Fourth Quarter Results 2004

Zurich, 8th February 2005
Peter Wuffli, Chief Executive Officer
Clive Standish, Chief Financial Officer
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 European wealth management business, 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 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 2003. 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.

UBS
2004 financial highlights

Record net profit exceeds CHF 8 billion

28% RoE

EPS growth of 34%

CHF 89 bn net new money

Note:
1 UBS figures adjusted for significant financial events and pre-goodwill
2004 milestones

Asia: a growth engine now and in the future

Wealth management across Europe: critical mass

Equities: the world’s #1 trader and research house

UBS: now one of the world’s top brands
## Net profit, by year

<table>
<thead>
<tr>
<th>Year</th>
<th>Net profit after tax (CHF m)</th>
<th>Net profit after tax, before goodwill and SFEs (CHF m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>6,153</td>
<td>5,005</td>
</tr>
<tr>
<td>2000</td>
<td>7,792</td>
<td>6,296</td>
</tr>
<tr>
<td>2001</td>
<td>8,799</td>
<td>4,973</td>
</tr>
<tr>
<td>2002</td>
<td>6,296</td>
<td>3,530</td>
</tr>
<tr>
<td>2003</td>
<td>6,239</td>
<td>5,524</td>
</tr>
<tr>
<td>2004</td>
<td>8,044</td>
<td>8,931</td>
</tr>
</tbody>
</table>

**Note:**
1. Financial Businesses only

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UBS
Improving bottom line for all business units

Performance before tax

Note:
1 Before acquisition costs

- Wealth Management
- Business Banking Switzerland
- Global Asset Management
- Investment Bank
- Wealth Management USA¹

1999 2000 2001 2002 2003 2004

+13% + 82% + 20% + 92% n/a

CHF m

UBS

5
Best-ever fourth quarter

Net profit **8%** higher year-on-year\(^1\)

Net profit **17%** higher quarter-on-quarter\(^1\)

CHF **16.4 bn** net new money

EPS growth of **17%** year-on-year\(^2\)

Note:
1. Financial Businesses adjusted for significant financial events and pre-goodwill
2. UBS figure adjusted for significant financial events and pre-goodwill
Outlook

Year-on-year EPS\(^1\) development

Notes:
1 Net profit less the amortization of goodwill and other intangible assets and significant financial events (after tax)/weighted average shares outstanding

\(\text{EPS} = \frac{\text{Net profit} - \text{Amortization of goodwill and other intangible assets} - \text{Significant financial events (after tax)}}{\text{Weighted average shares outstanding}}\)
Shareholder returns

**ROE¹**

<table>
<thead>
<tr>
<th>Year</th>
<th>Avg 99</th>
<th>Avg 00</th>
<th>Avg 01</th>
<th>Avg 02</th>
<th>Avg 03</th>
<th>Avg 04</th>
<th>Avg 05</th>
<th>Avg 06</th>
<th>Avg 07</th>
<th>Avg 08</th>
<th>Avg 09</th>
<th>Avg 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>28%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Basic EPS²**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Avg 99</th>
<th>Avg 00</th>
<th>Avg 01</th>
<th>Avg 02</th>
<th>1Q03</th>
<th>2Q03</th>
<th>3Q03</th>
<th>4Q03</th>
<th>1Q04</th>
<th>2Q04</th>
<th>3Q04</th>
<th>4Q04</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHF</td>
<td>0</td>
<td>0.5</td>
<td>1</td>
<td>1.5</td>
<td>2</td>
<td>2.5</td>
<td>3</td>
<td>2.21</td>
<td>2.5</td>
<td>3</td>
<td>2.5</td>
<td>3</td>
</tr>
</tbody>
</table>

Notes:
1. Year to date annualized net profit less the amortization of goodwill and other intangible assets and significant financial events (after tax)/average shareholders’ equity less dividends
2. Net profit less the amortization of goodwill and other intangible assets and significant financial events (after tax)/weighted average shares outstanding

17% y-on-y increase
Continued cost control

Cost/Income\(^1\)

Notes:
\(^1\) Operating expenses less the amortization of goodwill and other intangible assets and significant financial events / operating income less credit loss expense or recovery and significant financial events
\(^2\) Before acquisition costs
Net new money

**NNM UBS**

<table>
<thead>
<tr>
<th>Year</th>
<th>CHF bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>-46</td>
</tr>
<tr>
<td>2000</td>
<td>-50</td>
</tr>
<tr>
<td>2001</td>
<td>102</td>
</tr>
<tr>
<td>2002</td>
<td>37</td>
</tr>
<tr>
<td>2003</td>
<td>69</td>
</tr>
<tr>
<td>2004</td>
<td>89</td>
</tr>
</tbody>
</table>

