UBS

Fourth quarter 2013 results

February 4, 2014

Cautionary statement regarding forward-looking statements

This presentation contains statements that constitute "forward-looking statements," including but not limited to management's outlook for UBS's financial performance and statements relating to the anticipated effect of transactions and strategic initiatives on UBS's business and future development. While these forward-looking statements represent UBS's judgments and expectations concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS's expectations. Additional information about those factors is set forth in documents furnished or filed by UBS with the US Securities and Exchange Commission, including UBS's financial report for fourth quarter 2013 and UBS's Annual Report on Form 20-F for the year ended 31 December 2012. UBS is not under any obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

2013: A year of strong execution and noteworthy achievements

Excellent progress in transforming UBS

- Best WM/WMA combined adjusted pre-tax profit since the financial crisis, strong NNM
- R&C delivered stable adjusted pre-tax profit, maintained its market-leading position with robust growth
- Strong execution in the Investment Bank delivered risk-adjusted returns well above targets
- Substantial reduction in Non-core and Legacy Portfolio assets and RWA
- Enhanced Operational Risk Management

Exceeded our capital and RWA targets

- Strengthened industry-leading capital position
- Balance sheet, RWA and total exposure reduced significantly
- Swiss SRB leverage ratio significantly above regulatory requirements

Implemented short-term and planned long-term efficiency measures

- Achieved CHF 2.2 billion gross cost savings since 1H11[1]; completed first cost reduction program
- Planning for re-engineering of Corporate Center and end-to-end processing

Strong performance supports increased capital returns

- 67% increase in dividend to be proposed for 2013 to CHF 0.25 per share

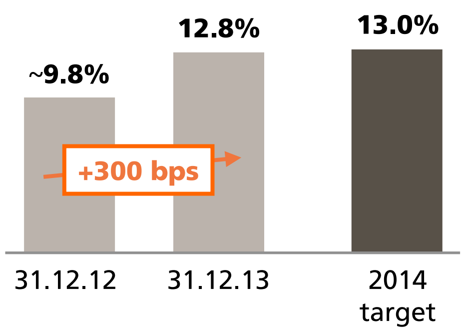
UBS

1 Refer to slide 22 for additional information

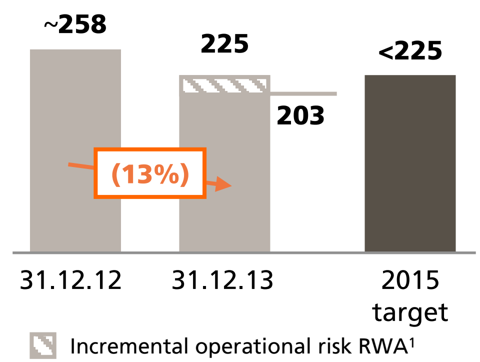
Successfully executing our strategy

Financial strength is the foundation of our success

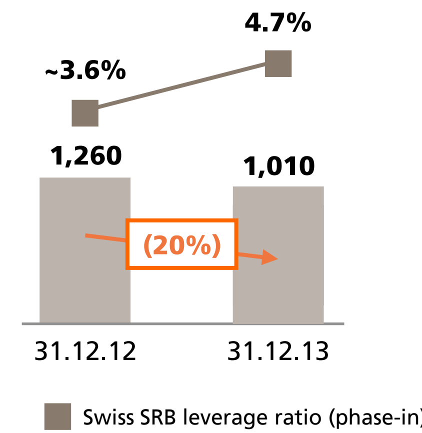
Basel III CET1 ratio
fully applied



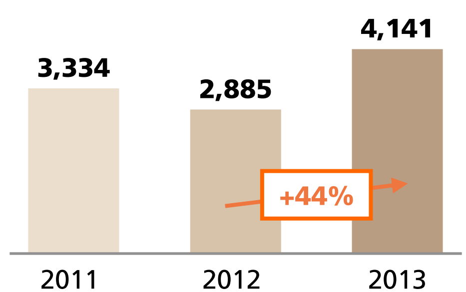
Basel III RWA
fully applied, CHF billion



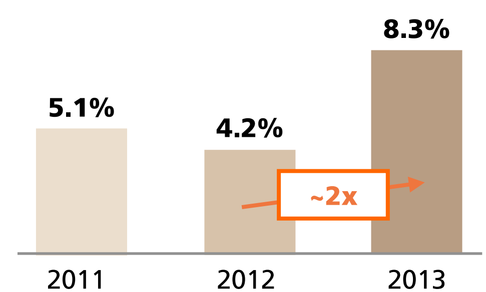
Balance sheet and leverage ratio
CHF billion



Group pre-tax profit
adjusted, CHF million



Group RoE
adjusted



UBS

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

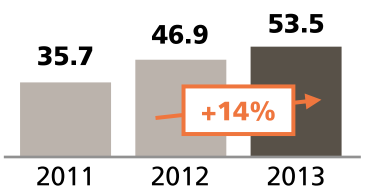
1 Derived from supplemental analysis mutually agreed with FINMA that will be used to calculate the incremental operational risk capital required to be held for litigation, regulatory and similar matters and other contingent liabilities, effective on 31 December 2013

Increased profits and well diversified business mix

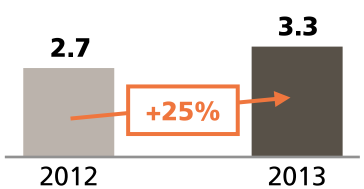
Wealth Management and Wealth Management Americas

Largest and fastest growing large-scale wealth manager in the world[1]

Net new money
CHF billion



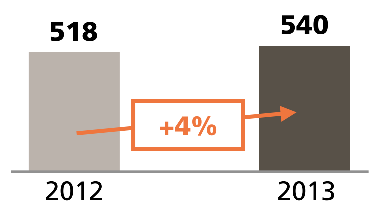
Pre-tax profit
adjusted, CHF billion



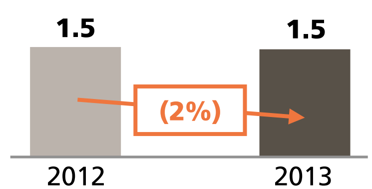
Retail & Corporate

Leading universal bank in Switzerland with stable pre-tax profit contribution

Business volume
CHF billion



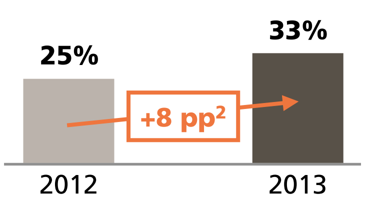
Pre-tax profit
adjusted, CHF billion



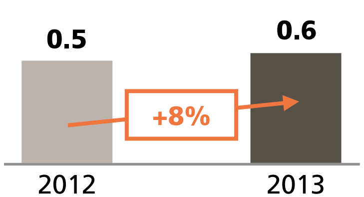
Global Asset Management

Diversified across investment capabilities, regions and distribution channels

RoaE
adjusted



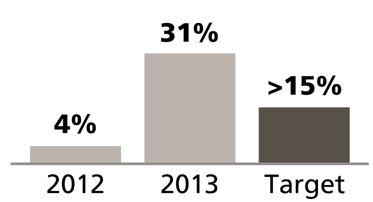
Pre-tax profit
adjusted, CHF billion



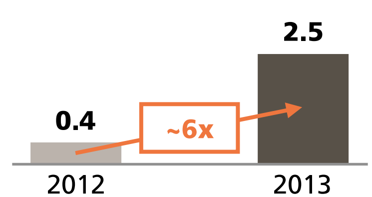
Investment Bank

Highly efficient, client-focused Investment Bank excelling in targeted segments with high risk-adjusted returns

RoaE
adjusted



Pre-tax profit
adjusted, CHF billion



Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Scorpio Partnership Private Banking Benchmark 2013 (2012 results) - banks with assets under management of >USD 500 billion; 2 Percentage points

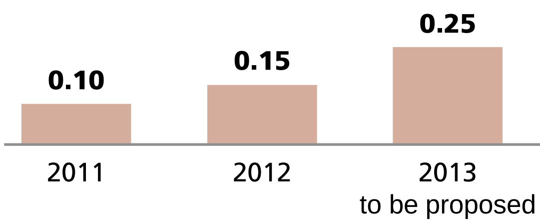
Firmly committed to returning capital to shareholders

Our strategy supports an attractive capital returns program

Progressive capital returns

- 67% increase in dividend to be proposed for 2013 to CHF 0.25 per share

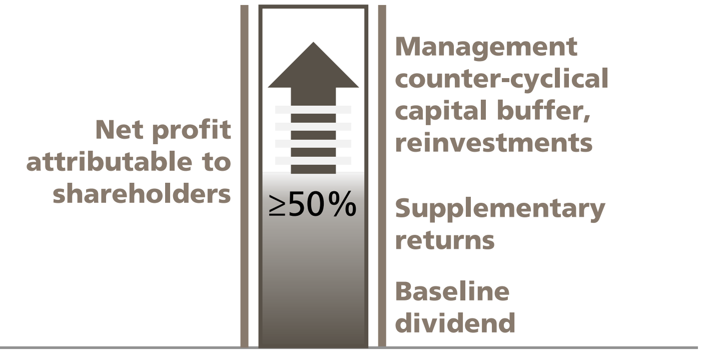
Dividend per share
CHF



Future dividend policy

- After achieving fully applied CET1 ratio of 13%[1]

Illustrative example



	2011	2012	2013 to be proposed	Illustrative example
Payout ratio	**9%**	**N/M**	**30%**	**≥ 50%**
CET1 ratio fully applied	**~6.7%**	**~9.8%**	**12.8%**	**>13.0%[1]**

Attractive payout ratio of at least 50% after achieving our capital targets

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Payout ratio of at least 50% conditional on both fully applied CET1 ratio of minimum 13% and CET1 ratio of minimum 10% post-stress

4Q13 results

Group

Net profit attributable to UBS shareholders CHF 917 million, diluted EPS CHF 0.24, RoE 7.7%[1]
– Net tax benefit of CHF 470 million including a DTA write-up of CHF 589 million

Profit before tax (PBT) CHF 449 million, adjusted PBT CHF 755 million

Basel III CET1 ratio (fully applied) increased 90 bps to 12.8%, RWA at CHF 225 billion
– CHF 16 billion reduction in market/credit risk RWA offset by CHF 22.5 billion incremental operational risk RWA[2]

Business divisions[3]

Wealth Management: PBT CHF 512 million, NNM CHF 5.8 billion, gross margin stable at 85 bps
– Highest recurring fees since 3Q10 and strongest 4Q NNM since 2007, FY13 adjusted PBT up 17%

Wealth Management Americas: Record PBT USD 283 million on record FA productivity[4], NNM USD 4.9 billion
– Achieved USD 1 billion PBT ambition for FY13[5], record invested assets per FA

Retail & Corporate: PBT CHF 344 million affected by higher litigation provisions
– Steady underlying profitability

Global Asset Management: PBT CHF 143 million, up 10% QoQ
– Increased contribution from performance fees, up CHF 43 million

Investment Bank: Strong PBT CHF 386 million, 20% adjusted return on attributed equity
– CCS revenues up 40%, robust performance in ICS with best 4Q in all equities businesses since 2010

Corporate Center: Pre-tax loss CHF 886 million
– Significant progress in reduction of Non-core and Legacy Portfolio assets

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 4Q13 annualized; 2 Derived from supplemental analysis mutually agreed with FINMA that will be used to calculate the incremental operational risk capital required to be held for litigation, regulatory and similar matters and other contingent liabilities, effective on 31 December 2013; 3 Business division and Corporate Center figures on an adjusted basis; 4 Revenue per financial advisor; 5 Full-year adjusted profit before tax of USD 991 million

Group results

CHF million	FY12	FY13	4Q12	3Q13	4Q13
Total operating income	25,423	27,732	6,208	6,261	6,307
Total operating expenses	27,216	24,461	8,044	5,906	5,858
Profit before tax as reported	**(1,794)**	**3,272**	**(1,837)**	**356**	**449**
Own credit on financial liabilities designated at fair value	(2,202)	(283)	(414)	(147)	(94)
Net restructuring charges	(371)	(772)	(258)	(188)	(198)
Gains on sales of real estate	112	288	109	207	61
Gains on disposals	0	65	0	0	0
Net loss related to the buyback of debt in a public tender offer	0	(167)	0	0	(75)
Credit related to changes to the Swiss pension plan	730	0	0	0	0
Credit related to changes to a retiree benefit plan in the US	116	0	0	0	0
Impairment of goodwill and other non-financial assets	(3,064)	0	0	0	0
Adjusted profit before tax	**2,885**	**4,141**	**(1,274)**	**484**	**755**
of which provisions for litigation, regulatory and similar matters	(2,549)	(1,701)	(2,081)	(586)	(79)
of which guarantee payments in relation to the Swiss-UK tax agreement, an impairment of certain disputed receivables, and others	0	(177)	0	0	30
Tax (expenses) / benefit	(461)	110	(66)	222	470[1]
Net profit attributable to preferred noteholders / non-controlling interests[2]	225	209	1	1	2
Net profit attributable to UBS shareholders	**(2,480)**	**3,172**	**(1,904)**	**577**	**917**
Diluted EPS (CHF)	(0.66)	0.83	(0.51)	0.15	0.24
Return on Equity (RoE) (%)	(5.1)	6.7	(16.2)	4.9	7.7
Total book value per share (CHF)	12.26	12.74	12.26	12.58	12.74
Tangible book value per share (CHF)	10.54	11.07	10.54	10.89	11.07

