of Tokyo Stock Exchange Inc.; and
 - (f) the Issuer Filing Information, Etc. will be provided to the holders of the Notes or made public pursuant to Article 27-32 of the FIEA.

PRICING SUPPLEMENT

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes described herein are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC, as amended. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes described herein or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling such Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes described herein has led to the conclusion that (i) the target market for such Notes is eligible counterparties and professional clients only, each as defined in MiFID II and (ii) all channels for distribution of such Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending such Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of such Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Pricing Supplement dated 2 November 2018

UBS Group Funding (Switzerland) AG

Issue of JPY 130,000,000,000 0.719 per cent. Fixed Rate/Floating Rate Senior Notes due 2024
Guaranteed by UBS Group AG
under the
Senior Debt Programme

PART A – CONTRACTUAL TERMS

Terms used but not defined herein shall have the meanings assigned to such terms in, and terms defined herein shall be deemed to be defined as such for purposes of, the General Terms and Conditions set forth in the Base Prospectus dated 13 March 2018, as supplemented by the supplements thereto dated 6 April 2018 and 26 October 2018 (collectively, the "**Base Prospectus**"). This document constitutes the Pricing Supplement of the Tranche of Notes described herein and must be read in conjunction with the Base Prospectus, which together constitute the listing prospectus with respect to the Tranche of Notes described herein for purposes of the listing rules of the SIX Swiss Exchange.

Full information on the Issuer, the Guarantor and the offer of the Tranche of Notes described herein is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Base Prospectus (including the supplements thereto) are available from the Issuer at UBS AG, Zurich, Swiss Prospectus, Switzerland (voicemail: +41442394703; fax: +41442396914; email: swiss-prospectus@ubs.com).

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| 1. | Issuer: | UBS Group Funding (Switzerland) AG |
| 2. | Guarantor: | UBS Group AG |
| 3. | (i) Series Number: | 17 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Notes become fungible: | Not Applicable |
| 4. | Specified Currency: | Japanese Yen (" JPY ") |

5.	Aggregate Principal Amount:	
	(i) Series:	JPY 130,000,000,000
	(ii) Tranche:	JPY 130,000,000,000
6.	Issue Price:	100.00 per cent. of the Aggregate Principal Amount
7.	Original Issue Discount:	No
8.	(i) Specified Denominations:	JPY 100,000,000
	(ii) Calculation Amount:	JPY 100,000,000
9.	(i) Issue Date:	9 November 2018
	(ii) Interest Commencement Date:	The Issue Date
10.	Maturity Date:	The Interest Payment Date falling in or nearest to November 2024
11.	Interest Basis:	Fixed Rate/Floating Rate
12.	Redemption/Payment Basis:	Redemption at par, subject to any purchase and cancellation or early redemption
13.	Change of Interest or Redemption/Payment Basis:	Interest will be payable on a Fixed Rate basis from (and including) the Issue Date to (but excluding) the Floating Rate Commencement Date and on a Floating Rate basis from (and including) the Floating Rate Commencement Date to (but excluding) the Maturity Date <i>(see further particulars specified in paragraph 21 below)</i>
14.	Early Redemption:	
	(i) Tax Event:	At the Issuer's option upon a Tax Event, as more particularly described in Condition 7 (<i>Redemption and Purchase</i>)
	(ii) Issuer Call:	Applicable
	(iii) Make-Whole Redemption:	Not Applicable
	(iv) Ineligibility Event:	Applicable
15.	Status of the Notes:	Senior, as more particularly described in Condition 4 (<i>Status of the Notes</i>)
16.	Date approval for issuance of Notes obtained from a member of the Board of Directors of the Issuer:	31 October 2018
17.	Date approval for issuance of Notes and the Guarantee obtained from UBS Group Treasurer:	31 October 2018

