

Non-traditional asset classes

For more stability in your portfolio

Hedge funds, real estate,
commodities and private equity



Take advantage of the entire investment spectrum

Non-traditional asset classes, such as hedge funds, real estate, commodities and private equity, follow a different set of rules to those that govern equities and bonds. Which is precisely why they can help improve a portfolio's risk/return profile.

Equities and bonds – these two asset classes come to mind immediately when investors are considering what to do with their money. By contrast, non-traditional asset classes such as hedge funds, real estate, commodities and private equity are all too often neglected. This is unfortunate, because the inclusion of non-traditional asset classes can enhance portfolio performance. For one thing, they reduce the fluctuations to which a standard equity-and-bond portfolio is subject. And for another, they improve a portfolio's risk/return profile. One reason for this is that non-traditional investments are influenced by factors other than those affecting equities and bonds. In contrast to these traditional investments, non-traditional asset classes are less dependent upon market fluctuations and interest-rate trends.

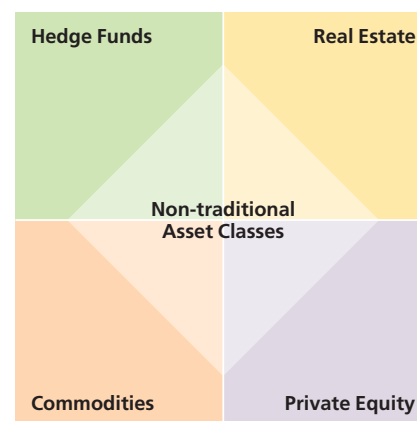
Characteristics

Risk/return characteristics are above average: Non-traditional investments can offer above-average returns with comparatively low volatility.

Stability for the portfolio: Because returns on non-traditional investments depend upon different factors to those influencing traditional instruments, they have a balancing effect on a portfolio.

It pays to adopt a longer investment horizon: Most non-traditional investments are long-term, calling for an investment horizon of several years or a holding period corresponding to the length of an economic cycle. As a result, their liquidity is restricted.

Know-how makes the difference: Many non-traditional strategies and investments require solid specialist know-how, excellent market expertise and many years of experience. For this reason, the key to success in this field is manager selection.



Four non-traditional asset classes

Hedge funds

These investment vehicles enjoy considerable room for maneuver while striving to deliver constant positive returns regardless of the market trend. From a historical perspective, hedge funds offer a good risk/return profile.

Real estate

This asset class comprises direct and indirect investments in properties, assembled by professional portfolio managers aiming to produce attractive returns. Investments include office buildings, retail properties, industrial premises, multi-family real-estate and specialty real estate. Real estate generates regular earnings and can offer a partial protection against inflation.

Commodities

This asset class includes energy sources, mining products and agricultural produce derived from nature and processed into secondary goods. Although frequently subject to fluctuations similar to those affecting equities, commodities can offer attractive return opportunities as well as partial protection against inflation.

Private equity

This asset class involves investment in enterprises typically not listed on the stock exchange. These may be either start-up companies or established firms. Private equity offers a way to participate in the growth and success of such companies. By definition, however, these investments are usually illiquid and rather long-term.

Opportunities

Non-traditional investments improve a portfolio's risk/return profile and have a stabilizing effect, since their returns are less subject to such factors as market performance and interest-rate developments than are traditional investments. Viewed over the past ten years, a portfolio containing non-traditional asset classes will have posted not only better performance but a more stable value growth than those featuring exclusively equities and bonds. Even in the down-market period from 2000 to 2002, when prices slumped, non-traditional investments posted positive returns. That said, hedge funds, real estate, commodities and private equity all behave differently during the economic cycle, which is why it pays to invest in all four non-traditional asset classes, and thus take full advantage of their potential.