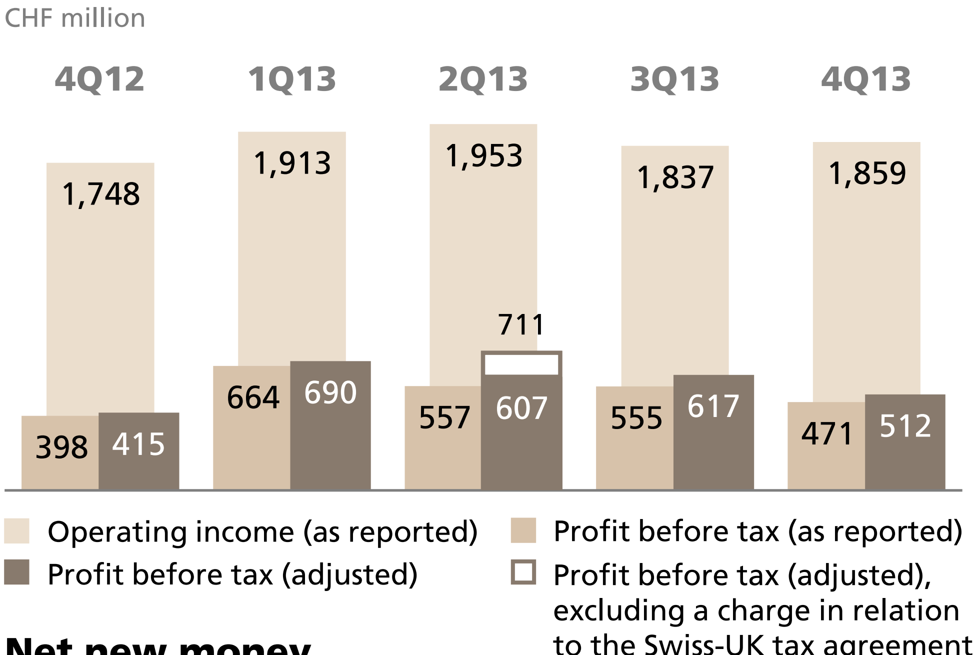
Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 Tax benefit of CHF 470 million including a deferred tax asset write-up of CHF 589 million; 2 We expect net profit attributable to preferred noteholders/non-controlling interests of ~CHF 110 million for FY14 (all of which in 2Q14), ~CHF 110 million for FY15 and ~CHF 85 million for FY16

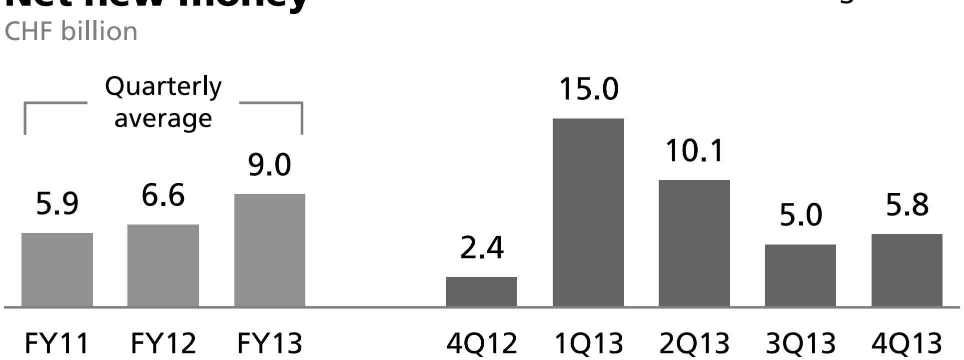
Wealth Management

Highest recurring fees since 3Q10 and strongest 4Q NNM since 2007

Operating income and profit before tax



Net new money



Operating income up 1%

- Recurring income[1] up 1% to CHF 1,430 million on higher asset base and from positive effects of pricing adjustments, partly offset by the negative effect of ongoing cross-border asset outflows
- Transaction-related income[2] of CHF 429 million, up slightly as the effect of increased client activity levels was partially offset by lower other income

Adjusted cost/income ratio 73%

- Adjusted costs up 10% to CHF 1,348 million mainly due to seasonal increase in G&A expenses and higher variable compensation expenses

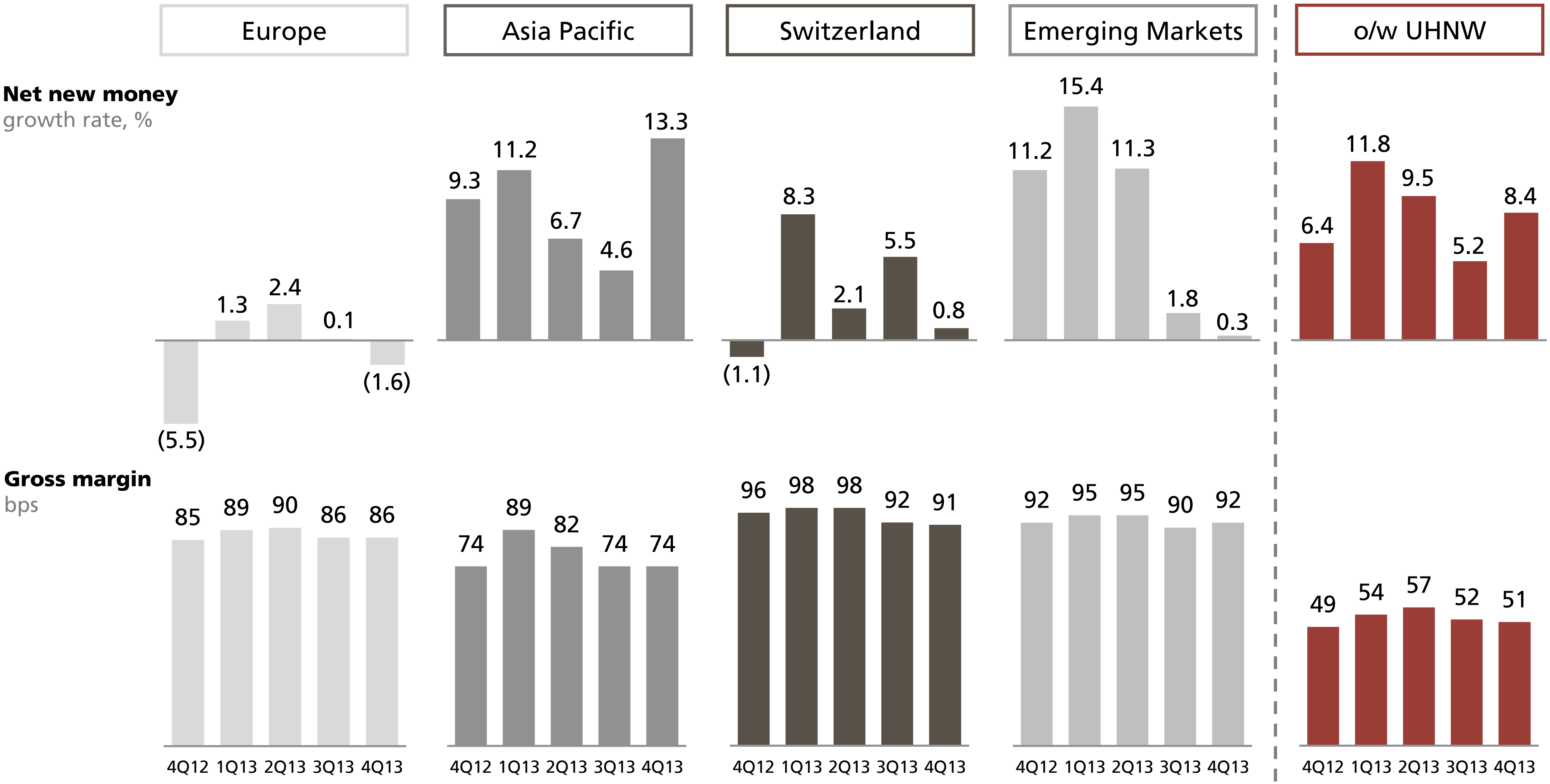
CHF 5.8 billion net new money

- Strong NNM growth, particularly in APAC
- In Europe, ongoing cross-border asset outflows outpaced onshore inflows
- 8% annualized growth in UHNW

UBS

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Net interest income + recurring fee and commission income; 2 Transaction-based fee and commission income + trading income + other income

Wealth Management—by business area[1]



31.12.13	Europe	Asia Pacific	Switzerland	Emerging Markets	o/w UHNW
Invested assets CHF billion	**363**	**218**	**160**	**135**	**416**
Client advisors FTE	**1,620**	**1,032**	**761**	**688**	**892**

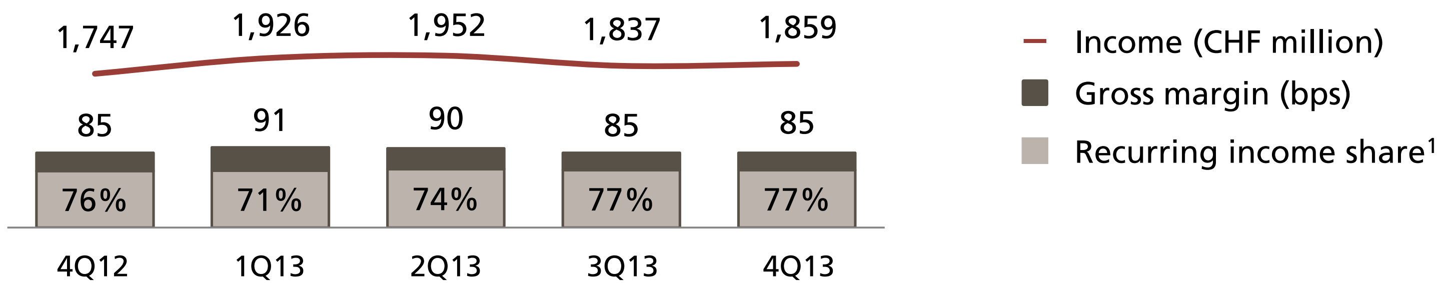
UBS

1 Based on the Wealth Management business area structure; refer to page 23 of the 4Q13 financial report for more information

Wealth Management—Gross margin trends

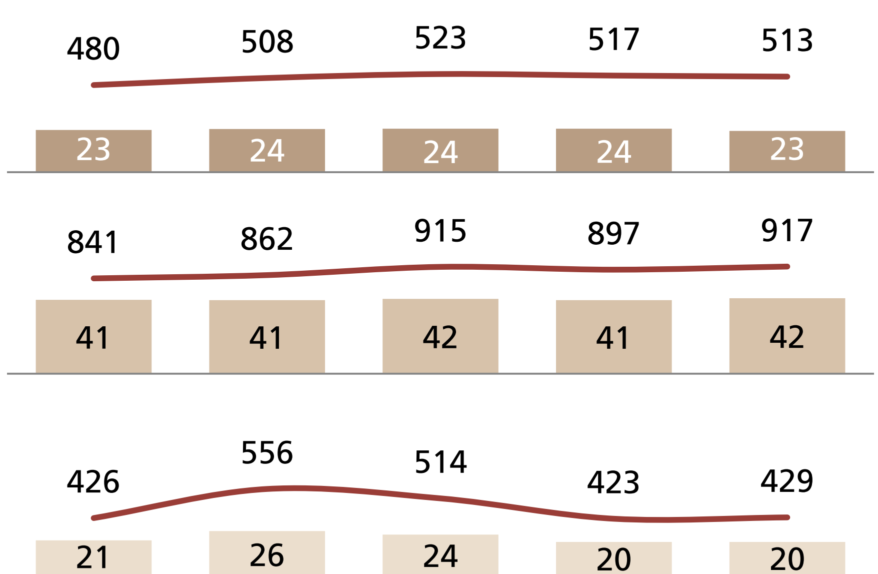
Stable gross margin on increased recurring fees

