



Global Asset Management

John Fraser, Chairman and CEO Global Asset
Management

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Key messages

1. Global AM is a large-scale asset manager with well diversified businesses across regions, capabilities and distribution channels
2. Going forward, we will monetize our strong investment performance by expanding our third-party business, further strengthening our Wealth Management cooperation and capitalizing on our position in emerging markets
3. Our medium-term ambition is to exceed CHF 3 billion in annual revenues while returning to an industry-leading cost/income ratio

Global AM as a diversified asset manager

- ◆ Highly dependent on Value Equities
- ◆ Distribution mainly via WM

Global AM in 2002

2002

2009

Lessons from the 1990s

- ◆ Global AM must not be overly reliant on any ONE asset class or any ONE investment style or any ONE distribution channel

Determined effort to diversify

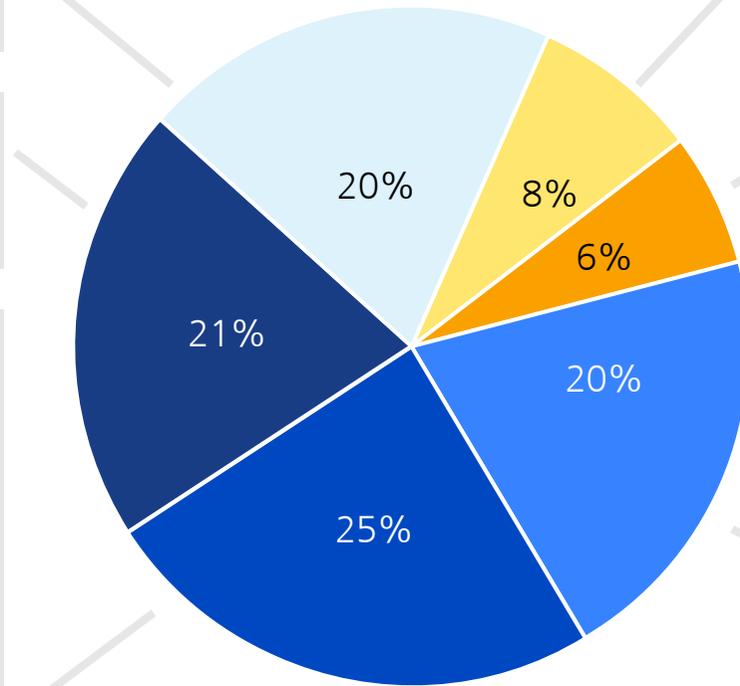
- ◆ Broadened investment capabilities
 - Build-up of non-traditional capabilities
 - Further diversification within all capabilities
- ◆ Increased distribution to third-party institutional and wholesale channels
- ◆ Targeted entry into major emerging markets
 - China, South Korea and the Middle East

Completing diversification

- ◆ Increase third-party institutional and wholesale assets
- ◆ Well defined country coverage; need to capitalize on positions in China, South Korea and the Middle East

Balanced set of capabilities

Invested assets of
CHF 583 billion
 30 September 2009



Money Market

- ◆ #17/70 in US institutional and #9/109 in US retail (Sept 2009, AuM based)

Fixed Income

- ◆ Strong Swiss and Euro capabilities

Core/Value Equities:

Well performing

Growth Equities:

Recently expanded business

Structured Equities:

Recently expanded passive and quantitative businesses

Alternatives

- ◆ #1/117 globally in hedge funds (Sept 2009)

Real Estate

- ◆ #6/103 globally based on AuM (Dec 2008)
- ◆ #1/12 for listed Swiss real estate funds (Sept 2009)

Multi-Asset

- ◆ Established strong reputation for asset allocation and strategic investment advisory services

  **Traditional**

  **Non-traditional**

Sources: Global AM, iMoneyNet, InvestHedge, Companies' Accounts, Pensions & Investments
 Note: Alternatives include Alternative and Quantitative Investments, Infrastructure and Private Equity.
 Multi-Asset includes asset allocation, currency and risk management; these are part of Global Investment Solutions

