First Quarter Results 2007

Zurich, 3rd May 2007
Clive Standish (Chief Financial Officer)
Tom Hill (Chief Communication Officer)
Caution 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 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 and macro-economic trends, (2) legislative developments, governmental and regulatory trends, (3) movements in local and international securities markets, currency exchange rates and interest rates, (4) competitive pressures, (5) technological developments, (6) changes in the financial position or creditworthiness of our customers, obligors and counterparties and developments in the markets in which they operate, (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 2006. UBS is not under any obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.
## Financial highlights

<table>
<thead>
<tr>
<th>Category</th>
<th>1Q07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit attributable to UBS shareholders</td>
<td>CHF 3.18 bn</td>
</tr>
<tr>
<td>RoE</td>
<td>28.7%</td>
</tr>
<tr>
<td>Cost / income ratio</td>
<td>68.1%</td>
</tr>
<tr>
<td>Net new money</td>
<td>CHF 52.8 bn</td>
</tr>
<tr>
<td>Diluted EPS, Diluted EPS growth (year-on-year)</td>
<td>CHF 1.62 +9%</td>
</tr>
<tr>
<td>Invested assets growth (year-on-year)</td>
<td>+13%</td>
</tr>
</tbody>
</table>

1 Based on Financial Businesses, from continuing operations
2 UBS Group reported CHF 3,275m net profit attributable to UBS shareholders
3 Based on UBS Group, from continuing operations
Key Messages

UBS is a unique client focused organization operating in markets with attractive growth prospects. Our global business delivers strong recurring revenues from a growing invested asset base. Our brand and reputation are critical to our success. We are committed to delivering value to our shareholders.

Executing on our growth agenda

Enhancing WM's global leadership position

Maintaining our focus on cost / income ratio

Delivering to shareholders
SECTION 1

Group Results
Net profit from continuing operations\(^1\)

Financial Businesses only, net profit attributable to UBS shareholders from continuing operations, pre-goodwill
Net new money

NNM UBS¹

NNM WM businesses

1  Financial Businesses only, from continuing operations
Invested assets development

Dec 06 to Mar 07

Dec 06 Net new money Acquisitions Market movements / performance Currency Other Mar 07

2,989 53 27 40 2 1 3,112

4%
Cost development

Cost / income\(^1\)

1 Financial Businesses only. Total operating expenses less the amortization of goodwill / total operating income less credit loss expense or recovery.
Shareholder returns

**RoE**

1. Net profit attributable to UBS shareholders from continuing operations (annualized as applicable) before the amortization of goodwill / average equity attributable to UBS shareholders less assumed distributions (estimated as applicable)

**Diluted EPS**

2. Net profit attributable to UBS shareholders for diluted EPS from continuing operations before the amortization of goodwill / weighted average shares outstanding for diluted EPS

Year-on-year 9% growth
Capital management update

Tier 1

- 11.7%, down 20bps from 4Q06
- Risk weighted assets CHF 354.6 bn, +CHF 12.7 bn from 4Q06
- Tier 1 Capital CHF 41.5 bn, +2.5%

Buyback - 1st line

- Other treasury shares decreased by 16.3 m reflecting 37.6 m share deliveries to employees partly offset by 21.3 m shares purchased

Buyback - 2nd line

- 10,420,000 shares or CHF 800 m bought back under 2006/2007
- 7,210,000 shares or CHF 500 m bought back under 2007/2010 buyback program which started March 8, 2007
SECTION 2

Business Unit Results
Net new money and invested assets—WM Int & CH

**Net new money**

![Bar chart showing net new money from Q1 2004 to Q4 2007, with a peak of CHF 33.9bn in Q1 2007.](chart)

**Invested assets - Dec 06 to Mar 07**

![Bar chart showing invested assets with net new money, acquisitions, market movements/performance, currency, other, and Mar 07.](chart)

- Dec 06: CHF 1,138bn
- Net new money: CHF 34bn
- Acquisitions: 1
- Market movements/performance: 20%
- Currency: 2
- Other: 2
- Mar 07: CHF 1,197bn

CHF 106.8bn cumulative total.
Profitability—Wealth Management Int & CH\(^1\)

Year-on-year 18% growth

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q04</th>
<th>2Q04</th>
<th>3Q04</th>
<th>4Q04</th>
<th>1Q05</th>
<th>2Q05</th>
<th>3Q05</th>
<th>4Q05</th>
<th>1Q06</th>
<th>2Q06</th>
<th>3Q06</th>
<th>4Q06</th>
<th>1Q07</th>
</tr>
</thead>
<tbody>
<tr>
<td>(CHFm)</td>
<td>1,100</td>
<td>1,200</td>
<td>1,300</td>
<td>1,400</td>
<td>1,500</td>
<td>1,600</td>
<td>1,700</td>
<td>1,800</td>
<td>1,900</td>
<td>2,000</td>
<td>2,100</td>
<td>2,200</td>
<td>2,300</td>
</tr>
</tbody>
</table>