**NNM wealth management businesses**

<table>
<thead>
<tr>
<th>Year</th>
<th>CHF bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>4</td>
</tr>
<tr>
<td>2000</td>
<td>16</td>
</tr>
<tr>
<td>2001</td>
<td>56</td>
</tr>
<tr>
<td>2002</td>
<td>36</td>
</tr>
<tr>
<td>2003</td>
<td>51</td>
</tr>
<tr>
<td>2004</td>
<td>59</td>
</tr>
</tbody>
</table>

Note:
1. Numbers from 1999 to 2001 have not been restated for definitional change.
Invested assets

Quarterly and annual trend

Market performance

CHF bn

Net new Money  Performance  Currency  Acquisitions  Invested assets

4Q04  2004

%  EUR/CHF  USD/CHF

DJIA  FT-SE 100  SMI  DJ Euro Stoxx  MSCI World Bond Index  NASDAQ

4Q04  2004
Revenue trends

Net fee & commission income

CHF m

Net income from interest margin products

CHF m

Net income from trading activities

CHF m

Credit loss/recovery and other income

CHF m

UBS
Year-on-year revenue development

<table>
<thead>
<tr>
<th>Year</th>
<th>WM</th>
<th>BBS</th>
<th>Global AM</th>
<th>Equities</th>
<th>FIRC</th>
<th>IBD</th>
<th>PE</th>
<th>WM USA</th>
<th>Corp. Center</th>
<th>Credit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>33,629</td>
<td>-184</td>
<td>904</td>
<td>1,031</td>
<td>422</td>
<td>206</td>
<td>334</td>
<td>69</td>
<td>358</td>
<td>348</td>
<td>37,402</td>
</tr>
</tbody>
</table>

+11%
UBS revenue sourced from Asia Pacific

2004 vs 2003

<table>
<thead>
<tr>
<th>Service</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Bank</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>Global Asset Mgmt</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>Wealth Mgmt</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>55%</td>
<td></td>
</tr>
<tr>
<td>Asia (ex Japan)</td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td>Australia New Zealand</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>UBS</td>
<td>35%</td>
<td></td>
</tr>
</tbody>
</table>

Notes:
1 Based on internal management accounting USD figures
Cost trends

CHF m

+4% y-o-y increase

6,575

Personnel costs
Non personnel costs
Actual credit loss expense

**WM&BB**

<table>
<thead>
<tr>
<th>1Q01</th>
<th>2Q01</th>
<th>3Q01</th>
<th>4Q01</th>
<th>1Q02</th>
<th>2Q02</th>
<th>3Q02</th>
<th>4Q02</th>
<th>1Q03</th>
<th>2Q03</th>
<th>3Q03</th>
<th>4Q03</th>
<th>1Q04</th>
<th>2Q04</th>
<th>3Q04</th>
<th>4Q04</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHF m</td>
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</tr>
</tbody>
</table>

**Investment Bank**

<table>
<thead>
<tr>
<th>1Q01</th>
<th>2Q01</th>
<th>3Q01</th>
<th>4Q01</th>
<th>1Q02</th>
<th>2Q02</th>
<th>3Q02</th>
<th>4Q02</th>
<th>1Q03</th>
<th>2Q03</th>
<th>3Q03</th>
<th>4Q03</th>
<th>1Q04</th>
<th>2Q04</th>
<th>3Q04</th>
<th>4Q04</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHF m</td>
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</tr>
</tbody>
</table>

-128
## Add-on acquisitions

### Potential acquisitions must meet our specific hurdles

<table>
<thead>
<tr>
<th>Number of acquisitions</th>
<th>Invested/client assets</th>
<th>Impact on market positioning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EWM</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| ♦ 4 acquisitions       | ♦ ~CHF 20bn            | ♦ UK ⇒ Top 5  
♦ Germany ⇒ Top 5 |
| **WM**                 |                        |                               |
| ♦ 3 acquisitions       | ♦ ~CHF 15bn            | ♦ Economies of scale in  
♦Americas |
| **IB**                 |                        |                               |
| ♦ 3 acquisitions       | ♦ n/a                  | ♦ NASDAQ ⇒ No.1  
♦ NYSE ⇒ No.2 |
| **Global AM**          |                        | ♦ Real estate business in  
♦Germany   
♦ China entry point |
| ♦ 2 acquisitions       | ♦ ~CHF 3.5bn           |                               |
Return of capital to shareholders

60% of Operating cash flow returned to shareholders since 1999

Note: 1 Dividend is shown in the year of performance
Business unit results
Reporting changes

To be implemented in first quarter 2005

- IFRS 2: Accounting for stock and option awards
- IFRS 3: Change in accounting treatment of goodwill
- IFRS 5: Classification of assets held for sale
- IAS 27/28: Consolidation of private equity portfolio
Balanced business mix

% of 2004 revenue by business line

- Investment banking: 5%
- Equities: 16%
- Domestic banking: 14%
- Fixed Income, Rates and Currencies: 21%
- Wealth & asset management: 40%
- Other: 4%

