Third Quarter Results 2002

Zurich, 12th November 2002
Peter Wuffli, President
Mark Branson, 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, such as the implementation of the new European wealth management strategy, expansion of our corporate finance presence in the US and worldwide, the development of UBS Warburg’s new energy trading operations, 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, macro-economic, governmental and regulatory trends, (2) movements in local and international securities markets, currency exchange rates and interest rates, (3) competitive pressures, (4) technological developments, (5) changes in the financial position or credit-worthiness of our customers, obligors and counterparties and developments in the markets in which they operate, (6) legislative developments, (7) management changes and changes to our business group structure in 2001 and 2002 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 2001. UBS is not under any obligation to (and expressly disclaims any such obligations to) update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.
New brand architecture at UBS

A single “masterbrand”...

...supported by client segment descriptors
Our brands don’t reflect our success

Our business momentum is ahead of our brand momentum...

<table>
<thead>
<tr>
<th>Business strength</th>
<th>Familiarity (out of 10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st the world's largest private bank</td>
<td>7th among non-US wealthy individuals</td>
</tr>
<tr>
<td>1st for investment banking market share growth in the US</td>
<td>9th among US corporate clients</td>
</tr>
<tr>
<td>2nd globally for secondary equity market share</td>
<td>7th among institutions</td>
</tr>
<tr>
<td>2nd largest European asset manager</td>
<td>4th among European asset management buyers</td>
</tr>
<tr>
<td>3rd largest private client firm in the US</td>
<td>3rd among US wealth management clients</td>
</tr>
</tbody>
</table>
Familiarity

Reflects integrated business model

Focused, co-ordinated marketing is much more effective

Supports shared corporate culture

1,900 High net worth individuals
1,200 Corporate and institutional clients
300 Asset management buyers
100 Swiss retail clients
300 Top UBS client advisors
14 Countries

Quantitative market research shows that our clients' preferences are similar across segments and regions
Value of PaineWebber brand is preserved through transfer of brand equity to UBS over the last two years, although this cannot be reflected in the accounts.
Group results
Financial Services Group

Operating business unit performance\(^1\)

\(\text{= year-on-year change}\)

<table>
<thead>
<tr>
<th></th>
<th>3Q01</th>
<th>2Q02</th>
<th>3Q02</th>
</tr>
</thead>
<tbody>
<tr>
<td>PB</td>
<td></td>
<td>+27%</td>
<td></td>
</tr>
<tr>
<td>BBS</td>
<td></td>
<td></td>
<td>-16%</td>
</tr>
<tr>
<td>UBS Global AM</td>
<td></td>
<td></td>
<td>-34%</td>
</tr>
<tr>
<td>CIC</td>
<td></td>
<td></td>
<td>-5%</td>
</tr>
<tr>
<td>UBS PW(^2)</td>
<td></td>
<td></td>
<td>39%</td>
</tr>
</tbody>
</table>

Note:
1 Adjusted for SFE's and excluding the amortization of goodwill and other intangible assets
2 Before acquisition costs

UBS Financial Services Group
Performance against targets

ROE ¹,²

Cost / Income ¹

Basic EPS ¹

Private client net new money ³,⁴,⁵

1 Excludes the amortization of goodwill and other intangible assets and adjusted for significant financial events
2 Year to date, annualized
3 Private Banking and UBS PaineWebber
4 Excludes interest and dividend income
5 Private Banking net new money is calculated based on the new structure for UBS Wealth Management & Business Banking effective 1 July 2002.

