

UBS (D) Euroinvest Immobilien

The European core real estate fund for institutional investors

UBS Real Estate Funds



Fund features

Name of fund	UBS (D) Euroinvest Immobilien
Fund's inception	28.9.1999
Currency of account	EUR
Year-end financial statements	31 August
Total Expense Ratio (TER)	0.88% p.a. ¹
Benchmark	No representative benchmark is available.
ISIN	DE0009772616
Security no.	977 261

¹ For the financial year 1.9.2008–31.8.2009

Portfolio statistics

	2 years	3 years	5 years
Beta	–	–	–
Correlation	–	–	–
Volatility*			
– fund	0.66%	0.89%	0.86%
Sharpe ratio**	2.60	2.93	2.35

*Annualised standard deviation; **Risk free rate 3.51%

Current data

Net asset value 30.10.2009	EUR	15.67
– high last 12 months	EUR	15.71
– low last 12 months	EUR	15.13
Fund assets in m	EUR	2 503.55
Real estate assets in millions (gross)	EUR	3 244.36 ¹
Last distribution 1.12.2008	EUR	0.59
Yield on distribution		4.10%
Portfolio occupancy rate		90.90% ²
Number of properties		60

¹ The (gross) real estate assets held via real estate companies correspond to the total of the (proportional) market values of all properties held via real estate companies.

² As at 30 September 2009

Fund description

- The fund has been designed as a core product and invests in high-quality office properties in European and regional capitals.
- The investment objective of the fund is to achieve continuous, above-average risk-adjusted performance.
- The fund's target group consists of institutional investors such as insurance companies, pension and provident funds, foundations and family offices that invest for the long term.
- Our own real estate specialists handle acquisitions and asset management for the fund from local offices in London, Paris, Madrid, Milan, Munich, Zurich, Basel, Amsterdam and Frankfurt.

Key benefits

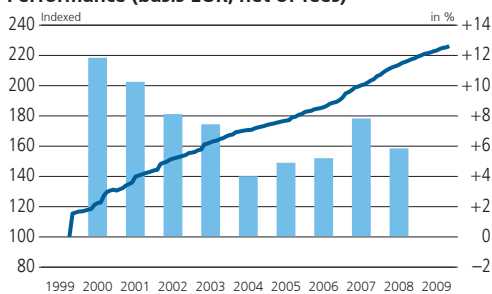
- Participation in the international real estate portfolio without incurring certain administrative expenses.
- Low management costs.
- Broad regional diversification.
- The fund invests solely in high-quality properties with financially sound tenants.
- In addition, the fund pursues a Responsible Property Investment (RPI) strategy*)

* The consequences of climate change, resource consumption and the social impact of our economic activities are becoming increasingly severe and are having a growing effect on the success and risks of investments. For this reason the fund management focuses on the concept of sustainability, both social and economic. All measures taken under the RPI strategy follow the principle of increased sustainability while improving the profitability of the fund, or at least maintaining it the same level.

Risks

Changes in rental income and the value of real estate, as well as other market-specific and legal factors, have an effect on the value of the shares in the UBS Real Estate Funds. An investment in these funds is suited for investors with a middle to long term investment horizon and an appropriate risk tolerance. Every investment is subject to market fluctuations. Every fund has specific risks, which may increase under exceptional market situations.

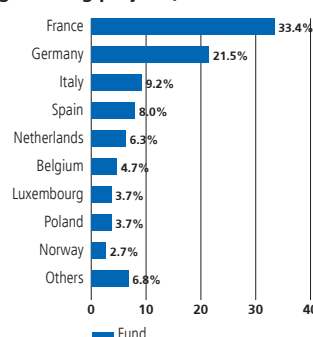
Performance (basis EUR, net of fees)



These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

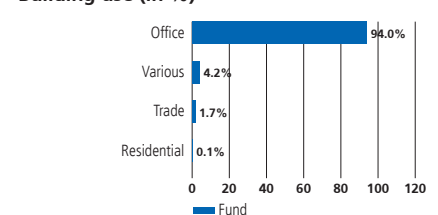
Source for all data and charts (if not indicated otherwise): UBS Global Asset Management

Geographic distribution (including building projects)¹



¹ As at 31 August 2009

Building use (in %)¹



¹ As at 31 August 2009

Performance net of fees

in %	2005	2006	2007	2008
Fund (EUR)	4.90	5.21	7.83	5.85

Cumulative performance, net of fees

in %	5 years	3 years	1 year	Ø p.a. 5 years
Fund (EUR)	30.87	19.53	3.97	5.53

UBS (D) Euroinvest Immobilien Glossary

Benchmark

Index against which fund's performance is measured. Also called a reference index.