Risks

Non-traditional asset classes are exposed to risks that are not taken into account within the standard risk measurements carried out by the financial industry: in other words, the average fluctuations in return known as volatility. Furthermore, non-traditional asset classes frequently offer only restricted liquidity, and are less transparent than listed securities, for instance. Investing directly in a non-traditional product can be as risky as single stock positions, especially if the investor is not sufficiently experienced. So it is important always to invest in broadly diversified solutions, in order to spread one's risk. At the same time, it must be borne in mind that the stabilizing characteristics of non-traditional asset classes only come into effect over a longer period of time.

How you benefit

Non-traditional asset classes can...

- ... provide superior risk-adjusted returns
- ... improve your portfolio's risk/return profile
- ... offer you a partial protection against inflation
- ... have a stabilizing effect on your portfolio



Hedge funds – the creative component of a portfolio

Hedge funds offer managers considerable room for maneuver as they implement their investment strategies. There is hardly a more varied asset class – and, from a historical perspective, none can show a better risk/return profile.

Hedge fund managers enjoy a particular freedom in their investment policy. Depending on the strategy chosen, the funds available range from those offering the greatest security to those targeting high returns, but entailing higher risks. What is more, hedge fund managers often develop their own innovative investment concepts. As this calls for considerable legal room for maneuver, hedge funds are usually set up as offshore vehicles or limited partnerships in the US.

Characteristics

Continuous asset increase: Broadly diversified hedge fund solutions offer returns nearly as high as those of equities – but with markedly less price fluctuation.

Absolute return is what counts: Regardless of market environment, and even during a slump, hedge funds strive for continuous positive value growth. Therefore, it is not appropriate to compare their performance with a traditional market index.

The investment strategy makes the difference:

Hedge fund managers use their market expertise to develop innovative investment strategies and seek higher returns over the long term. They tend to guard such strategies jealously. For this reason, a hedge fund is only as good as its manager, whose skills and strategy can only be assessed with the aid of specialist know-how, experience and a solid network.

Taking full advantage of additional room to

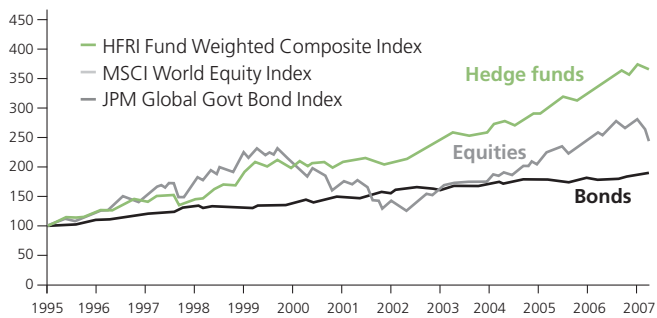
maneuver: In order to secure attractive returns even in difficult market environments, hedge fund managers also use derivatives (options and futures), borrowed capital (financial leverage) and short selling (selling a security not owned in anticipation of buying it at a lower price).

Performance-based remuneration: Hedge fund managers are remunerated according to the performance of their fund. Most invest in their own funds. This ensures that both manager and investor share an interest in the fund's success.

Restricted access: Many hedge fund managers restrict the inflow of assets into their funds, since some strategies do not function above a given investment volume. In addition, managers often specify high initial investments and lock-up periods that prevent investors from making an early disinvestment.

Historical performance of hedge funds, equities and bonds

(Total Return Indices in USD, 12/95 – 01/08)



Source: Bloomberg, DataStream

Past performance is no guarantee of future trends.



Five hedge fund strategies

Equity hedge

This is the oldest and currently the largest category of hedge fund. Equity hedge funds look for undervalued (to buy) or overvalued equities (to sell) in certain regions or market segments, and seek to realize a profit when these investments revert to fair value.

Relative value

An arbitrage strategy detects price differences in the same types of instruments on different markets and attempts to exploit this spread.

Event-driven

Managers following this type of strategy seek to generate profits from upcoming corporate transactions such as mergers or takeovers.

Global macro

Managers of these hedge funds look for macro-economic trends, such as changes in interest or exchange rates, and for ways of benefiting from them.