Global AM businesses operating as boutiques

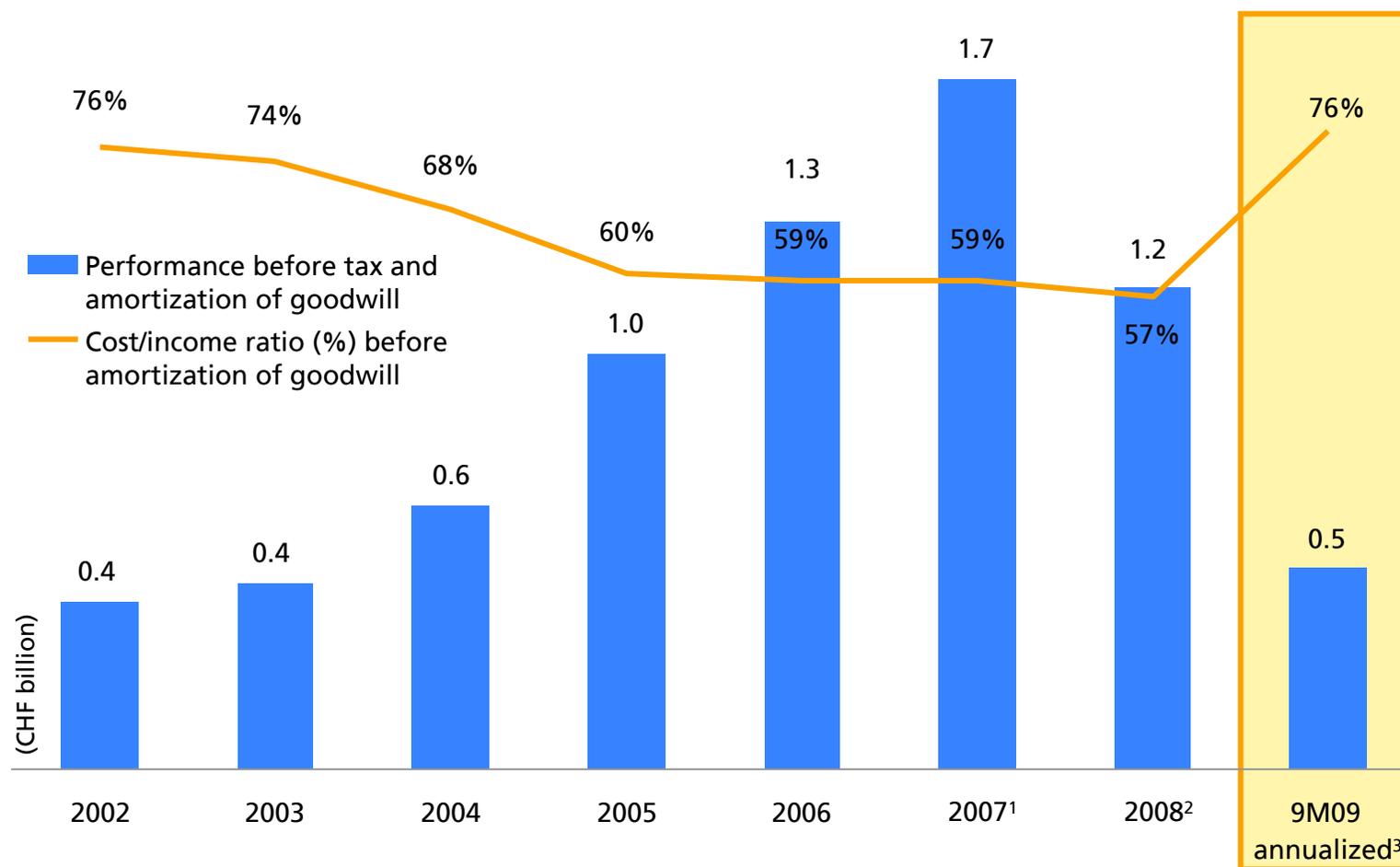
Equities	Fixed Income	Alternative & Quantitative Investments	Global Real Estate	Global Investment Solutions	Infrastructure and Private Equity	Fund Services
Core/Value Global Country & regional Emerging markets Specialist Long/Short HALO	Global Country & regional Sector-specific Emerging markets High yield Structured credit Liquidity/short duration Indexed	Single manager hedge funds Multi-manager hedge funds Quantitative Infrastructure fund of funds Private equity fund of funds Active commodities, multi-manager	Global Country & regional Private strategies Real estate securities Agriculture	Global Country & regional Asset allocation Currency management Return & risk targeted Structured portfolios Risk management & advisory services	Direct infrastructure investment Direct private equity investment Global & regional	Alternative funds Investment funds
Growth Investors Global Country & regional						
Structured Equities Systematic Alpha Quantitative Equities Index & Portfolio Solutions						