Beta

A measure of risk which indicates the sensitivity of an investment, such as a fund, to fluctuations in the market, as represented by the relevant benchmark. For example, a beta of 1.2 tells us that the value of a fund can be expected to change by 12% if the market is forecast to move by 10%. The relation is based on historical data and is only an approximation. However, the closer the correlation between the benchmark and the fund, the better this approximation.

Correlation

A measure of the degree to which the price trends of various investment categories or instruments move in the same direction. The correlation quantifies the strength of the relationship as a figure between -1 and +1. The closer the coefficient is to 1, the stronger the correlation. If the coefficient is -1, the investments and the benchmark move in opposite directions. If the value is 0 there is no correlation.

Derived Management Fee

The derived management fee broadly corresponds to the part of the flat fee that is paid for actual asset management. The derived management fee here is shown as a percentage of the fund's assets p.a. (for further details see the description of „flat fee“).

Duration

The duration represents the length of time for which capital is "tied up" in a bond investment. In contrast to residual maturity calculations, the concept of duration takes account of the time structure of returning cash flows (such as coupon repayments). The average duration of the portfolio is derived from the weighted average duration of the individual securities. The "modified duration" is derived from the duration and provides a measure of the risk with which the sensitivity of bonds or bond portfolios to interest-rate changes can be estimated. A 1% increase (decrease) in the interest level accordingly produces a percentage fall (rise) in the price in proportion to the modified duration. For example: the modified duration of a bond fund is 4.5, the theoretical yield to maturity is 5.3%. If the theoretical yield to maturity drops in the example by 1% to 4.3% due to the decline in interest rates, the fund price increases by around 4.5%. For bond and asset allocation funds, the duration is given for all fixed-income instruments.

Flat fee

UBS applies a so-called flat fee to most securities and money market funds. This fee is charged to the fund's assets and covers all expenses incurred in the management, administration and safekeeping of the fund's assets as well as costs incurred in the distribution of the fund (printing prospectuses, annual and semi-annual reports, costs for auditing and publication of prices, fees charged by the supervisory authority etc.). The only costs not covered are transaction costs incurred in the administration of the fund's assets (brokerage fees in line with the market, fees, duties etc. as well as any applicable taxes). UBS's flat fee is comprehensive and very client-friendly.

Floor or capital preservation amount

Lower limit below which the invested capital may not fall on a set date.

Investment grade

Term used to denote securities with ratings of between BBB and AAA, indicating that their credit quality is satisfactory or good.

Security purchase fee/security sale fee

With some of our funds, a special fee may be charged for the purchase of securities in addition to the issuing commission. This fee is credited to the fund and is used to cover the costs arising from the purchase of securities. The fee is charged for capital preservation funds.

Sharpe ratio

The Sharpe ratio expresses how much higher (or lower) a return an investor can expect compared to the risk-free rate of interest (e.g. interest rates on savings accounts) per unit of risk (volatility). The risk-free rate of interest varies from currency to currency.

Swing Pricing

Swinging single pricing (SSP) is an innovative method used to calculate the net asset values of funds. SSP allows a fund to settle the daily transaction costs arising from subscriptions made by incoming investors and redemptions made by outgoing investors. Existing investors will no longer have to indirectly bear these transaction costs because with SSP the charge of the transaction costs is directly integrated into the calculation of the net asset value, with these costs borne by incoming and outgoing investors.

Under SSP, the net asset value (NAV) is adjusted daily to take account of net transaction costs; the direction of the swing is determined by the daily net capital flows. Where there are net capital inflows, the swing factor is added to the NAV to take account of subscriptions of fund units; where there are net outflows, the swing factor is deducted from the net asset value to take account of unit redemptions. In both cases, the same NAV applies to all incoming and outgoing investors on a particular date. The swing factors by which the NAV is adjusted are based on external brokerage fees, taxes and duties as well as estimated bid/offer spreads of the transactions which a fund carries out in accordance with the subscriptions or redemptions made on a particular day. Performance figures and portfolio statistics are calculated based on the adjusted NAV.

TER

The ratio of total expense to a fund's average size over an annualised accounting period. Expenses are taken to include all expenses shown in the income account, including management, administration, custody, audit, legal and professional fees.

Tracking error

Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the fund is managed, the smaller the tracking error.

Volatility

In portfolio theory the risk of an investment is measured by the amount of volatility. Risk and return are directly related: Markowitz's portfolio theory posits that a higher return can only be obtained with a higher risk.

How to contact UBS

- By phone: +49-69-1369 5300
- Visit us on the Internet: www.ubs.com/deutschlandfonds
- Contact your client advisor

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