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18.	Fixed Rate Note Provisions:	Not Applicable
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19.	Fixed Rate/Fixed Rate Note Provisions:	Not Applicable
20.	Floating Rate Note Provisions:	Not Applicable
21.	Fixed Rate/Floating Rate Note Provisions:	Applicable
(i)	Fixed Rate of Interest:	0.719 per cent. per annum
(ii)	Interest Payment Dates on and prior to the Floating Rate Commencement Date:	8 May and 8 November in each year, commencing on 8 May 2019 (short first coupon) until (and including) the Floating Rate Commencement Date
(iii)	Fixed Coupon Amount:	JPY 359,500 per Calculation Amount
(iv)	Broken Amount:	JPY 357,503 per Calculation Amount, payable on the Interest Payment Date falling on 8 May 2019
(v)	Floating Rate Commencement Date:	8 November 2023
(vi)	Specified Interest Payment Date(s):	8 May 2024 and the Maturity Date, as adjusted in accordance with the Business Day Convention
(vii)	Specified Period(s):	Not Applicable
(viii)	Reference Rate:	6-month JPY LIBOR
(ix)	Interest Determination Date(s):	With respect to any Interest Period, the day falling two London business days prior to (a) in the case of the first Interest Period, the Floating Rate Commencement Date, and (b) otherwise, the Interest Payment Date on which such Interest Period commences. <p>"London business day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in JPY and are open for general business (including, without limitation, dealing in foreign exchange and foreign currency deposits) in London.</p>
(x)	Relevant Screen Page:	Reuters LIBOR01
(xiii)	Margin(s):	+ 0.55 per cent. per annum
(xiv)	Minimum Floating Rate of Interest:	0.00 per cent. per annum
(xv)	Maximum Floating Rate of Interest:	Not Applicable
(xvi)	Business Day Convention:	Fixed Rate of Interest: Not Applicable Floating Rate of Interest: Modified Following Business Day Convention
(xvii)	Day Count Fraction:	Fixed Rate of Interest: 30/360 Floating Rate of Interest: Actual/360
(xviii)	Calculation Agent (including Specified Office):	UBS AG Bahnhofstrasse 45, CH-8001 Zurich Switzerland

- (xix) Other terms relating to the method of calculating interest for Fixed Rate/Floating Rate Notes, if different from those set out in the General Terms and Conditions: Not Applicable

PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: Applicable
- (i) Optional Redemption Date(s): 8 November 2023
- (ii) Optional Redemption Amount: JPY 100,000,000 per Calculation Amount
- (iii) Notice period for notice to the Holders if different from that set out in the General Terms and Conditions: Not less than 15 and no more than 35 days' prior notice
23. Make-Whole Redemption: Not Applicable
24. Ineligibility Issuer Call: Applicable
25. Final Redemption Amount: JPY 100,000,000 per Calculation Amount
26. Tax Redemption Amount: JPY 100,000,000 per Calculation Amount
27. Terms or conditions different from those set out in the General Terms and Conditions: Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

28. Form of Notes: Uncertificated Notes:
None of the Issuer, the Guarantor and any Holder will at any time have the right to effect or demand the conversion of the Uncertificated Notes into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*).
29. Notices to Holders: Not Applicable
30. Fiscal Agent (including Specified Office): Not Applicable
31. Principal Paying Agent (including Specified Office): UBS AG
Bahnhofstrasse 45,
CH-8001 Zurich
Switzerland
32. Registrar (including Specified Office): Not Applicable
33. Business Days: London, Tokyo and Zurich
34. Other terms or conditions different from those set out in the General Terms and Conditions: Not Applicable

REPRESENTATIVE

In accordance with article 43 of the Listing Rules of the SIX Swiss Exchange, the Issuer and the Guarantor have appointed UBS AG, located at Bahnhofstrasse 45, CH-8001 Zurich, Switzerland, as recognised representative to lodge the listing application for the Notes with the SIX Exchange Regulation of the SIX Swiss Exchange.