Existing capabilities – 2002
 New or expanded capabilities



Note: As of October 2009

Global AM's profitability



Notes: On 1 January 2008 UBS adopted the amended International Financial Reporting Standards 2. The historical performance figures from 2003 to 2007 have been restated from the previously published version as a result.

1 Excluding the restructuring costs of Dillon Read Capital Management (CHF 212 million)

2 Excluding the gain on sale of a minority stake in Adams Street Partners (CHF 168 million)

3 Excluding restructuring costs and goodwill impairment charge related to the sale of UBS Pactual. Annualized figures do not constitute estimates of the actual full-year results

Key messages

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2. Going forward, we will monetize our strong investment performance by expanding our third-party business, further strengthening our Wealth Management cooperation and capitalizing on our position in emerging markets
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Global AM strategy

A Monetize strong investment performance

B Grow third-party institutional and wholesale business...

C ...while participating in Wealth Management's return to growth

D Capitalize on already established emerging market positions

A Improved performance in key strategies

Performance against benchmark

+	Above benchmark
-	Below benchmark

Current performance 30 September 2009

Before performance recovery 30 June 2008

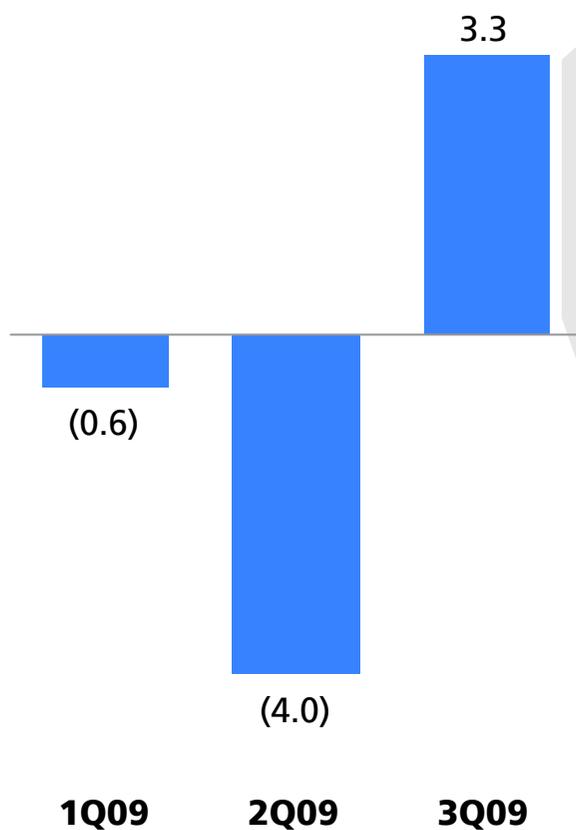
	3 months	1 year	Annualized	
			3 years	5 years
Australian Equity Composite	+	+	+	+
Canadian Equity Composite	-	+	+	+
Emerging Equity Composite	+	+	+	+
Global Equity Composite	+	+	+	+
Pan European Composite	+	+	+	+
Swiss Equity Composite	+	+	+	+
US Large Cap Equity Composite	+	-	-	+
Global Equity Ex-US Growth Composite	-	-	+	+
US Large Cap Select Growth Equity Composite	-	+	+	+
EUR Aggregate Bonds Composite	+	+	+	+
Global Bond Composite	+	-	-	-
Global Securities Composite	+	-	-	-
Global Real Estate Securities Composite ¹	-	+	-	-

