

UBS AG, Mumbai Branch  
(Scheduled Commercial Bank)  
(Incorporated in Switzerland with limited liability)

## Basel II Pillar 3 Disclosures for the period ended 30 June 2010

### ***Background***

The disclosures and analysis provided herein below are in respect of the Mumbai branch ('the Bank') of UBS AG which is incorporated in Switzerland with limited liability. Also, the disclosures herein below are solely in the context of local regulatory requirements and guidelines prescribed by the Reserve Bank of India (RBI) under Pillar 3-Market Discipline of the New Capital Adequacy Framework (commonly referred to as Basel II). The Pillar 3 disclosures are designed to complement the minimum capital requirements in Pillar1 and the Supervisory Review and Evaluation Process in Pillar 2. The aim of Pillar 3 is to promote market discipline by allowing market participants access to information of risk exposures and risk management policies and process adopted by the bank.

UBS AG is the parent bank within the UBS Group ('the Group'). Headquartered in Zurich and Basel, Switzerland, UBS is a client-focused financial services firm that offers a combination of wealth management, asset management and investment banking services on a global and regional basis. By delivering a full range of advice, products and services to its private, corporate and institutional clients, UBS aims to generate sustainable earnings, create value for its shareholders, and become the choice of clients worldwide.

UBS is present in all major financial centers worldwide. It has offices in over 50 countries, with about 37% of its employees working in the Americas, 37% in Switzerland, 16% in the rest of Europe and 10% in Asia Pacific. UBS employs about 64,000 people around the world. Its shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).

### ***Scope of application***

The new capital adequacy framework applies to the Mumbai branch of UBS AG which is incorporated in Switzerland with limited liability. The Mumbai branch has no subsidiaries, including those directly owned/controlled by its Parent, which are subject to consolidation requirements under the generally accepted accounting principles (GAAP) or under the capital adequacy framework.

### ***Quantitative disclosures (Basel II)***

	<i>(Rs 000s)</i>
	<b>30 June 2010</b>
<b>Composition of capital</b>	
Tier 1 capital	14,328,584
Tier 2 capital	2,588
<b>Total Capital Maintained</b>	<b>14,331,172</b>
<b>Total minimum regulatory capital required</b>	<b>1,560,263</b>
<b>Capital to risk weighted assets ratio (CRAR)</b>	
Tier 1 CRAR	82.65%
Total CRAR	82.67%