NO MATERIAL CHANGE STATEMENT

Except as disclosed in the Base Prospectus, no material changes have occurred in the Issuer's assets and liabilities, financial position or profits and losses since 30 June 2018.

Except as disclosed in the Base Prospectus, no material changes have occurred in the Guarantor's assets and liabilities, financial position or profits and losses since 30 September 2018.

RESPONSIBILITY

The Issuer and the Guarantor assume responsibility pursuant to article 27 of the Listing Rules of the SIX Swiss Exchange and section 4 of Scheme E thereunder for the completeness and accuracy of this Pricing Supplement and the Base Prospectus.

Signed on behalf of the Issuer:

By: *C. von Känel* Cindy von Känel
Associate Director

Duly authorised

By: *J. Antonio Boné*
Duly authorised Authorized Signatory

Antonio Boné
Director

Signed on behalf of the Guarantor:

By: *Armin Wagner* Armin Wagner
Executive Director

Duly authorised

By: *Markus Mathiuet*
Duly authorised

Markus Mathiuet
Executive Director

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing: SIX Swiss Exchange and Tokyo Stock Exchange (TOKYO PRO-BOND Market)
- (ii) Admission to trading: The first day of trading on the SIX Swiss Exchange will be 9 November 2018. Application for definitive listing on the SIX Swiss Exchange will be made as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. The last day of trading on the SIX Swiss Exchange is expected to be 6 November 2024.
- (iii) Minimum Trading Size: Not Applicable

2. RATINGS

- Ratings: The Notes have been rated:
- | | |
|--|----|
| S&P Global Ratings Europe Limited: | A- |
| Fitch Ratings Limited: | A+ |
| Rating and Investment Information, Inc.: | A |

3. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: The Issuer will use the net proceeds of the issuance of the Notes to provide funds to UBS Group AG and its subsidiaries. The members of the Group will use these funds for general corporate purposes, including providing funds to subsidiaries of UBS Group AG from time to time. The Issuer may provide these funds to members of the Group, and such members may provide such funds so received to other members of the Group, from time to time in the form of senior or subordinated debt, in the form of equity contributions, or otherwise, including on terms that may constitute "loss absorbing capital" of subsidiaries of UBS Group AG. Initially, the Issuer will lend all the net proceeds of the Notes to UBS AG, under a loan agreement, which loan will constitute a direct, unconditional and unsecured obligation of UBS AG and rank, except in the case of Restructuring Proceedings with respect to UBS AG, *pari passu* with all other present and future unsecured and unsubordinated obligations of UBS AG.
- (ii) Estimated net proceeds: JPY 129,675,000,000

4. DISTRIBUTION

- (i) Method of Distribution: Syndicated
- (ii) If syndicated, names and address of Joint Lead Managers: **Joint Lead Managers**
UBS AG, Hong Kong Branch
Mizuho International plc
Daiwa Capital Markets Europe Limited
MUFG Securities EMEA plc
Nomura International plc
SMBC Nikko Capital Markets Limited
- (iii) Date of Subscription Agreement: 2 November 2018