Wealth Management



Invested assets (CHF billion)	821	870	862	871	886

Components



Lower treasury-related income and ongoing deposit margin compression

Positive effect from pricing adjustments as well as higher asset base; negative impact from cross-border asset outflows

Client activity levels increased moderately across all regions

Income (CHF million) Gross margin (bps)

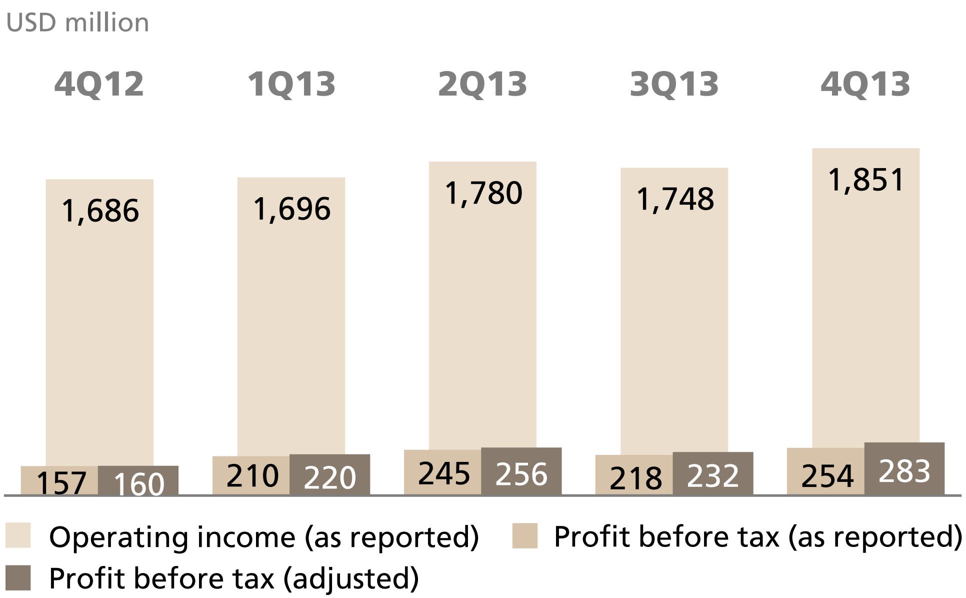
UBS

1 (Net interest income + recurring fee and commission income)/income; 2 Transaction based fee and commission income + trading income + other income; 3 Gross margin calculation excludes from other income, any effect on profit or loss from a property fund. The transaction-related income figures provided on this slide do not exclude these amounts (4Q12: gain of CHF 2 million, 3Q13: loss of CHF 7 million, 4Q13: loss of CHF 3 million)

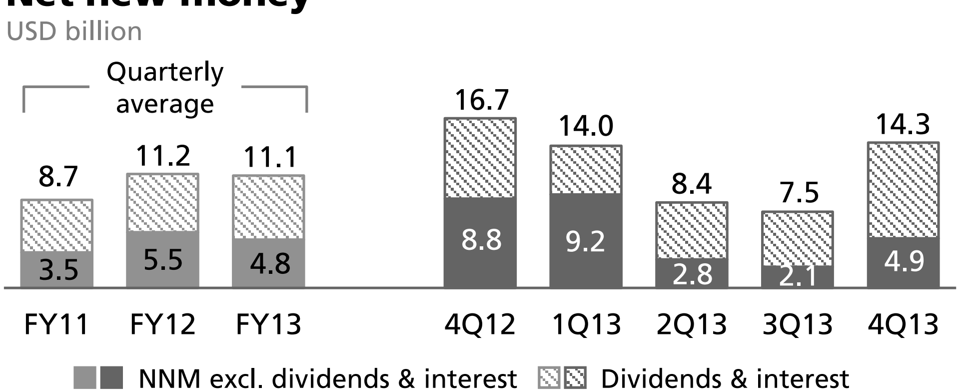
Wealth Management Americas (USD)

USD 1 trillion IA, USD 1 billion PBT in FY13, FA productivity > USD 1 million[1]

Operating income and profit before tax



Net new money



Operating income up 6%

- Recurring income increased 3% and transaction-based revenues up 10% on improved client activity
- USD 15 million from insurance reimbursement

Adjusted cost/income ratio 84%

- Adjusted expenses up 3% to USD 1,567 million on increased FA compensation and G&A expenses
- Within 80-90% target range

USD 4.9 billion net new money

- 14th consecutive quarter of positive NNM; record invested assets
- NNM including dividends and interest of USD 14.3 billion

Maintained strong FA productivity

- Revenue per FA increased 5% to a record high of greater than USD 1 million[2]; #1 in peer group

UBS

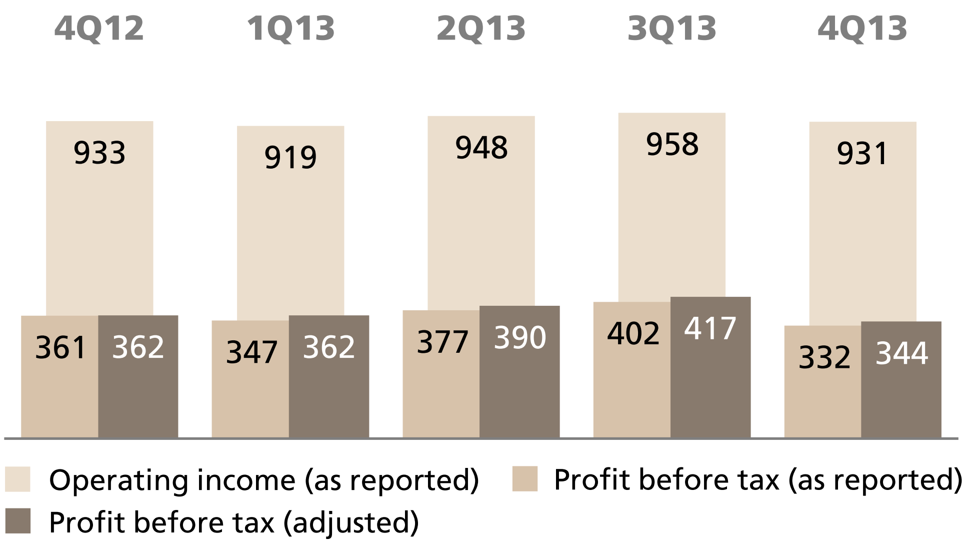
Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 USD 1 trillion in invested assets, full-year adjusted profit before tax of USD 991 million and FY13 revenue per FA greater than USD 1 million; 2 4Q13 annualized revenue per FA

Retail & Corporate

Solid operating performance; improved net interest margin and NNBV growth

Operating income and profit before tax

CHF million



Operating income down 3%

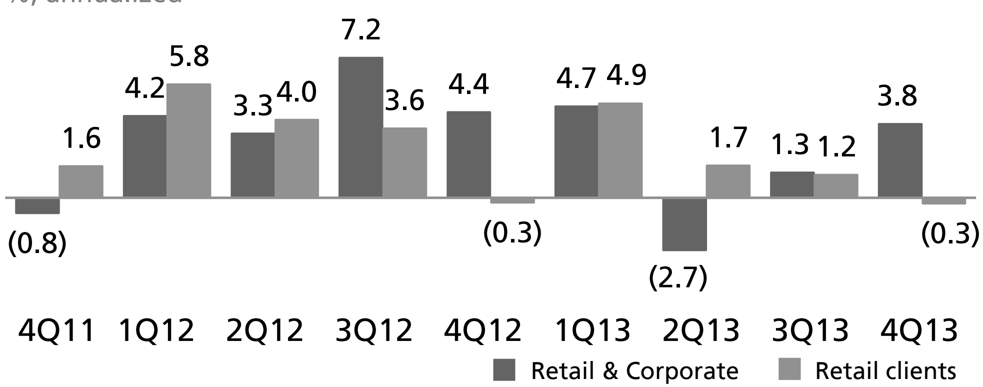
- Interest income up 2%, more than offset by slightly higher credit loss expenses and lower other income

Adjusted cost/income ratio 62%

- 9% increase in adjusted expenses to CHF 587 million driven by CHF 51 million higher charges for litigation, regulatory and similar matters

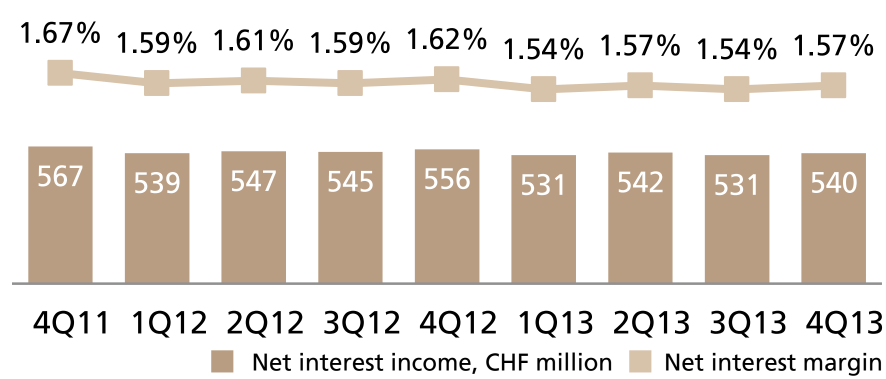
Net new business volume growth rates

%, annualized



Net interest margin

CHF million



UBS

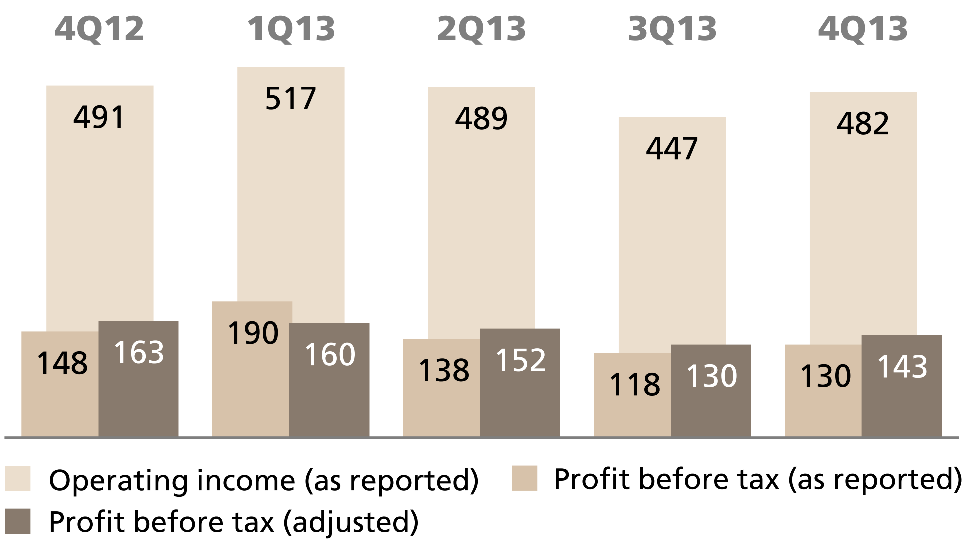
Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

Global Asset Management

Adjusted pre-tax profit up 10% on higher performance fees

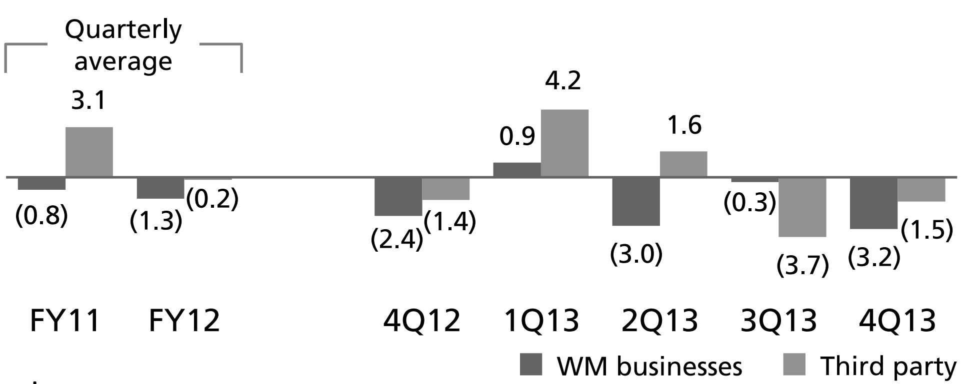
Operating income and profit before tax

CHF million



NNM by channel – excluding money markets

CHF billion



Operating income up 8%

- Performance fees up by CHF 43 million to CHF 72 million, mainly in O'Connor and A&Q
- Net management fees broadly flat on stable asset base

