



UBS

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# Key topics

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- ◆ DOJ investigation
- ◆ Global WM&BB financials
- ◆ Global WM&BB moving forward

# US cross-border issue

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➤ **The issue**

As we have previously disclosed, the U.S. Department of Justice and SEC are examining UBS's conduct in relation to cross-border services provided by Swiss-based UBS AG client advisors to U.S. clients during the years 2000-2007.

➤ **The process**

US authorities have requested information on US domiciled holders of Swiss-based accounts at UBS. Client data are generally protected from disclosure under Swiss law. Such matters must go through an 'administrative assistance' process. This is a matter between Swiss and US government authorities. UBS is not a party in these proceedings but has been and will continue to fully support and assist the process.

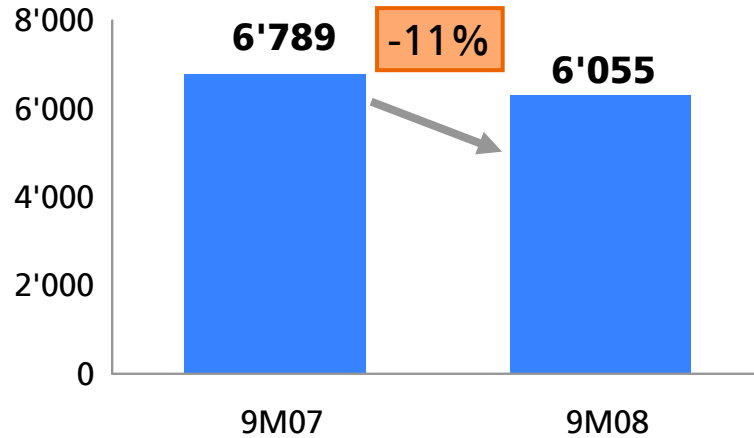
➤ **Business impact**

UBS publicly announced its decision to shut down its US cross-border business in an orderly manner and we are continuing with those plans.

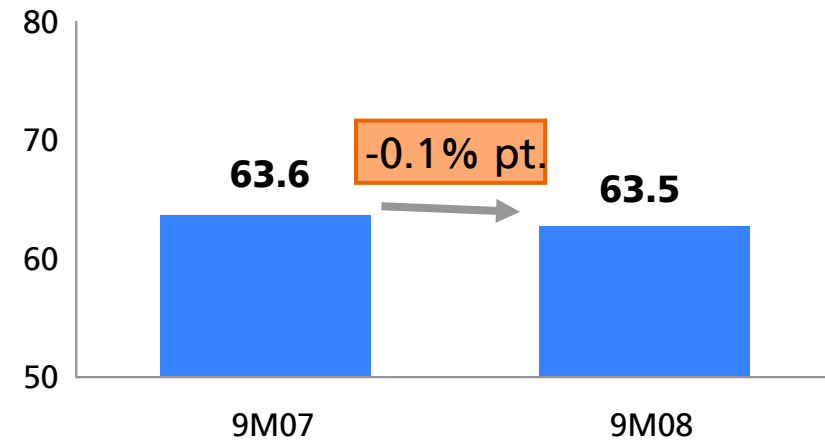
# Global WM&BB KPI (adjusted for ARS provision)

## KPI development impacted by difficult market environment

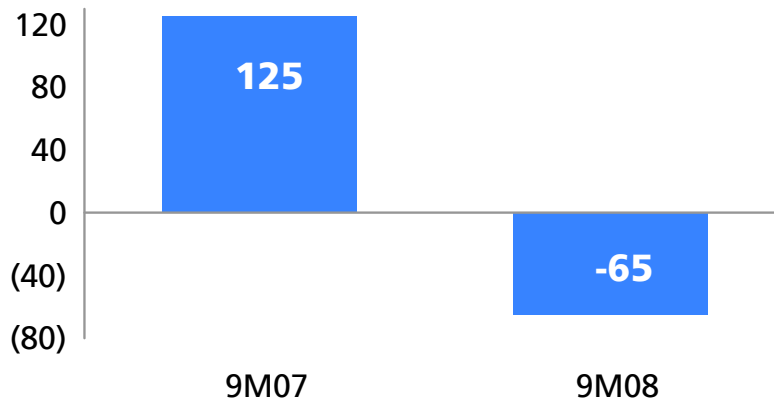
### Pre-tax profit (CHFm)