- (iv) Stabilising Manager (if any): Mizuho International plc
- (v) If non-syndicated, name and address: Not Applicable
- (vi) US Selling Restrictions: Reg. S Compliance Category 2
- (vii) ERISA: Eligible: No
- (viii) Additional selling restrictions: **Japan:**
- 1) the Notes may not be sold, transferred or otherwise disposed to any person other than the Professional Investors, Etc. (*Tokutei Tousehika tou*) as defined in Article 2, Paragraph 3, Item 2(b)(2) of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “FIEA”) (the “**Professional Investors, Etc.**”), except for the transfer of the Notes to the following:
 - a) the Issuer, or any officer (meaning directors, company auditors, executive officers or persons equivalent thereto) thereof who holds shares or equity pertaining to voting rights exceeding 50% of all the voting rights in the Issuer which is calculated by excluding treasury shares or any non-voting rights shares (the “**Voting Rights Held by All the Shareholders, Etc.**” (*SouKabunushi Tou no Giketsuken*)) (as defined in Article 29-4, Paragraph 2 of the FIEA) of the Issuer under his/her own name or another person's name (hereinafter such Officer shall be referred to as the the “**Specified Officer**” (*Tokutei Yakuin*)), or to a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. are held by the Specified Officer (the “**Controlled Juridical Person, Etc.**”) (*Hi-Shihai Houjin Tou*) including a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. are jointly held by the Specified Officer and the Controlled Juridical Person, Etc. (as prescribed in Article 11-2, Paragraph 1, Item 2 (c) of the Cabinet Office Ordinance on Definitions under Article 2 of the Financial Instruments and Exchange Act (MOF Ordinance No.14 of 1993, as amended)); or
 - b) a company that holds shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. of the Issuer in its own name or another person's name.
 - 2) When (i) a solicitation of an offer to acquire the Notes or (ii) an offer to sell or a solicitation of an offer to purchase the Notes (collectively, “**Solicitation of the Note Trade**”) is made, the following matters shall be notified from the person who makes such Solicitation of the Note Trade to the person to whom such Solicitation of the Note Trade is made in accordance with the FIEA and regulations thereunder (as amended from time to time):
 - a) no securities registration statement (pursuant to Article 4, Paragraphs 1 through 3 of the FIEA) has been filed with respect to the Solicitation of the Note Trade;
 - b) the Notes fall, or will fall, under the Securities for Professional Investors (*Tokutei Tousehika Muke Yukashoken*) (as defined in Article 4, Paragraph 3 of the FIEA);
 - c) any acquisition or purchase of the Notes by such person pursuant to any

Solicitation of the Note Trade is conditional upon such person (i) (in the case of a solicitation of an offer to acquire the Notes to be newly issued) (x) entering into an agreement providing for the restriction on transfer of the Notes as set forth in (1) above with each of the Issuer and the person making such Solicitation of the Note Trade, or (y) agreeing to comply with the transfer restriction as set forth in (1) above, or (ii) (in the case of an offer to sell or a solicitation of an offer to purchase the Notes already issued) entering into an agreement providing for the restriction on transfer of the Notes as set forth in (1) above with the person making such Solicitation of the Note Trade;

- d) Article 4, Paragraphs 3, 5 and 6 of the FIEA will be applicable to such certain solicitation, offers and other activities with respect to the Notes as provided in Article 4, Paragraph 2 of the FIEA;
- e) the Specified Securities Information, Etc. (*Tokutei Shouken Tou Jouhou*) (as defined in Article 27-33 of the FIEA) with respect to the Notes and the Issuer Filing Information, Etc. (*Hakkosha Tou Jouhou*) (as defined in Article 27-34 of the FIEA) with respect to the Issuer have been or will be made available for the Professional Investors, Etc. by way of such information being posted on the web-site maintained by the TOKYO PRO-BOND Market (<http://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html> or any successor website) in accordance with Articles 210 and 217 of the Special Regulations of Securities Listing Regulations Concerning Specified Listed Securities of Tokyo Stock Exchange, Inc.; and
- f) the Issuer Filing Information, Etc. will be provided to the holders of the Notes or made public pursuant to Article 27-32 of the FIEA

(ix) Prohibition of sales to EEA Retail Investors: Applicable

5. OPERATIONAL INFORMATION

ISIN Code:	CH0445624981
Common Code:	190631150
Swiss Security Number:	44.562.498
Relevant Clearing System(s):	SIS
Delivery:	Delivery against payment
Settlement Date:	9 November 2018
Swiss Paying Agent:	UBS AG Bahnhofstrasse 45, CH-8001 Zurich Switzerland
Names and addresses of additional Paying Agent(s) (if any) (including Specified	Not Applicable