Commodity trading advisors (CTA)

This category of hedge fund deals mainly in futures (standardized, listed forward transactions) in financial instruments, currencies and commodities. Fund managers often use sophisticated computer programs to identify price patterns.

Opportunities

Hedge funds can generate attractive long-term returns. This is possible because they are subject to relatively modest price fluctuations, and because they are typically able to generate positive returns even during down-market periods. In general, hedge funds tend to stabilize portfolios and improve their risk/return profile.

Risks

Broadly diversified funds of hedge funds (hedge funds which themselves invest in a range of hedge funds) often pose no more market risk than bonds. Nevertheless, since hedge funds are subject to fewer regulatory restrictions than traditional investment funds, they can expose investors to risks that are not captured by standard risk measurements. For this reason, investors should only buy into hedge funds with proven track records and experienced managers.

How to invest in hedge funds

Private investors basically have two vehicles at their disposal: either individual hedge funds or funds of hedge funds, the latter comprising a variety of individual hedge funds. In line with local legislation, funds of hedge funds are often sold as certificates. Investing directly in an individual hedge fund can be very risky. What is more, many funds demand very high minimum investments, their liquidity is limited and they are not regularly traded. Furthermore, the most successful funds are often closed to new money.

By contrast, a broadly diversified fund of hedge funds or fund of hedge funds certificate offers real advantages. Certificates allow investors to participate in the performance of a fund of funds with a smaller investment. These funds invest in a range of different strategies and managers. The resulting diversification improves the risk/return profile. Depending on the investor's requirements, the currency risk (most hedge fund investments are made in US dollars) can be hedged. Last but not least, certificates and funds of funds are easier to trade than individual funds.



Real estate – solid underpinning for a portfolio

Real estate as an asset class is not to be confused with one's own four walls. Potential investments include office buildings, retail properties, industrial premises, multi-family real estate and specialty real estate such as hotels.

Although real estate has attracted investors for centuries, it is only in the last few years that it has emerged as an asset class in its own right. Investments in real estate are managed by professional investors with the aim of generating attractive risk-adjusted returns and stable earnings. There are five categories of real estate investment: office buildings, retail properties, industrial premises, multi-family real estate and specialty real estate. Key variables are location, suitability and flexibility of use.

Characteristics

Regular income has a stabilizing effect: As rental income is typically predictable, earnings on real estate are rather stable.

Long-term appreciation depends on location: Part of the return on real estate comes from value growth over time, owing mainly to location. A property's location does not have to be first-class: if infrastructure developments are in the pipeline, secondary locations can also become more attractive with time.

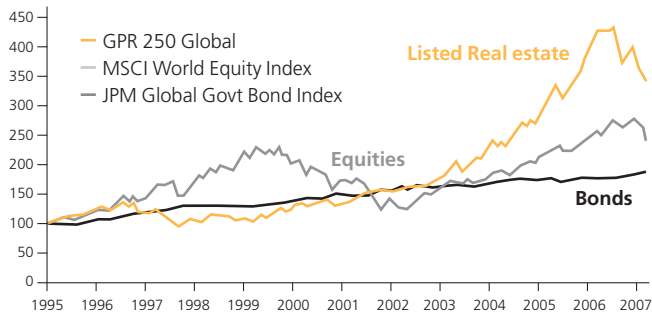
Protecting portfolios against inflation: Real estate typically rises in value along with inflation– which means it can provide partial protection against rising prices.

Properties must be appraised: Investments in real estate depend upon physical assets – namely property. And since each property is unique and not traded on a regulated market, its value must be assessed by experts.

Interest rates play a role: When interest rates are low mortgages are cheap, and above-average returns can be generated. On the other hand, when the rates go up, earnings go down. Real estate may thus react to interest-rate changes the same way bonds do.

Historical performance of listed real estate, equities and bonds

(Total Return Indices in USD, 12/95 – 01/08)



Source: Bloomberg, DataStream

Past performance is no guarantee of future trends.



