



Product Day 2005

WM & BB - Products & Services

Stamford, 12th May 2005
Jürg Haller, Head of Products &
Services, WM



Key messages

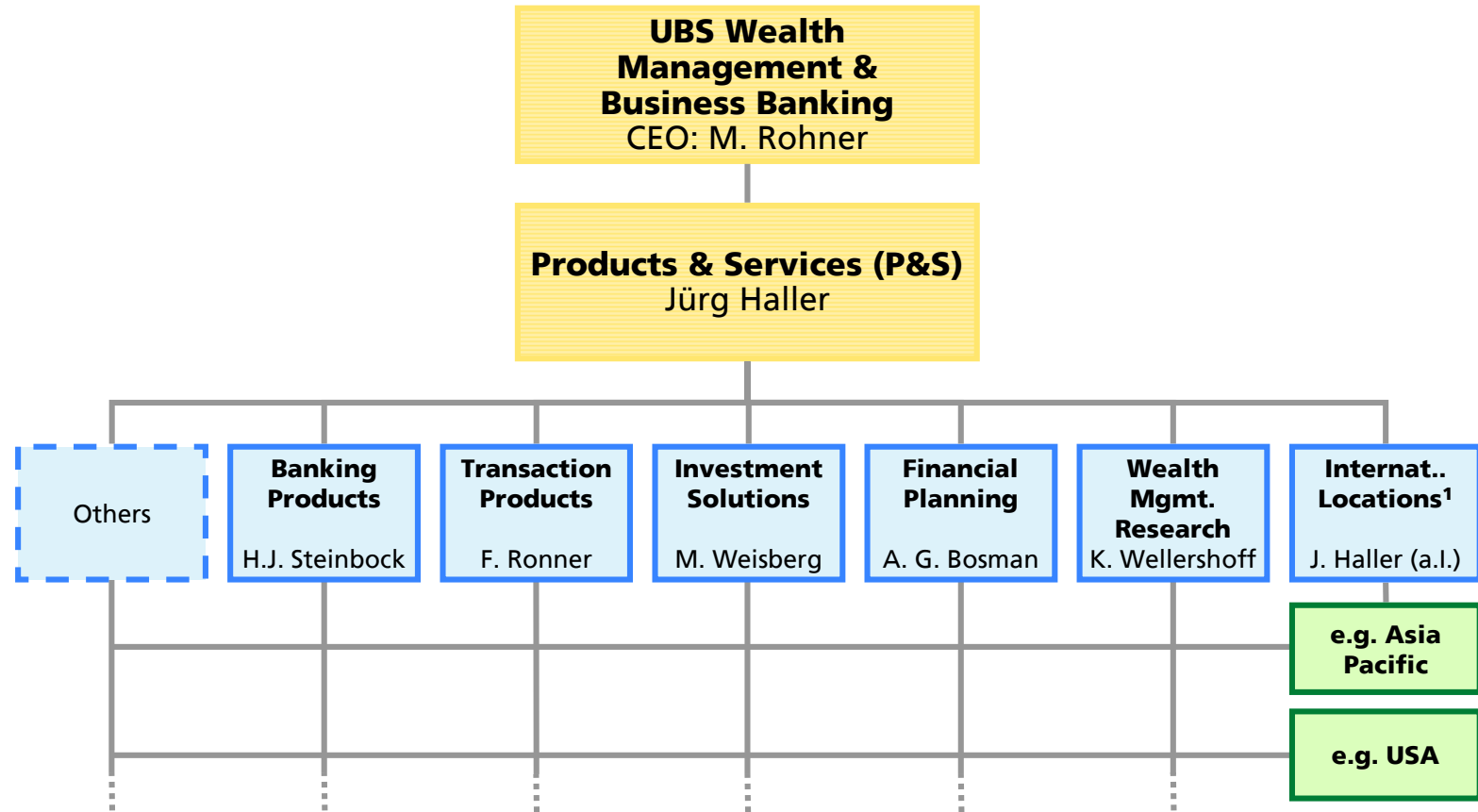
Products & Services (P&S) directly contributes to creating value...

