

Invitation to the Annual General Meeting of UBS AG

**Thursday, 15 April 2004, 2.30 p.m. (doors open 1.30 p.m.)
St. Jakobshalle, Brüglingerstrasse 21, Basel**

Agenda

1. Annual Report, Group and Parent Company Accounts for 2003
Reports of the Group and Statutory Auditors
2. Appropriation of retained earnings
Dividend for financial year 2003
3. Discharge of the members of the Board of Directors and
the Group Executive Board
4. Elections
 - 4.1. Re-election of Board member: Sir Peter Davis
 - 4.2. Election of new Board members:
 - 4.2.1. Stephan Haeringer
 - 4.2.2. Helmut Panke
 - 4.2.3. Peter Spuhler
 - 4.3. Re-election of Group and Statutory Auditors: Ernst & Young Ltd., Basel
5. Capital reduction
 - 5.1. Cancellation of shares repurchased under the 2003/2004 share buyback
program and respective amendment of Article 4 of the Articles of Association
 - 5.2. Approval of a new 2004/2005 share buyback program

Introduction

Requests for including items in the agenda

On 4 February 2004, UBS published a notice in various Swiss and international newspapers and on its Internet website www.ubs.com/shareholder-meeting inviting qualifying shareholders to submit their request that individual items be included in the agenda in the form of actual motions by 24 February 2004. No requests were submitted.

Call to register claims

The capital reduction to be achieved via cancellation of repurchased shares may only take place once the filing period for creditors to request satisfaction for or security of their claims has been terminated in accordance with article 733 of the Swiss Code of Obligations. The notice will be published in the Swiss Commercial Gazette after the General Meeting of Shareholders. Claims may be registered during a period of two months. For the capital reduction to become effective, a report by the Statutory Auditors, confirming that creditors' claims shall remain fully covered and the liquidity of the Bank assured even after the capital reduction is another precondition. The Statutory Auditors' report as of 31 December 2003 has been provided.

Organizational issues

Admission cards for the Annual General Meeting

Shareholders listed in the Share Register of UBS AG *in Switzerland* can order their admission card from the following address up to 8 April 2004, using the order form attached to this invitation:

UBS AG, Shareholder Services, P.O. Box, CH-8098 Zurich.

Shareholders listed in the Share Register *in the United States* can order their admission cards in writing up to 8 April 2004 from: Mellon Investor Services, Proxy Processing, P.O. Box 3567, S. Hackensack, NJ 07606-9267.

Any admission cards already issued will lose their validity and will be recalled if the shares concerned are sold prior to the Annual General Meeting and the Share Register is notified of the sale.

Representation at the Annual General Meeting

Shareholders may be represented at the General Meeting by their legal representative or, based on a written proxy, by any other shareholder entitled to vote at the Meeting, or by his/her custodian bank. In addition, every shareholder is entitled to have his/her shares represented at the General Meeting by

- UBS AG, P.O. Box, CH-8098 Zurich
as a corporate proxy or a custody proxy
- Fiduciary company Altorfer Duss & Beilstein
(Urs Zeltner, Attorney and Notary),
P.O. Box 1156, CH-8021 Zurich
as an independent proxy.

Zurich and Basel, 27 February 2004

UBS AG
For the Board of Directors:

Marcel Ospel, Chairman
Gertrud Erismann-Peyer, Company Secretary

Item 1

Annual Report, Group and Parent Company Accounts for 2003 Reports of the Group and Statutory Auditors

A. Motion

The Board of Directors proposes that the report on the financial year 2003 and the Group and Parent Company Accounts for 2003 be approved.

B. Explanations

The reports of the Board of Directors and the Group Executive Board are contained in the Financial Report. Additional information on strategy and organization of the Group, its activities and those of the Business Groups, on risk management and control as well as on corporate bodies, their composition and authorities can be found in the "Handbook 2003/2004". This document also contains the comprehensive information relating to corporate governance as required by the SWX Swiss Exchange directive. Copies of both publications can be ordered by shareholders and are also available on the Internet at www.ubs.com/investors. All shareholders registered in the share register automatically receive a copy of the Annual Review, which contains summary information with regard to our business performance in 2003.

The Group income statement shows total operating income of CHF 33,972 million and total operating expenses of

CHF 25,624 million, resulting in a pre-tax profit of CHF 8,003 million and a net profit of CHF 6,385 million. At year-end, total consolidated assets amounted to CHF 1,386.0 billion, up CHF 204.9 billion from a year earlier. Shareholders' equity totaled CHF 35.4 billion.

Parent Company net profit was CHF 4,197 million. Total operating income of CHF 19,117 million and total operating expenses of CHF 12,832 million resulted in an operating profit of CHF 6,285 million. Depreciations, write-offs and provisions amounted to CHF 1,577 million and extraordinary income to CHF 92 million. Extraordinary expenses totaled CHF 1 million and taxes amounted to CHF 602 million.