% of 2004 revenue by activity

- Net income from trading activities: 30%
- Net income from interest margin activities: 14%
- Net fee & commission income: 52%
- Other: 4%

Note:
1. Includes Private Equity, Corporate Functions, Private Banks & GAM
2. Includes Treasury activities, Other trading, Other Income
## Strong profitability

![Graph showing relative performance 2004 vs 2003](chart.png)

### Relative performance 2004 vs 2003

<table>
<thead>
<tr>
<th>%</th>
<th>Revenue</th>
<th>Costs</th>
<th>Pre-tax profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>13%</td>
<td>2%</td>
<td>31%</td>
</tr>
<tr>
<td>2003</td>
<td></td>
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</tr>
</tbody>
</table>

### CHF m

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Avg 01</th>
<th>1Q02</th>
<th>2Q02</th>
<th>3Q02</th>
<th>4Q02</th>
<th>1Q03</th>
<th>2Q03</th>
<th>3Q03</th>
<th>4Q03</th>
<th>1Q04</th>
<th>2Q04</th>
<th>3Q04</th>
<th>4Q04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance before tax and goodwill</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost/income ratio before goodwill</td>
<td>56%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
Gross margin mix

Recurring income
Non-recurring income

Avg 01 1Q02 2Q02 3Q02 4Q02 1Q03 2Q03 3Q03 4Q03 1Q04 2Q04 3Q04 4Q04

99bps

Recurring income Non-recurring income

0 20 40 60 80 100 120
bps

26 26 27 26 26 27 33 29 30 31 27 25 26
70 70 72 71 71 71 72 70 76 77 76 73

1Q02 2Q02 3Q02 4Q02 1Q03 2Q03 3Q03 4Q03 1Q04 2Q04 3Q04 4Q04
Net new money

CHF bn

-2 0 2 4 6 8 10 12 14 16 18

Avg 01 1Q02 2Q02 3Q02 4Q02 1Q03 2Q03 3Q03 4Q03 1Q04 2Q04 3Q04 4Q04

Swiss Clients  International Clients

CHF 42 bn in 2004

Notes:
1 Includes outflows of CHF4.5 bn in 1Q02 and CHF 3.8bn in 2Q02 due to Italian Tax Amnesty
Progress in European domestic business

**NNM, Invested assets**

- NNM and Invested Assets over time from Q1 2001 to Q4 2004.

**Revenues**

- CHF m from Q1 2001 to Q4 2004.

**Relative performance 2004 vs 2003**

- Revenue: 64%
- Costs: 12%
- Invested Assets: 78%
- NNM: 27%
Business Banking profitability

CHF m

Avg 01 1Q02 2Q02 3Q02 4Q02 1Q03 2Q03 3Q03 4Q03 1Q04 2Q04 3Q04 4Q04

510

0 100 200 300 400 500 600
Net new money

**Institutional**

- CHF bn
- Money market
- Non-money market
- Gross margin

**Wholesale intermediary**

- CHF bn
- bps
- Money market
- Non-money market
- Gross margin
Investment Bank operating income

Investment Bank

CHF m

Equities

CHF m

Fixed Income, Rates and Currencies

CHF m

Investment Banking

CHF m

UBS
Profitability drivers

Year-on-year change in performance\(^1\)

<table>
<thead>
<tr>
<th>CHF m</th>
<th>2003</th>
<th>IBD revenue</th>
<th>Equities revenue</th>
<th>FIRC revenue</th>
<th>Private Equity</th>
<th>Credit Loss</th>
<th>Personnel</th>
<th>G&amp;A</th>
<th>Services to/from other business units</th>
<th>Depreciation</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,133</td>
<td></td>
<td>206</td>
<td>1,031</td>
<td>422</td>
<td>334</td>
<td>48</td>
<td>853</td>
<td>461</td>
<td>39</td>
<td>7</td>
<td>4,828</td>
</tr>
</tbody>
</table>

Note:
1 Business unit performance before tax and amortization of goodwill and other intangible assets
US equities market share\textsuperscript{1}

**UBS enhanced its US equities position with the acquisition of Charles Schwab's capital markets business**

### Dec 04 market share in US

<table>
<thead>
<tr>
<th>% volume</th>
<th>Listed</th>
<th>OTC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10.1%</td>
<td>13.0%</td>
</tr>
</tbody>
</table>

\[1\text{ AutEx rankings}\]

### Development of OTC market share

<table>
<thead>
<tr>
<th>Dec volume annualized</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>% volume</td>
<td>1.2%</td>
<td>1.2%</td>
<td>2.3%</td>
<td>4.4%</td>
<td>3.9%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>
Business results

**Profitability**

- **CHF m**
- **USD m**

- Profit before tax (CHF m)
- Profit before tax (USD m)

**Cost/income ratio**

- **%**

1. Before acquisition costs
Fourth Quarter Results 2004

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