

Media release

UBS reports 2005 result of CHF 9,844 million and fourth quarter result of CHF 2,629 million

-- total 2005 attributable profit, including the gain from the sale of Private Banks & GAM, of CHF 14,029 million

FY 2005

- **2005 net profit attributable to UBS shareholders (attributable profit) of CHF 9,844 million from continuing operations, with financial businesses contributing CHF 9,442 million, up 28% from 2004 (up 18% pre-goodwill), and RoE of 27.6%**
- **Total 2005 attributable profit of CHF 14,029 million, including a CHF 3,705 million net gain from the sale of Private Banks & GAM**
- **Total net new money for 2005 of CHF 148 billion, up 80%, leading to a 25% gain in invested assets (excluding Private Banks & GAM)**

Q4 2005

- **Fourth quarter 2005 attributable profit from continuing operations pre-goodwill of CHF 2,629 million, with financial businesses contributing CHF 2,597 million – up CHF 633 million, or 32%, from the pre-goodwill result a year earlier**
- **Fourth quarter EPS of CHF 2.66, up 30% from a year earlier, and cost/income ratio of 70.9%, down 0.7 percentage points from 2004 (both pre-goodwill)**

Dividend, par value repayment, share split

- **Proposed total payout for 2005 of CHF 3.80 a share, comprising a regular dividend of CHF 3.20 (up 7%), plus a one-time par value repayment of CHF 0.60 a share**
- **Proposed 2-for-1 share split for July 2006**

Zurich/Basel, 14 February 2006 – UBS reports 2005 net profit attributable to shareholders (attributable profit) of CHF 14,029 million. This includes a CHF 512 million contribution from industrial holdings, and a net gain of CHF 3,705 million from the sale of Private Banks & GAM.

In the financial businesses, attributable profit from continuing operations was CHF 9,442 million in 2005, an improvement of 28% from a year earlier. Excluding goodwill amortization, which stopped at the end of 2004, profit was up 18%.

"As in 2004, we have achieved another record level of profit. Although markets clearly helped us last year, we believe the result also reflects the sustainable earnings power of UBS, based on our client-centric strategy of business focus and growth," said Peter Wuffli, Chief Executive Officer.

"All our businesses put in a stronger performance in 2005. We saw really constructive developments with revenues growing much faster than costs," said Clive Standish, Chief Financial Officer.

The wealth and asset management businesses had excellent years. Strong client inflows, along with rising markets, drove total invested assets (excluding Private Banks & GAM) up 25% on the year and, in turn, strengthened asset-based fees. Revenues from advising corporate and institutional clients also rose to a record high. This reflected strong capital market activity in 2005 – with the Investment Bank continuing to establish itself as a preferred partner for many major corporations and institutional investors. Buoyant market opportunities, particularly in the second half of the year, pushed trading revenues up. Profits were also helped by another year of credit loss recoveries.

At the same time, we continued to invest in new business opportunities while keeping the costs of running the firm under control. Overall, expenses increased less than revenues, and the financial businesses finished the year with a cost / income ratio of 70.1% for 2005. Pre-goodwill, the ratio improved by 1.3 percentage points from a year earlier.

Personnel expenses were up 12% from a year earlier; performance-related payments rose with revenues and there was a general increase in staff numbers. The number of employees in the financial businesses rose 3% in 2005. The increase was spread across all businesses and regions. In Switzerland, staff levels rose by 41 individuals to 26,028. Excluding the impact from the sale of Private Banks & GAM, personnel numbers increased by 1,042. In Europe, the Middle East and Africa, they were up 256 to 11,007, while in the Americas they increased by 905 to 27,136. In Asia Pacific, UBS staff numbers rose by a strong 960 or 22% to 5,398.

Fourth quarter results

In fourth quarter 2005, attributable profit for the financial businesses was CHF 6,337 million. Private Banks & GAM, which was booked as a discontinued operation, contributed a net gain of CHF 3,740 million (including operating results until 2 December 2005, when the sale closed). Attributable profit from continuing operations, at CHF 2,597 million, was strong. Excluding goodwill, the figure was up CHF 633 million, or 32%, from the result achieved in fourth quarter 2004.