- ◆ We systematically increase our understanding of **client behavior and preferences** and put this learning into action
- ◆ We continuously pursue **innovation** with the goal to create win-win situations for our customers and UBS
- ◆ We **leverage internal platforms** (such as UBS Investment Bank and UBS Global Asset Management) and - where appropriate - **include 3rd-party suppliers** to leverage our purchasing power
- ◆ We continuously strive to improve our **productivity**

... to UBS as a whole

Products & Services

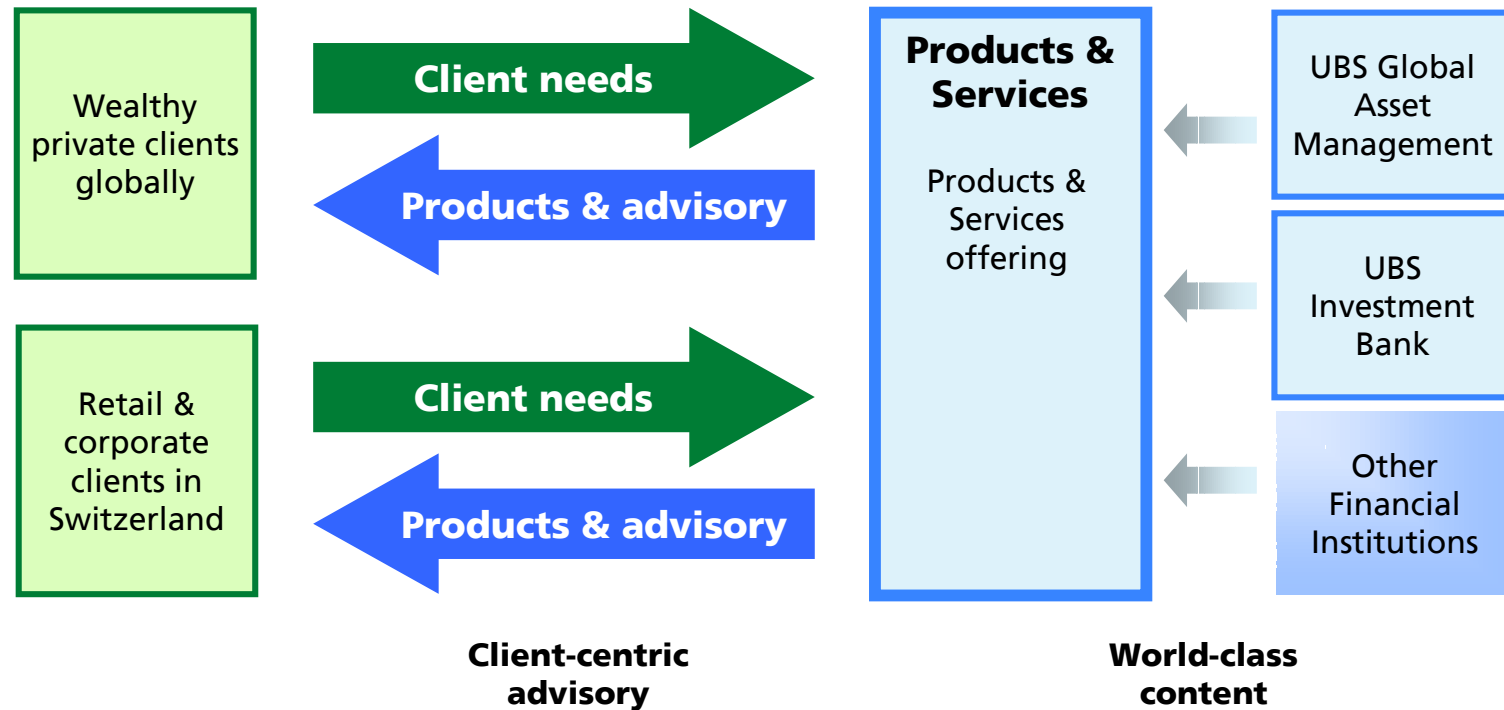
Organization



1 International locations are Asia-Pacific (APAC), Bahamas, Brazil, Canada, France, Germany, Italy, Luxembourg, Monaco, Spain, UK, USA. The local product heads report directly to Jürg Haller