Office(s):

PRICING SUPPLEMENT

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes described herein are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC, as amended. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes described herein or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling such Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes described herein has led to the conclusion that (i) the target market for such Notes is eligible counterparties and professional clients only, each as defined in MiFID II and (ii) all channels for distribution of such Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending such Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of such Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Pricing Supplement dated 2 November 2018

UBS Group Funding (Switzerland) AG

Issue of JPY 20,000,000,000 0.973 per cent. Fixed Rate/Floating Rate Senior Notes due 2028
Guaranteed by UBS Group AG
under the
Senior Debt Programme

PART A – CONTRACTUAL TERMS

Terms used but not defined herein shall have the meanings assigned to such terms in, and terms defined herein shall be deemed to be defined as such for purposes of, the General Terms and Conditions set forth in the Base Prospectus dated 13 March 2018, as supplemented by the supplements thereto dated 6 April 2018 and 26 October 2018 (collectively, the "**Base Prospectus**"). This document constitutes the Pricing Supplement of the Tranche of Notes described herein and must be read in conjunction with the Base Prospectus, which together constitute the listing prospectus with respect to the Tranche of Notes described herein for purposes of the listing rules of the SIX Swiss Exchange.

Full information on the Issuer, the Guarantor and the offer of the Tranche of Notes described herein is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Base Prospectus (including the supplements thereto) are available from the Issuer at UBS AG, Zurich, Swiss Prospectus, Switzerland (voicemail: +41442394703; fax: +41442396914; email: swiss-prospectus@ubs.com).

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| 1. | Issuer: | UBS Group Funding (Switzerland) AG |
| 2. | Guarantor: | UBS Group AG |
| 3. | (i) Series Number: | 16 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Notes become fungible: | Not Applicable |
| 4. | Specified Currency: | Japanese Yen ("JPY") |

5.	Aggregate Principal Amount:	
	(i) Series:	JPY 20,000,000,000
	(ii) Tranche:	JPY 20,000,000,000
6.	Issue Price:	100.00 per cent. of the Aggregate Principal Amount
7.	Original Issue Discount:	No
8.	(i) Specified Denominations:	JPY 100,000,000
	(ii) Calculation Amount:	JPY 100,000,000
9.	(i) Issue Date:	9 November 2018
	(ii) Interest Commencement Date:	The Issue Date
10.	Maturity Date:	The Interest Payment Date falling in or nearest to November 2028
11.	Interest Basis:	Fixed Rate/Floating Rate
12.	Redemption/Payment Basis:	Redemption at par, subject to any purchase and cancellation or early redemption
13.	Change of Interest or Redemption/Payment Basis:	Interest will be payable on a Fixed Rate basis from (and including) the Issue Date to (but excluding) the Floating Rate Commencement Date and on a Floating Rate basis from (and including) the Floating Rate Commencement Date to (but excluding) the Maturity Date <i>(see further particulars specified in paragraph 21 below)</i>
14.	Early Redemption:	
	(i) Tax Event:	At the Issuer's option upon a Tax Event, as more particularly described in Condition 7 (<i>Redemption and Purchase</i>)
	(ii) Issuer Call:	Applicable
	(iii) Make-Whole Redemption:	Not Applicable
	(iv) Ineligibility Event:	Applicable
15.	Status of the Notes:	Senior, as more particularly described in Condition 4 (<i>Status of the Notes</i>)
16.	Date approval for issuance of Notes obtained from a member of the Board of Directors of the Issuer:	31 October 2018
17.	Date approval for issuance of Notes and the Guarantee obtained from UBS Group Treasurer:	31 October 2018