	3 months	1 year	Annualized	
			3 years	5 years
	-	-	-	+
	-	-	+	+
	+	+	+	+
	-	-	-	-
	-	-	-	-
	-	-	-	-
	+	-	-	+
	+	+	+	+
	+	+	+	+
	+	+	+	+
	+	-	-	-
	-	-	-	-
	-	-	-	-

A Net new money

Net new money through non-Wealth Management channels

CHF billion



Selected recent inflows

CHF million

Month	Inflow Description	Asset Class	Amount (CHF million)
July 2009	Middle Eastern Sovereign (Asia ex Japan)	Equities	534
	US hedge fund (cash and liquidity)	Fixed Income	1,429
Aug 2009	Middle Eastern Sovereign (Asia ex Japan)	Equities	424
	Middle Eastern Sovereign (Asia ex Japan)	Equities	212
	US pension fund (outsourcing)	GIS	3,458
Sept 2009	Middle Eastern Sovereign (European small & mid cap)	Equities	303
	German utility company (inflation-linked)	Fixed Income	228
	Japanese bank (credit funds)	Fixed Income	510
	Japanese bank (China equity fund)	Equities	690
	US pension fund (outsourcing)	GIS	657
	Corporate (US short duration)	Fixed Income	311

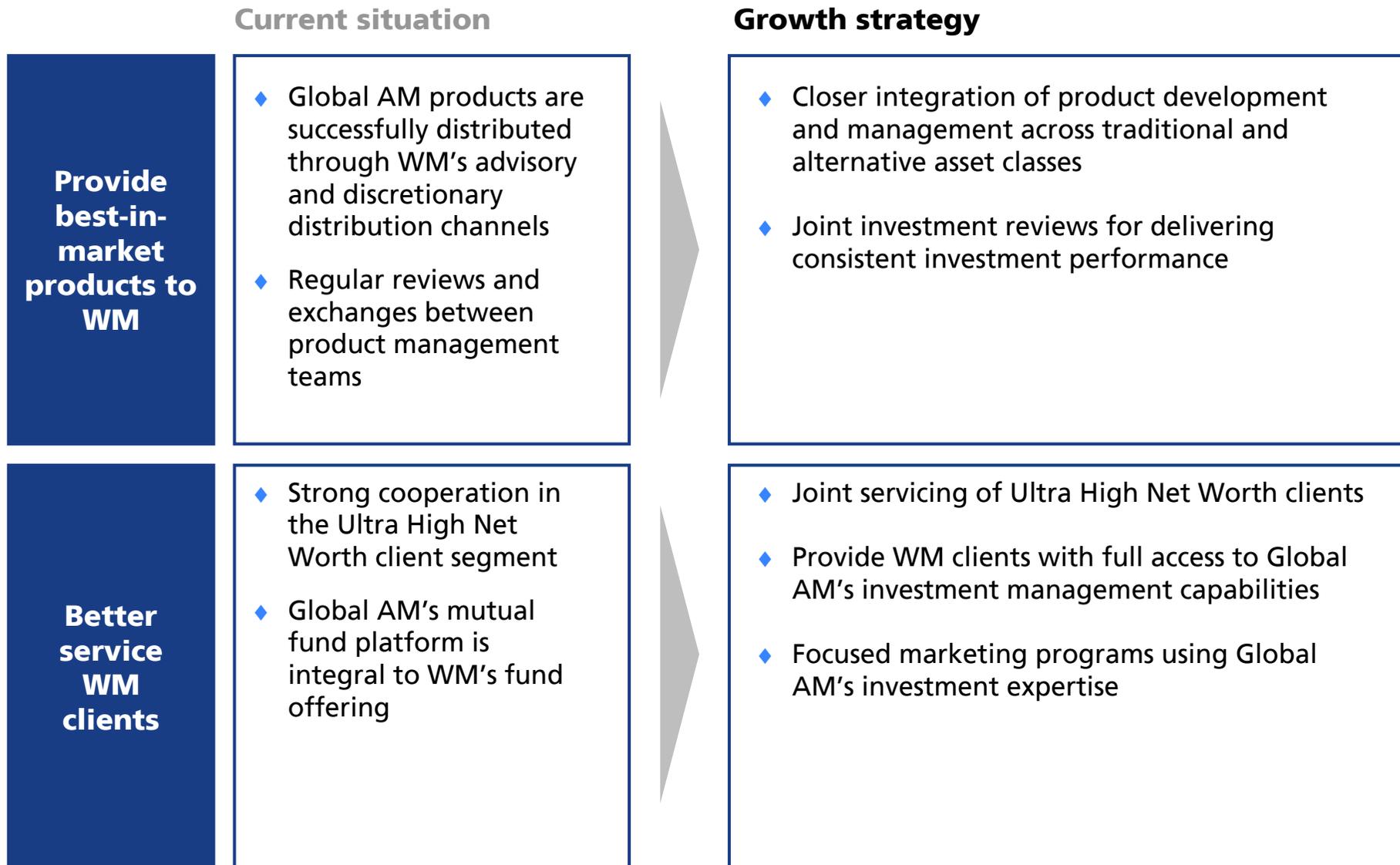
B Expanding the third-party business

Focus on execution, monitoring and accountability to deliver NNM

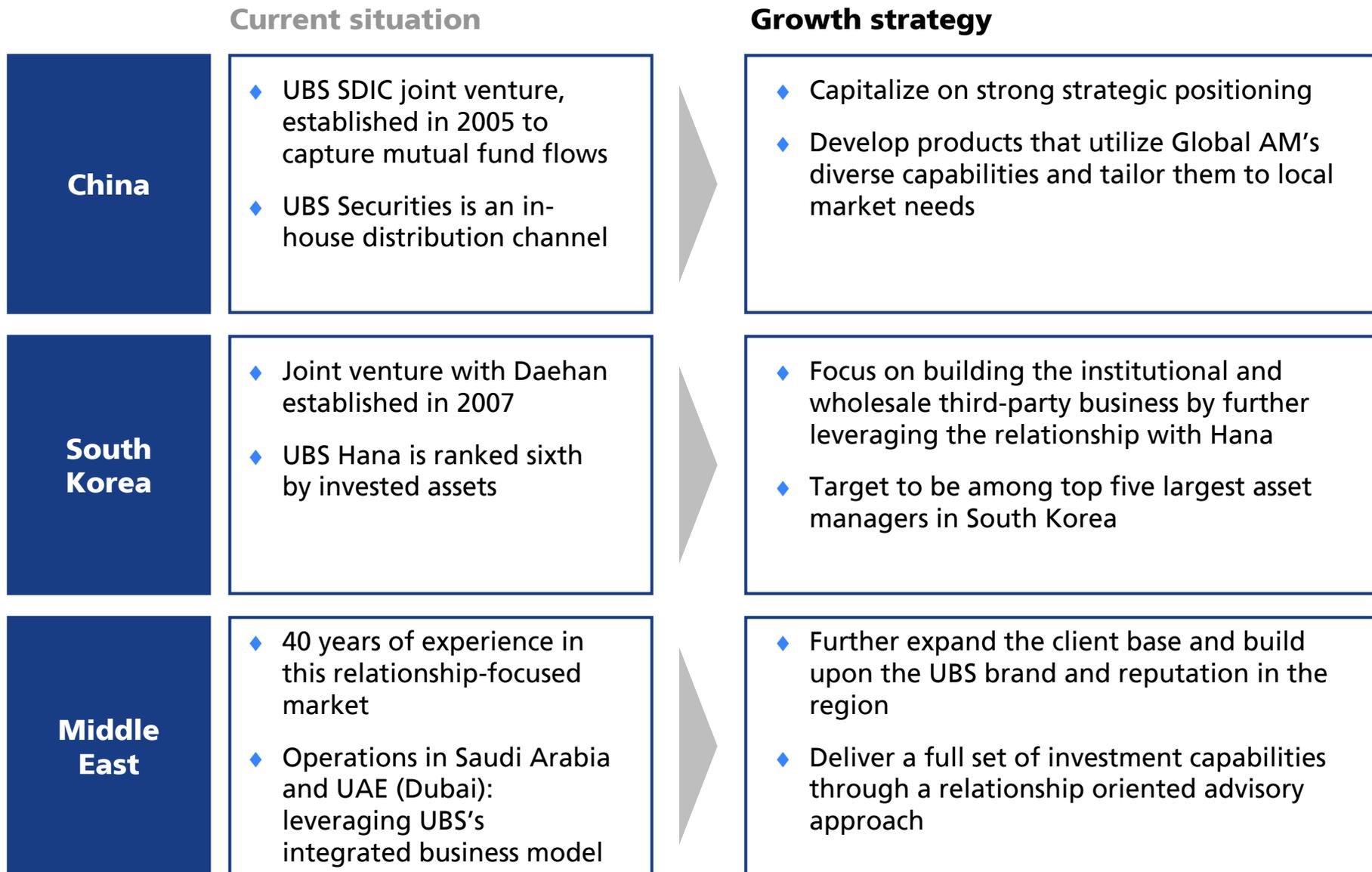