Five categories of real estate

Office

The most popular real estate investment category benefits from the fact that permits are issued more readily for offices than for shopping centers. But office properties are very sensitive to the economic cycle.

Retail

This is the second largest type of real estate investment, with shopping centers making up the lion's share. Their success depends on the mix of tenants as well as their location. One problem arises with the fact that retail space is subject to restrictive planning provisions.

Industrial

Location does not usually play a big part in industrial sites. What is important is that the location offers suitable access to transportation. As many industrial premises are owned by manufacturers, professional property managers need to offer attractive conditions. Industrial real estate tends to feature long-term contracts.

Multi-family (apartments)

Depending on the country, substantial residential properties can be attractive as investments. But investors should be aware that some governments intervene in the rental market for social reasons, thus depressing rents below the market rate.

Specialty real estate

This category is made up mainly of hotels, which react particularly sensitively to the economic cycle. The more prestigious hotels incur greater fixed costs and thus depend on high occupancy rates. Apart from hotels, healthcare facilities such as hospitals and nursing homes offer attractive investment opportunities.

Opportunities

Real estate offers regular earnings coupled with the potential for appealing value growth. It stabilizes a portfolio and improves its risk/return profile. Furthermore, it can also offer partial protection against inflation. And a globally diversified approach to real estate investing can profit from different economic cycles.

Risks

The risks in real estate are fairly low overall, thanks to the sector's recurring earnings. Nevertheless, government tax incentives designed to stimulate real estate buying and attractive loan conditions may lead to price bubbles. Furthermore, real estate reacts to interest-rate changes in a similar way to bonds.

How to invest in real estate

Private investors can invest in real estate either directly or indirectly. Direct investment means purchasing properties directly, which usually requires considerable capital, a long investment horizon, specialized expertise and, often, a personal commitment, given that properties demand professional management. Indirect investment in real estate is possible with a more modest outlay of capital. A distinction must be made between listed and unlisted indirect investments. Unlisted direct investments include, for example, real estate funds, shares in real estate companies not traded on the stock exchange, and certificates on real estate funds. One big advantage of real estate funds is that they spread and reduce risk through diversification by location as well as by category. Funds can also invest in real estate either directly or indirectly. Furthermore, it is possible to hedge a real estate portfolio against currency risks.

Among listed indirect investments, real estate investment trusts (REIT) have become especially popular in recent years. These investments allow investors to capture the benefits of real estate without the usual disadvantage of illiquidity.



Commodities – adding color to the portfolio

Commodities are one of the oldest and most varied asset classes. The performance of individual commodities is highly variable.

Commodities include agricultural produce and mining products (industrial and precious metals) as well as energy sources derived from nature and processed into secondary products and foodstuffs. Commodities that are traded in standardized qualities and volumes on commodity exchanges can be used as financial investments.

Characteristics

Positive returns despite market slumps: Commodities are attractive not only for their returns but also because they can on occasion gain in value even when stock markets are moving sideways or falling. They are therefore suitable for diversifying a portfolio.

Supply and demand are key: Commodity prices depend on hard facts. When the demand for commodities is greater than the supply, prices go up. And, as mining or energy-generating capacity can be increased only over the very long term, supply shortfalls take time to fill.

Trading is based on forward transactions: Traders on commodity exchanges do not deal in current prices, but rather in future prices. Thus the majority of commodity trading is done in the form of standardized forward transactions known as futures.

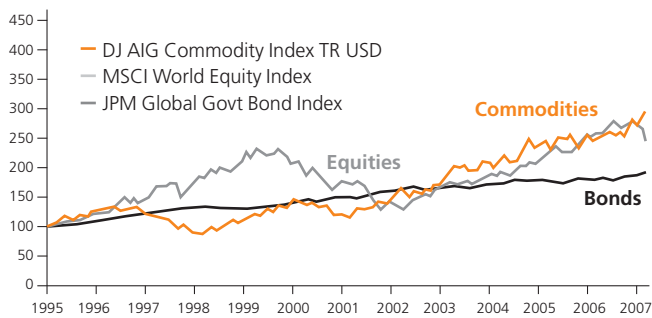
Protecting portfolios against inflation: Commodity prices go up in the long term roughly in parallel with inflation. This means that they can provide partial protection against rising prices. And, as commodity prices can themselves drive inflation, they also can serve as a leading indicator for consumer prices and inflation.