1 Pre-goodwill
Progress in European domestic business—WM Int

Profitability

1Q07 versus 4Q06

Client advisors

NNM, invested assets

15
Wealth Management Int & CH summary

- Record net new money: CHF 33.9bn
- Record pre tax profits: CHF 1.5bn
- Good progress European Wealth Management
Key figures—Wealth Management US

Net new money

CHF 17.7 bn

Invested assets - Dec 06 to Mar 07

Dec 06
Net new money
Acquisitions
Market movements / performance
Currency
Other
Mar 07

824
11
26
9
(3)
1
868

5%
Wealth Management US summary

- Record net new money: CHF 10.9bn
- Invested asset growth: + 5%
- Investment in platform
Profitability and client shifts—Business Banking CH

**Profitability**

Year-on-year 2% growth

**Gross shifts of client assets to Wealth Management**

- 2004: CHF 7.4 bn
- 2005: CHF 8.6 bn
- 2006: CHF 8.2 bn

Gross shifts of client assets to Wealth Management:

- 2005: CHF 8.6 bn
- 2006: CHF 8.2 bn
- 2007: CHF 8.0 bn

Gross Shifts Client Assets to WM

Cumulative Gross Shifts Client Assets to WM

CHFm

- 1Q04: 572
- 2Q04: 589

CHFbn

- 1Q04: 2.6
- 2Q04: 2.6
- 3Q04: 2.6
- 4Q04: 2.6
- 1Q05: 2.6
- 2Q05: 2.6
- 3Q05: 2.6
- 4Q05: 2.6
- 1Q06: 2.6
- 2Q06: 2.6
- 3Q06: 2.6
- 4Q06: 2.6
- 1Q07: 2.6
Net new money¹ and gross margin—Global AM

Institutional NNM

Wholesale intermediary NNM

Invested assets - Dec 06 to Mar 07

Gross margin

1 Excluding money market flows

²CHFbn

¹ Excluding money market flows

Invested assets - Dec 06 to Mar 07

Wholesale Intermediary

Institutional

Gross margin

1Q04 2Q04 3Q04 4Q04 1Q05 2Q05 3Q05 4Q05 1Q06 2Q06 3Q06 4Q06 1Q07

25 30 35 40 45 50

(bps)

2%
Profitability\(^1\)—Global Asset Management

\(^1\) Pre-tax profit, pre-goodwill

Year-on-year 8% growth

(ChFm)

<table>
<thead>
<tr>
<th>1Q04</th>
<th>2Q04</th>
<th>3Q04</th>
<th>4Q04</th>
<th>1Q05</th>
<th>2Q05</th>
<th>3Q05</th>
<th>4Q05</th>
<th>1Q06</th>
<th>2Q06</th>
<th>3Q06</th>
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</tbody>
</table>

1Q04: 157
2Q04: 191
3Q04: 224
4Q04: 233
1Q05: 253
2Q05: 266
3Q05: 271
4Q05: 274
1Q06: 273
2Q06: 274
3Q06: 270
4Q06: 348
1Q07: 404

Avg02: 483
Avg03: 483
Avg04: 483
Avg05: 483
Avg06: 483

Year-on-year 8% growth
Global Asset Management summary

Record pre tax profits
CHF 404m

Strong net new money
CHF 11.1bn*

Increased gross margin

* Excluding money market
Performance—Investment Bank

**Profitability¹**

- 2Q04: 1,801
- 1Q05: 1,486

**Equities revenues**

- 1Q07: 3,128
- Avg06: 2,349

**FIRC revenues**

- 1Q04: 2,265
- Avg06: 2,264

**IBD revenues**

- 1Q04: 818
- Avg06: 818

¹ Pre-tax profit, Pre-goodwill
Revenues—Fixed Income, Rates and Currencies (FIRC)

1Q07 versus 4Q06, 1Q06

Total FIRC revenues 1Q07: CHF 2,265 m

<table>
<thead>
<tr>
<th>Category</th>
<th>1Q07 vs 4Q06</th>
<th>1Q07 vs 1Q06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Fixed Income</td>
<td>51%</td>
<td>80%</td>
</tr>
<tr>
<td>Rates</td>
<td>18%</td>
<td>(23%)</td>
</tr>
<tr>
<td>FX/CCT</td>
<td>76%</td>
<td>29%</td>
</tr>
<tr>
<td>DRCM</td>
<td>(150%)</td>
<td>(137%)</td>
</tr>
<tr>
<td>Other¹</td>
<td>(4%)</td>
<td>140%</td>
</tr>
</tbody>
</table>