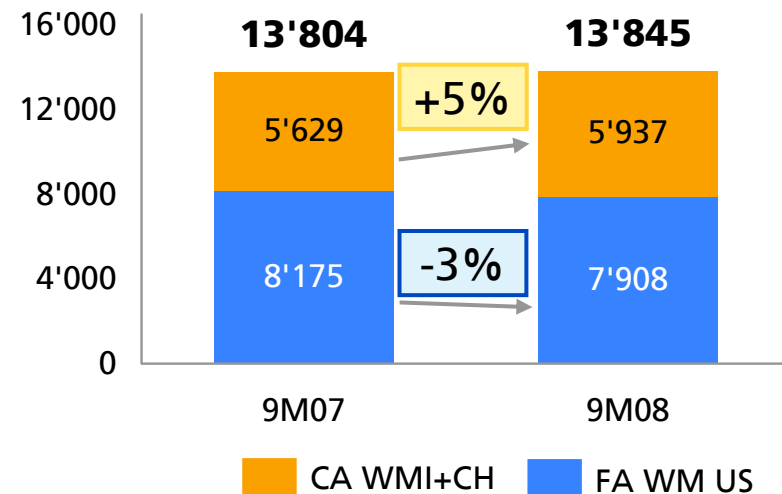
### C/I Ratio (%)