Adjusted cost/income ratio of 70%

- Adjusted operating expenses increased by 7% on higher variable compensation expenses, increased fund promotion activity and higher professional fees

Gross margin 33 bps

- Gross margin up 2 bps on higher performance fees; within 32-38 bps target range

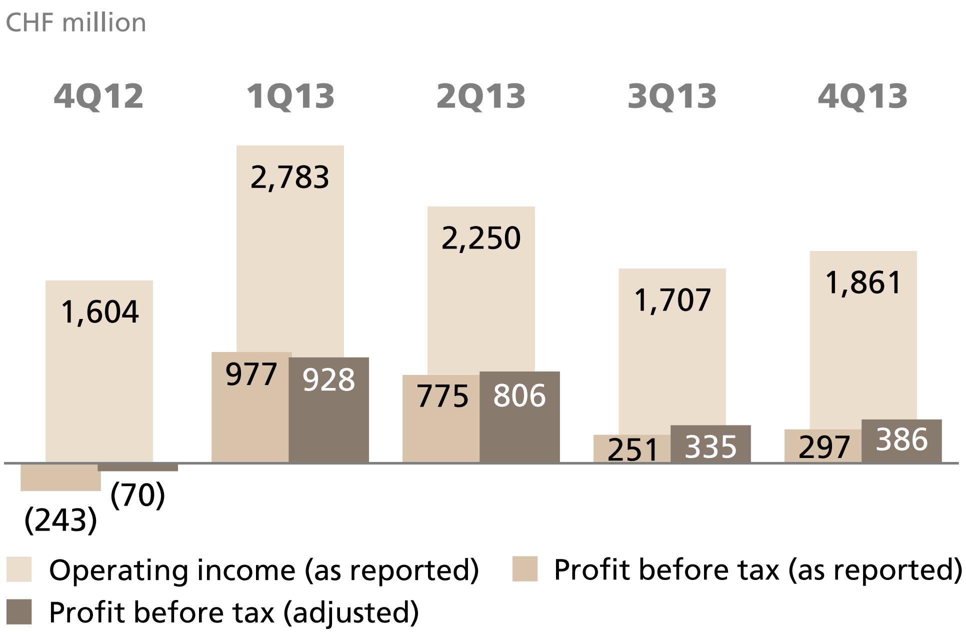
Strong investment performance in alternatives

- Over 90% of O'Connor and A&Q's assets eligible for performance fees above high water mark at quarter-end

Investment Bank

Strong performance, adjusted return on attributed equity (RoaE) of 20%

Operating income and profit before tax



	4Q12	3Q13	**4Q13**
Adjusted cost / income ratio (%)	104	80	**79**
Adjusted, RoaE (%)[1]	(4)	17	**20**
Basel III RWA (CHF billion, fully applied)	64	59	**62**
Adjusted, RoRWA (%, gross)[2]	13	11	**12**
Funded assets (CHF billion)[3]	185	172	**162**
Front office staff (FTE)	6,147	5,318	**5,165**

Operating income up 9%

- 40% increase in CCS with strong performance across all business areas and regions
- Robust ICS performance with best 4Q in all equities businesses since 2010
- 38% increase YoY in front office productivity[4]

Adjusted cost/income ratio 79%

- Adjusted operating expenses up 7% to CHF 1,474 million mainly due to CHF 55 million charge for the annual UK bank levy and higher professional fees
- Within target range of 65-85%
- Reduced front office headcount by 153 QoQ, 982 YoY

20% adjusted RoaE[1] in 4Q13

- Solid profits delivered with tight RWA and balance sheet management
- Funded assets down 6% to CHF 162 billion

UBS

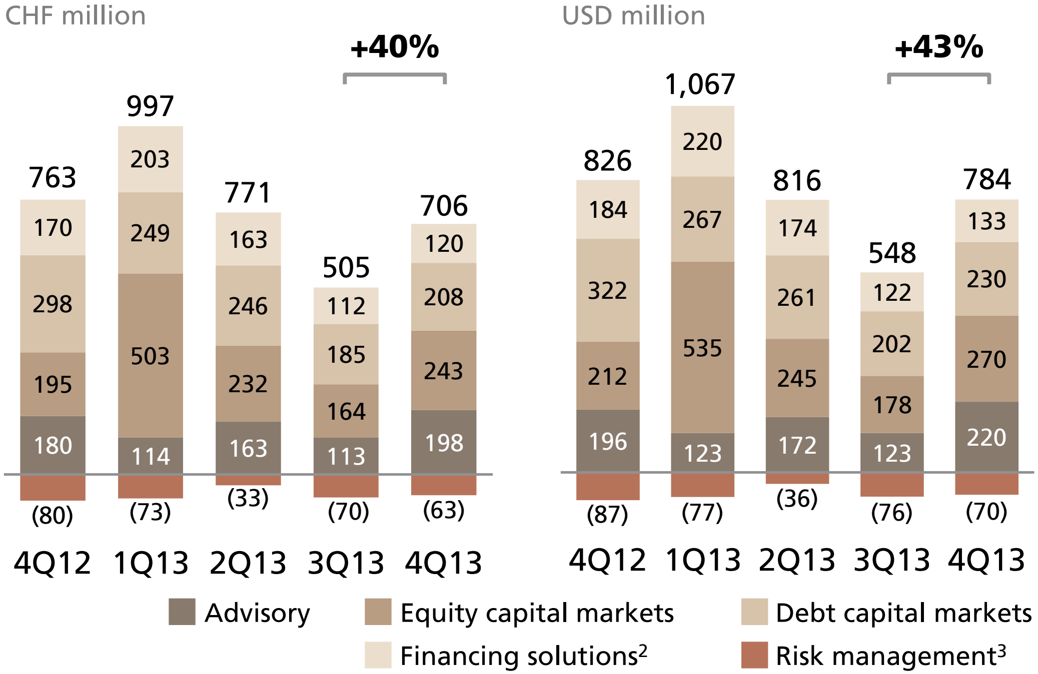
Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Return on attributed equity (RoaE); 2 Return on risk-weighted assets (RoRWA) based on Basel III risk-weighted assets (phase-in) for 2013. Based on Basel 2.5 risk-weighted assets for 2012; 3 Funded assets defined as total IFRS balance sheet assets less positive replacement values (PRV) and collateral delivered against over-the-counter (OTC) derivatives; 4 Revenues per head based on period-end front office FTE

Corporate Client Solutions (CCS)

Strong performance, increased income across all business areas and regions

Operating income

CHF | USD



Key transactions in 4Q13[4]

Advisory	Ambassador Theatre Group; AerCap/ International Lease Finance; Crown Resorts New Sydney Casino
ECM	Norwegian Cruise Line Holdings; Insurance Australia Group; La Caixabank
DCM	Bank of Ireland; Prudential; Softbank/Sprint; COFCO

Comparison in USD terms (4Q13 vs. 3Q13)

Advisory +79%

- Improved advisory fees in APAC and EMEA; best quarter in 2013 with participation in a large number of high profile deals

Equity capital markets +52%

- Higher equity issuance volume, particularly in APAC, as well as increased block trading activity
- "ECM Bank of the Year Award" from Euroweek[1]

Debt capital markets +14%

- Higher revenues on increased volumes in investment grade and leveraged finance as environment improved from 3Q13 levels

Financing solutions +9%

- Increased revenues from structured financing, partly offset by lower revenues in real estate financing

UBS

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Euroweek (September 2013); 2 Financing solutions provides customized solutions across asset classes via a wide range of financing capabilities including structured financing, real estate finance and special situations group; 3 Risk management includes corporate lending and hedging activities;
4 Transactions closed (AerCap /International Lease Finance announced in 4Q13, expected to close in 2Q14)

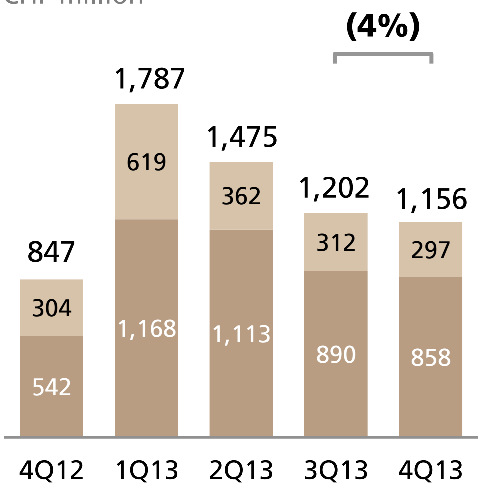
Investor Client Services (ICS)

Robust performance, best 4Q in all equities businesses since 2010

Operating income

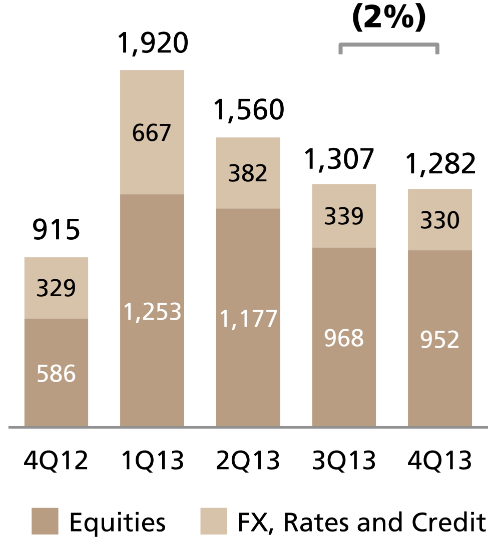
CHF

CHF million



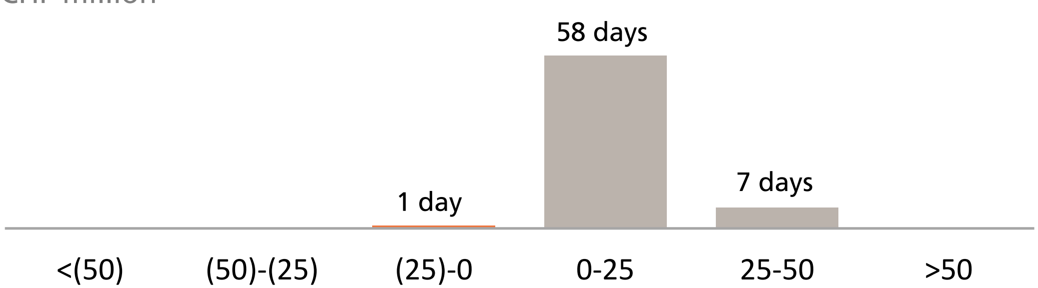
USD

USD million



4Q13 daily revenue distribution

CHF million



Comparison in USD terms (4Q13 vs. 3Q13)

Equities (2%)

- Higher revenues in cash on improved client trading; #1 in cash equities globally[1]
- Lower derivatives revenue driven by seasonally slower market activity and weaker trading performance; awarded "EMEA Structured Equity House of the Year"[2]
- Increase in Financing Services on higher clearing and execution revenues and trading revenues in Equity Finance; named best in Securities Finance in Asia[3]

FX, Rates and Credit (3%)

- Foreign exchange: Robust performance overall, with revenues down in the emerging market short-term interest rate business
- Rates and Credit: Revenues up slightly on increased flow trading revenue, particularly in credit; improved resource utilization

UBS

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 Voted #1 globally in a leading private survey (December 2013); 2 International Finance Review (December 2013); 3 AsianInvestor (October 2013)

Corporate Center—Core Functions

Reported pre-tax loss of CHF 565 million

Operating income and profit before tax

CHF million

	4Q12	1Q13	2Q13	3Q13	4Q13
Treasury income	149	(217)	(124)	(219)	(343)
Own credit gain/(loss)	(414)	(181)	138	(147)	(94)
Other	80	(43)	(19)	169	72
Operating income (as reported)	**(185)**	**(441)**	**(5)**	**(197)**	**(365)**
Own credit gain/(loss)	(414)	(181)	138	(147)	(94)
Gains on sales of real estate	109	0	19	207	61
Early redemption/buyback of UBS debt	0	(119)	0	0	(75)
Sale of the Prediction business and FCT[1]	0	(24)	0	0	0
Adjusted operating income	**120**	**(117)**	**(162)**	**(257)**	**(257)**
Operating expenses (as reported)	**1,646**	**239**	**126**	**282**	**200**
Restructuring costs	0	(3)	5	(1)	(7)
Adjusted operating expenses	**1,646**	**242**	**121**	**283**	**207**
Profit before tax (as reported)	**(1,831)**	**(680)**	**(131)**	**(479)**	**(565)**
Profit before tax (adjusted)	**(1,526)**	**(359)**	**(283)**	**(540)**	**(464)**
Personnel (after allocation)	488	1,092	1,006	1,139	1,055