Integrated business model

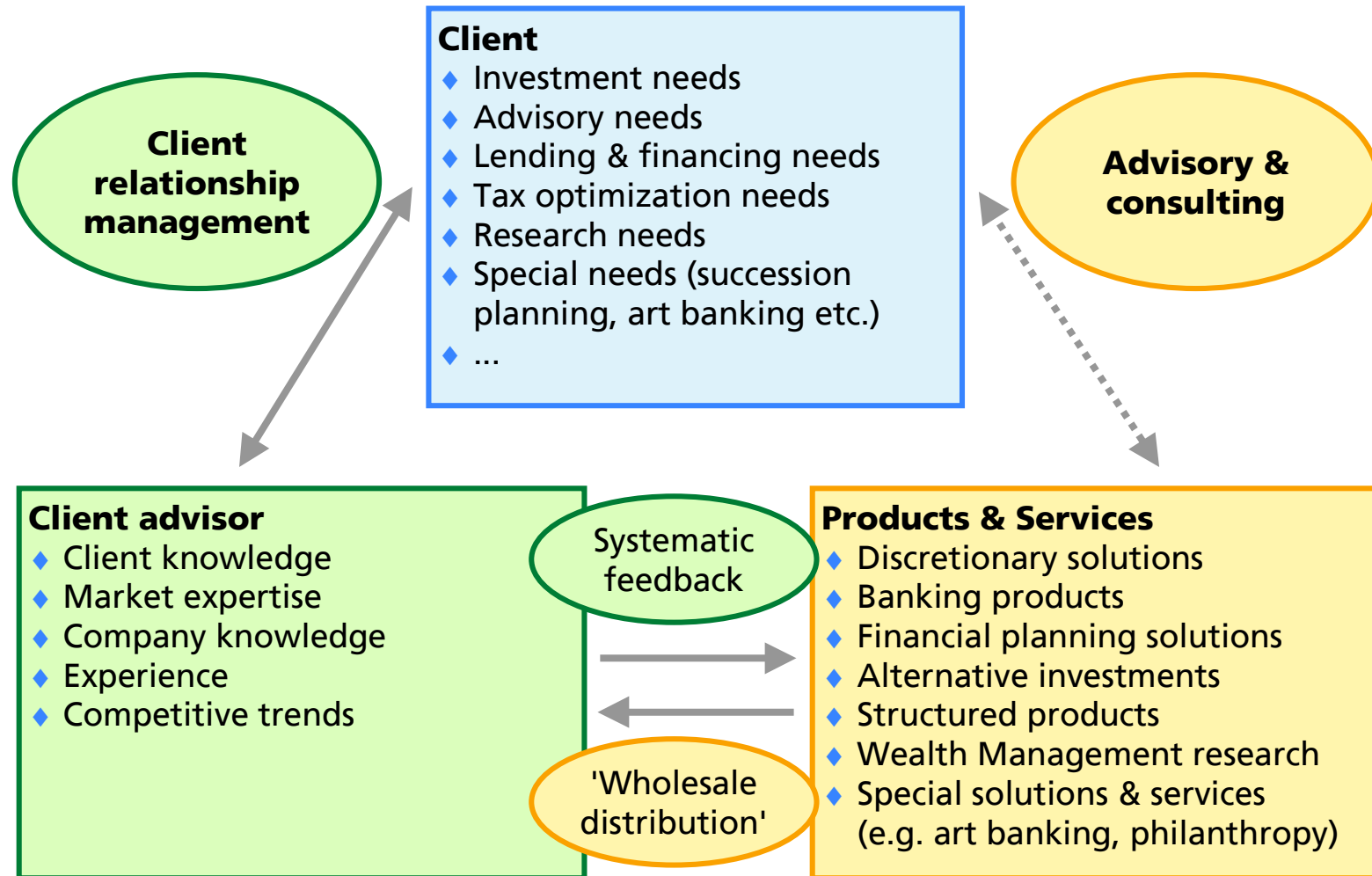
Products and Services works with other UBS business groups and financial institutions...