Rolling 12 months YoY

<table>
<thead>
<tr>
<th>Category</th>
<th>1Q07</th>
<th>4Q06</th>
<th>1Q06</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIRC</td>
<td>9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit Fixed Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates</td>
<td>27%</td>
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<td></td>
</tr>
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<td>FX/CCT</td>
<td></td>
<td>(4%)</td>
<td></td>
</tr>
<tr>
<td>DRCM</td>
<td></td>
<td>(39%)</td>
<td></td>
</tr>
<tr>
<td>Other¹</td>
<td></td>
<td></td>
<td>(60%)</td>
</tr>
</tbody>
</table>

¹ Other includes Municipals and Securitized Product Group
Expenses development—Investment Bank

**Cost / income**

- **4Q06**: 76.1%
- **1Q07**: 71.3%

**Personnel expenses**

- **4Q06**: 50.5%
- **1Q07**: 54.2%

**Non-personnel expenses**

- **4Q06**: 25.6%
- **1Q07**: 17.1%

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1 Expenses as % of income
Fixed Income initiatives gain momentum

<table>
<thead>
<tr>
<th>Emerging Markets</th>
<th>Establish UBS at the top of the tier two competitors by 2009 for our Energy business</th>
</tr>
</thead>
<tbody>
<tr>
<td>GSF/High Yield</td>
<td>Up from 11th to 9th position in Q1 (Dealogic). Aspire to a #6-8 league table ranking in 2008</td>
</tr>
<tr>
<td>Commodities</td>
<td>Establish UBS at the top of the tier two competitors by 2009 for our Energy business</td>
</tr>
<tr>
<td>Securitized Products</td>
<td>Leverage &quot;One Firm&quot; for expansion of real estate finance business in IB</td>
</tr>
<tr>
<td>Structured Credit</td>
<td>Strong growth in Q1 under new management and growing into top 3 from current 6th position</td>
</tr>
<tr>
<td>RMBS &amp; ABS</td>
<td>Grow our non-US revenue to over 25% by 2009</td>
</tr>
</tbody>
</table>
Investment Bank summary

- Record pre tax profits: CHF 1.8 bn
- Strong IBD revenues: +30% vs Q106
- Strong Equities revenues: +10% vs Q106
- Strong FIRC revenues excluding DRCM: +19% vs Q106
- Weak DRCM revenues: Approx. CHF (150m)
- Low personnel growth: +1% vs Q406
Growing presence in Emerging Markets

**UBS in Russia**
- '96 Moscow rep office opened
- '05 bought out JV partner in UBS Brunswick
- Banking license granted in June 06

**UBS in Latin America**
- Pactual is cornerstone of LATAM strategy
- Bank branch license granted in Mexico, Jan 07

**UBS in UAE**
- Opened rep offices in Abu Dhabi in '76 and in Dubai '93
- Branch license granted in Sep 06

**UBS in India**
- UBS Securities India onshore offering
- Acquired Standard Chartered mutual funds business

**UBS in China**
- UBS Securities JV Full domestic offering
- Beijing Bank branch FX & WM
- UBS HK servicing China
- SDIC unit trusts, discretionary FM

UBS location
New banking licenses granted
Key Messages

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Delivering to shareholders
Questions…

You & Us
Available in two locations.
Everywhere, and right next to you.
Dillon Read Capital Management (DRCM) news release

- Proprietary funds will transition to IB
- 3rd party funds will be redeemed

DRCM to continue operations through the transition period
Pre-tax profit\(^1\) development

### 1Q07 versus 4Q06

<table>
<thead>
<tr>
<th>Financial Businesses</th>
<th>4Q06</th>
<th>1Q07</th>
</tr>
</thead>
<tbody>
<tr>
<td>WM Int &amp; CH</td>
<td>4,256</td>
<td>3,627</td>
</tr>
<tr>
<td>WM US</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BB CH</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global AM</td>
<td></td>
<td></td>
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<tr>
<td>Investment Bank</td>
<td></td>
<td></td>
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<tr>
<td>Corporate Center</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Businesses</td>
<td>4,256</td>
<td>3,627</td>
</tr>
</tbody>
</table>

\(^1\) Financial Businesses only, from continuing operations

### 1Q07 versus 1Q06

<table>
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<th>1Q07</th>
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<tr>
<td>WM Int &amp; CH</td>
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<td>3,975</td>
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<tr>
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<td>4,256</td>
<td>3,975</td>
</tr>
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</table>

\(^1\) Financial Businesses only, from continuing operations

UBS
Return of capital to shareholders\(^1\)

**Operating cash flow**

**Return to shareholders\(^2\)**

1. Based on UBS Group
2. Dividends and par value reduction is shown in the year of performance
Fee and other income versus trading income

Fee and other income\(^2\)
(69% of total income in 1Q07)