Operating income negative CHF 365 million mainly due to Treasury income

- CHF 105 million loss from cross-currency basis swaps which are held as economic hedges
- Central funding costs retained in Group Treasury of CHF 149 million

Operating expenses CHF 200 million

- CHF 76 million decrease in operating expenses largely due to lower charges for litigation, regulatory and similar matters

UBS

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 Foreign currency translation loss (FCT)

Retained Treasury income in Corporate Center—Core Functions

Accounting asymmetry has a significant impact on Treasury results, while retained funding costs are expected to decline in the medium term

Group Treasury

CHF million

	4Q13	FY13
Gross results (excluding accounting driven adjustments)	206	664
Allocations to business divisions	(296)	(921)
Net revenues (excluding accounting driven adjustments)	**(90)**	**(257)**
of which: retained funding costs	(149)	(510)
of which: profits retained in Treasury	59	253[1]
Accounting asymmetry and other adjustments Mark-to-market losses from cross currency swaps[2], macro cash flow hedge ineffectiveness[3], Group Treasury FX[4], debt buy back[5] and other	**(253)**	**(645)**
Net treasury income retained in CC - Core Functions	**(343)**	**(902)**

Costs of negative carry will decline with the natural roll-off of the long-term debt portfolio

Credit spread compression will drive down costs of the Group's overall long term funding together with declining volumes as we reduce our balance sheet

We will continue to maintain a diversified funding profile and comfortable LCR and NSFR ratios

1 Majority offset by CHF 204 million net profit attributable to preferred noteholders; 2 Reported in Group Treasury from 2Q13. Accounting asymmetry of CHF (221) million for FY13; 3 Hedge ineffectiveness from our macro cash flow hedge portfolio (net long receiver interest rate swap portfolio for hedging purposes such as UBS's equity, debt positions, macro deflation hedges (locked-in) and Wealth Management and Retail & Corporate replication portfolios), attributable to movements in spreads between LIBOR and Overnight Indexed Swap particularly in USD and EUR, CHF (153) million for FY13; 4 Foreign currency translation release from abandonment of UBS entities and FX sell-down process; 5 Cost of debt buybacks of CHF 194 million for FY13

UBS

Corporate Center—Non-core and Legacy Portfolio

Decreased losses on lower litigation provisions

Operating income and profit before tax

CHF million

	4Q12	1Q13	2Q13	3Q13	4Q13
Non-core	31	231	(57)	(120)	(104)
of which: Debit valuation adjustments	(188)	37	(21)	(47)	(68)
Legacy Portfolio	12	274	135	21	(36)
of which: SNB StabFund option	94	245	122	74	(28)
Credit loss (expense)/recovery	15	(2)	(5)	(1)	11
Total operating income	**57**	**504**	**73**	**(100)**	**(130)**
Early redemption/buyback of UBS debt	0	27	0	0	0
Adjusted operating income	**57**	**477**	**73**	**(100)**	**(130)**
Operating expenses (as reported)	**873**	**749**	**1,001**	**593**	**317**
Restructuring costs	51	188	18	5	24
Adjusted operating expenses	**822**	**561**	**983**	**588**	**293**
Profit before tax (as reported)	**(816)**	**(245)**	**(927)**	**(693)**	**(446)**
Profit before tax (adjusted)	**(765)**	**(84)**	**(909)**	**(688)**	**(422)**
Personnel (front office)	541	323	263	245	222

Adjusted operating income negative CHF 130 million

- **Non-core:** Negative income of CHF 104 million largely due to negative DVA of CHF 68 million and losses in rates following unwind and novation activity
- **Legacy Portfolio:** Negative income of CHF 36 million largely due to interest charge of CHF 34 million related to tax obligations of the SNB StabFund

Adjusted operating expenses CHF 293 million

- Decrease in expenses largely due to lower charges for litigation, regulatory and similar matters partly offset by the CHF 68 million charge for the annual UK bank levy

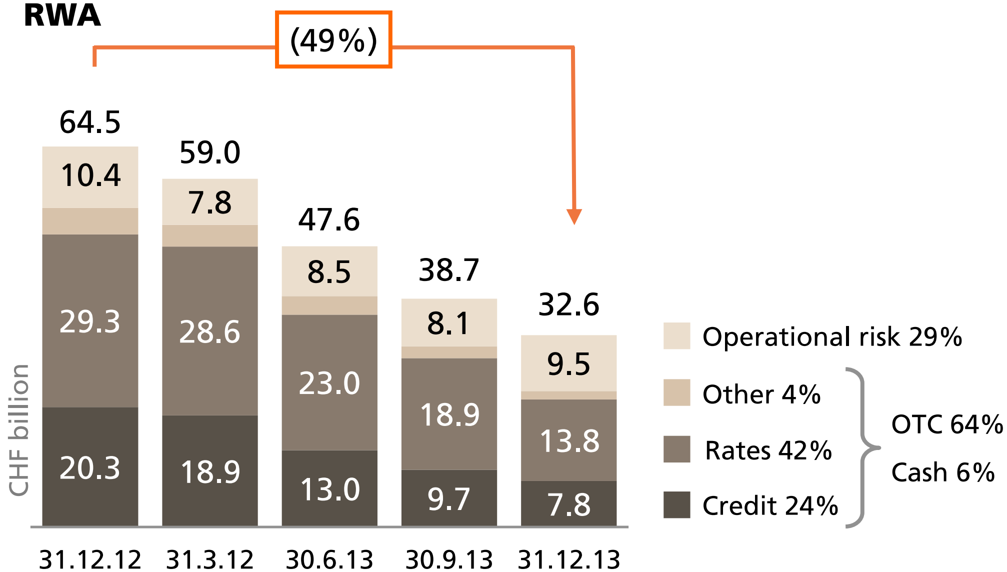
We continue to expect elevated charges for litigation, regulatory and similar matters through 2014

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

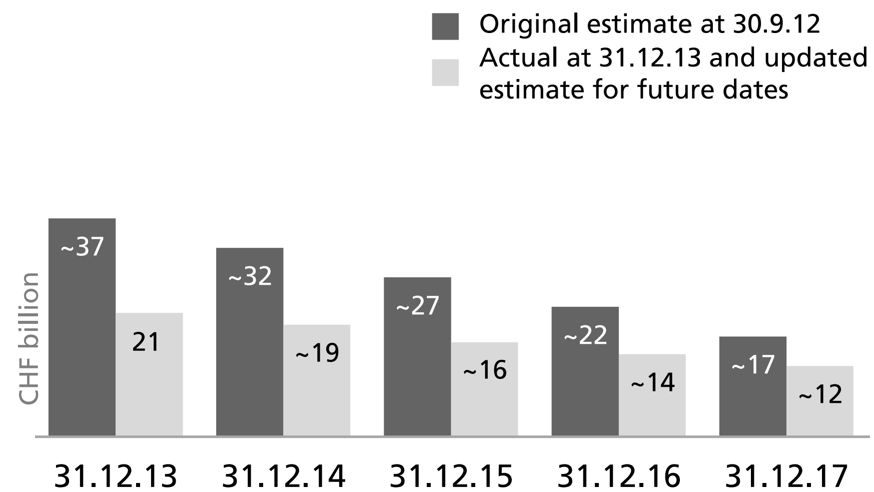
Corporate Center—Non-core[1]

RWA down 49% YoY, IFRS assets down 52% YoY

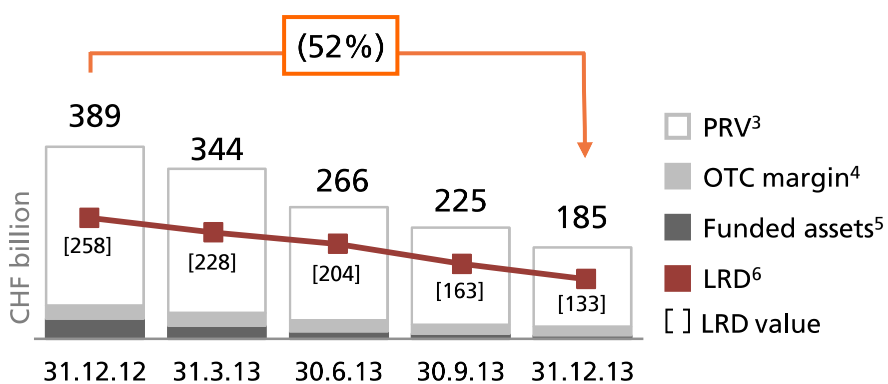
RWA



OTC positions – natural decay of RWA[2]



IFRS assets



Exposure reduction

	QoQ	YoY
RWA	(16%)	(49%)
RWA excluding operational risk	(25%)	(57%)
Funded assets	(29%)	(82%)
Positive replacement values (PRV)	(18%)	(50%)
Leverage ratio denominator (LRD)	(19%)	(48%)[6]
# of line items	(7%)	(44%)

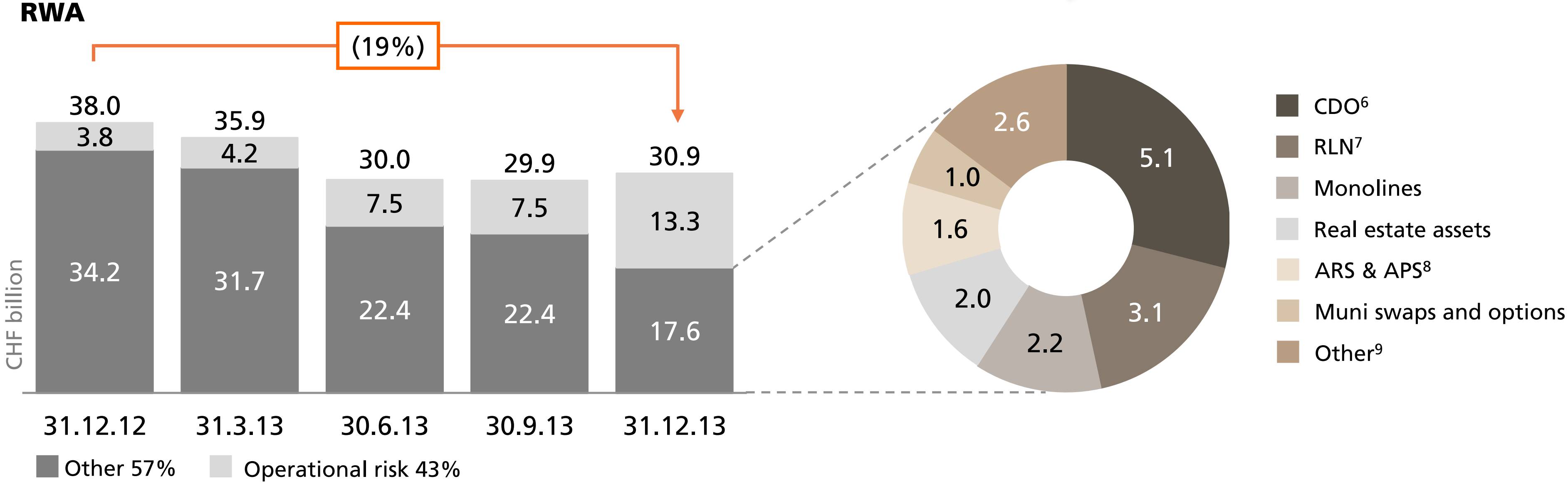
UBS

Refer to slide 41 for details about adjusted numbers, pro-forma Basel III estimates and FX rates in this presentation
1 Refer to page 60 of the 4Q13 financial report for more information about the composition of Non-core; 2 Estimates based on 31.12.13 values which are subject to change; 3 Positive replacement values (gross exposure excluding the impact of any counterparty netting); 4 OTC: over-the-counter; represents collateral delivered; 5 Funded assets defined as total IFRS balance sheet assets less positive replacement values (PRV) and collateral delivered against over-the-counter (OTC) derivatives; 6 Swiss SRB leverage ratio denominator, pro-forma estimate for 31.12.12 based on 31.3.13 IFRS assets/LRD ratio pro rata

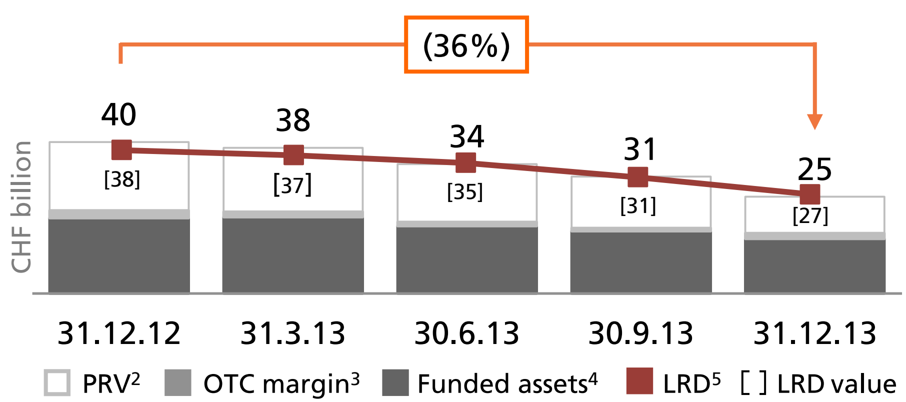
Corporate Center—Legacy Portfolio[1]

