



UBS European Conference 2012

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Important information related to numbers shown in the presentation

Pro-forma Basel III RWAs, Basel III capital ratios and Basel III liquidity ratios

The calculation of our pro-forma Basel III risk-weighted assets combines existing Basel 2.5 risk-weighted assets, a revised treatment for low-rated securitization exposures which are no longer deducted from capital but are risk-weighted at 1250%, and new model-based capital charges. Some of these new models still require regulatory approval and therefore our pro-forma calculations include estimates (discussed with our primary regulator) of the effect of these new capital charges which will be refined as models and the associated systems are enhanced. Our pro-forma Basel III liquidity ratios include estimates of the impact of the rules and interpretation and will be refined as regulatory interpretations evolve and as new models and the associated systems are enhanced.

Targets

Return on equity targets exclude own credit and significant non-recurring items (e.g., restructuring costs); target assumes constant FX rates; refer to slide "Group targets" in the "Third quarter 2012 Results & strategy Update presentation" for more details on targets

Equities—complete access to the markets that matter

UBS is a global leader in equities, offering world-class research, distribution and execution

Cash Equities	<ul style="list-style-type: none">• Ranked #2 globally with a 9.65% market share (Leading private survey - H1 2012) – #1 Pan European, #1 Asia, ex. Japan, #1 Australian & NZ, #2 Canadian, #4 Japanese• #1 Equity House, #1 Trading & Execution, #1 Equity Sales (Extel Europe - 2012)
Equity Research	<ul style="list-style-type: none">• Covers over 3,000 stocks globally• Ranked Top 5 in Europe (#2), Japan (#3), China (#3), Asia, ex. Japan (#4) (II - 2012)
Equity Derivatives	<ul style="list-style-type: none">• Structured Products House of the Year (Derivatives Intelligence - 2012)• Structured Products House of the Year, Asia (Structured Products Magazine - 2012)• House of the Year, Australia (AsiaRisk - 2012)
Prime Brokerage	<ul style="list-style-type: none">• Ranked #5 globally (Hedge Fund Intelligence - 2012)• Best European Prime Broker (Hedgeweek - 2012)• #1 Prime Broker (Extel Europe - 2012)
Exchange Traded Derivatives	<ul style="list-style-type: none">• Covers over 3,000 stocks globally• Ranked Top 5¹ in Europe (#2), Japan (#3), China (#3), Asia, ex. Japan (#4) (II - 2012)

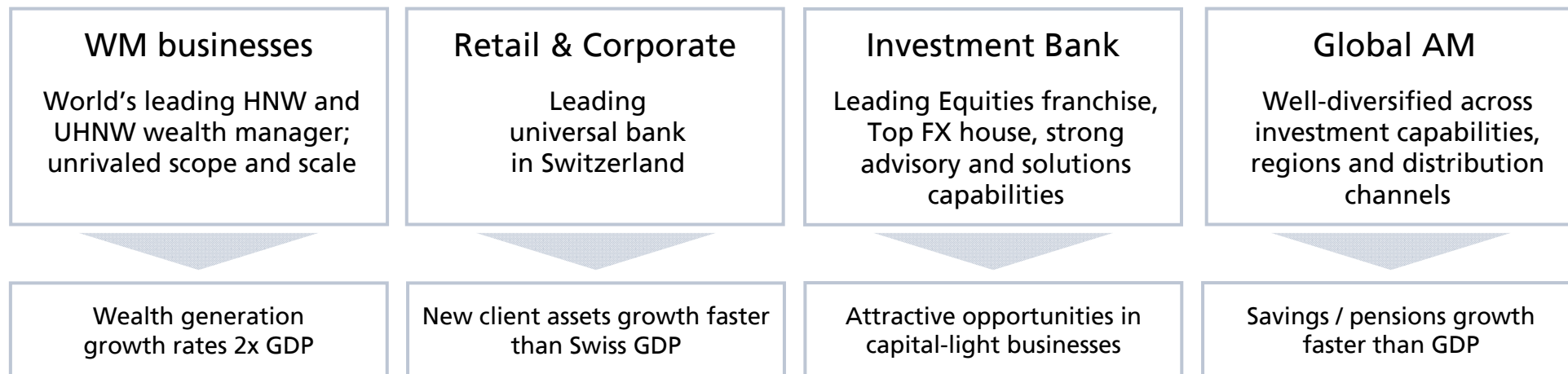
No.1 Pan-European Equity House (Thomson Reuters – Extel, 2004-2012)



¹ Excludes equities volatility trading

UBS – The bank of the future

An unrivaled franchise with compelling growth prospects



Prepared for the future

Clear strategy

Solid financial foundation

Long term efficiency measures

Track record of execution

Committed to deliver highly attractive returns

Return on equity of at least 15% from 2015

Attractive capital return policy



Refer to slide 1 for details about pro-forma Basel III estimates and targets in this presentation

Investment Bank

Our Investment Bank is a source of competitive advantage for UBS

Capitalizing on our traditional strengths

Strong advisory and solutions capabilities

- Global footprint with presence in all major financial markets
- Consistently leading in APAC

Leading Equities franchise

- Consistently highly ranked in Global Equities
- Top-ranked research

Top FX and Precious metals house

- Highly ranked across FX products
- #1 Dealer – Gold Spot and Options, Silver Spot and Forwards

- **Our clients** will continue to benefit from best-in-class expertise, solutions-led advisory, intellectual capital and global execution capabilities
- Ideal partnership with other business divisions - the skills and strengths of these businesses enable us to meet the needs of **our clients in wealth management businesses, Retail & Corporate and Global AM**
- Highly capital-efficient businesses, with attractive returns for **our shareholders**
- A unique and attractive proposition to **our employees**:
 - A rewarding, intellectually rich environment and a career with a best-in-class global bank
 - The ability to build deep relationships and facilitate the best outcomes for clients
 - To be part of an expert advisory and solutions team with a unique position in the market
 - Clear accountability for results

Creating a profitable and competitive Investment Bank

	Corporate Client Solutions	Investor Client Services
Our businesses	Advisory and solutions, origination and structuring, IBD, leveraged finance, special solutions group	Distribution, sales and trading, equities, FX, precious metals, flow rates
Our clients	Corporate, FIG, sponsor clients	WM and Prime brokerage clients, market counterparties
Our relationships	<ul style="list-style-type: none"> • Professionals with extensive experience in advisory/capital markets providing unbiased advice • Patient cultivation of long-term advisory relationships and high quality client coverage • Thought leadership with deep insights into markets and governments 	
Our platform	<ul style="list-style-type: none"> • High speed trade execution and robust clearing platform • Provider of liquidity and financing • Leading low latency execution platforms for equities and FX • Leading portfolio management and risk assessment tools 	
Our culture	<ul style="list-style-type: none"> • Client-centric and solutions oriented • Talent rich, team-based, diverse people • Clear accountability for results 	
Financials	Expected: ~1/3 of total revenues ~15% of Basel III RWAs	Expected: ~2/3 of total revenues ~85% of Basel III RWAs
	Targeting a pre-tax return on attributed equity of more than 15%, cost / income ratio of 65-85% and overall Basel III RWAs of less than CHF 70 billion	

Our vision for the UBS of the future

An unrivaled franchise	Leading positions in all business divisions
Positioned for growth	Compelling industry growth prospects
Prepared for the future	Clear strategy, solid financial foundation, long-term efficiency measures and track record of execution
Attractive returns	Targeted return on equity of at least 15% from 2015 Attractive capital return policy

A unique and valuable proposition to our clients, our employees and our shareholders