Mitigating geopolitical and other risks: State intervention frequently influences the price of commodities, especially when major reserves are located in politically unstable areas. Geopolitical tension can lift commodity prices, offsetting losses from other investments. Extraordinary events, such as natural disasters, may also influence commodity prices.

Rolling price structures: The forward or future price of a given commodity is normally greater than its spot or current price, as the future price includes warehousing fees and other costs. This situation is known as *contango*. When the future price is lower than the spot price, this is called *backwardation*. As commodities are traded in the form of futures, investors must replace expired contracts with new ones, a process known as “rolling”. In a *contango* situation the new contract is more expensive, which makes for a negative rolling yield, while *backwardation* implies a positive rolling yield, and is thus the more attractive price structure.

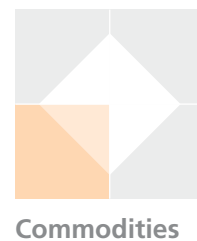
Historical performance of commodities, equities and bonds

(Total Return Indices in USD, 12/95 – 01/08)



Source: Bloomberg, DataStream

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Four categories of commodities

Energy

This is the most heavily traded group of commodities and is for the most part highly liquid. It therefore represents the main component of most commodity indices. OPEC policy is one factor behind prices. Energy includes crude oil, natural gas, gasoline and heating oil.

Precious metals

Investors value these metals as a secure physical holding; they are also very important in the jewelry business. The most important precious metals are gold, silver and the platinum group.

Industrial metals

These are found in much greater quantities than precious metals. As the name implies, they play a key role in industrial applications, with prices depending heavily on the state of the economy. The key industrial metals are copper, aluminum, zinc, nickel and tin.

Agricultural produce

The distinctive feature of this heterogeneous group of commodities is that they are renewable. Their prices are closely linked to weather patterns, which makes it hard to predict price trends. Agricultural produce includes such things as sugar, coffee and cotton, as well as pork bellies and cattle.

Opportunities

Depending on the market environment and the economy, commodities offer attractive return potential. When economies become more industrialized and urbanized, their demand for commodities increases, which can lift commodity prices. Recent commodity price hikes can thus be explained largely with reference to China's thirst for raw materials. Furthermore, commodities can offer partial long-term protection against inflation. Their main advantage, however, is that they improve diversification, contributing to an overall better risk/return profile for portfolios.

Risks

Returns on commodities can be very volatile, and are subject to sudden price collapses. In addition, experience has shown that they may also post negative performance for several years at a time. They carry the same high risk as equities. Investing directly in a commodity future is very risky and requires solid financial market expertise. Here too, however, the basic rule of investment applies: the more diversified the investment, the lower the risk.

How to invest in commodities

For most investors, the need for storage space makes physical investment in commodities impossible. They can instead invest directly in commodity futures, in shares of commodity companies, or in commodity funds and certificates. That said, investing in commodity futures demands a great deal of financial market experience. And while purchasing shares in commodity producers is straightforward, the performance of such securities is influenced by more than just commodity prices. They also entail risks specific to the company, and therefore do not provide direct exposure to the commodity in question.

Commodity funds and certificates allow private investors to diversify their investments through the commodity markets. Actively managed commodity funds in particular can generate added value, although such products are not accessible generally to all investors.



Private equity – putting the future into a portfolio

Private equity includes stakes in companies typically not listed on the stock exchange. And these can include some diamonds in the rough.