CHF 2.5 billion increase to CET1 capital post exercise of SNB StabFund option

RWA



IFRS assets



Exposure reduction

	QoQ	YoY
RWA	3%	(19%)
RWA excluding operational risk	(21%)	(48%)
Funded assets	(12%)	(29%)
Positive replacement values (PRV)	(29%)	(46%)
Leverage ratio denominator (LRD)[5]	(14%)	(30%)

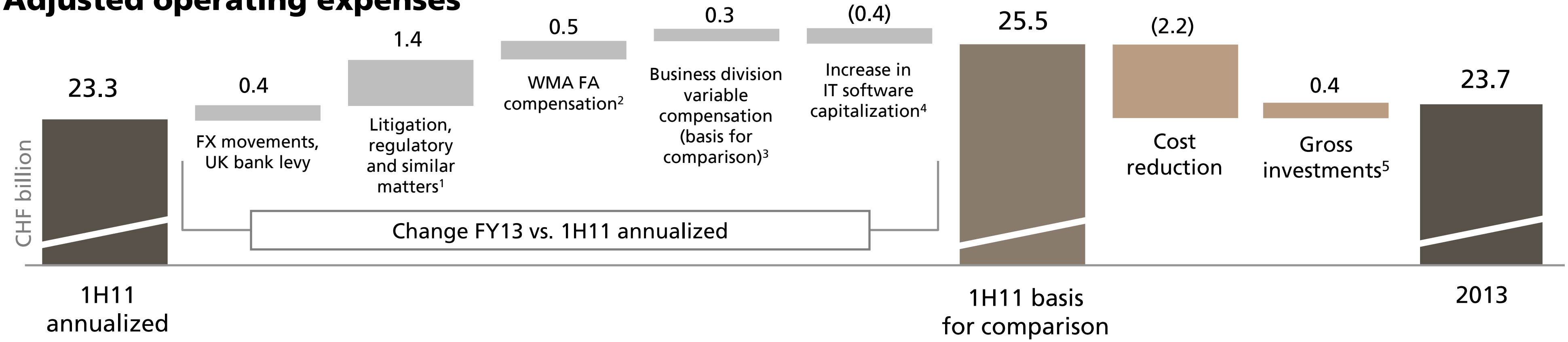
Refer to slide 41 for details about adjusted numbers, pro-forma Basel III estimates and FX rates in this presentation

1 Refer to page 61 of the 4Q13 financial report for more information about the composition of the Legacy Portfolio; 2 Positive replacement values (gross exposure excluding the impact of any counterparty netting); 3 OTC: over-the-counter; represents collateral delivered; 4 Funded assets defined as total IFRS balance sheet assets less positive replacement values (PRV) and collateral delivered against OTC derivatives; 5 Swiss SRB leverage ratio denominator; 6 CDO: collateralized debt obligation; 7 RLN: reference linked notes; 8 Auction rate securities and auction preferred stock; 9 Includes loan to BlackRock fund and a number of smaller positions

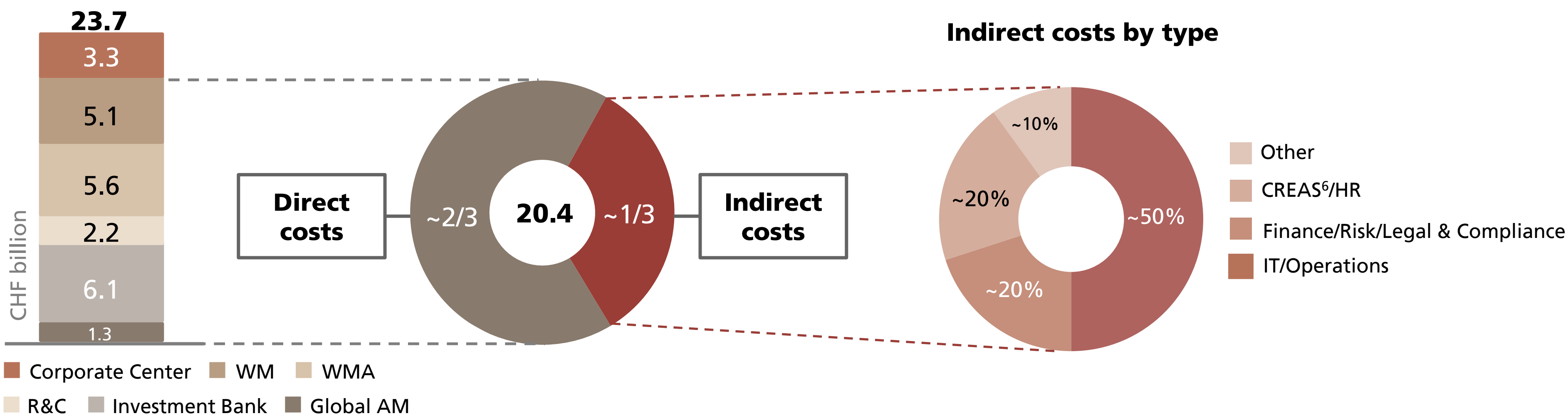
Adjusted operating expenses

Run-rate gross cost reductions of CHF 2.2 billion achieved

Adjusted operating expenses



FY13 adjusted costs by business division



Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 Represents charges for litigation, regulatory and similar matters in excess of annualized run rate for 1H11; other significant items in FY13 are a charge of CHF 110 million in relation to the Swiss-UK tax agreement, an impairment charge of CHF 87 million related to certain disputed receivables in and CHF negative 20 million other; 2 Changes to WMA FA compensation driven by higher compensable revenues; 3 Adjustment for improved performance FY13 vs. 1H11 annualized in business divisions by applying 1H11 bonus funding rates to FY13 performance. Changes in bonus funding rates are reflected in the CHF 2.2 billion gross cost reduction; 4 The cost of IT software capitalization was CHF 0.4 billion higher in FY13 than in 1H11 annualized; 5 Includes increases in marketing and PR, management consulting fees related to regulatory projects and other investments, WMA compensation commitments for recruited FAs as well as IT change the bank spend before software capitalization; 6 Corporate Real Estate Services

UBS

Implementing long-term efficiency measures

We expect our cost reduction programs to yield tangible results through 2016

Evaluated 200+ initiatives with a focus on:

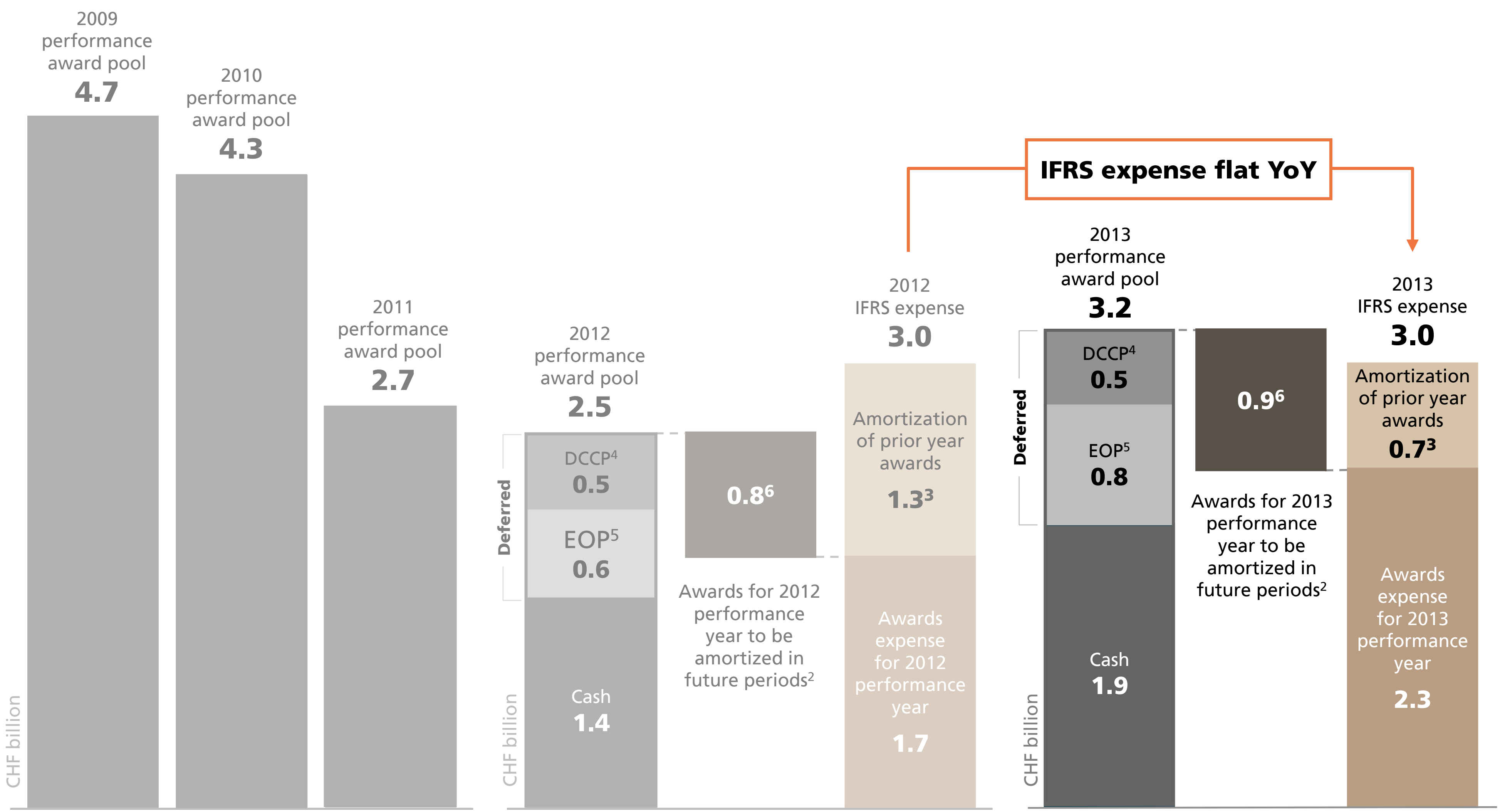
- Operating model design
- Performance optimization
- Front-to-back processes
- Outsourcing & hubbing
- Infrastructure

84 implementable initiatives at various project stages

Status	Examples
Completed	• Workforce optimization in several functions • Outsourcing of IT legacy systems
In execution or quantification	• Expanding operations in Cracow and Nashville • Outsourcing by utilizing key partners • Central buying entity (Chain IQ) • Process excellence (PEX) – six sigma programs • Finance, Risk, Operations and HR transformation • Division-driven demand and service initiatives
Pipeline	• Resource pooling & hubbing – organizational effectiveness • Process improvement in change the bank programs • IT Operations and Services re-design