C Strengthening the partnership with Wealth Management

Participate in WM's return to growth



D Capitalizing on emerging market opportunities

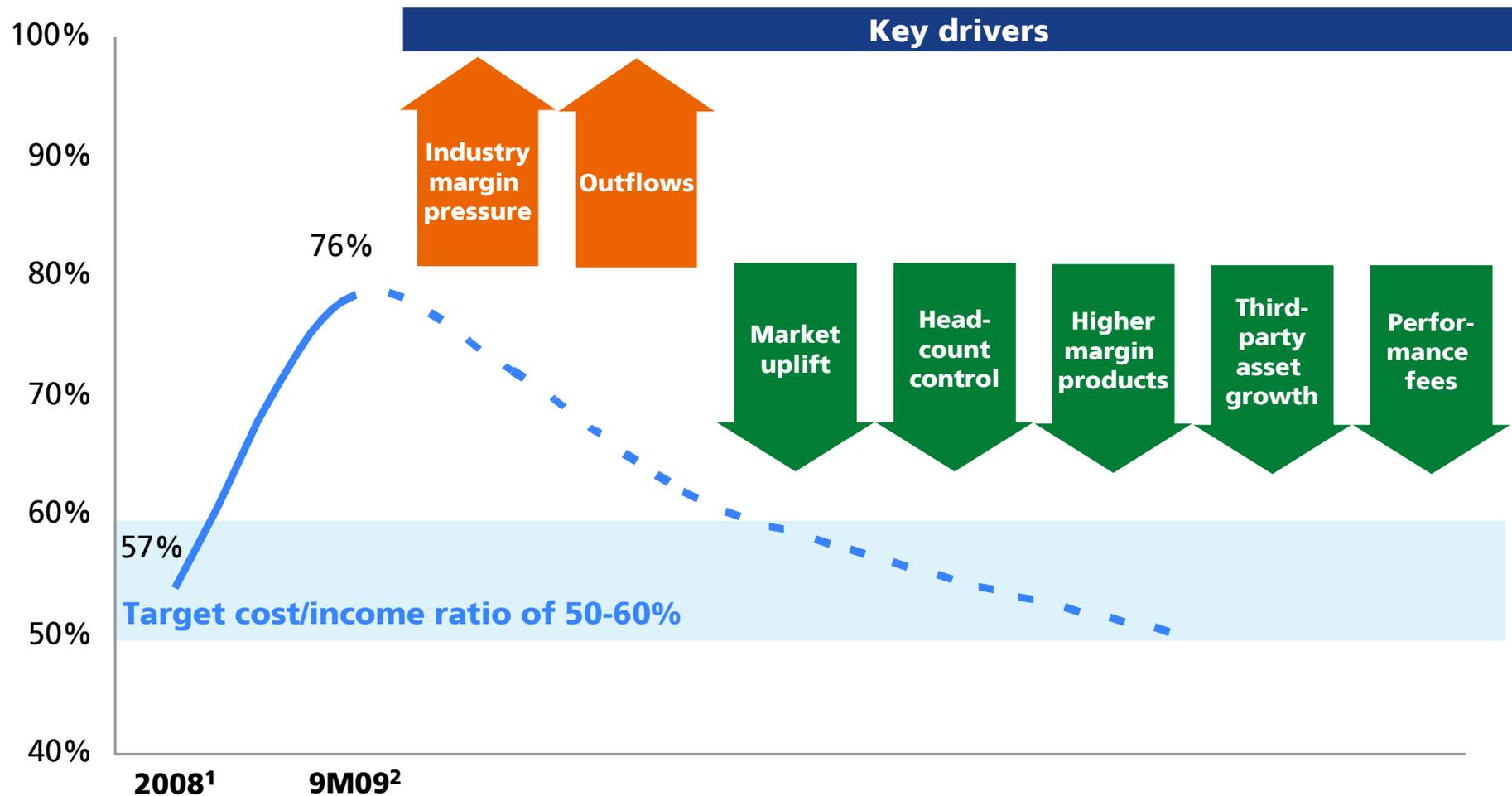


Key messages

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Delivering profit from revenue

Targeting a cost/income ratio of 50-60% through a highly leveraged model...



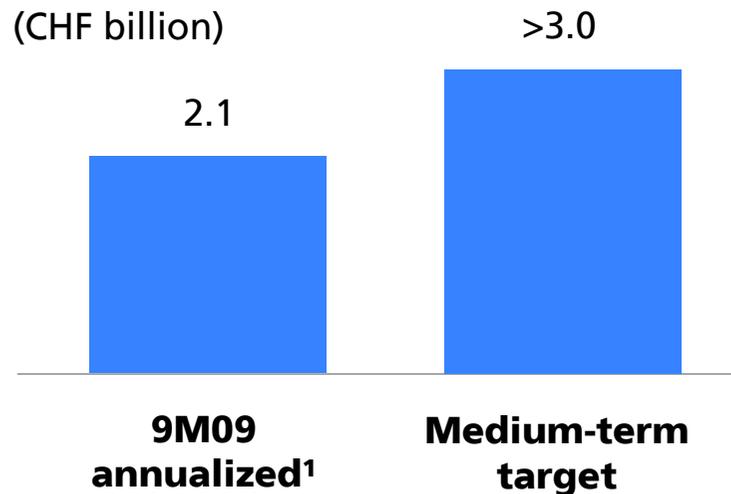
...where asset growth has marginal cost and revenue increases with performance fees

Note: Future cost/income ratio shown by indicative trend line