Ernst & Young Ltd. as Group and Statutory Auditors recommend in unqualified reports to the Annual General Meeting that the Group and Parent Company Accounts be approved. The Group Auditors confirm that "the Group financial statements present fairly, in all material respects, the consolidated financial position of UBS AG as of 31 December 2003 and 2002, and the consolidated results of operations and cash flows for each of the three years in the period ended 31 December 2003, in conformity with International Financial Reporting Standards (IFRS), and they comply with Swiss law". The Statutory Auditors express their opinion that "the accounting records and financial statements and the proposed appropriation of available earnings comply with Swiss law and the company's Articles of Association".

Item 2

Appropriation of retained earnings Dividend for financial year 2003

A. Motion

The Board of Directors proposes that the Parent Company profit be appropriated as follows:

Profit for the financial year 2003 as per the income statement	CHF 4,197 million
Allocation to General statutory reserves	CHF 288 million
Proposed dividend	CHF 2,929 million
Allocation to Other reserves	CHF 980 million
Total allocated	CHF 4,197 million

The Board of Directors proposes to distribute a dividend of CHF 2.60 per share.

B. Explanations

The proposal of the Board of Directors to distribute a dividend of CHF 2.60 per share, 30% more than a year earlier, reflects the excellent financial results achieved in 2003. It is also proof of the Board of Directors' and the Group Executive Board's confidence in UBS's ability to sustainably achieve good results in the future.

Upon approval of the proposal by the AGM, the distribution of CHF 1.69 per share (after deduction of 35% Swiss withholding tax) will be made on 20 April 2004 to shareholders on record as at 15 April 2004. The shares will be traded ex dividend on 16 April.

Item 3

Discharge of the members of the Board of Directors and the Group Executive Board

Motion

The Board of Directors proposes that discharge be granted to the members of the Board of Directors and the Group Executive Board for the financial year 2003.

Item 4

Elections

4.1. Re-election of Board member

A. Motion

The Board of Directors proposes that Sir Peter Davis be re-elected for a three-year term of office:

B. Explanations

The term of office of Sir Peter Davis expires at the 2004 AGM. He is prepared to stand for re-election.

Sir Peter Davis (born 1941) has been a member of the Board since 2001 and is a member of the Audit and the Nominating Committees. He has been Group Chief Executive of J Sainsbury plc, London, since 2000 and is about to become its Chairman on 29 March 2004. Sir Peter is a British citizen.

A detailed CV of Sir Peter is published in the "Handbook 2003/2004" and is available on the Internet under www.ubs.com/boards.

4.2. Election of new Board members

Johannes A. de Gier and Hans Peter Ming are stepping down from the Board at the AGM 2004. Johannes de Gier is terminating his mandate early following his appointment to chairman of the UBS Group company SBC Wealth Management, in which the Private Label Banks and GAM, UBS's specialist asset management firm, were integrated. Hans Peter Ming's mandate expires at the AGM 2004. He is not standing for re-election, having reached retirement age.

4.2.1. Election of Stephan Haeringer

A. Motion

The Board of Directors proposes that Stephan Haeringer be elected to the Board as executive member.

B. Explanations

Stephan Haeringer (born 1946) is currently Deputy President of the UBS Group Executive Board. He has been with UBS since 1967, assuming a broad variety of responsibilities. Until mid-2002 he was CEO of the Business Group UBS Switzerland and of its Private and Corporate Clients Division. From 1996 until the UBS/SBC merger, he was Chief Executive Officer of Region

Switzerland of Union Bank of Switzerland. From 1991 to 1996, he served as Division Head Private Banking and Institutional Asset Management. In 1991, he was appointed member of the Group Executive Board, after having been an Executive Vice President since 1987. In 1988 he became Head of the Financial Division. During the years 1967 to 1988 Mr. Haeringer assumed various management roles within the areas of Investment Counseling, Specialized Investments, Portfolio Management, Securities Administration and Collateral Loans. For training purposes, Mr. Haeringer was assigned to other financial institutions in London and New York. He is a Swiss citizen.

The election of Stephan Haeringer will contribute to strengthening the Board's financial services expertise.

4.2.2. Election of Helmut Panke

A. Motion

The Board of Directors proposes that Helmut Panke be elected to the Board as a non-executive member.

B. Explanations

Helmut Panke (born 1946) is Chairman of the Board of Management of BMW AG, Munich, Germany. Mr. Panke graduated from the University of Munich with a master's degree in physics. After five years of research work at the University of Munich and the Swiss Institute for Nuclear Research, he was a consultant with McKinsey in Düsseldorf and Munich. In 1982, Helmut Panke joined BMW AG as Head of Planning and Controlling in the Research and Development Division and subsequently became Head of Corporate Planning, Head of Organization and Head of Corporate Strategy and Coordination. From 1993 to 1996 he was Chairman and CEO of BMW (US) Holding Corporation. In 1996 he was appointed to the Board of Management of BMW AG, where he was first responsible for Human Resources and Information Technology, later for Finance. Since May 2002 Mr. Panke has been Chairman of the Board of Management of BMW AG. He is a German citizen.

In addition to his engagement with BMW, Helmut Panke is a member of the Board of Directors of Microsoft Corporation.

4.2.3. Election of Peter Spuhler

A. Motion

The Board of Directors proposes that Peter Spuhler be elected to the Board as a non-executive member.

