

# Wealth Management Americas

Brian Hull

*Vice Chairman Wealth Management Americas*

22 March 2012



---

## Cautionary statement regarding forward-looking statements

This presentation contains statements that constitute “forward-looking statements,” including but not limited to management’s outlook for UBS’s financial performance and statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development. While these forward-looking statements represent UBS’s judgments and expectations concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations. Additional information about those factors is set forth in documents furnished or filed by UBS with the US Securities and Exchange Commission, including UBS’s Annual Report on Form 20-F for the year ended 31 December 2011. UBS is not under any obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

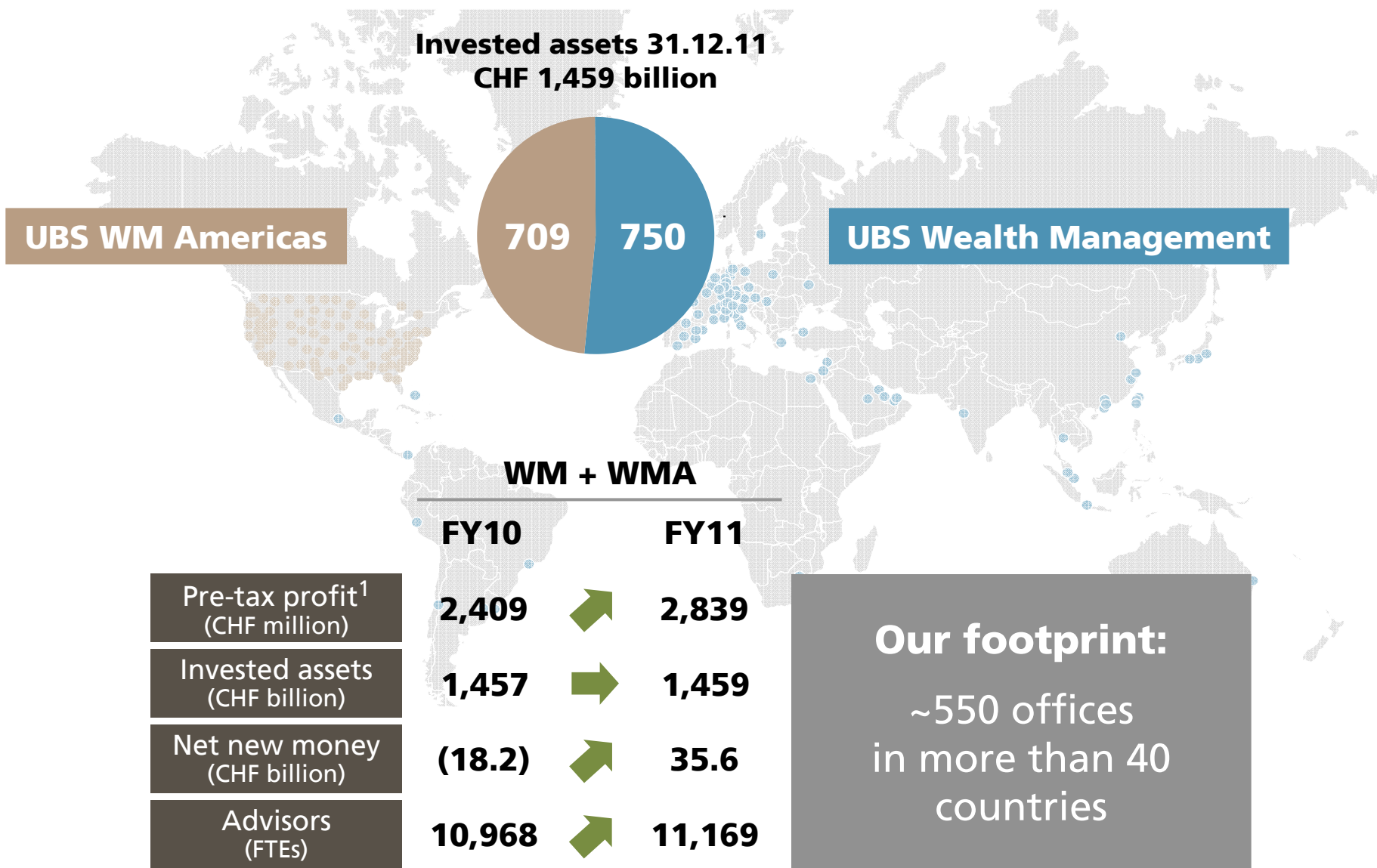
## Disclaimer

This presentation and the information contained herein are provided solely for information purposes, and are not to be construed as a solicitation of an offer to buy or sell any securities or other financial instruments in Switzerland, the United States or any other jurisdiction. No investment decision relating to securities of or relating to UBS AG or its affiliates should be made on the basis of this document. No representation or warranty is made or implied concerning, and UBS assumes no responsibility for, the accuracy, completeness, reliability or comparability of the information contained herein relating to third parties, which is based solely on publicly available information. UBS undertakes no obligation to update the information contained herein.

© UBS 2012. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.

---