Trading income\(^3\)
(31% of total income in 1Q07)

Year-on-year 10% growth

Year-on-year 6% growth

1 Financial Businesses only
2 Net income from fee and commissions, interest margin businesses, treasury activities and other, and other income
3 Net Income from trading businesses
Operating income trends¹

Net fee and commission income

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q04</th>
<th>2Q04</th>
<th>3Q04</th>
<th>4Q04</th>
<th>1Q05</th>
<th>2Q05</th>
<th>3Q05</th>
<th>4Q05</th>
<th>1Q06</th>
<th>2Q06</th>
<th>3Q06</th>
<th>4Q06</th>
<th>1Q07</th>
<th>Avg02</th>
<th>Avg03</th>
<th>Avg04</th>
<th>Avg05</th>
<th>Avg06</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHFm</td>
<td>1,430</td>
<td>1,466</td>
<td>1,000</td>
<td>1,100</td>
<td>1,200</td>
<td>1,300</td>
<td>1,400</td>
<td>1,500</td>
<td>1,600</td>
<td>1,700</td>
<td>1,800</td>
<td>1,900</td>
<td>2,000</td>
<td>6,470</td>
<td>6,470</td>
<td>6,470</td>
<td>6,470</td>
<td>6,470</td>
</tr>
</tbody>
</table>

Net income from interest margin businesses

| Quarter | 1Q04 | 2Q04 | 3Q04 | 4Q04 | 1Q05 | 2Q05 | 3Q05 | 4Q05 | 1Q06 | 2Q06 | 3Q06 | 4Q06 | 1Q07 | Avg02 | Avg03 | Avg04 | Avg05 | Avg06 |
|---------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| CHFm    | 567  | 343  | 343  | 343  | 343  | 343  | 343  | 343  | 343  | 343  | 343  | 343  | 567  | 567  | 567  | 567  | 567  | 567  |

Net income from trading businesses

Credit, treasury and other income²

| Quarter | 1Q04 | 2Q04 | 3Q04 | 4Q04 | 1Q05 | 2Q05 | 3Q05 | 4Q05 | 1Q06 | 2Q06 | 3Q06 | 4Q06 | 1Q07 | Avg02 | Avg03 | Avg04 | Avg05 | Avg06 |
|---------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| CHFm    | 4,142| 3,326| 4,142| 3,326| 4,142| 3,326| 4,142| 3,326| 4,142| 3,326| 4,142| 3,326| 4,142| 4,142| 4,142| 4,142| 4,142| 4,142|

¹ Financial Businesses only
² Credit loss (expense) / recovery, net income from treasury activities and other, and other income
Trends in fee income\textsuperscript{1,2}

**Investment fund fees**

![Graph showing trends in investment fund fees.]

**Portfolio and other management and advisory fees**

![Graph showing trends in portfolio and other management and advisory fees.]

**Underwriting and corporate finance fees**

![Graph showing trends in underwriting and corporate finance fees.]

**Brokerage fees received**

![Graph showing trends in brokerage fees received.]

\textsuperscript{1} Financial Businesses only

\textsuperscript{2} Selected fee and commission income lines
Investing for growth—Personnel development

UBS Financial Businesses

<table>
<thead>
<tr>
<th>Month</th>
<th>WM &amp; CH</th>
<th>WM US</th>
<th>BB</th>
<th>Global AM</th>
<th>IB</th>
<th>CC</th>
<th>Mar 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 2006</td>
<td>78,140</td>
<td>448</td>
<td>(160)</td>
<td>75</td>
<td>280</td>
<td>872</td>
<td>80,637</td>
</tr>
<tr>
<td>Mar 2007</td>
<td>609</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

1 Full-time equivalents
2 Converting Perot contractors into full-time UBS employees
Gross margin—Wealth Management Int & CH

Recurring income
Non-recurring income

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q04</th>
<th>2Q04</th>
<th>3Q04</th>
<th>4Q04</th>
<th>1Q05</th>
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<th>4Q05</th>
<th>1Q06</th>
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<th>3Q06</th>
<th>4Q06</th>
<th>1Q07</th>
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<tbody>
<tr>
<td>Avg02</td>
<td>78</td>
<td>78</td>
<td>78</td>
<td>78</td>
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<td>78</td>
<td>78</td>
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<tr>
<td>Avg04</td>
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<tr>
<td>Avg05</td>
<td>103</td>
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</table>

(bps)
Investment Bank: revenue distribution 2006

Backtesting revenues exclude non-trading revenues, such as commissions and fees, and revenue from intra-day trading.

Full revenues include all revenues from business areas which have trading activities.

Source: management accounts

1 Backtesting revenues exclude non-trading revenues, such as commissions and fees, and revenue from intra-day trading.
2 Full revenues include all revenues from business areas which have trading activities.