When venture capital comes up in conversation, private equity can't be far behind. And yet private equity represents nothing more than stakes in companies not listed on a stock exchange. An exception are companies that have decided to de-list themselves, a process known as public to private. Private equity is a complex and heterogeneous asset class.

Characteristics

Investors need a lot of patience: Private equity calls for a long-term investment horizon of at least 10 to 15 years. Investors cannot expect any distributions in the early years, but instead must wait for their returns until the companies purchased have been sold again.

Knowledge means higher returns: In the private equity field, an area on which hardly any information is publicly accessible, specialized knowledge of the sector and the company involved can make for extremely attractive returns. Far more than in other investment areas, a private equity manager's expertise and experience mean the difference between success and failure. Studies show a striking difference in returns between those generated by the top-quartile of private equity managers and the average. The key to success lies in the ability to choose top managers, as well as in gaining access to top-quartile managers.

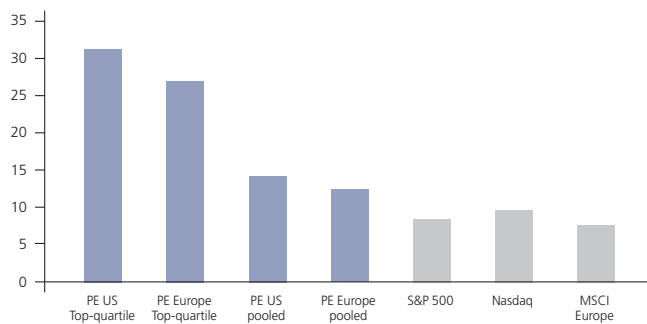
The entry barriers are high: Companies established for the purpose of investing in private equity often demand multi-million sums as minimum investment. Investors typically keep control of the funds they have committed to invest until such time as the private equity firm makes drawdowns to take advantage of opportunities. Yet even with a large financial commitment, it remains difficult for private investors to gain access to the best managers.

Performance-based remuneration: Private equity managers are remunerated based on the performance of their fund. In addition, managers usually invest a considerable share of their own assets in their funds. This ensures that manager and investor share an interest in the fund's success.

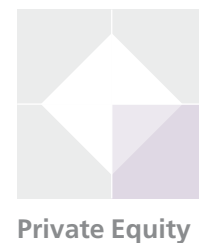
Private equity cannot be traded: There is no exchange for private equity, so such investments are illiquid. As a rule, investors cannot disinvest early – unless they are with a listed company which invests in private equity.

Restricted access: Many private equity managers – indeed often the successful ones - restrict the inflow of assets into their funds, since some strategies do not function above a given investment volume.

Annual returns



Source: Private equity: 10-yr Internal Rate of Return (IRR) as of 30 June 2007, Thomson Venture Economics. Equities: S&P 500, Nasdaq, MSCI Europe 10-yr Price Index Returns as of 30 June 2007, DataStream. Past performance is no guarantee of future trends.



Four categories of private equity

Venture capital

This category of private equity invests mainly in young companies, often start-ups with innovative products in promising sectors such as high-tech or healthcare. Private equity funds frequently support these enterprises with strategic and business advice.

Buyouts

These vehicles finance a change in ownership at established companies. They often assist in management buyouts and acquire considerable stakes or even majority interest in respected enterprises with strong market positions.

Mezzanine

Private equity companies in this category often provide established firms with flexible subordinated capital, that is, debt with equity-like features. Such financing often carries a more favorable interest rate than a classic loan. In addition, and under certain conditions, these funds frequently give investors the opportunity to participate in the equity capital.

Special situation

This private equity category invests in companies in special situations. If an enterprise is restructuring, a private equity manager can, for example, purchase its debt with a view to selling it later at a profit – or to taking control of the company in order to take it public. This strategy is comparable to investing in non-performing loans.

Opportunities

Private equity investments can achieve sustainable above-average returns. Managers strive for positive returns whether the markets are moving up or down. As these investments are unlisted, they are not subject to the short-term fluctuations typical of market trading, and thus are suitable for diversifying a portfolio and improving its risk/return profile.