Income grew on strong asset-based revenues in the wealth and asset management businesses, reflecting rising financial markets, especially towards the end of the year, and strong money inflows from clients. Fees from investment funds and portfolio management mandates reached a record high. This, combined with strong bond and equity underwriting fees, boosted net fee and commission income. In addition, strengthened advisory capabilities combined with buoyant corporate activity levels prompted corporate finance fees to rise. Overall, net fee and commission income made up 56% of operating income. Increasingly active financial markets lifted income from trading activities. An increase in credit loss recoveries also helped the fourth quarter result.

Personnel expenses in fourth quarter 2005 were up 20% from a year earlier, as performance-related payments rose in line with revenues and the number of people employed grew. General and administrative expenses were up, driven by litigation provisions, mainly in the US.

Net new money results

For the whole of 2005, UBS (excluding Private Banks & GAM) reported total net inflows of new money of CHF 148 billion, an all-time high, and up 80% from CHF 82.2 billion a year earlier. This amounts to an annual growth rate of 7% of the asset base at the end of 2004, bringing total invested assets to CHF 2.7 trillion.

This result reflects an outstanding asset gathering performance in UBS's wealth management businesses, where full-year inflows were CHF 95.1 billion – 7% of the invested assets figure at year-end 2004. Inflows rose in all geographical regions, with a particularly strong CHF 21.8 billion inflow into the European business as well as significantly increased contributions from Asian clients. In the US, net new money totaled CHF 26.9 billion, reflecting strong inflows of assets from ultra high net worth clients and the success of newly recruited financial advisors. Global Asset Management reported total net new money inflows of CHF 49.5 billion in 2005, up an impressive 158% from CHF 19.2 billion in 2004, when the wholesale business was affected by the last major transfers of client funds to UBS Bank USA. In the institutional business, inflows increased into traditional investments but decreased into alternative and quantitative investments.

In fourth quarter, total net inflows of new money were CHF 31.2 billion, down from the very strong result of CHF 50.8 billion in third quarter. Wealth management contributed CHF 19.7 billion, following a record inflow of CHF 31.1 billion in third quarter, mainly driven by strong inflows in the five key European markets (Germany, France, Italy, Spain and UK) and in Asia. Net new money inflows into Global Asset Management totaled CHF 10.9 billion in fourth quarter, down from CHF 19.9 billion in third quarter.

Dividend, capital repayment, 2-for-1 share split

The Board of Directors will recommend a total payout of CHF 3.80 per share at the Annual General Meeting (AGM) on 19 April 2006. The payout comprises a regular dividend of CHF 3.20, up 7% from a year earlier, to be distributed in April, plus a one-time par value repayment of CHF 0.60 per share. The repayment will allow shareholders to benefit from the gain realized from the sale of Private Banks & GAM. The par value repayment is exempt from Swiss withholding tax and it will be paid out in July 2006 – two months after the dividend.

The Board will also recommend a 2-for-1 share split. Combined with the par value repayment, this will reduce the par value of each share to CHF 0.10.

At the AGM, the Board will further propose the creation of conditional capital of a maximum of 75 million shares (150 million after the split in July 2006) to fund employee share option programs. Currently, treasury shares are held to cover the need to deliver shares at the point when options are exercised. If approved by shareholders, the creation of conditional capital will help UBS to avoid substantial holdings of its own shares over extended periods and add transparency to capital management. Neither the use of options as part of overall compensation strategy, nor UBS's disciplined approach to capital management will change. As before, the firm's main priority is to keep capital ratios at healthy levels while continuing to invest in the growth of the business. After meeting this requirement, UBS will continue to buy back shares for cancellation. In the current buyback program, which began on 8 March 2005 and ends on 7 March 2006, UBS has bought back shares to a total value of approximately CHF 3.6 billion. On March 8 2006, UBS will launch its eighth consecutive share buyback program with a maximum buyback limit of CHF 5 billion. It will run until 7 March 2007.

UBS's Tier 1 ratio was 12.9% on 31 December 2005, up 1.6 percentage points from 11.3% on 30 September 2005 and 1.0 percentage points higher than 11.9% on 31 December 2004.

