MANDATORY CONVERTIBLE

Terms of the mandatory convertible notes

Issue Size:	CHF 13 bn total, in 2 tranches of CHF 11 bn (GIC) and CHF 2 bn (undisclosed investor from the middle east)
Issue Price:	100%
Maturity:	2 years
Fixed coupons:	9% p.a., payable annually
Underlying shares:	Conditional Capital to be approved by EGM
Reference Price:	Average of (i) the closing price of the Shares on the trading day on virt-x before the announcement of the issuance of the Notes and (ii) the arithmetic average of the volume weighted average price of the Shares on each of the three (3) consecutive trading days on virt-x ending on the day before the EGM. Reference Price cannot be set more than 10% higher or lower than (i)
Minimum Conversion Price:	100% of the Reference Price
Maximum Conversion Price:	117% of the Reference Price
Settlement / amount of shares issued:	At maturity, the amount of shares issued will be calculated as follows: - if the share price at maturity is smaller than Minimum Conversion Price, the conversion ratio is equal to CHF 13 billion divided by the Minimum Conversion Price (Maximum Conversion Ratio) - if the share price is between the Minimum and Maximum Conversion Prices, the conversion ratio is equal to CHF 13 billion divided by the share price at maturity - if the share price is above the Maximum Conversion Price, the conversion ratio is equal to CHF 13 billion divided by the Maximum Conversion Price (Minimum Conversion Ratio).
Voluntary Conversion at the option of Holders of Notes:	Each note may be converted into shares but not cash at any time after six (6) months following the Payment Date and on or before twenty (20) trading days prior to the Maturity Date at the election of the Holder. Upon such Conversion, each Holder making such election shall receive a number of shares equal to the Minimum Conversion Ratio per Note converted.
Capital distribution:	Holders will be protected against dividends or distributions in cash or shares paid in excess of CHF 2.2 per share – such excess will lead to a downward adjustment of the Minimum Conversion Price & Maximum Conversion Price.