Risks

Investors in private equity must often commit themselves to making payments on an on-call basis and be prepared for an irregular outflow of capital. For some investors, this could complicate the task of managing their personal finances. Private equity investments are illiquid, and in some cases may incur considerable losses. With careful diversification by investment cycle, manager, corporate strategy and geography, as well as selection of the best fund managers, such risks can be reduced.

How to invest in private equity

Direct investment in a company requires not only a great deal of capital but above all experience and know-how, given the risks inherent in such investments. For this reason most should choose to invest indirectly, delegating the selection and management of the invested companies to professionals. They may for instance invest in individual private equity funds, which are not investment funds in the legal sense but rather investment vehicles in corporate form. Such funds have the advantage of better spreading the risk. Funds of funds offer even better diversification, given that they invest in a range of private equity categories and sectors. Investors typically need to have around 5 million Swiss francs' worth of investable assets.

One practical way of getting into private equity is through a feeder fund. Leading banks establish such funds with the aim of lowering the minimum investment size, which they do by opening a special fund to accumulate capital. Banks invest such pools of capital through their network of private equity managers. In addition, investors can purchase shares in the small number of private equity companies that are listed.

Non-traditional asset classes – what we have to offer

Hedge funds, real estate, commodities and private equity are not open to all private investors without restrictions. UBS provides easy access to this investment universe.

Delegate – or take matters into your own hands?

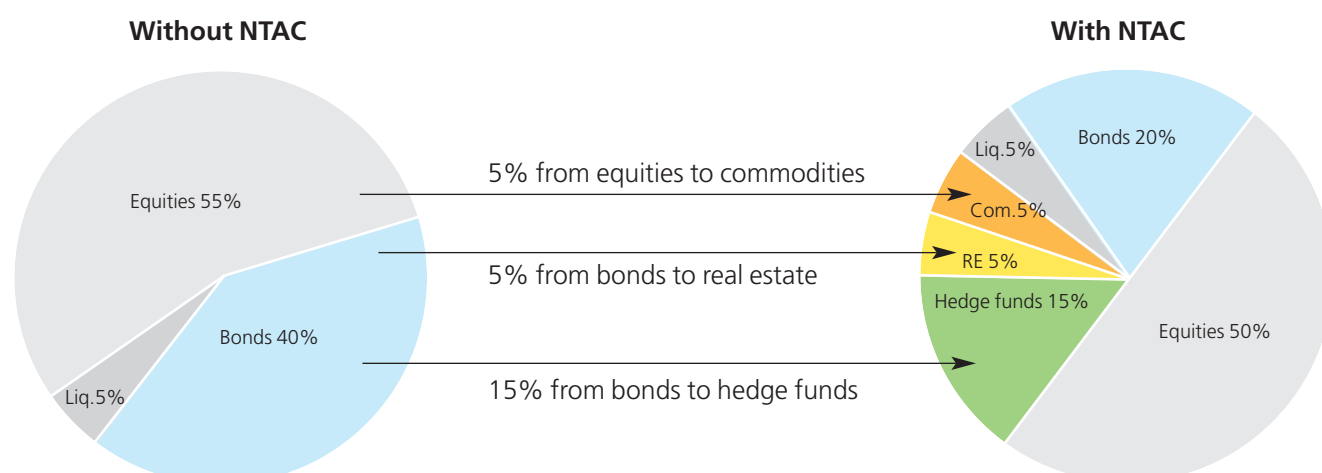
Investors looking to improve their portfolio's risk/return profile with non-traditional asset classes need to decide how to proceed. One crucial question is whether to manage their portfolio themselves, or delegate responsibility to the specialists at UBS.

Those who decide to turn over management of all or part of their assets to UBS receive an investment solution with the best possible risk/return characteristics to match their risk profile and requirements. Non-traditional asset classes play an important role in such mandate solutions.