Outlook

Early indications for 2006 show that business has started on a positive note. Deal pipelines are promising, investors are upbeat and macroeconomic indicators are encouraging. The fundamentals driving the growth of the financial industry remain intact for the time being.

"We are therefore optimistic about the outlook for UBS -- for 2006 and beyond. We now have a strong competitive position in the areas we chose to invest in – among them European wealth management, alternative investments, investment banking, prime brokerage and in Asia Pacific across business lines. These areas are becoming major revenue contributors, allowing us to invest in other opportunities that fit our strategy. This will help us sustain growth as well as our attractiveness to clients, employees and shareholders well into the future," said Peter Wuffli, Chief Executive Officer.

Revised UBS performance indicators

For the last six years, UBS has consistently assessed performance against a set of four measures that were designed to ensure the delivery of continuously improving returns to shareholders. Since then, UBS has evolved, its business and client base have grown. As a result, performance has steadily exceeded targets. In view of this, UBS has decided to modify performance measures. From 2006 onwards, on average through periods of varying market conditions, UBS will:

- seek to increase the value of the firm by achieving a sustainable, after-tax return on equity of a minimum of 20% (UBS previously targeted a range of 15-20%).
- aim to achieve a clear growth trend in net new money for all financial businesses, including Global Asset Management and Business Banking Switzerland. This measure was previously only applied to the wealth management units.
- In the future, use diluted earnings per share (EPS) instead of basic EPS as a reference for the EPS growth target which remains, as before, annual double-digit percentage growth.

The cost / income objective will not change, and UBS will continue to manage it at levels that compare well with its best competitors.

Performance indicators in fourth quarter 2005

UBS's performance from continuing operations shows*:

- return on equity in full-year 2005 at 27.6%, up from 26.3%* in 2004. The increase was driven by higher net profit, but was partially offset by an increase in average equity levels, reflecting the growth in retained earnings.
- basic earnings per share in fourth quarter 2005 at CHF 2.66, up 30% from CHF 2.05* a year ago, reflecting increased earnings and a slight reduction (-2%) in the average number of shares outstanding following share repurchases. Diluted earnings per share, UBS's performance indicator from 2006, were at CHF 2.55 in fourth quarter 2005, up 30% from CHF 1.96* in the same quarter a year earlier.
- a cost / income ratio in the financial businesses of 70.9% in fourth quarter 2005, down 0.7 percentage points from 71.6%* a year ago. This reflects the increase in net fee and commission income and trading revenues, partly offset by higher costs related to personnel – mainly related to the expansion of business volumes.

<i>Year to date</i>	31.12.05	30.9.05	31.12.04
RoE (%) ¹			
as reported	39.4	29.0	25.5
from continuing operations, before goodwill	27.6	27.7	26.3
<i>Quarter ended</i>	31.12.05	30.9.05	31.12.04
Basic EPS (CHF) ²			
as reported	6.56	2.75	2.07
from continuing operations, before goodwill	2.66	2.59	2.05
Cost / income ratio of the financial businesses (%) ^{3,4}			
as reported	70.9	68.9	73.4
before goodwill	70.9	68.9	71.6
Net new money, wealth management businesses (CHF billion) ⁵			
Wealth Management International & Switzerland	13.2	21.2	6.5
Wealth Management US	6.5	9.9	6.4
Total	19.7	31.1	12.9

¹ Net profit attributable to UBS shareholders (annualized as applicable) / average equity attributable to UBS shareholders less distributions. ² Details of the EPS calculation can be found in note 8 to the financial statements. ³ Excludes results from industrial holdings. ⁴ Operating expenses / operating income less credit loss expense or recovery. ⁵ Excludes interest and dividend income.

* Before goodwill amortization:

Until the end of 2004, performance indicators were evaluated on a pre-goodwill basis. With the introduction of new and revised International Financial Reporting Standards (IFRS), goodwill amortization stopped at the beginning of 2005.