... to meet the diverse needs of our client base

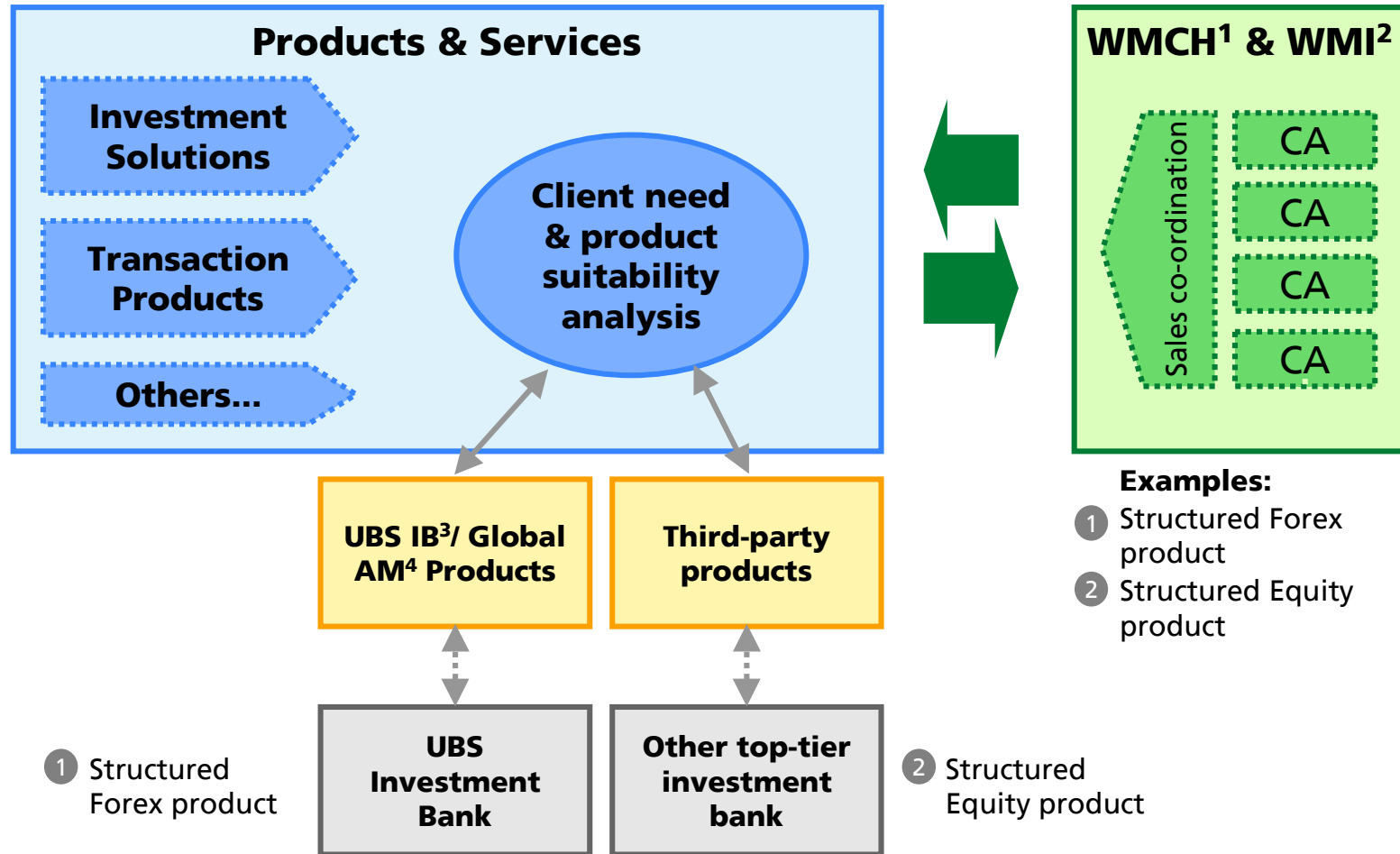
Client advisory process

Client advisor in strong cooperation with Products & Services



Open architecture (examples)

Based on a systematic product suitability analysis, client needs are met by either internal or third-party products