# Our wealth management businesses are unrivaled



<sup>1</sup> Excluding restructuring charges, gains from the sale of the strategic investment portfolio in 3Q11 (WM) and 3Q10 provision related to an arbitration matter (WMA)

# We are building on the strengths of all of our businesses

## Investment Bank

- Consistently top-ranked research house<sup>1</sup>
- Top 3 Global Equities House<sup>2</sup>
- Top 3 overall FX market share<sup>3</sup> consistently since 2005, #1 FX House 2011<sup>4</sup>
- Best Equity Derivatives House – Asia<sup>5</sup>
- Top 3 in Structured Credit in 1H11<sup>6</sup>
- Strong global footprint: consistently top 3 in APAC IBD, #1 Pan-European brokerage firm and leading Australian franchise

## Wealth Management

### Wealth Management Americas

- World's leading HNW and UHNW wealth manager: CHF 1.5 trillion of invested assets
- Unrivaled in scope, reach and client mix
- Strong footprint in all major financial centers
- WM: #1 Europe, APAC, EM, CH, UNHW by invested assets<sup>7</sup>
- WM: Industry-leading C/I ratio, 5bps increase in RoA since 2009
- WMA: #1 revenue per FA, #1 invested assets per FA, #1 NNM per FA

## Retail & Corporate

- Leading retail and corporate bank in Switzerland
- Driver of growth in Wealth Management, Global Asset Management and the Investment Bank
- Continued to attract deposit inflows
- Inherently stable business with strong cash flow generation
- FY11 pre-tax profit CHF 1.9 billion

## Global Asset Management

- Invested assets: CHF 574 billion, of which 66% from third-party channels
- FY11 third-party net new money inflows of over CHF 12 billion
- Well-diversified across investment capabilities, regions and distribution channels
- Successful alternatives platform, including our real estate and fund of hedge funds businesses both ranked #2 globally



