

**UBS AG, Australia Branch**

ABN 47 088 129 613  
AFSL No: 231087  
GPO Box 4151  
Sydney NSW 2001  
Australia  
Tel. 612-9324 2000

16 October 2015

Equity Operations  
Level 16  
Chifley Tower  
2 Chifley Square  
Sydney NSW 2000  
Tel. 61 2-9324 2000  
Fax 61 2-9324 2669

**FOR IMMEDIATE RELEASE TO THE MARKET**

The Warrant Administration Manager  
ASX Structured Products  
Level 6, 20 Bridge Street  
Sydney NSW 2000

[www.ubs.com/instalments](http://www.ubs.com/instalments)

Participating Organisation of the  
Australian Stock Exchange

**Treasury Wine Estates Limited Instalments – Loan Amount Adjustments in respect of Treasury Wine Estates Limited Pro Rata Accelerated Renounceable Entitlement Offer**

UBS AG Australia Branch ("UBS") is the issuer of the below series of instalment warrants (collectively known as "TWE Instalments" in this announcement) over fully paid ordinary shares of Treasury Wine Estates Limited ("TWE"). Each TWE Instalment has been offered under the corresponding Product Disclosure Statements ("PDS") listed in the table below.

Series	Date of PDS or Master PDS	Date of SPDS or Term Sheet
TWEISI	17-Oct-14	17-Oct-14
TWESSA	25-Sep-14	17-Oct-14

This announcement concerns adjustments which UBS intends to make to the terms of the TWE Instalments as a result of the announcement by TWE of a 2 for 15 fully underwritten pro rata accelerated renounceable entitlement offer ("TWE Entitlement Offer") of new ordinary shares at an issue price of \$5.60 per new ordinary share. Full details of the TWE Entitlement Offer are set out in the announcement by TWE dated 14 October 2015 (which can be found at [www.asx.com.au](http://www.asx.com.au)).

**Key details of the TWE Entitlement Offer**

The key details of the TWE Entitlement Offer are as follows:

- 2 for 15 fully underwritten pro rata accelerated renounceable entitlement offer;
- Entitlement offer price of \$5.60 per new ordinary share;
- The new shares will rank equally with existing shares on issue;
- TWE ordinary shares are expected to resume trading on an ex-entitlement basis on 19 October 2015.

**Adjustment to TWE Instalments**

Pursuant to clause 18 of the Instalment Deed, UBS intends to adjust the terms of the TWE Instalments as follows:

- (a) New TWE ordinary shares issued pursuant to the TWE Entitlement Offer will not form part of the Underlying Parcel for the TWE Instalments, and will be dealt with by UBS in its absolute discretion; and
- (b) The Loan Amount for the TWE Instalments will be reduced by an amount which reflects the value of the entitlement (i.e. the "Rights Value" as defined in the Instalment Deed for the TWE Instalments) and an Interest Refund based on the reduction of the Loan Amount for the period until the earlier of the Maturity Date or the next Annual Interest Date (as applicable); and
- (c) The Capped Level (where applicable) will be adjusted accordingly.

The Underlying Parcel for the TWE Instalments will not change (i.e. it will continue to be one TWE ordinary share).

UBS expects the Rights Value per TWE ordinary share to be the value of the right calculated by the ASX where the ASX is making an adjustment to Options Market Contracts (as defined in ASX Operating Rule 7100) over TWE ordinary shares. That is, 2/15 multiplied by the value calculated by the ASX as the Volume Weighted Average Price (VWAP) ex-entitlement of existing TWE ordinary shares on the first day of trading ex-entitlement on the ASX (Monday 19 October 2015) less the Entitlement Offer price (\$5.60).

*Rights Value = 2/15 x (VWAP of ordinary shares – Entitlement Offer Price)*

Entitlement Offer Price = \$5.60

If the Rights Value is zero or negative, there will be no adjustment to the Loan Amount.

All amounts are expressed in Australian dollars.

### **Timing of Adjustment, Suspension and Announcement**

Trading in TWE Instalments is currently suspended but will recommence on Tuesday 20 October 2015 with the new Loan Amounts. To effect the TWE Instalments adjustment, an announcement will be made by UBS after the close of market on the first day TWE ordinary shares recommence trading (being Monday 19 October 2015) detailing the value of the reduction of the Loan Amounts.

### **Alternative adjustments**

UBS reserves the right to implement adjustments to the TWE Instalments on a basis other than those described above. If UBS decided to make other adjustments it will make an announcement to the ASX before the first ex-entitlement trading day for TWE.

Unless otherwise stated, all terms used in this letter have the same meaning as in the PDS.

If you have any questions regarding the TWE Entitlement Offer, please contact your financial adviser or TWE. If you have any questions regarding this announcement please contact your financial adviser or call the UBS Warrant Sales Desk on 1800 633 100.

Yours sincerely,

**UBS AG, Australia Branch**

A handwritten signature in black ink, appearing to read 'Anand Kannan', with a stylized flourish at the end.

**UBS AG, Australia Branch**  
Anand Kannan  
Associate Director

A handwritten signature in black ink, appearing to read 'Grant Schwulst', with a long horizontal line extending from the end.

**UBS AG, Australia Branch**  
Grant Schwulst  
Manager - Equities Settlement