UBS Financial Services Group
# Invested assets

## 3Q02 vs. 2Q02

<table>
<thead>
<tr>
<th>(CHFbn)</th>
<th>UBS WM&amp;BB</th>
<th>UBS Global AM</th>
<th>UBS W</th>
<th>UBS PW</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PB</td>
<td>BBS</td>
<td>Inst.</td>
<td>Wholesale</td>
<td></td>
</tr>
<tr>
<td>Total opening</td>
<td>726</td>
<td>211</td>
<td>309</td>
<td>303</td>
<td>3</td>
</tr>
<tr>
<td>Net new money</td>
<td>9.3</td>
<td>4.3</td>
<td>(3.2)</td>
<td>1.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Performance, currency &amp; transfers</td>
<td>(34)</td>
<td>(13)</td>
<td>(27)</td>
<td>(16)</td>
<td>(52)</td>
</tr>
<tr>
<td>Closing</td>
<td>701</td>
<td>202</td>
<td>279</td>
<td>288</td>
<td>3</td>
</tr>
</tbody>
</table>

## 3Q02 Market performance

![Graph showing market performance of various indices and indices]

**Indices:**
- DJIA
- FTSE 100
- SMI
- DJ Euro Stoxx
- MSCI World
- Bond Index
- NASDAQ
- CHF/EUR
- CHF/USD

**Market performance:**
- DJIA: -25%
- FTSE 100: -20%
- SMI: -15%
- DJ Euro Stoxx: -10%
- MSCI World: -5%
- Bond Index: 0%
- NASDAQ: 5%
- CHF/EUR: 2%
- CHF/USD: -1%
Revenue trends

- Net fee & commission income
- Net income from interest margin activities
- Net income from trading activities
- Credit loss
- Other

CHF m

Avg 99 Avg 00 1Q01 2Q01 3Q01 4Q01 1Q02 2Q02 3Q02

-2,000 0 2,000 4,000 6,000 8,000 10,000

UBS Financial Services Group
Market sensitivity of asset base

Rebased: 1Q00 = 100%

Notes: 1) Current quarter's income vs previous quarter's market level
Group cost trends

- **CHF bn**

- **Personnel**
- **General & administrative**
- **Depreciation**
- **Amortization of Goodwill & other intangible assets**

- **Avg 99**
- **Avg 00**
- **1Q01**
- **2Q01**
- **3Q01**
- **4Q01**
- **1Q02**
- **2Q02**
- **3Q02**
Operating business unit cost trends

= year-on-year change

CHF bn

PB  BBS  UBS Global AM  CIC  UBS Cap  UBS PW

3Q01  2Q02  3Q02

0  0.5  1.0  1.5  2.0  2.5  3.0  3.5

+3%  -3%  -15%  -10%  -13%  -15%
Actual credit loss expense

**Business Banking Switzerland**

- **CHF m**
- **1Q01** to **3Q02**

**Corporate & Institutional Clients**

- **CHF m**
- **1Q01** to **3Q02**

### Graph Details:
- **Actual Credit Loss**
- **Actuarial Expected Credit Loss**

**UBS Financial Services Group**
Group loan portfolio

- **Invested Assets P&L Asset Quality Capital**
- **UBS WM&BB C&IC UBS PaineWebber**
- **NPL%**

CHF bn

- **Jun Sep Dec Mar Jun Sep Dec Mar Jun Sep Dec Mar Jun Sep Dec Mar Jun Sep**

1998 1999 2000 2001 2002

UBS WM&BB C&IC UBS PaineWebber NPL%
Share buyback & Tier 1 ratio

Note: 1) Share repurchase programs run for 12 months from early March.
Cumulative share buyback effect on EPS

% of EPS due to cumulative effect of share buybacks

1Q00 2Q00 3Q00 4Q00 1Q01 2Q01 3Q01 4Q01 1Q02 2Q02 3Q02
Business unit results
Balanced business mix

Revenues\(^1\) by operating business area (in CHF m)

<table>
<thead>
<tr>
<th></th>
<th>3Q01</th>
<th>2Q02</th>
<th>3Q02</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revenues</td>
<td>8,875</td>
<td>9,045</td>
</tr>
<tr>
<td>Domestic banking</td>
<td>21%</td>
<td>20%</td>
<td>17%</td>
</tr>
<tr>
<td>Wealth &amp; Asset Mgmt</td>
<td>12%</td>
<td>16%</td>
<td>18%</td>
</tr>
<tr>
<td>Equities</td>
<td>16%</td>
<td>15%</td>
<td>18%</td>
</tr>
<tr>
<td>Fixed Income &amp; FX</td>
<td>7%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Investment Banking</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Other (^2)</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Notes:
1. Before credit loss expense
2. Corporate Center, UBS Capital & CIC Non-core Business
Continued strong profitability