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18.	Fixed Rate Note Provisions:	Not Applicable
19.	Fixed Rate/Fixed Rate Note Provisions:	Not Applicable
20.	Floating Rate Note Provisions:	Not Applicable
21.	Fixed Rate/Floating Rate Note Provisions:	Applicable
(i)	Fixed Rate of Interest:	0.973 per cent. per annum
(ii)	Interest Payment Dates on and prior to the Floating Rate Commencement Date:	9 May and 9 November in each year, commencing on 9 May 2019 until (and including) the Floating Rate Commencement Date
(iii)	Fixed Coupon Amount:	JPY 486,500 per Calculation Amount
(iv)	Broken Amount:	Not Applicable
(v)	Floating Rate Commencement Date:	9 November 2027
(vi)	Specified Interest Payment Date(s):	9 May 2028 and the Maturity Date, as adjusted in accordance with the Business Day Convention
(vii)	Specified Period(s):	Not Applicable
(viii)	Reference Rate:	6-month JPY LIBOR
(ix)	Interest Determination Date(s):	With respect to any Interest Period, the day falling two London business days prior to (a) in the case of the first Interest Period, the Floating Rate Commencement Date, and (b) otherwise, the Interest Payment Date on which such Interest Period commences. "London business day" means a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in JPY and are open for general business (including, without limitation, dealing in foreign exchange and foreign currency deposits) in London.
(x)	Relevant Screen Page:	Reuters LIBOR01
(xiii)	Margin(s):	+ 0.65 per cent. per annum
(xiv)	Minimum Floating Rate of Interest:	0.00 per cent. per annum
(xv)	Maximum Floating Rate of Interest:	Not Applicable
(xvi)	Business Day Convention:	Fixed Rate of Interest: Not Applicable Floating Rate of Interest: Modified Following Business Day Convention
(xvii)	Day Count Fraction:	Fixed Rate of Interest: 30/360 Floating Rate of Interest: Actual/360
(xviii)	Calculation Agent (including Specified Office):	UBS AG Bahnhofstrasse 45, CH-8001 Zurich

Switzerland

- (xix) Other terms relating to the method of calculating interest for Fixed Rate/Floating Rate Notes, if different from those set out in the General Terms and Conditions: Not Applicable

PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: Applicable
- (i) Optional Redemption Date(s): 9 November 2027
- (ii) Optional Redemption Amount: JPY 100,000,000 per Calculation Amount
- (iii) Notice period for notice to the Holders if different from that set out in the General Terms and Conditions: Not less than 15 and no more than 35 days' prior notice
23. Make-Whole Redemption: Not Applicable
24. Ineligibility Issuer Call: Applicable
25. Final Redemption Amount: JPY 100,000,000 per Calculation Amount
26. Tax Redemption Amount: JPY 100,000,000 per Calculation Amount
27. Terms or conditions different from those set out in the General Terms and Conditions: Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

28. Form of Notes: Uncertificated Notes:
None of the Issuer, the Guarantor and any Holder will at any time have the right to effect or demand the conversion of the Uncertificated Notes into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*).
29. Notices to Holders: Not Applicable
30. Fiscal Agent (including Specified Office): Not Applicable
31. Principal Paying Agent (including Specified Office): UBS AG
Bahnhofstrasse 45,
CH-8001 Zurich
Switzerland
32. Registrar (including Specified Office): Not Applicable
33. Business Days: London, Tokyo and Zurich
34. Other terms or conditions different from those set out in the General Terms and Conditions: Not Applicable

REPRESENTATIVE

In accordance with article 43 of the Listing Rules of the SIX Swiss Exchange, the Issuer and the Guarantor have appointed UBS AG, located at Bahnhofstrasse 45, CH-8001 Zurich, Switzerland, as recognised representative to lodge the listing application for the Notes with the SIX Exchange Regulation of the SIX Swiss Exchange.

NO MATERIAL CHANGE STATEMENT


Except as disclosed in the Base Prospectus, no material changes have occurred in the Issuer's assets and liabilities, financial position or profits and losses since 30 June 2018.

Except as disclosed in the Base Prospectus, no material changes have occurred in the Guarantor's assets and liabilities, financial position or profits and losses since 30 September 2018.