Highlights UBS

<i>CHF million, except where indicated</i>	Quarter ended			% change from		Year ended	
	31.12.05	30.9.05	31.12.04	3Q05	4Q04	31.12.05	31.12.04
Net profit attributable to UBS shareholders	6 487	2 770	2 078	134	212	14 029	8 016
Basic earnings per share (CHF)	6.56	2.75	2.07	139	217	13.93	7.78
Diluted earnings per share (CHF)	6.28	2.64	1.97	138	219	13.36	7.40
Return on equity attributable to UBS shareholders (%)						39.4	25.5
Performance indicators from continuing operations							
Basic earnings per share (CHF)	2.66	2.59	2.05	3	30	9.78	8.02
Return on equity attributable to UBS shareholders (%)						27.6	26.3

Highlights Financial Businesses

<i>CHF million, except where indicated</i>	As at or for the quarter ended			% change from		Year ended	
	31.12.05	30.9.05	31.12.04	3Q05	4Q04	31.12.05	31.12.04
Operating income	10 593	10 403	8 794	2	20	39 896	35 971
Operating expenses	7 417	7 146	6 413	4	16	27 704	26 149
Net profit attributable to UBS shareholders	6 337	2 642	1 889	140	235	13 517	7 656
Cost / income ratio (%)	70.9	68.9	73.4			70.1	73.2
Net new money, wealth management businesses (CHF billion)	19.7	31.1	12.9			95.1	60.4
Personnel (full-time equivalents)	69 569	70 502	67 407	(1)	3		
Pre-goodwill earnings from continuing operations							
Operating income	10 593	10 403	8 794	2	20	39 896	35 971
Operating expenses	7 417	7 146	6 260	4	18	27 704	25 503
Net profit attributable to UBS shareholders	2 597	2 528	1 964	3	32	9 442	8 003
Cost / income ratio (%)	70.9	68.9	71.6			70.1	71.4

Highlights capital management

<i>CHF million, except where indicated</i>	As at			% change from	
	31.12.05	30.9.05	31.12.04	30.9.05	31.12.04
Equity attributable to UBS shareholders	44 324	39 019	33 941	14	31
Market capitalization	131 949	116 732	103 638	13	27
BIS capital ratios					
Tier 1 (%)	12.9	11.3	11.9		
Total BIS (%)	14.1	12.5	13.8		
Risk-weighted assets	310 409	316 586	264 832	(2)	17
Invested assets (CHF billion)	2 652	2 666	2 217	(1)	20
Long-term ratings					
Fitch, London	AA+	AA+	AA+		
Moody's, New York	Aa2	Aa2	Aa2		
Standard & Poor's, New York	AA+	AA+	AA+		

1 For the EPS calculation, see note 8 to the financial statements. 2 Net profit attributable to UBS shareholders / average equity attributable to UBS shareholders less distributions. 3 Excludes the amortization of goodwill in 2004. Due to changes in accounting standards, there is no amortization of goodwill from 2005 onwards. 4 Net profit attributable to UBS shareholders from continuing operations / average equity attributable to UBS shareholders less distributions. 5 Excludes results from industrial holdings. 6 Operating expenses / operating income less credit loss expense or recovery. 7 Includes Wealth Management International & Switzerland and Wealth Management US. Excludes interest and dividend income. 8 Includes hybrid Tier 1 capital, please refer to the BIS capital and ratios table in the capital management section of the fourth quarter 2005 report.

USD-convenience translation (spot rate of CHF/USD as at 31.12.05): **1.31**

Highlights UBS

		Quarter ended
		31.12.05
<i>USD million, except where indicated</i>		
Net profit attributable to UBS shareholders		4 952
Basic earnings per share (USD)	1	5.01
Diluted earnings per share (USD)	1	4.79
Return on equity attributable to UBS shareholders (%)	2	39.4
Performance indicators from continuing operations		
Basic earnings per share (CHF)	1	2.03
Return on equity attributable to UBS shareholders (%)	4	27.6

Highlights Financial Businesses

		Quarter ended
		31.12.05
<i>USD million, except where indicated</i>		
Operating income		8 086
Operating expenses		5 662
Net profit attributable to UBS shareholders		4 837
Cost / income ratio (%)	6	70.9
Net new money, wealth management businesses (USD billion)	7	15.0
earnings from continuing operations		
Operating income		8 086
Operating expenses		5 662
Net profit attributable to UBS shareholders		1 982