### NNM (CHFbn)

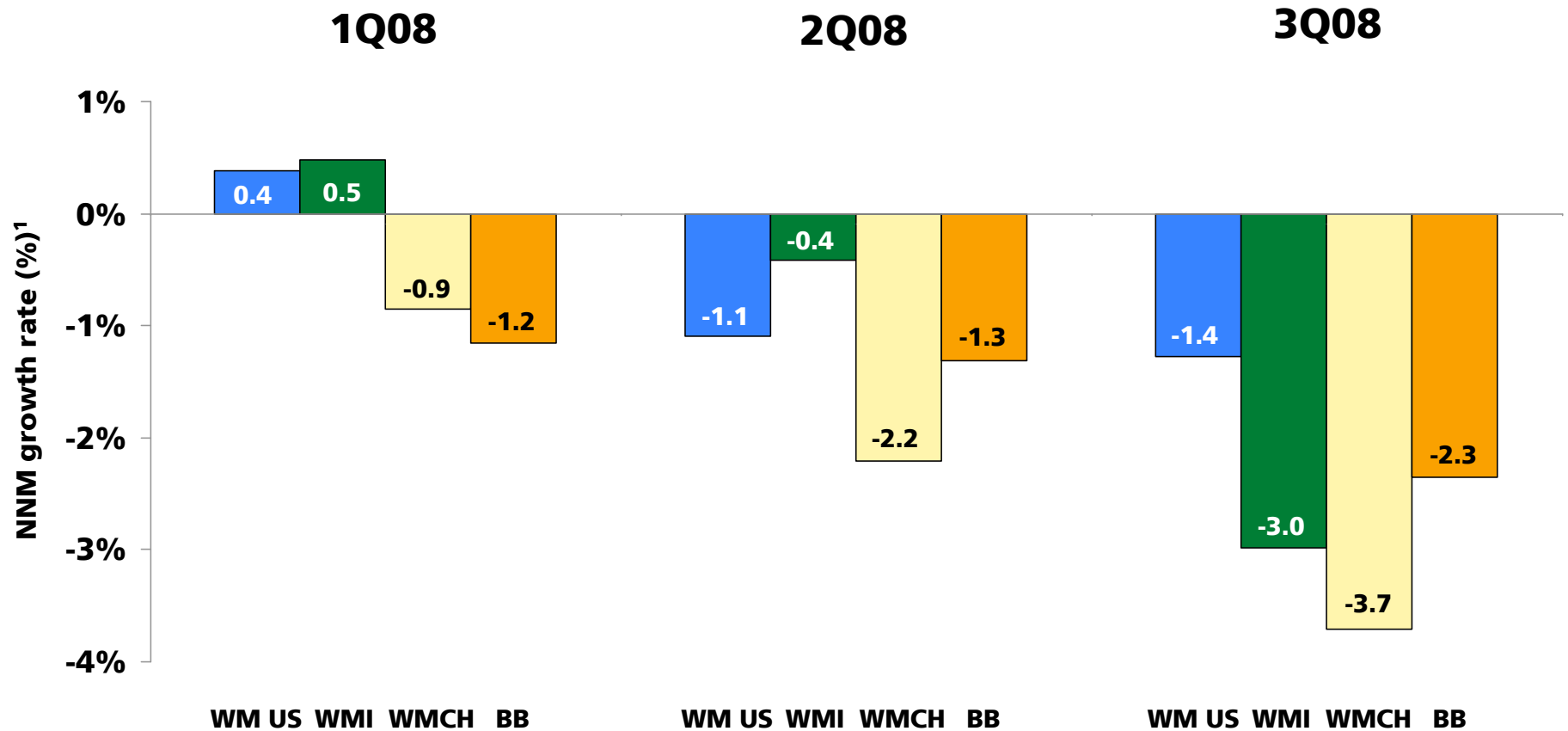


### CA/FA Development



# Global WM&BB NNM development 2008

## NNM affected by market turmoil and reputational issues



1) Note: Quarterly NNM growth rate = NNM per quarter / IA (beginning of period)

# Significant actions taken over the past 12 months

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## UBS has strengthened its capital, liquidity and funding positions

Significantly reduced risk positions and balance sheet

Increased capital strength

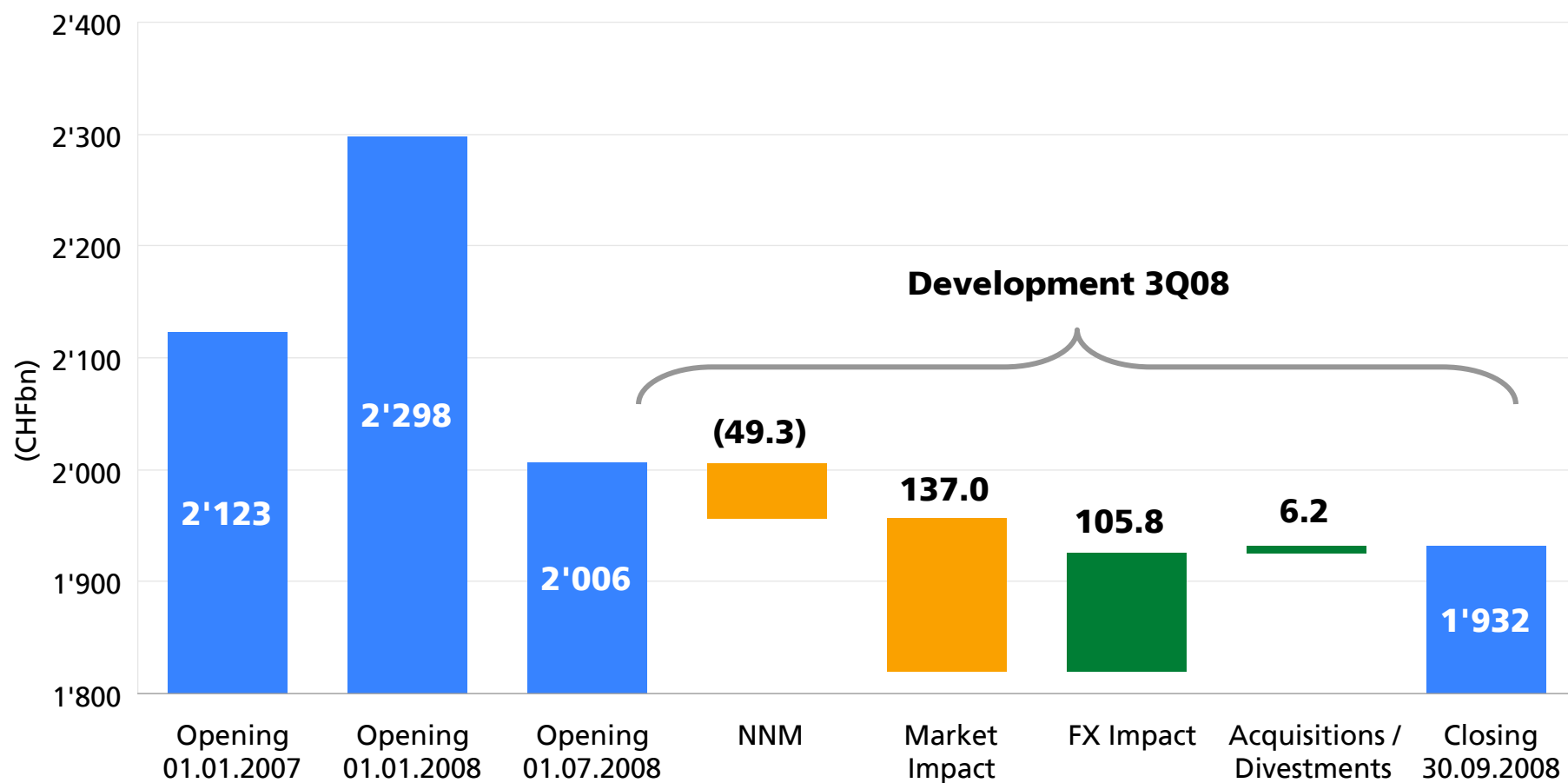
Repositioned the bank for added autonomy and flexibility