RESPONSIBILITY

The Issuer and the Guarantor assume responsibility pursuant to article 27 of the Listing Rules of the SIX Swiss Exchange and section 4 of Scheme E thereunder for the completeness and accuracy of this Pricing Supplement and the Base Prospectus.

Signed on behalf of the Issuer:

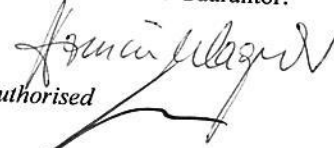
By:  Cindy von Känel
Associate Director

Duly authorised Authorized Signatory

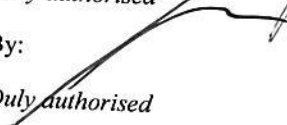
By:  J. Antonio Boné
Authorized Signatory

Antonio Boné
Director

Signed on behalf of the Guarantor:

By:  Armin Wagner
Executive Director

Duly authorised

By: 
Duly authorised

Markus Mathiuet
Executive Director

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing: SIX Swiss Exchange and Tokyo Stock Exchange (TOKYO PRO-BOND Market)
- (ii) Admission to trading: The first day of trading on the SIX Swiss Exchange will be 9 November 2018. Application for definitive listing on the SIX Swiss Exchange will be made as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. The last day of trading on the SIX Swiss Exchange is expected to be 7 November 2028
- (iii) Minimum Trading Size: Not Applicable

2. RATINGS

- Ratings: The Notes have been rated:
- | | |
|--|----|
| S&P Global Ratings Europe Limited: | A- |
| Fitch Ratings Limited: | A+ |
| Rating and Investment Information, Inc.: | A |

3. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: The Issuer will use the net proceeds of the issuance of the Notes to provide funds to UBS Group AG and its subsidiaries. The members of the Group will use these funds for general corporate purposes, including providing funds to subsidiaries of UBS Group AG from time to time. The Issuer may provide these funds to members of the Group, and such members may provide such funds so received to other members of the Group, from time to time in the form of senior or subordinated debt, in the form of equity contributions, or otherwise, including on terms that may constitute "loss absorbing capital" of subsidiaries of UBS Group AG. Initially, the Issuer will lend all the net proceeds of the Notes to UBS AG, under a loan agreement, which loan will constitute a direct, unconditional and unsecured obligation of UBS AG and rank, except in the case of Restructuring Proceedings with respect to UBS AG, *pari passu* with all other present and future unsecured and unsubordinated obligations of UBS AG.
- (ii) Estimated net proceeds: JPY 19,930,000,000

4. DISTRIBUTION

- (i) Method of Distribution: Syndicated
- (ii) If syndicated, names and address of Joint Lead Managers: **Joint Lead Managers**
UBS AG, Hong Kong Branch
Mizuho International plc
Daiwa Capital Markets Europe Limited
MUFG Securities EMEA plc
Nomura International plc
SMBC Nikko Capital Markets Limited
- (iii) Date of Subscription Agreement: 2 November 2018