In addition to these mandate solutions, a wide range of individual non-traditional investments is available. These allow investors among other things to invest in all four non-traditional asset classes with a single transaction or in a specific individual non-traditional asset class. A wide range of funds, funds of funds and certificates is offered. These vehicles tend to be widely diversified and offer optimised risk/return characteristics. They allow private investors to take advantage of non-traditional assets for a relatively small outlay.

How much to invest in non-traditional asset classes

The proportion of non-traditional asset classes in a given portfolio depends upon the investor's requirements, preferences and risk profile. According to UBS Wealth Management Research non-traditional asset classes should comprise up to 25% of an optimally balanced portfolio. Depending on the investor, the following allocation is advisable: up to 15% hedge funds, up to 10% real estate and up to 5% commodities. If the investor has an appropriate risk profile, the portfolio may benefit from an allocation to private equity of around 5%.



UBS – a strong partner

With non-traditional investments, experience and expertise are the keys to success. We are glad to place our expertise at your disposal. Therefore, working with us pays off in many different ways.

Advice

Your client advisor will take the time to understand and respond to your needs. He will be glad to analyze the current state of your portfolio with you and to help you to improve its risk/return profile with non-traditional investments, all in line with your personal financial requirements.

Expertise

UBS is one of the world leaders in non-traditional investments. Hundreds of experts are at work every day assessing the field's risks and opportunities, and exploiting them to your advantage.

Reputation

As a leading provider, UBS enjoys an excellent reputation in the marketplace, allowing the bank to work with the best fund managers in the non-traditional investment sector. These benefits are passed directly on to you.

Open architecture

UBS offers a variety of investment solutions. Because we are only satisfied with the best, we complement our team of top UBS experts with a targeted selection of experienced managers with proven track records from other providers. This means that you benefit from the expertise of both UBS and other providers.

Easy access

Our innovative solutions give you easy access to non-traditional assets with a relatively modest investment size.

Non-traditional asset classes at a glance

How you benefit

Non-traditional asset classes can...

- ... offer an attractive risk/return profile
- ... improve your portfolio's diversification, and thus render it more stable
- ... generate positive returns even during market slumps

Hedge funds can...

- ... offer an attractive risk/return profile
- ... achieve positive returns in absolute terms

Real estate can...

- ... generate regular income and exert a stabilizing influence
- ... provide partial protection against inflation

Commodities can...

- ... offer the opportunity for attractive returns
- ... provide partial protection against inflation

Private equity can...

- ... offer the most attractive earnings prospects over the long term

Interested? Your personal client advisor will be happy to answer your questions and to help you use non-traditional investments to optimize your portfolio. Take advantage of the expertise afforded by a strong partner. Simply contact us.

Important technical terms

Offshore: An offshore financial center is internationally oriented, subject to a minimum of regulations and advantageous for investors. Offshore funds or offshore vehicles are those set up in such financial centers. Examples of offshore financial centers include the Bahamas, the Cayman Islands and the British Virgin Islands.

Limited partnership: A legal form in the Anglo-American world in which partners have only restricted liability and enjoy tax advantages, as with a public limited company or Aktiengesellschaft. Investments in US funds are often marketed as limited partnerships.

Option: Agreement that grants a contracting party the right to buy (call option) or sell (put option) a predetermined quantity of a commodity or security at a fixed price within a defined period of time. Options are traded on the stock exchange.

Future: Standardized forward transaction traded on the stock exchange. The buyer undertakes to purchase or sell a defined quantity of a security at a fixed price on a determined due date. Futures typically do not involve actual delivery but are instead settled in cash.

Certificate: Structured product which mainly reflects the performance of the underlying fund or index. From a legal perspective, however, a certificate is not a fund unit, but rather a debt instrument from the issuing bank.

REIT: Listed real estate company which invests at least 75% of unitholder capital in the real estate market and offers tax advantages. The first REITs came on the market in the US in the 1960s.

Public to private: Withdrawal of a company from the stock exchange (also known as "going private").

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