Improved risk and financial controls

Initiated efficiency measures

# Global WM&BB — Invested Assets 3Q08<sup>1</sup>

**Asset base decreases by 74bn, negatively impacted by adverse market development and NNM outflows, partly offset by positive FX impact**



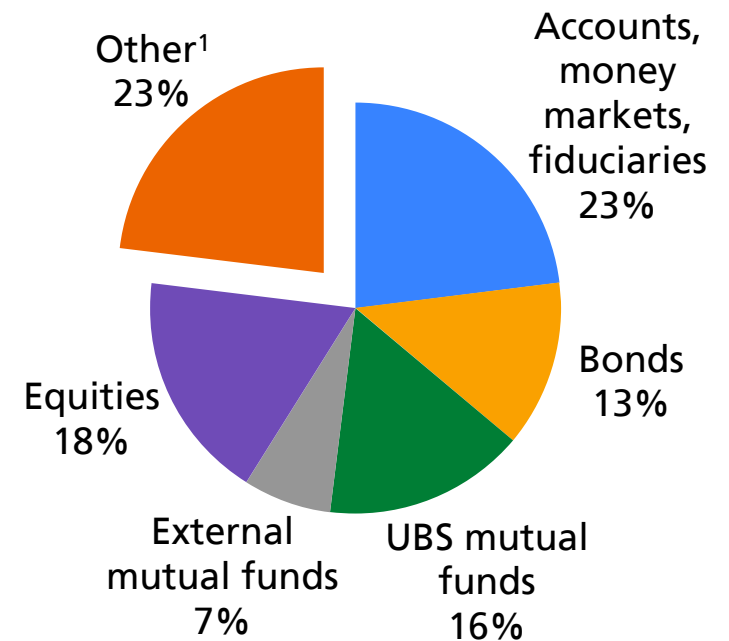
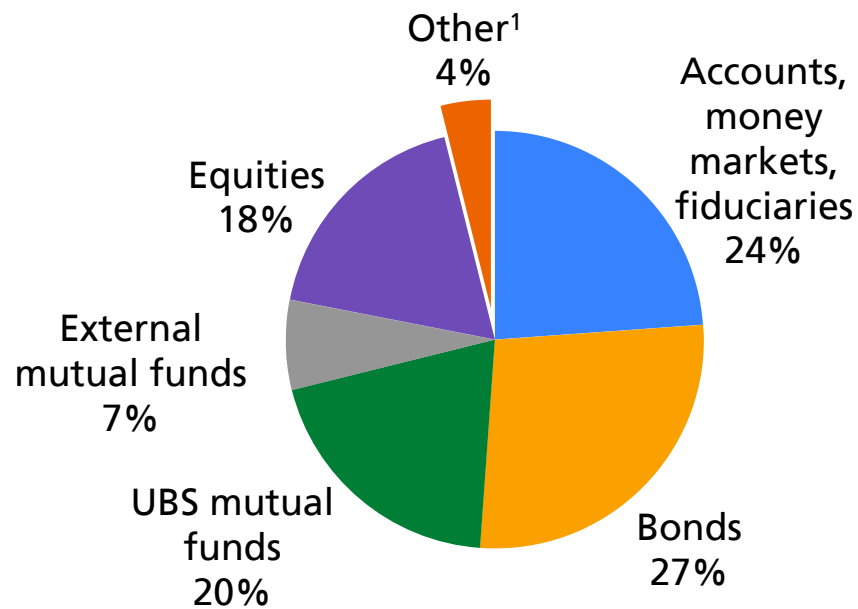
# WMI & CH product mix