1 Institutional Investor 2011

2 UBS estimates based on companies reporting of 30 9 11 YTD revenues

3 Euromoney FX Poll (2005 – 2011)

4 Risk Magazine, September 2011

5 Risk - Structured Products Awards, 2011

6 Coalition, November 2011

7 Based on figures as of 30 September 2011

# Key messages

---

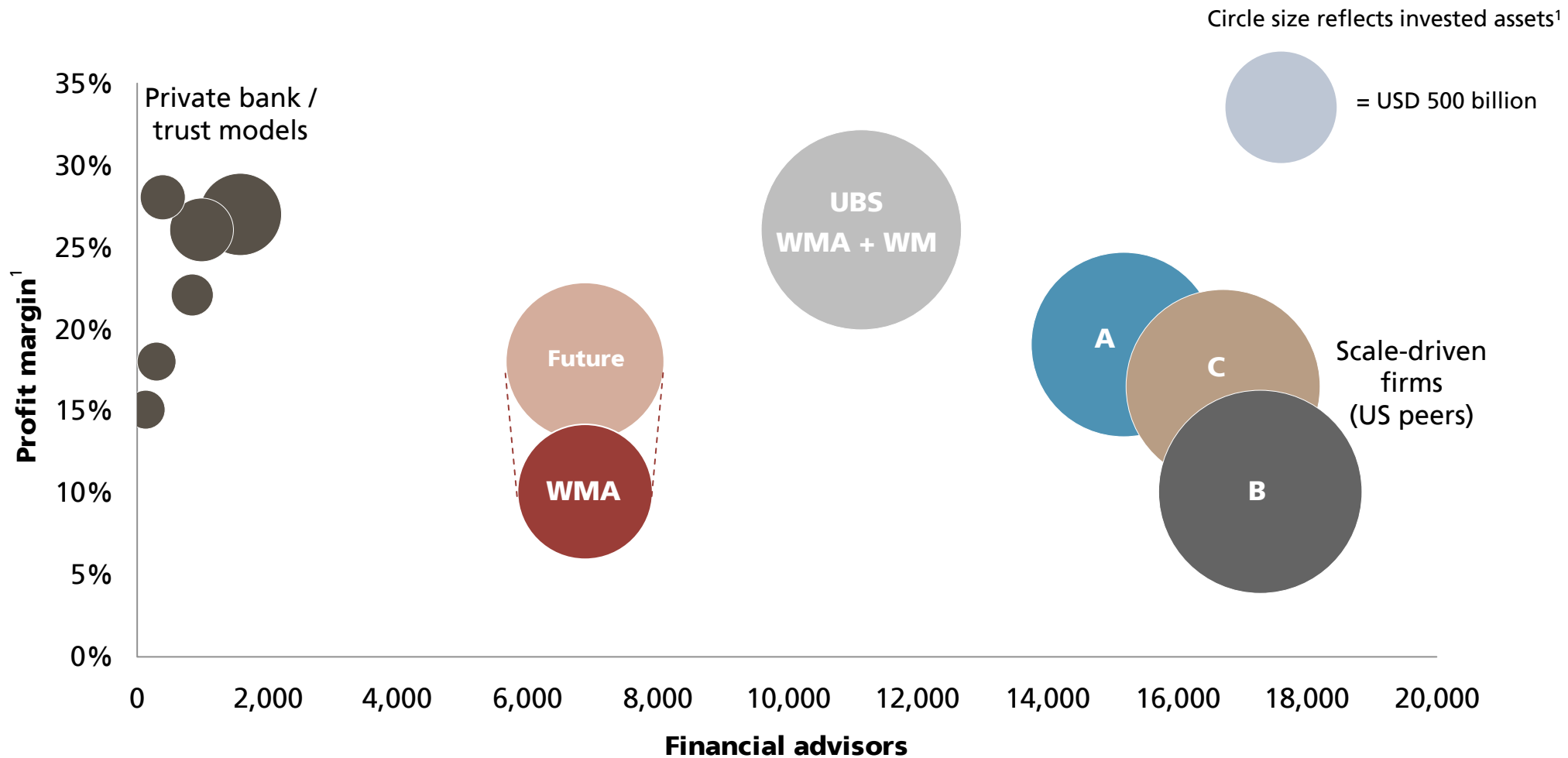
We are reconfirming our client-focused and advisor-centric strategy

Growth in WMA will be driven by three key areas — advice-based solutions, banking and lending and delivering the firm

We are confident that we will achieve our targets

# Reconfirming our strategy

Unique positioning and global reach provide optimal size and agility



# Executing our strategy

In USD	FY09	FY11	FY11 vs FY09
<b>Advisor retention</b>			
<b>Financial advisors</b>	7,084	6,967	(2%) ↓
<b>% FA attrition rate &gt;250k<sup>1,2</sup></b>	15.3%	3.4%	- ↓
<b>% FA attrition rate &gt;1m<sup>1,2</sup></b>	17.4%	2.9%	- ↓
<b>Advisor productivity</b>			
<b>Invested assets / FA<sup>3</sup> (million)</b>	94	108	15% ↑
<b>Revenue / FA (thousand)</b>	645	870	35% ↑
<b>Income statement</b>			
<b>Invested assets (billion)</b>	663	754	14% ↑
<b>Revenues (million)</b>	5,139	5,966	16% ↑
<b>Pre-tax (million)</b>	30	573	1810% ↑
<b>WMA NNM (billion)</b>	(10.7)	13.8	230% ↑



