UBS AG, Mumbai Branch
(Scheduled Commercial Bank)

Basel II Pillar 3 Disclosures for the period ended 31 December 2009

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 one of the world's leading financial firms. It serves a discerning, international client base with its

- Wealth management
- Investment banking and
- Asset management businesses.

In Switzerland, UBS is the market leader in retail and commercial banking.

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

(Rs 000s)

	31 December 2009
Composition of capital	
Tier 1 capital	7,208,758
Tier 2 capital	282
Total Capital Maintained	**7,209,040**
Total minimum regulatory capital required	**935,802**
Capital to risk weighted assets ratio (CRAR)	
Tier 1 CRAR	69.33%
Total CRAR	69.33%

(Above minimum capital requirements and CRAR take into consideration the prudential floor capital requirements prescribed by RBI which are currently valid until 31 March 2010)