 1 Excluding the gain on sale of a minority stake in Adams Street Partners (CHF 168 million)
 2 Excluding restructuring costs and goodwill impairment charge related to the sale of UBS Pactual

Global AM's medium-term financial goals

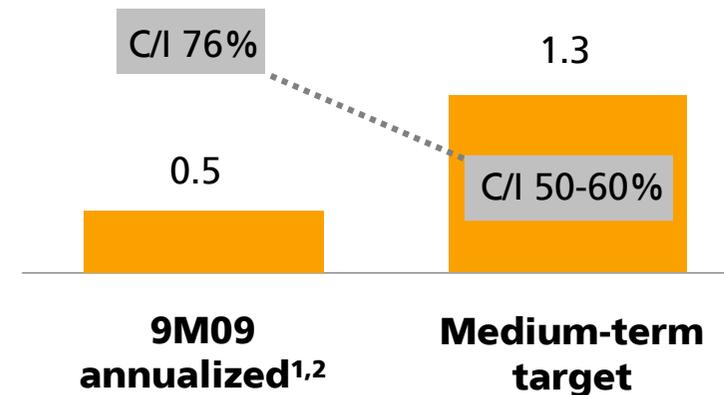
Operating income

(CHF billion)



Profit before tax

(CHF billion)



Additional key financial considerations

- ◆ Proportion of third-party business to increase in the medium-term
- ◆ NNM expected to turn positive in 2010 and grow steadily
- ◆ Medium-term cost/income ratio goal of 50-60%

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