Highlights balance sheet & capital management

		As at
		31.12.05
<i>USD million, except where indicated</i>		
Equity attributable to UBS shareholders		33 835
Market capitalization		100 724
BIS capital ratios		
Tier 1 (%)	8	12.9
Total BIS (%)		14.1
Risk-weighted assets		236 953
Invested assets (USD billion)		2 024

1 For the EPS calculation, see note 8 to the financial statements. 2 Net profit attributable to UBS shareholders / average equity attributable to UBS shareholders less distributions. 3 Excludes the amortization of goodwill in 2004. Due to changes in accounting standards, there is no amortization of goodwill from 2005 onwards. 4 Net profit attributable to UBS shareholders from continuing operations / average equity attributable to UBS shareholders less distributions. 5 Excludes results from industrial holdings. 6 Operating expenses / operating income less credit loss expense or recovery. 7 Includes Wealth Management International & Switzerland and Wealth Management US. Excludes interest and dividend income. 8 Includes hybrid Tier 1 capital, please refer to the BIS capital and ratios table in the capital management section of the fourth quarter 2005 report.

Results from the Financial Businesses

Global Wealth Management & Business Banking

Wealth Management International & Switzerland 2005 pre-tax profit was CHF 4,161 million, up 20% from 2004 (before goodwill). This reflected its growing number of clients as well as rising financial markets throughout 2005, driving the asset base, and therefore recurring income, higher. Brokerage fees also rose on increased transactional activity. Rising interest income, a reflection of the expansion of margin lending activities, also lifted revenues. Operating expenses, up 13% in 2005 from 2004, also rose as the business expanded.

In fourth quarter 2005, pre-tax profit was CHF 1,117 million, down from CHF 1,166 million in third quarter. Recurring income strengthened, reflecting a higher average asset base. Continued growth in collateralized lending led to a rise in interest income. Both were partly offset by a decrease in non-recurring revenues, due to seasonally weaker client activity levels. The gross margin on invested assets was 101 basis points, down two basis points from third quarter 2005. Expenses increased, mainly reflecting the release of provisions for legal costs in third quarter and investments in infrastructure.

Wealth Management US achieved a pre-tax profit of CHF 312 million in 2005, significantly higher than the CHF 29 million in 2004. In US dollar terms and before acquisition costs, full-year 2005 pre-tax profit was down 4% from 2004 despite the 8% increase in revenues. The result reflects the impact of increased litigation provisions in second half 2005 which accounted for almost all the increase in non-personnel expenses.

In fourth quarter 2005, Wealth Management US reported a pre-tax profit of CHF 83 million, compared with a pre-tax loss of CHF 5 million in third quarter. Before acquisition costs and in US dollars, the operating result was 155% higher than third quarter 2005, reflecting the increase in recurring income and flat overall operating expenses.

Business Banking Switzerland's pre-tax profit in 2005 was a record CHF 2,189 million, CHF 176 million or 9% above the result in 2004. It was achieved despite a CHF 115 million fall in income, driven mainly by lower interest income. The result shows the continued tight management of the cost base, with lower credit loss expenses reflecting the structural improvement in the loan portfolio in recent years. Over the course of 2005, Business Banking Switzerland transferred CHF 8.6 billion in client assets to the Wealth Management International & Switzerland unit, reflecting the systematic development of client relationships. In 2004, CHF 7.4 billion in client assets were transferred for the same reason.

In fourth quarter 2005, Business Banking Switzerland reported a pre-tax profit of CHF 541 million, down 2% from third quarter, mainly due to higher non-personnel expenses.

Global Asset Management

Full-year 2005 pre-tax profit was CHF 1,057 million, up from CHF 681 million (before goodwill) a year earlier. This reflected net new money inflows, which featured a very strong increase in the wholesale intermediary business, combined with continued strong inflows from institutional clients. It was additionally helped by a sharp rise in asset-based fees, which benefited from improving financial markets.