## Invested assets by asset classes (WMI & CH)

2003

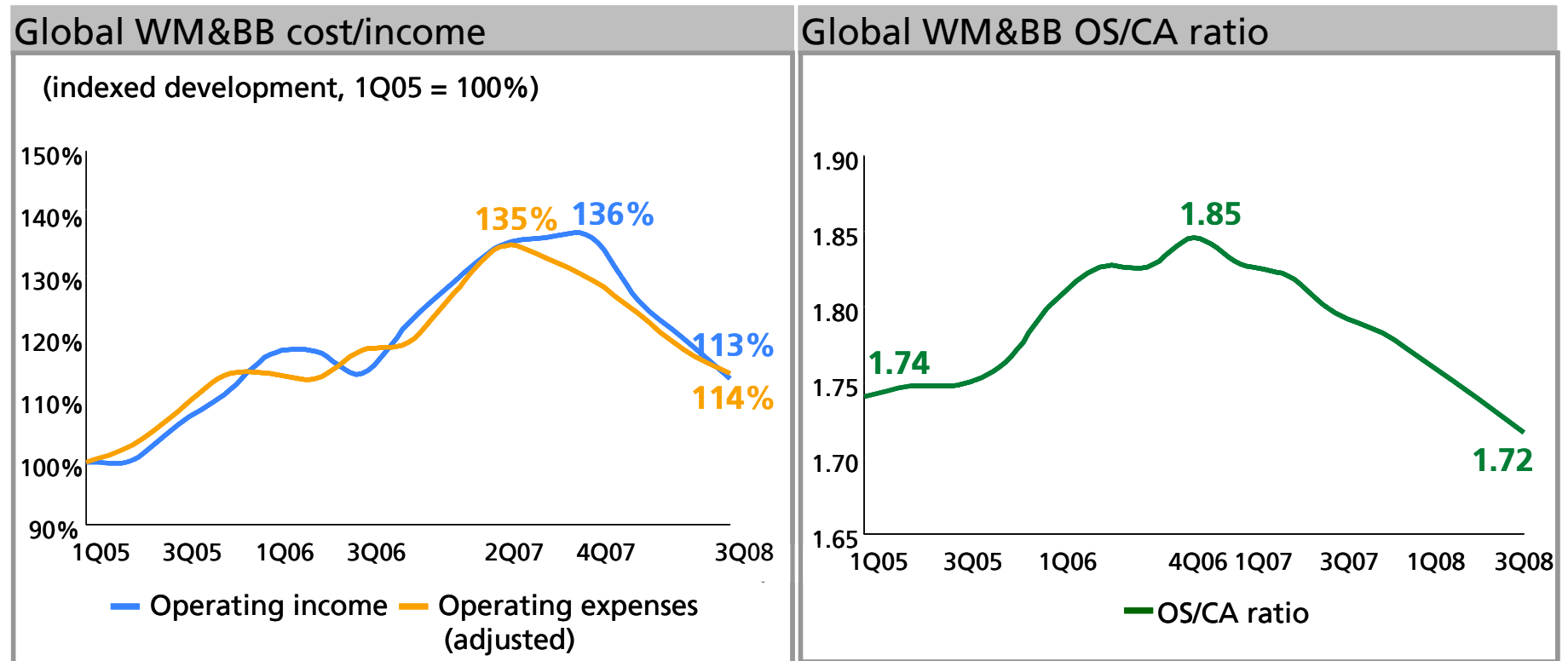


2007



# Efficiency

Focus on further reducing costs to maintain profitability, OS/CA ratio at all time low with more to come