We are redoubling our effort to achieve our cost savings targets

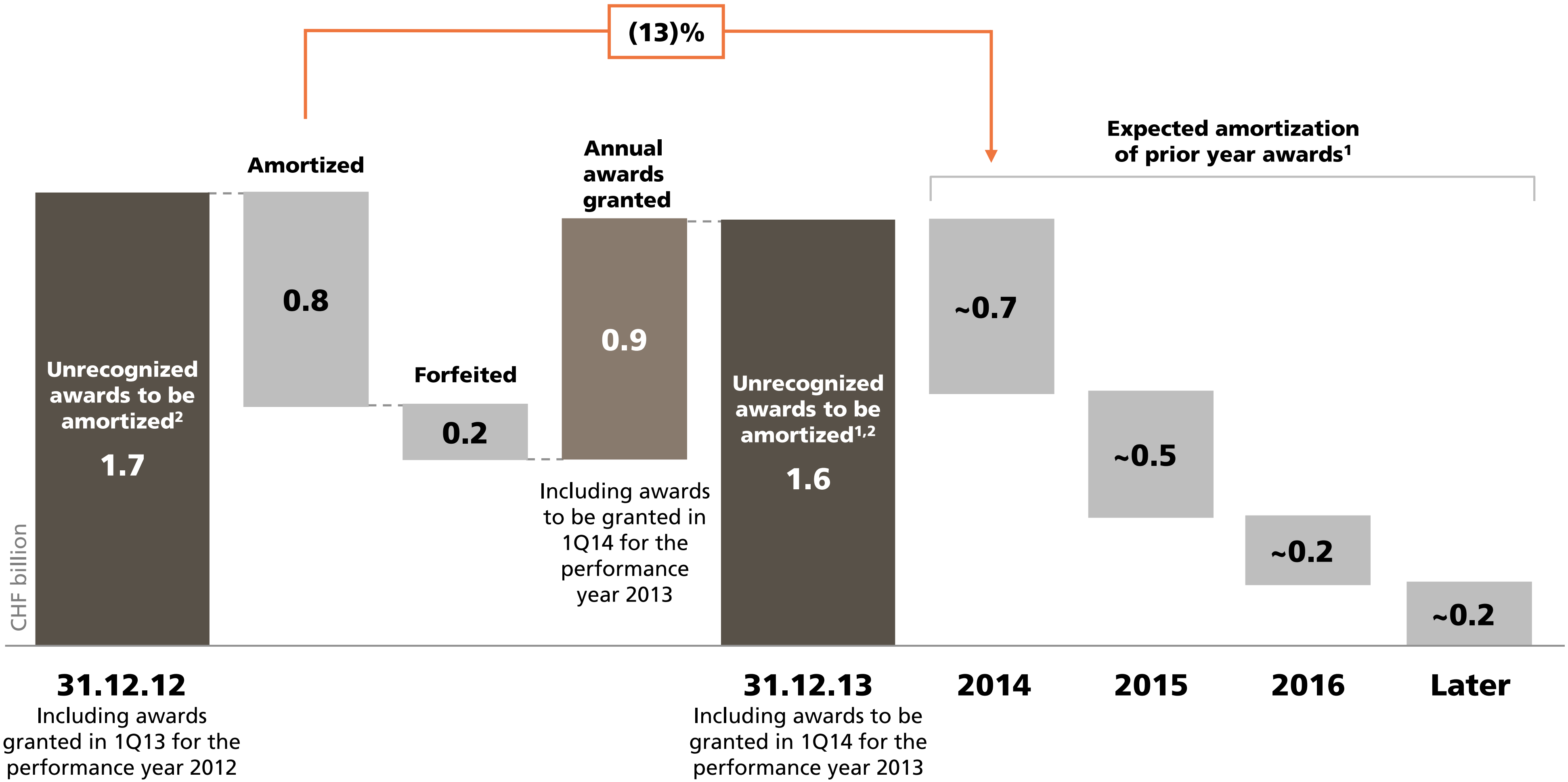
Variable compensation expenses[1]



UBS

1 Excluding add-ons such as social security; 2 Estimate. The actual amount to be expensed in future periods may vary, for example due to forfeitures. Includes post vesting transfer restrictions and adjustments related to performance conditions of CHF 24 million in 2012 and CHF 17 million in 2013; 3 Includes restructuring costs and prior year's overaccrual releases. For 2013 this was a credit of approximately CHF 83 million; 4 Deferred contingent capital plan; 5 Equity ownership plan; 6 Excludes deferred pay expensed in the performance year (CHF 0.4 billion in 2013 and CHF 0.3 billion in 2012)

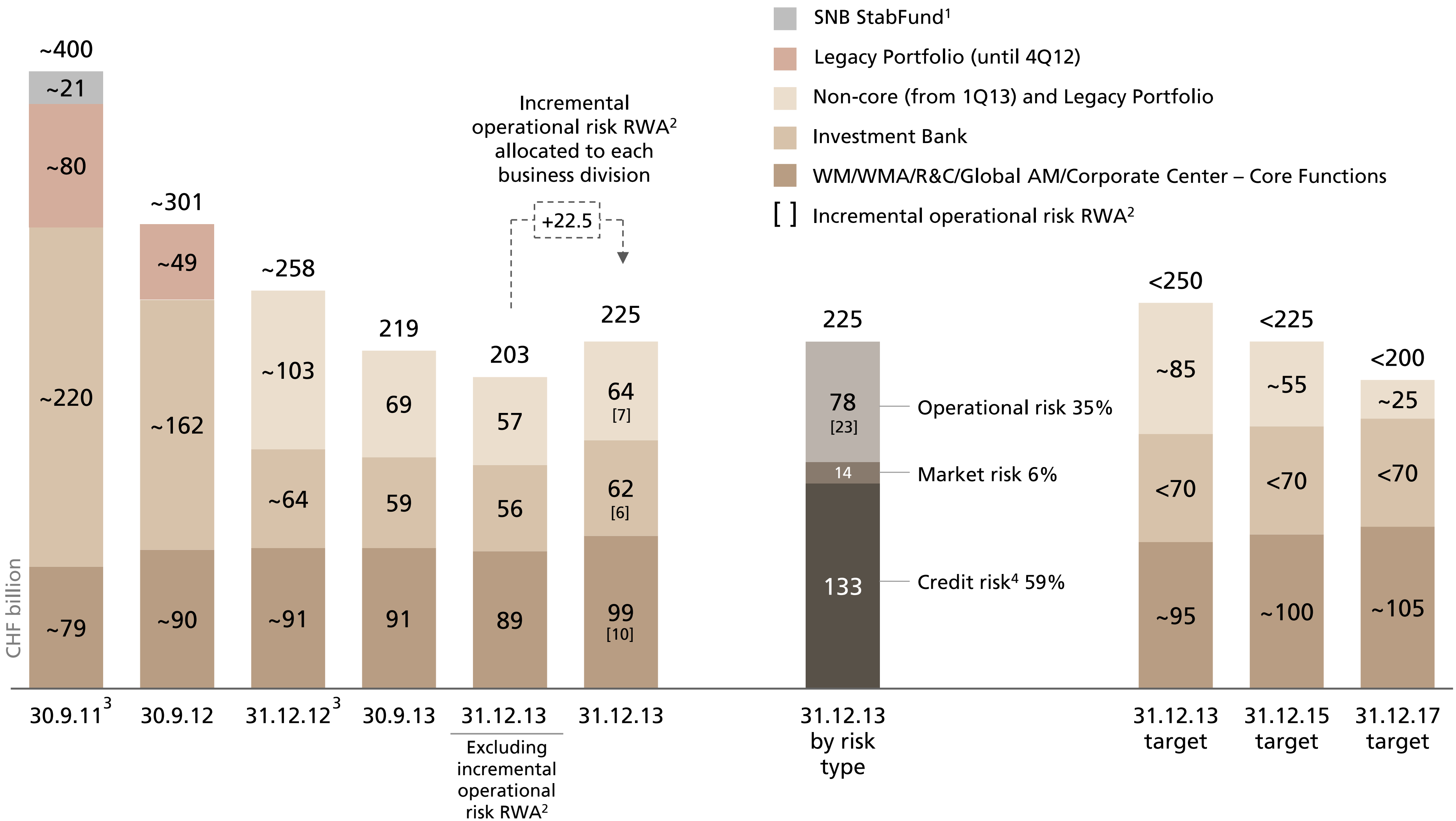
Deferred compensation



1 Estimate. The actual amount to be expensed in future periods may vary, for example due to forfeitures; 2 Related to performance award pool and including special plan awards

RWA (fully applied)

44% RWA reduction since 30.9.11



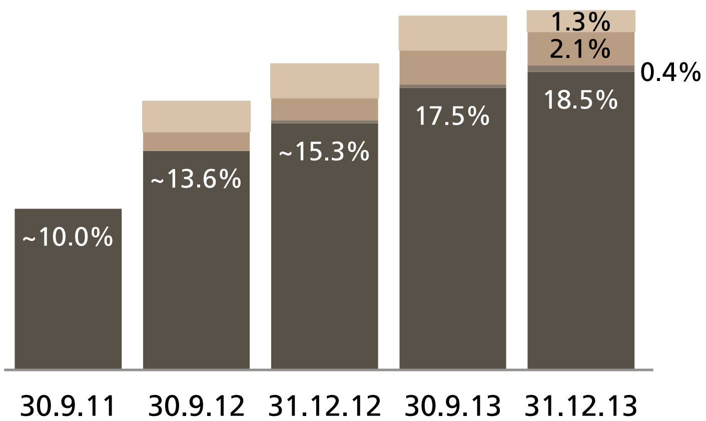
Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 RWA associated with UBS's option to purchase the SNB StabFund's equity (treated as a participation with full deduction from CET1 capital starting 2Q12); 2 Derived from supplemental analysis mutually agreed with FINMA that will be used to calculate the incremental operational risk capital required to be held for litigation, regulatory and similar matters and other contingent liabilities, effective on 31 December 2013; 3 Legacy Portfolio included on a pro-forma basis from 30.9.11; Non-core and Legacy Portfolio included on a pro-forma basis from 31.12.12; 4 Includes CHF 13 billion for non-counterparty-related risk

Basel III capital

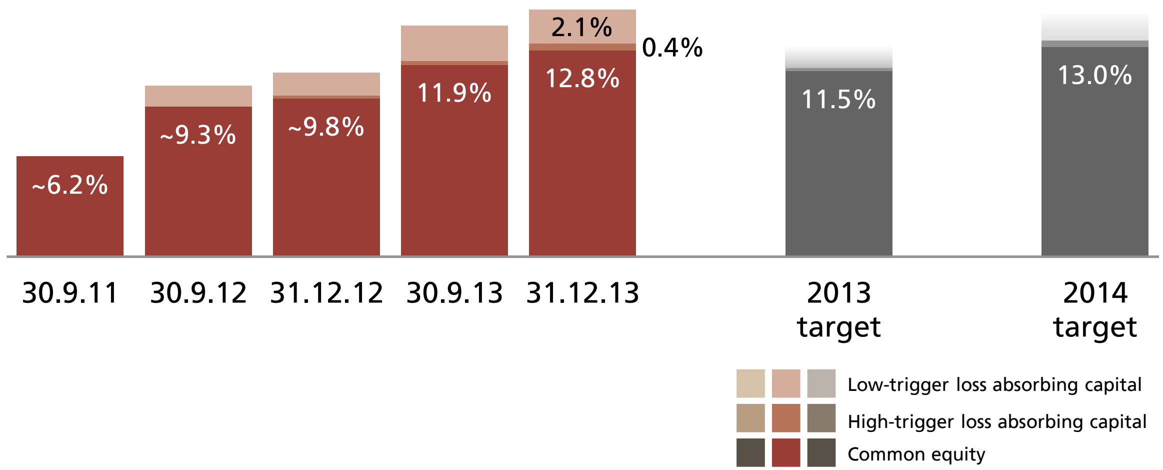
Swiss SRB Basel III (phase-in[1])

CHF billion



Swiss SRB Basel III (fully applied[1])

CHF billion



	Phase-in	Fully applied
Non Basel III compliant capital	3.0	
Low-trigger loss-absorbing capital	4.7	4.7
High-trigger loss-absorbing capital	1.0	1.0
CET1 capital	42.2	28.9
RWA	229	225

We aim to achieve a 13% fully applied CET1 target in 2014

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

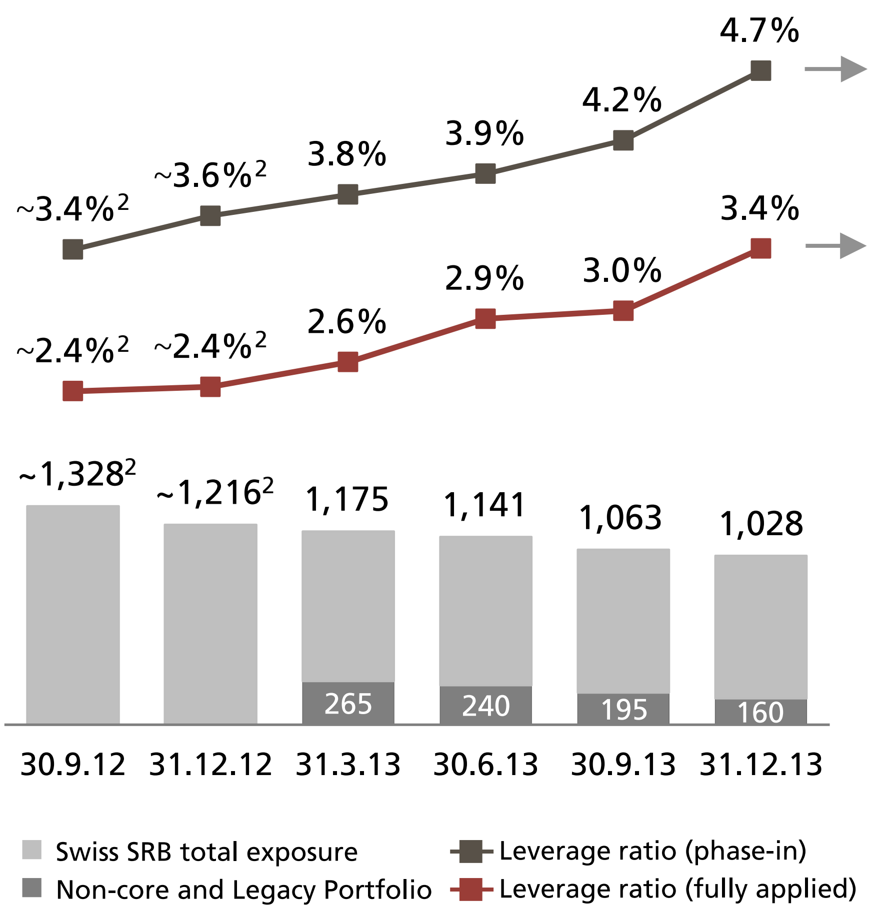
1 For additional information refer to the "Capital management" section of the 4Q13 financial report