- (iv) Stabilising Manager (if any): Mizuho International plc
- (v) If non-syndicated, name and address: Not Applicable
- (vi) US Selling Restrictions: Reg. S Compliance Category 2
- (vii) ERISA: Eligible: No
- (viii) Additional selling restrictions: **Japan:**
- 1) the Notes may not be sold, transferred or otherwise disposed to any person other than the Professional Investors, Etc. (*Tokutei Tousehika tou*) as defined in Article 2, Paragraph 3, Item 2(b)(2) of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**FIEA**”) (the “**Professional Investors, Etc.**”), except for the transfer of the Notes to the following:
 - a) the Issuer, or any officer (meaning directors, company auditors, executive officers or persons equivalent thereto) thereof who holds shares or equity pertaining to voting rights exceeding 50% of all the voting rights in the Issuer which is calculated by excluding treasury shares or any non-voting rights shares (the “**Voting Rights Held by All the Shareholders, Etc.**” (*SouKabunushi Tou no Giketsuken*)) (as defined in Article 29-4, Paragraph 2 of the FIEA) of the Issuer under his/her own name or another person's name (hereinafter such Officer shall be referred to as the the “**Specified Officer**” (*Tokutei Yakuin*)), or to a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. are held by the Specified Officer (the “**Controlled Juridical Person, Etc.**”) (*Hi-Shihai Houjin Tou*) including a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. are jointly held by the Specified Officer and the Controlled Juridical Person, Etc. (as prescribed in Article 11-2, Paragraph 1, Item 2 (c) of the Cabinet Office Ordinance on Definitions under Article 2 of the Financial Instruments and Exchange Act (MOF Ordinance No.14 of 1993, as amended)); or
 - b) a company that holds shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. of the Issuer in its own name or another person's name.
 - 2) When (i) a solicitation of an offer to acquire the Notes or (ii) an offer to sell or a solicitation of an offer to purchase the Notes (collectively, “**Solicitation of the Note Trade**”) is made, the following matters shall be notified from the person who makes such Solicitation of the Note Trade to the person to whom such Solicitation of the Note Trade is made in accordance with the FIEA and regulations thereunder (as amended from time to time):
 - a) no securities registration statement (pursuant to Article 4, Paragraphs 1 through 3 of the FIEA) has been filed with respect to the Solicitation of the Note Trade;

- b) the Notes fall, or will fall, under the Securities for Professional Investors (*Tokutei Tousehika Muke Yukashoken*) (as defined in Article 4, Paragraph 3 of the FIEA);
- c) any acquisition or purchase of the Notes by such person pursuant to any Solicitation of the Note Trade is conditional upon such person (i) (in the case of a solicitation of an offer to acquire the Notes to be newly issued) (x) entering into an agreement providing for the restriction on transfer of the Notes as set forth in (1) above with each of the Issuer and the person making such Solicitation of the Note Trade, or (y) agreeing to comply with the transfer restriction as set forth in (1) above, or (ii) (in the case of an offer to sell or a solicitation of an offer to purchase the Notes already issued) entering into an agreement providing for the restriction on transfer of the Notes as set forth in (1) above with the person making such Solicitation of the Note Trade;
- d) Article 4, Paragraphs 3, 5 and 6 of the FIEA will be applicable to such certain solicitation, offers and other activities with respect to the Notes as provided in Article 4, Paragraph 2 of the FIEA;
- e) the Specified Securities Information, Etc. (*Tokutei Shouken Tou Jouhou*) (as defined in Article 27-33 of the FIEA) with respect to the Notes and the Issuer Filing Information, Etc. (*Hakkosha Tou Jouhou*) (as defined in Article 27-34 of the FIEA) with respect to the Issuer have been or will be made available for the Professional Investors, Etc. by way of such information being posted on the web-site maintained by the TOKYO PRO-BOND Market (<http://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html> or any successor website) in accordance with Articles 210 and 217 of the Special Regulations of Securities Listing Regulations Concerning Specified Listed Securities of Tokyo Stock Exchange, Inc.; and
- f) the Issuer Filing Information, Etc. will be provided to the holders of the Notes or made public pursuant to Article 27-32 of the FIEA

(ix) Prohibition of sales to EEA Retail Investors: Applicable

5. OPERATIONAL INFORMATION

ISIN Code: CH0445624999

Common Code: 190631206

Swiss Security Number: 44.562.499

Relevant Clearing System(s): SIS

Delivery: Delivery against payment

Settlement Date: 9 November 2018

Swiss Paying Agent: UBS AG
Bahnhofstrasse 45,
CH-8001 Zurich
Switzerland

Names and addresses of additional Paying Agent(s) (if any) (including Specified Office(s)): Not Applicable