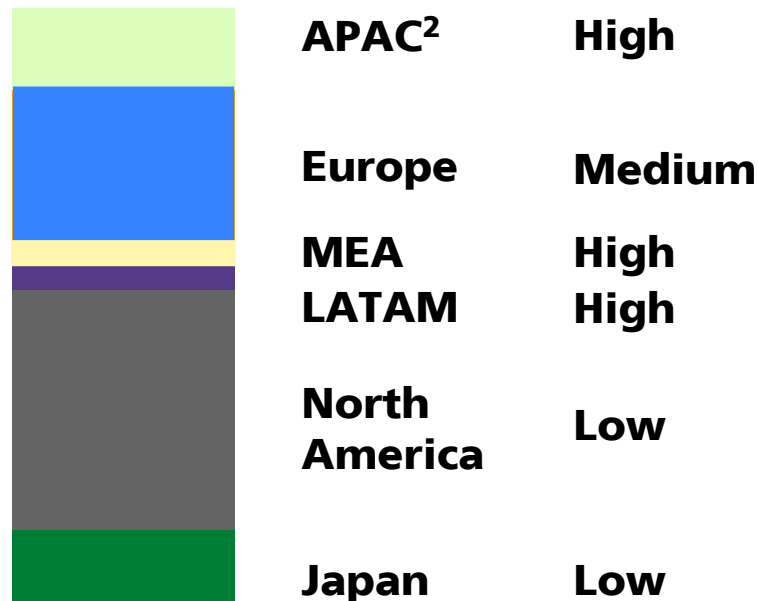


# UBS market position

**UBS has leading positions in growth markets APAC, Europe, MEA, LATAM**

## Market size<sup>1</sup> & growth potential (by region)

61 CHFtrn



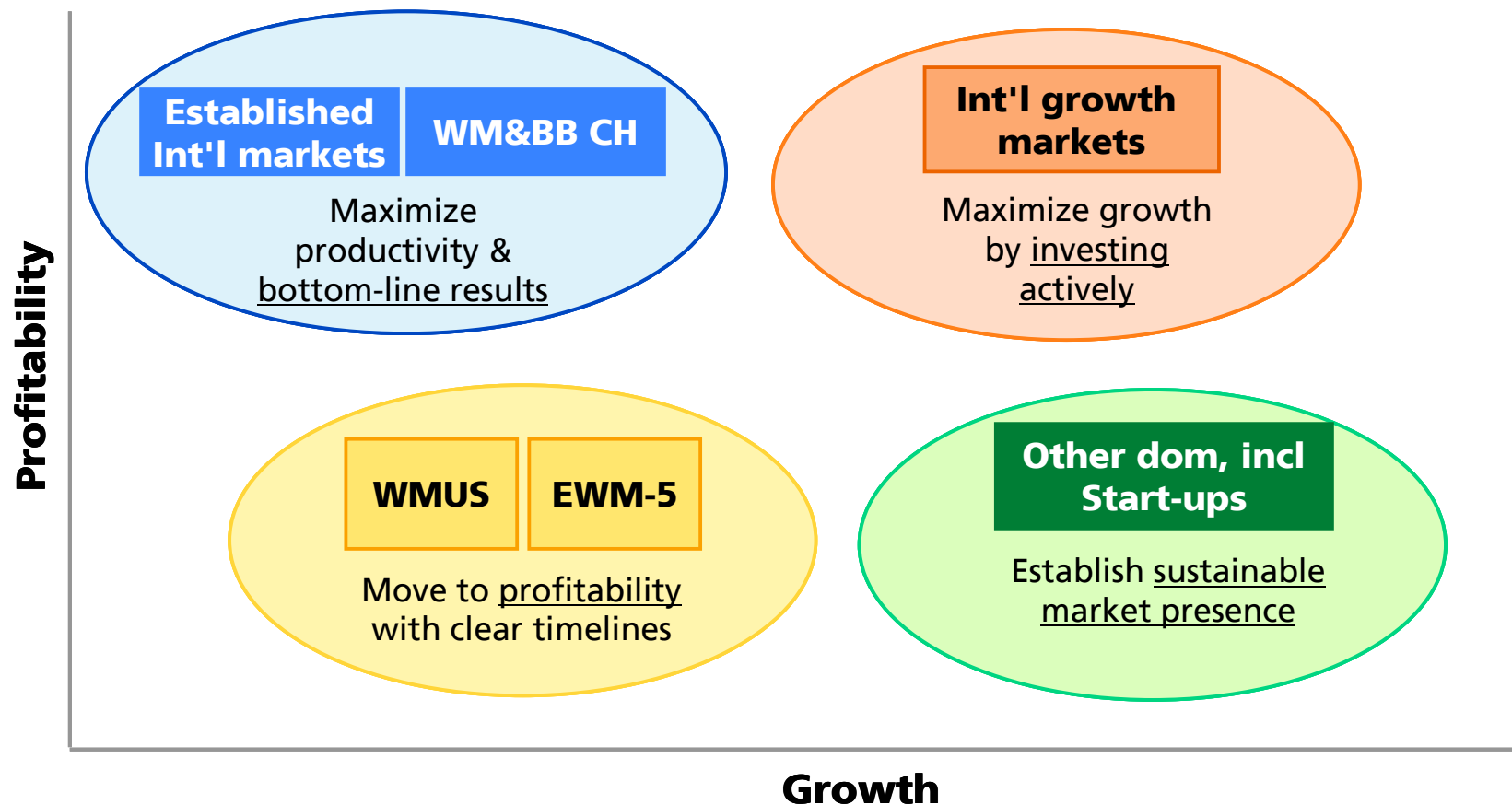
## UBS market position (by region)