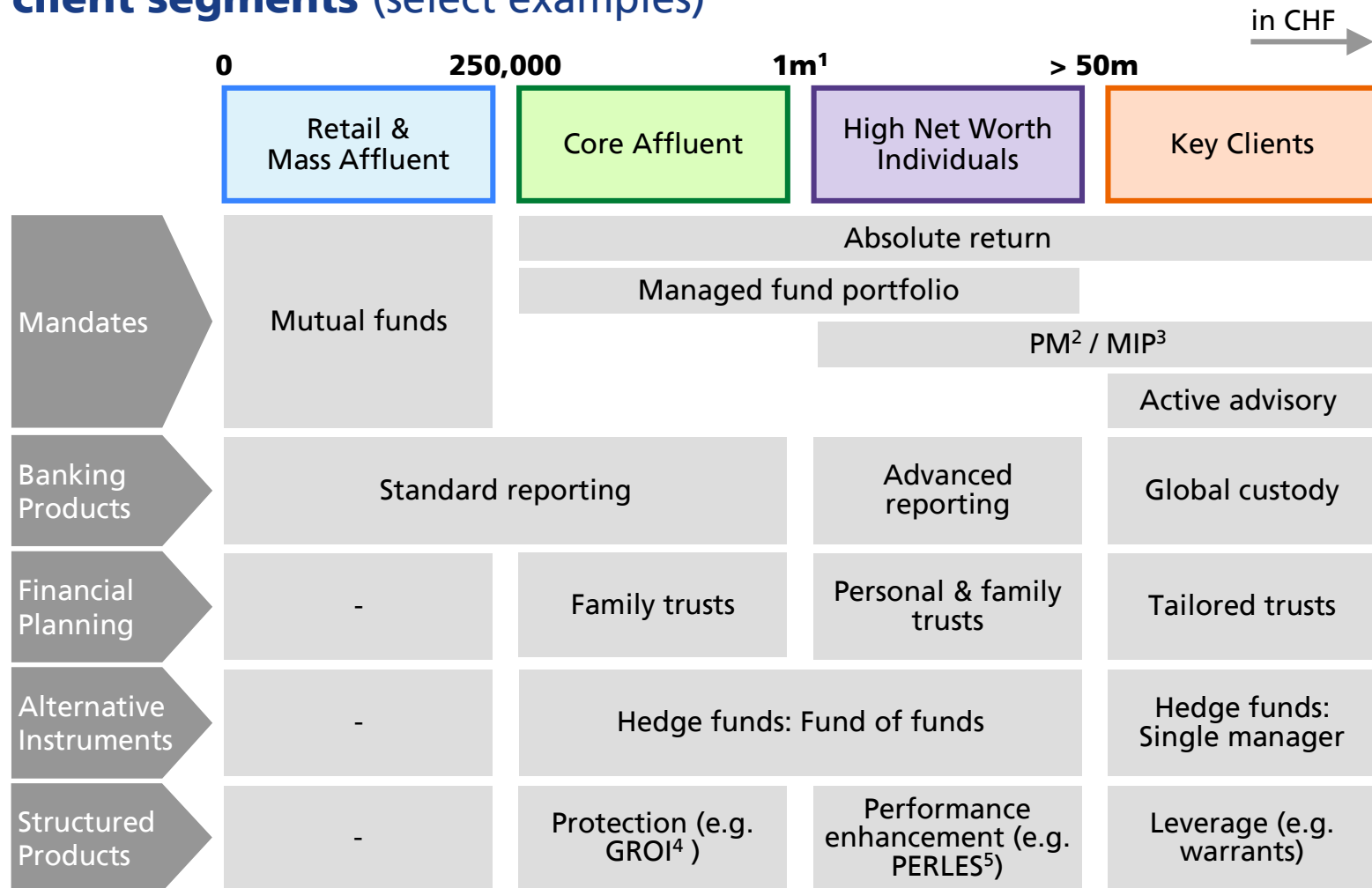


1 Wealth Management Switzerland
2 Wealth Management International

3 IB - Investment Bank
4 Global AM - Global Asset Management

Client segments

Products & Services offering meets the needs of five different client segments (select examples)



1 CHF 2m for Wealth Management International
 2 Portfolio Management
 3 Managed Investment Portfolio

4 Guaranteed Return on Investment
 5 Performance Linked to Equity Securities

Geographical scope

In addition to client segment needs, the offering caters to the distinctive needs of different locations ...

Location	Product examples	Value proposition
Switzerland	Portfolio Management	Plain vanilla managed portfolio
Switzerland / Domestic	Portfolio Management Tax Optimized	Tax-optimized managed portfolio
EWMI ¹ / Switzerland	Portfolio Management Italy Plus	Managed portfolio specially designed for clients domiciled in Italy
Asia	Asian Mandate Portfolio	Managed portfolio developed and managed in Asia: Has higher concentration of Asian equities

Product development in Asia	Asian Mandate Portfolio	Global rollout	Offered to clients in other locations
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... and the overall firm benefits from the cross-border knowledge transfer

¹ European Wealth Management Initiative

Trends in client needs and product offering

The product offering constantly keeps pace with the trends in client needs and market developments

Trends in client needs

- ◆ Better information on investment process and performance
- ◆ Better understanding of risk exposure
- ◆ Reduced volatility of portfolio
- ◆ Client focussed advice
- ◆ Price sensitivity

Market drivers

- ◆ Important new international markets (e.g. Greater China & India)
- ◆ Tax environment, e.g. European savings tax
- ◆ Trend toward wealth concentration