1 Based on WM US headcount  
2 Annualized

3 Calculated using end-of-period invested assets and financial advisors

# Improving our mix with client-centric solutions is a focus

## Foundation of advice through planning

Enhanced net new  
money quality

+

Focus on performance

### Brokerage

- Structured Solutions
- Annuities & Insurance
- Alternative Investments
- Mutual Funds
- TFI
- Municipals
- Equities
- Cash Equivalents

Selective  
conversion

### Advisory

- MPF / Global Selections
- PMP
- SWP
- Strategic Advisor
- PACE Select
- PACE Multi
- ACCESS
- PWS
- MAC

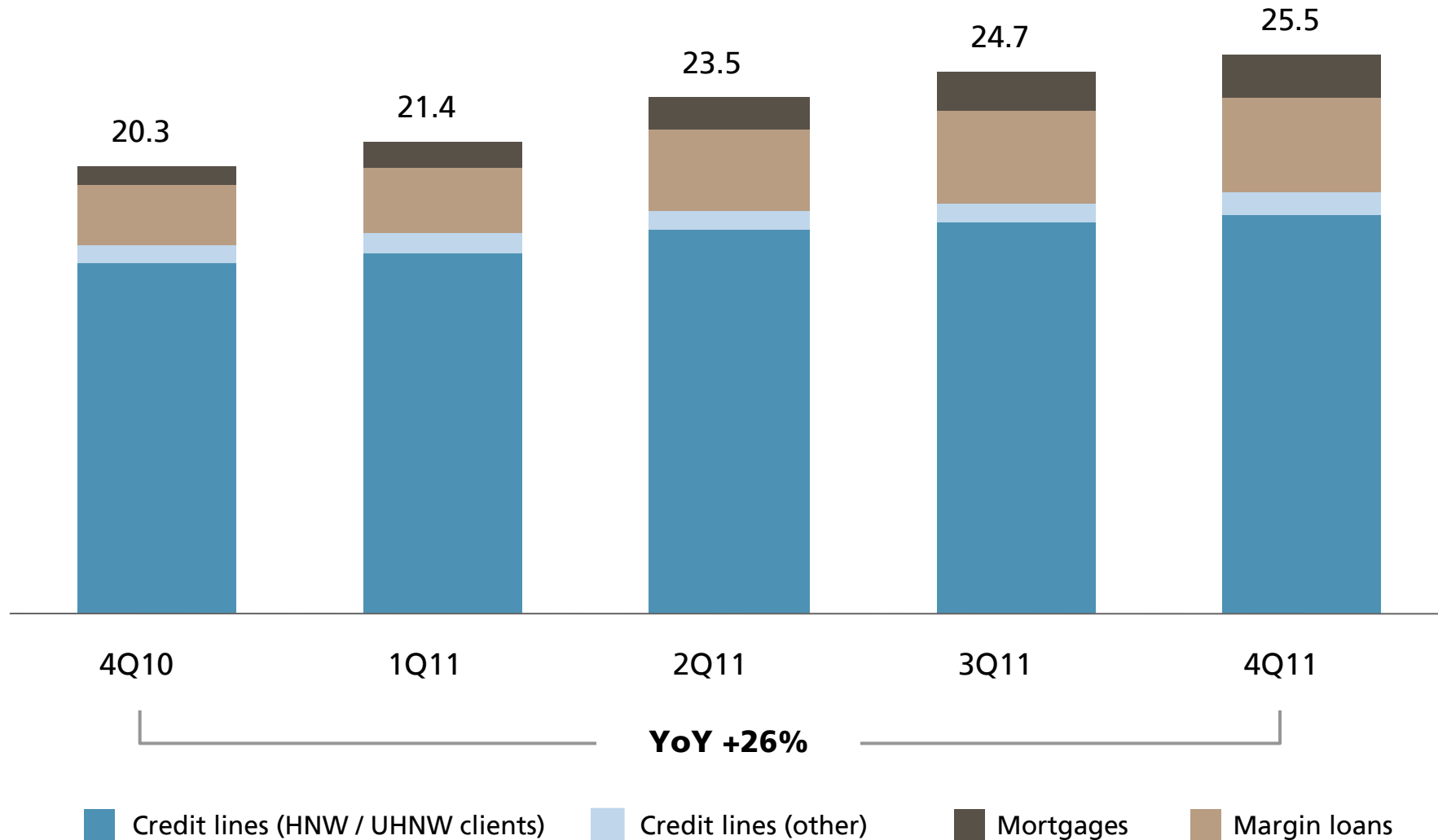
- Strategic Focus +

- Discretion +



# Wealth Management Americas – lending balances (USD)

Prudently managed growth in lending balances...