Net profit before tax (CHF m)

Operating expenses (CHF m)

- Net profit before tax
- Total operating expenses
Continued strong, stable gross margin

<table>
<thead>
<tr>
<th></th>
<th>Avg 99</th>
<th>Avg 00</th>
<th>1Q01</th>
<th>2Q01</th>
<th>3Q01</th>
<th>4Q01</th>
<th>1Q02</th>
<th>2Q02</th>
<th>3Q02</th>
</tr>
</thead>
<tbody>
<tr>
<td>bps</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transactional fees</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Recurring fees</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
</tbody>
</table>

**UBS Financial Services Group**

UBS Global AM, UBS-W, UBS-PW
Net new money

CHF bn

-2
0
2
4
6
8
10

Avg 99  Avg 00  1Q01  2Q01  3Q01  4Q01  1Q02  2Q02  3Q02

Private Banking - Swiss Clients
European Wealth Management Initiative
Private Banking - International Clients (excluding EWMI)
Net outflow from Italian Tax Amnesty
Net new money

1Q01 2Q01 3Q01 4Q01 1Q02 2Q02 3Q02

CHF bn

Institutional Wholesale (ex-money market) Money market Wholesale

UBS Financial Services Group

BBS PB global AM UBS-W UBS-PW
CIC: continued cost control

### Operating expenses

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total operating expenses (CHF m)</th>
<th>Cost/income ratio (excl. goodwill)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg 99</td>
<td>2,500</td>
<td>30%</td>
</tr>
<tr>
<td>Avg 00</td>
<td>2,000</td>
<td>40%</td>
</tr>
<tr>
<td>1Q01</td>
<td>2,500</td>
<td>30%</td>
</tr>
<tr>
<td>2Q01</td>
<td>3,000</td>
<td>40%</td>
</tr>
<tr>
<td>3Q01</td>
<td>3,000</td>
<td>50%</td>
</tr>
<tr>
<td>4Q01</td>
<td>2,500</td>
<td>60%</td>
</tr>
<tr>
<td>1Q02</td>
<td>3,000</td>
<td>70%</td>
</tr>
<tr>
<td>2Q02</td>
<td>3,000</td>
<td>80%</td>
</tr>
<tr>
<td>3Q02</td>
<td>2,500</td>
<td>90%</td>
</tr>
</tbody>
</table>
Improving market share in the Americas

Sector View

Financials
- 1.2% (2000)
- 2.2% (2001)
- 3.7% (9M02)

Consumer
- 5.6% (2000)
- 2.9% (2001)

Healthcare
- 6.2% (2000)
- 9.3% (2001)
- 10.6% (9M02)

Industrials
- 2.5% (2000)
- 3.1% (2001)
- 3.5% (9M02)

Technology
- 0.5% (2000)
- 0.9% (2001)
- 1.4% (9M02)

Transport
- 1.2% (2000)
- 1.4% (2001)
- 1.6% (9M02)

Telecom
- 1.8% (2000)
- 4.1% (2001)
- 3.4% (9M02)

Media
- 0.1% (2000)
- 1.0% (2001)
- 1.4% (9M02)

Energy
- 3.2% (2000)
- 3.4% (2001)
- 3.5% (9M02)

Real Estate
- 4.5% (2000)
- 3.2% (2001)

UBS-W market share

Bubble size = market size
Improving profitability

Performance before tax
- CHF
- USD

Note: 1) Before acquisition costs
Net new money

CHF bn

Avg 99 Avg 00 1Q01 2Q01 3Q01 4Q01 1Q02 2Q02 3Q02
Market environment

Equity market levels

Investor Optimism

Global bankruptcies

Corporate fee pools

Source: UBS Index of Investor Optimism, www.ubs.com/investoroptimism

Source: S&P Special Report "Ratings Performance 2001" February 2002
Note: 1) Projected 2002

Source: Freeman & Co analysis, Thomson Financial Securities Data

Note: 1) Projected 2002
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