Pre-tax profit in fourth quarter 2005 was CHF 305 million, a marginal decline of 1% compared with the all-time quarterly high of CHF 308 million reported in third quarter 2005. Although higher general and administrative expenses offset the increase in revenues, it was another strong quarter, as asset-based fees again rose, reflecting a strong net new money result of

CHF 10.9 billion and improving financial markets. Alternative and quantitative investments also posted performance fees in fourth quarter 2005 that were close to the highs of third quarter 2005.

Investment Bank

Pre-tax profit at the Investment Bank in 2005 was CHF 5,181 million, up 12% from 2004. Before goodwill, pre-tax profit was up 6%. The result was driven by revenues in investment banking (up 31%) and in equities (up 18%), reflecting the successful expansion in significant growth areas such as M&A, in particular in the US and Asia Pacific, equity derivatives and prime brokerage. Results in the fixed income, rates and currencies business were slightly lower than last year's all-time high. Lower revenues in structured credit – mainly driven by lower volumes and following the turmoil in the automotive sector in second quarter 2005 – were offset by an increase in the rates business. Costs at the Investment Bank increased as the businesses continued to expand. The full-year compensation ratio, at 53%, rose two percentage points between 2004 and 2005. Client-facing business areas, which are more service intensive but use less capital, saw faster growth this year.

In fourth quarter 2005, pre-tax profit was CHF 1,372 million, up 8% from the same period last year. Before goodwill, pre-tax profit was up 2%. Strong revenues in investment banking, equity derivatives and prime brokerage were offset by an increase in costs, primarily for personnel and IT.

The equities business reported revenues of CHF 1,916 million in fourth quarter 2005, up 20% from the same period in 2004. Income rose primarily in the areas of focus – the derivatives and prime brokerage areas. Revenues from the structured product business in Asia also rose strongly. Cash revenues decreased and proprietary trading was down from 2004, reflecting losses in the challenging market conditions at the beginning of fourth quarter 2005, which were only partially offset by strong revenues when the market rebounded as the quarter closed.

Fixed income, rates and currencies revenues were CHF 1,817 million in fourth quarter 2005, essentially flat on the same period a year earlier. Revenues in the rates business were up against the prior year as a result of rising revenues in energy trading and derivatives. Credit fixed income experienced a drop in revenues compared with the prior year, with declines seen in certain credit trading businesses. These declines were partially offset by stronger primary debt markets and leveraged finance revenues. In municipal securities, revenues fell compared to the prior year, primarily due to a drop in derivatives distribution revenues, which was partly offset by higher cash origination revenues. Principal finance experienced a decline in revenues, whereas commercial real estate saw a strong rise, driven mainly by securitizations. While the foreign exchange and cash and collateral business benefited from increased client volumes in most segments and improved conditions in foreign exchange spot markets, overall revenues were lower than a year earlier. Metals and commodities saw increased volumes and revenues as a result of rising client activity and the Investment Bank's entry into the base metals product segment.

Investment banking revenues, at CHF 850 million in fourth quarter 2005, rose 43% from fourth quarter 2004. This strong performance emphasizes the continued momentum of the franchise, with revenue growth seen in both Europe and Asia Pacific. Revenues from the advisory business were up on the prior year as clients took advantage of strategic opportunities. Similarly, both the debt and equity capital markets businesses saw significant increases on the prior year, driven by a strong market environment. Syndicated finance revenues were also up strongly.

Market risk for the Investment Bank, as measured by the average 10-day 99% Value at Risk (VaR), fell to CHF 315 million in fourth quarter, from CHF 343 million in third quarter.

Media release available at www.ubs.com/media

Further information on UBS's quarterly results is available at www.ubs.com/media

- 4Q2005 Report (pdf and interactive version)
- 4Q2005 Results slide presentation
- Letter to shareholders (English, German, French and Italian)

Webcast: The results presentation by Peter Wuffli, Chief Executive Officer and Clive Standish, Chief Financial Officer, will be webcast live via www.ubs.com at the following times on 14 February 2006:

- 0900 CET
- 0800 GMT
- 0300 US EST

Webcast playback will be available from 1400 CET on 14 February 2006.