...with substantial capacity to grow and drive net interest income

# We can do more for our best clients by **Delivering the Firm**

**At UBS, we have access to the resources and expertise needed to meet a full range of corporate, employee, and individual needs**



# Wealth Management Americas

Brian Hull

*Vice Chairman Wealth Management Americas*



# Appendix

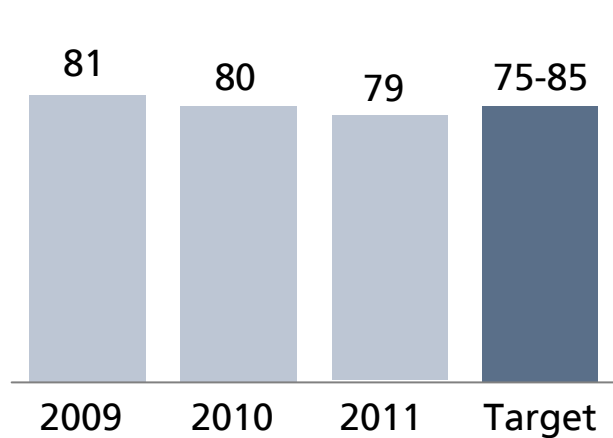
---

# We are confident we will achieve our targets<sup>1</sup>

Recent success supports confidence in growth ambitions

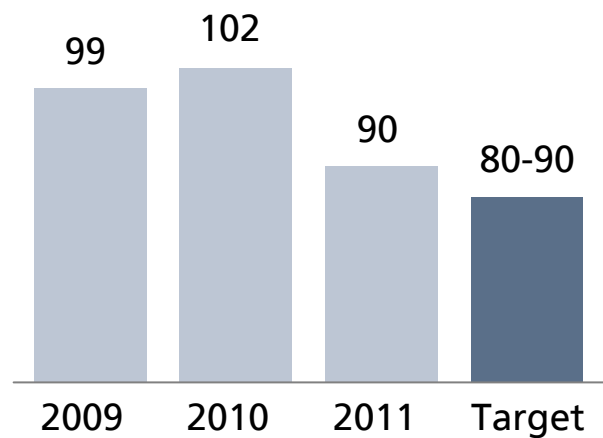
## Gross margin

(bps)



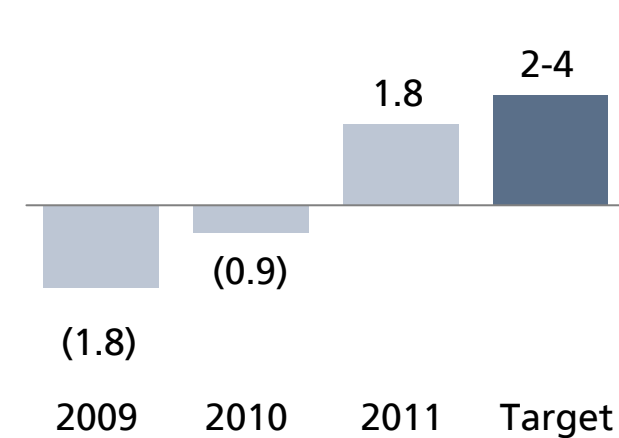
## Cost / income ratio

(%)



## Annual NNM growth

(%)



# Continued industry-leading advisor productivity

## Highest revenue per FA and IA per FA