B. Explanations

Peter Spuhler (born 1959) is the owner of Stadler Rail AG (Switzerland), which he acquired in 1989 when it was a small firm with 18 employees. Today Stadler Rail is an internationally successful company with almost 1,000 employees and sales of CHF 450 million, focussing on the regional and suburban light railway business. Stadler Rail is the world number 1 in the rack railway vehicle market. Peter Spuhler studied economics at the University of St. Gallen and joined Stadler Ltd. in 1987 as an employee. He is a Swiss citizen.

In addition to his engagement for Stadler Rail, Mr. Spuhler is a member of the Board of Directors of Von Roll Holding, Zurich, and of various professional interest groups. He is also a member of the Lower House of the Swiss Parliament (Nationalrat).

4.3. Re-election of Group and Statutory Auditors

A. Motion

The Board of Directors proposes that Ernst & Young Ltd., Basel, be re-elected for a one-year term of office as Group and Statutory Auditors.

B. Explanations

Ernst & Young Ltd., Basel, upon recommendation of the Audit Committee of the Board, is proposed for re-election for a further year in office as Group and Statutory Auditors. Ernst & Young have confirmed to the Audit Committee that they possess the level of independence required to take on this role and that their independence was not infringed by additional mandates performed for UBS. All such mandates were pre-approved by the Audit Committee. E&Y confirms, in addition, that they did not provide any services for UBS that the US Securities and Exchange Commission (SEC) has prohibited for the company's principal auditor.

Ernst & Young have been in charge of the UBS audit since the merger in 1998. The "Handbook 2003/2004" provides additional information on the Auditors' independence and the fees paid, as well as on the lead audit partners in charge.

Item 5

Capital reduction

5.1. Cancellation of shares repurchased under the 2003/2004 share buyback program and respective amendment of article 4 of the Articles of Association

A. Motion

The Board of Directors proposes that 59,482,000 shares repurchased under the buyback program approved by the 2003 AGM be cancelled and the share capital of the Corporation accordingly reduced by CHF 47,585,600.

Article 4 of the Articles of Association shall be amended as follows:

Current version	Proposed new version (<i>changes in italics</i>)
Article 4	
Share capital	
1 The share capital of the Corporation is CHF 946,437,411.20 (nine hundred and forty-six million, four hundred and thirty-seven thousand, four hundred and eleven Swiss francs and twenty centimes), divided into 1,183,046,764 registered shares with a par value of CHF 0.80 each. The share capital is fully paid up.	1 The share capital of the Corporation is <i>CHF 898,851,811.20 (eight hundred and ninety-eight million, eight hundred and fifty-one thousand, eight hundred and eleven Swiss francs and twenty centimes)</i> , divided into <i>1,123,564,764</i> registered shares with a par value of CHF 0.80 each. The share capital is fully paid up.
2 unchanged	

B. Explanations

The AGM on 16 April 2003 authorized the Board of Directors to buy back UBS shares in a maximum amount of CHF 5 billion via a second trading line on the virt-x exchange and subsequently to cancel them. Until 25 February 2004 a total of 59,482,000 shares with an overall market value of CHF 4,516,196,555.15 were repurchased. The average purchase price was CHF 75.93 per share.

The Board of Directors now proposes to the AGM to approve the cancellation of the 59,482,000 shares repurchased and to re-

duce the share capital in article 4 of the Articles of Association accordingly.

Ernst & Young Ltd. as Statutory Auditors have confirmed in a special audit report on behalf of the AGM that as at 31 December 2003 the claims of creditors were fully covered even after the reduction in capital and that the Bank has adequate liquidity.

5.2. Approval of a new 2004/2005 share buyback program

A. Motion

The Board of Directors proposes that the following resolution be approved:

“The Board of Directors shall be authorized to buy back a maximum amount of CHF 6 billion in UBS shares via a second trading line on the virt-x exchange. These shares are to be cancelled definitively and are not therefore regarded as own shares within the meaning of Article 659 of the Swiss Code of Obligations. The required amendment to the Articles of Association (reduction of share capital) will be submitted to the AGM in 2005 for approval.”

B. Explanations

Shares shall be repurchased for cancellation if the firm’s capitalization remains at its current high level. The Board of Directors requests the AGM to authorize the repurchase of a maximum

amount of CHF 6 billion in UBS shares. The new buyback program 2004/2005 was announced on 10 February 2004.

The Board of Directors has again decided to proceed in two stages, with shareholders taking the decision in principle at the first AGM and deciding on the definitive cancellation of the shares at the next AGM. By obtaining shareholders’ approval for the future cancellation of the repurchased shares, these shares no longer fall under the statutory limit of Swiss Company Law, which prohibits companies from holding more than 10% of their own shares. The proposed procedure provides greater flexibility, which UBS believes to be in the interests of efficient capital management and the ongoing trading activities of the Bank.

Ernst & Young Ltd. as Statutory Auditors have confirmed in a special audit report on behalf of the Board of Directors that the claims of creditors were fully covered even after this additional capital reduction and that the Bank has adequate liquidity.



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