Cautionary statement regarding forward-looking statements

This communication contains statements that constitute "forward-looking statements", including, but not limited to, statements relating to the implementation of strategic initiatives, such as the European wealth management business, and other statements relating to our future business development and economic performance.

While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, (1) general market, macro-economic, governmental and regulatory trends, (2) movements in local and international securities markets, currency exchange rates and interest rates, (3) competitive pressures, (4) technological developments, (5) changes in the financial position or creditworthiness of our customers, obligors and counterparties and developments in the markets in which they operate, (6) legislative developments, (7) management changes and changes to our Business Group structure and (8) other key factors that we have indicated could adversely affect our business and financial performance which are contained in other parts of this document and in our past and future filings and reports, including those filed with the SEC.

More detailed information about those factors is set forth elsewhere in this document and in documents furnished by UBS and filings made by UBS with the SEC, including UBS's Annual Report on Form 20-F for the year ended 31 December 2004. UBS is not under any obligation to (and expressly disclaims any such obligations to) update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

Financial Businesses

Net new money ¹

<i>CHF billion</i>	Quarter ended			Year ended	
	31.12.05	30.9.05	31.12.04	31.12.05	31.12.04
Global Wealth Management & Business Banking					
Wealth Management International & Switzerland	13.2	21.2	6.5	68.2	42.3
Wealth Management US	6.5	9.9	6.4	26.9	18.1
Business Banking Switzerland	0.6	(0.2)	0.2	3.4	2.6
Global Asset Management					
Institutional	4.3	9.2	3.0	21.3	23.7
Wholesale Intermediary	6.6	10.7	0.5	28.2	(4.5)
UBS excluding Private Banks & GAM	31.2	50.8	16.6	148.0	82.2
Corporate Center					
Private Banks & GAM	² (0.1)	0.4	(0.6)	0.5	7.7
UBS	31.1	51.2	16.0	148.5	89.9

¹ Excludes interest and dividend income. ² Private Banks & GAM was sold on 2 December 2005.

Invested assets

<i>CHF billion</i>	As at			% change from	
	31.12.05	30.9.05	31.12.04	30.9.05	31.12.04
Global Wealth Management & Business Banking					
Wealth Management International & Switzerland	982	944	778	4	26
Wealth Management US	752	728	606	3	24
Business Banking Switzerland	153	150	140	2	9
Global Asset Management					
Institutional	441	425	344	4	28
Wholesale Intermediary	324	312	257	4	26
UBS excluding Private Banks & GAM	2 652	2 559	2 125	4	25
Corporate Center					
Private Banks & GAM	¹ 0	107	92	(100)	(100)
UBS	2 652	2 666	2 217	(1)	20

¹ Private Banks & GAM was sold on 2 December 2005.

Financial Businesses

Net interest and trading income

<i>CHF million</i>	Quarter ended			% change from		Year ended	
	31.12.05	30.9.05	31.12.04	3Q05	4Q04	31.12.05	31.12.04
Net interest income	2 210	2 447	3 172	(10)	(30)	9 528	11 744
Net trading income	2 251	2 260	750	0	200	7 996	4 902
Total net interest and trading income	4 461	4 707	3 922	(5)	14	17 524	16 646

Breakdown by business activity

<i>CHF million</i>	Quarter ended			% change from		Year ended	
	31.12.05	30.9.05	31.12.04	3Q05	4Q04	31.12.05	31.12.04
Equities	1 084	1 191	878	(9)	23	3 928	3 098
Fixed income	1 240	1 526	1 257	(19)	(1)	5 741	6 264
Foreign exchange	409	372	362	10	13	1 458	1 467
Other	77	71	33	8	133	292	203
Net income from trading activities	2 810	3 160	2 530	(11)	11	11 419	11 032
Net income from interest margin products	1 397	1 349	1 288	4	8	5 355	5 070
Net income from treasury and other activities	254	198	104	28	144	750	544
Total net interest and trading income	4 461	4 707	3 922	(5)	14	17 524	16 646

UBS (including Industrial Holdings)
Income Statement (unaudited)