Market leader APAC
Market leader in CH, only true pan-European wealth manager
Market leader in MEA and LATAM
Fastest growing in US UHNW segment

# Global WM&BB strategy

## Tailor strategy to profit/growth potential

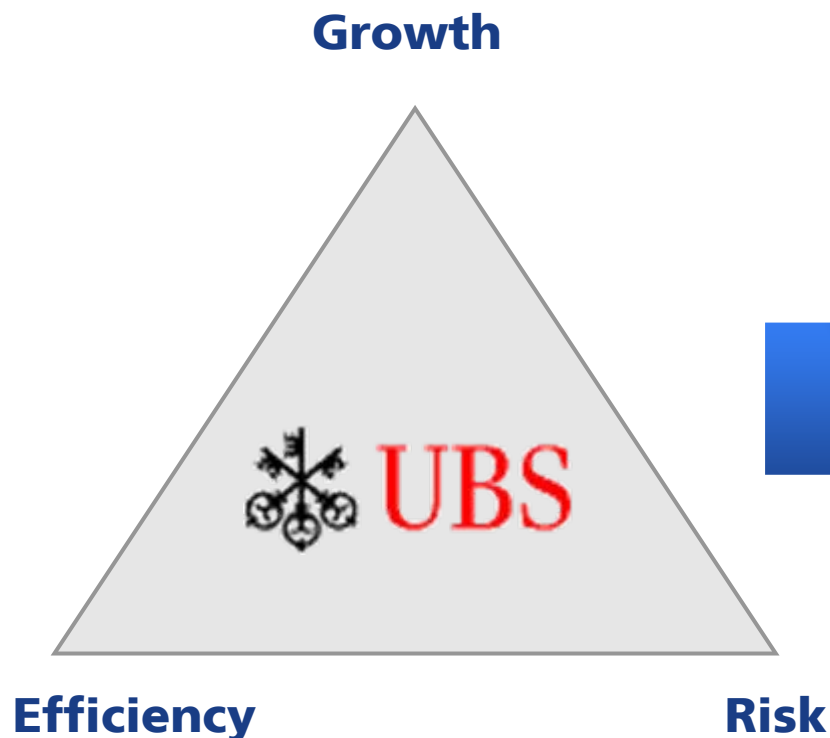
### Market clusters



# Principles for balanced growth strategy

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**We will balance our focus on top-line growth, efficiency and risk**



- ◆ We will take a balanced view of growth, efficiency and risk in all our business decisions
- ◆ Our balanced growth strategy will be reflected in...
  - Our approach to managing and measuring performance
  - Our resource allocation decision making
  - Efficiency & risk management becoming stronger business processes