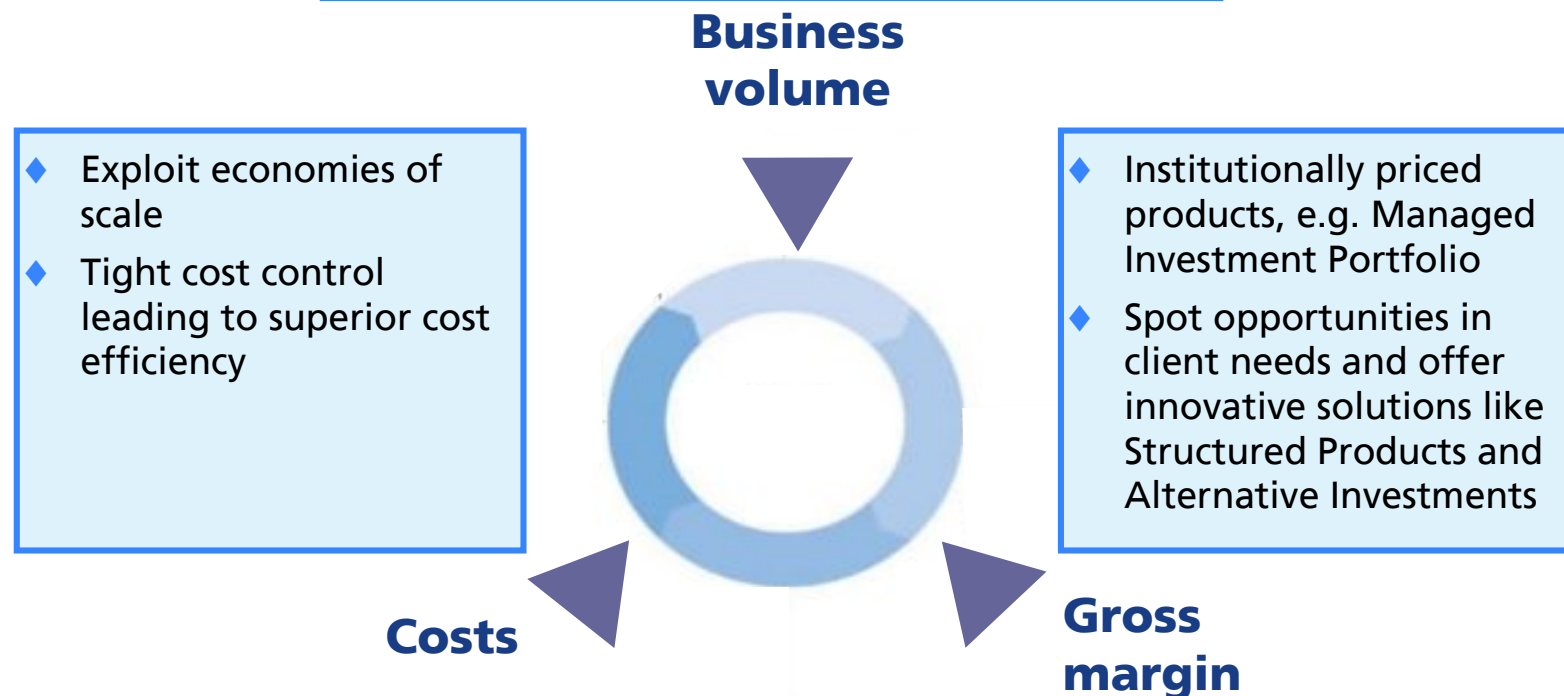
Trends in product offering

- ◆ Increased transparency on the investment process
- ◆ Offering scenario and risk analysis for select client portfolios
- ◆ Absolute return products
- ◆ Open architecture
- ◆ Differentiation of products based on clients needs and not just price
- ◆ Tiered pricing

Growth initiatives and value drivers

Higher business volume while maintaining cost and gross margin ...

- ◆ European Wealth Management Initiative (EWMI)
- ◆ Commodities and real estate based products



... allows us to create value for our clients and shareholders

Products & Services priorities 2005

Focusing on 4 core activities ...

- 1 Clients:** continuously pursue excellence in understanding our clients' behavior and translate it into action
- 2 Offering:** continuously innovate and deliver to our clients what they are looking for in a smart fashion
- 3 Pre- and after-sales service:** continuously preview and review clients' portfolios - make sure that the clients feel that we are looking after their money
- 4 Efficiency:** continuously increase productivity while pursuing growth

... to promote a customer-centric offering



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