	Quarter ended			% change from		Year ended	
	31.12.05	30.9.05	31.12.04	3Q05	4Q04	31.12.05	31.12.04
<i>CHF million, except per share data</i>							
Continuing operations							
Interest income	15 686	15 528	10 266	1	53	59 286	39 228
Interest expense	(13 476)	(13 081)	(7 094)	3	90	(49 758)	(27 484)
Net interest income	2 210	2 447	3 172	(10)	(30)	9 528	11 744
Credit loss (expense) / recovery	132	37	57	257	132	375	241
Net interest income after credit loss expense	2 342	2 484	3 229	(6)	(27)	9 903	11 985
Net fee and commission income	5 947	5 462	4 796	9	24	21 436	18 506
Net trading income	2 251	2 260	750	0	200	7 996	4 902
Other income	192	301	143	(36)	34	1 125	932
Revenues from Industrial Holdings	3 134	2 613	2 522	20	24	10 515	6 086
Total operating income	13 866	13 120	11 440	6	21	50 975	42 411
Personnel expenses	5 415	5 471	4 523	(1)	20	21 049	18 612
General and administrative expenses	2 105	1 764	1 835	19	15	7 047	7 160
Depreciation of property and equipment	389	360	403	8	(3)	1 493	1 477
Amortization of goodwill	0	0	154		(100)	0	653
Amortization of other intangible assets	94	84	162	12	(42)	334	337
Goods and materials purchased	2 546	1 986	1 786	28	43	8 003	3 885
Total operating expenses	10 549	9 665	8 863	9	19	37 926	32 124
Operating profit from continuing operations before tax	3 317	3 455	2 577	(4)	29	13 049	10 287
Tax expense	527	702	533	(25)	(1)	2 549	2 224
Net profit from continuing operations	2 790	2 753	2 044	1	36	10 500	8 063
Discontinued operations							
Operating profit from discontinued operations before tax	4 273	196	206			4 688	536
Tax expense	414	34	40		935	498	129
Net profit from discontinued operations	3 859	162	166			4 190	407
Net profit	6 649	2 915	2 210	128	201	14 690	8 470
Net profit attributable to minority interests	162	145	132	12	23	661	454
Net profit attributable to UBS shareholders	6 487	2 770	2 078	134	212	14 029	8 016
Basic earnings per share (CHF)	6.56	2.75	2.07	139	217	13.93	7.78
Diluted earnings per share (CHF)	6.28	2.64	1.97	138	219	13.36	7.40

Reporting by Business Group / Unit

CHF million

<i>For the quarter ended</i>	Total operating income			Total operating expenses			Performance before tax from continuing operations		
	31.12.05	31.12.04	% change	31.12.05	31.12.04	% change	31.12.05	31.12.04	% change
Global Wealth Management & Business Banking									
Wealth Management International & Switzerland	2 419	1 917	26	1 302	1 099	18	1 117	818	37
Wealth Management US	1 408	1 169	20	1 325	1 127	18	83	42	98
Business Banking Switzerland	1 279	1 246	3	738	743	(1)	541	503	8
Global Asset Management	698	526	33	393	364	8	305	162	88
Investment Bank	4 590	4 008	15	3 218	2 734	18	1 372	1 274	8
Corporate Center	199	(72)		441	346	27	(242)	(418)	42
Financial Businesses	10 593	8 794	20	7 417	6 413	16	3 176	2 381	33

Currency translation rates

The following table shows the principal rates used to translate the financial statements of foreign entities into Swiss francs:

	Spot rate			Average rate			Average rate	
	As at			Quarter ended			Year ended	
	31.12.05	30.9.05	31.12.04	31.12.05	30.9.05	31.12.04	31.12.05	31.12.04
1 USD	1.31	1.29	1.14	1.31	1.28	1.16	1.25	1.24
1 EUR	1.56	1.56	1.55	1.55	1.56	1.53	1.55	1.54
1 GBP	2.26	2.28	2.19	2.27	2.27	2.19	2.27	2.27
100 JPY	1.11	1.14	1.11	1.11	1.14	1.12	1.13	1.15