Leverage ratio

Swiss SRB Basel III leverage ratio (phase-in) 4.7% at quarter-end[1]

Swiss SRB Basel III leverage ratio

CHF billion



CHF billion, 31.12.13

$$\frac{\text{Phase in CET1 + loss absorbing capital}}{\text{Total IFRS assets +/- adjustments}} = \frac{47.8}{1{,}028} = \mathbf{4.7\%}$$

$$\frac{\text{Fully applied CET1 + loss absorbing capital}}{\text{Total IFRS assets +/- adjustments}} = \frac{34.6}{1{,}020} = \mathbf{3.4\%}$$

Impact from planned future actions

Leverage ratio numerator	
Low-trigger loss-absorbing capital issuance (2014–19)[3]	40-45 bps
High-trigger loss-absorbing capital issuance (2014–19)[4]	20-25 bps
Swiss SRB total exposure[5]	
Non-core and Legacy Portfolio run-down (over time)	40-70 bps
Total impact	**100–140 bps**

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 For additional information refer to pages 79-80 of the 4Q13 financial report; 2 Pro-forma number; 3 Total CHF 9 billion of low-trigger loss-absorbing capital based on 17.5% fully applied total capital requirement expectation; 4 based on guidance of total 150 bps of high-trigger loss-absorbing capital ratio from deferred compensation programs over the next 4 years and our RWA target of <CHF 200 billion; 5 Any additional measures to reduce leverage ratio denominator are not included

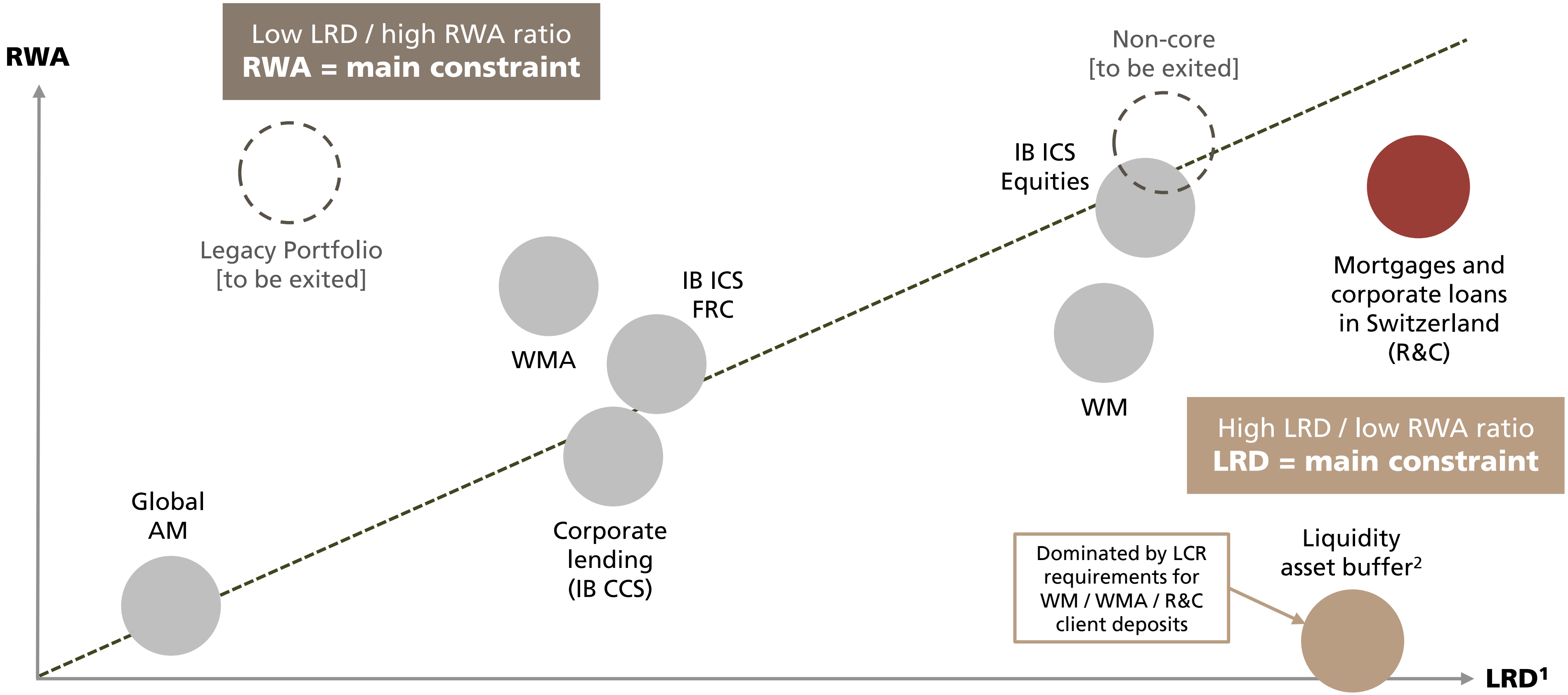
UBS

RWA vs. leverage ratio denominator

The leverage ratio constrains our Swiss and deposit-taking businesses

Swiss SRB leverage ratio denominator (LRD) and RWA for selected businesses (illustrative example)[1]

31.12.13



Maintaining the primacy of a risk-based approach to capital adequacy is essential for the economy and the stability of the financial system

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 The placement of the bubbles is indicative only; 2 Assets eligible under Basel III LCR framework

UBS—An unrivaled franchise with compelling growth prospects

Wealth management businesses

- Largest and fastest growing large-scale wealth manager in the world[1]; leading HNW and UHNW franchise with unrivaled scope, reach and client mix
- Uniquely positioned in the largest markets and in the most attractive growth markets
- Wealth generation growth rates ~2x global GDP

Wealth Management

- "Best Private Bank Globally 2013" and "Best Global Wealth Manager 2013"[2]
- "Best Private Bank in Asia"[2]
- Leading position in Europe, APAC, Emerging Markets, Switzerland and UHNW segment by invested assets[3], over 4,000 advisors

Wealth Management Americas

- Over USD 1 million annualized revenues per FA, #1 among peer group in 4Q13; record invested assets per FA
- Well positioned to capture growth opportunities; continued progress in banking initiatives
- 7,000+ advisors in 320+ branches; high levels of FA satisfaction and low attrition

Retail & Corporate

- Leading Universal Bank in Switzerland with strong momentum
- "Best Bank in Switzerland" for the 2nd consecutive year[2]
- "Best Domestic Cash Manager Switzerland" for the 3rd consecutive year[2]
- "Golden Headset Award 2013" for the Customer Service Center[4]

Investment Bank

- Leading Equities franchise, top FX/Precious metals house with leading technology platform, strong advisory and solutions capabilities
- Cash equities: #1 globally[5]; FX: tied #2 globally with the largest share gain, #1 Europe, #1 Americas[6]
- Gained rank in ECM volumes and block trades globally (FY13 vs. FY12), maintained rank in M&A fees and gained in M&A volumes[7]

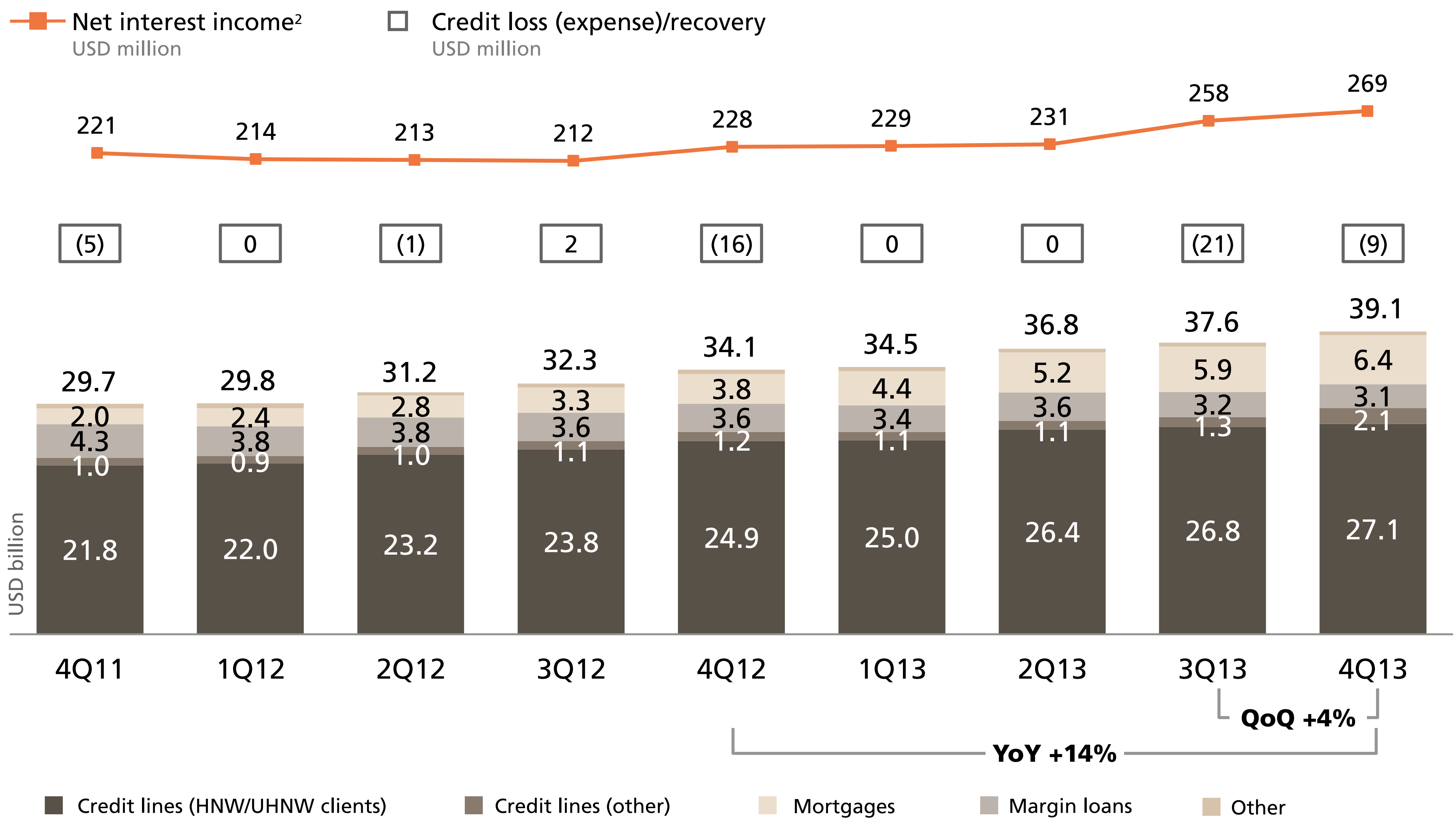
Global Asset Management

- Diversified across investment capabilities, regions and distribution channels
- Largest mutual fund manager in Switzerland[8]
- #4 ETF provider in Europe[9]
- Strong alternatives platform; #4 fund of hedge funds and #4 real estate globally[10]

1 Scorpio Partnership Private Banking Benchmark 2013 (2012 results) - banks with assets under management of >USD 500 billion; 2 Euromoney 2013; 3 Scorpio Partnership Private Banking Benchmark, Private Banker International, UBS estimates; 4 Contact Management Magazine 2013; 5 Leading private survey (September 2013); 6 Greenwich Associates (March 2013), tied #2 globally, tied #1 Europe and tied #1 Americas; 7 Dealogic as of 09.01.13, FY12 on FY13 comparison; 8 Lipper/Swiss Funds Data FundFlows June 2013; 9 ETFGI Global ETF industry insights 3Q13; 10 InvestHedge (October 2013) and INREV/ANREV Fund Manager Survey 2013

Appendix

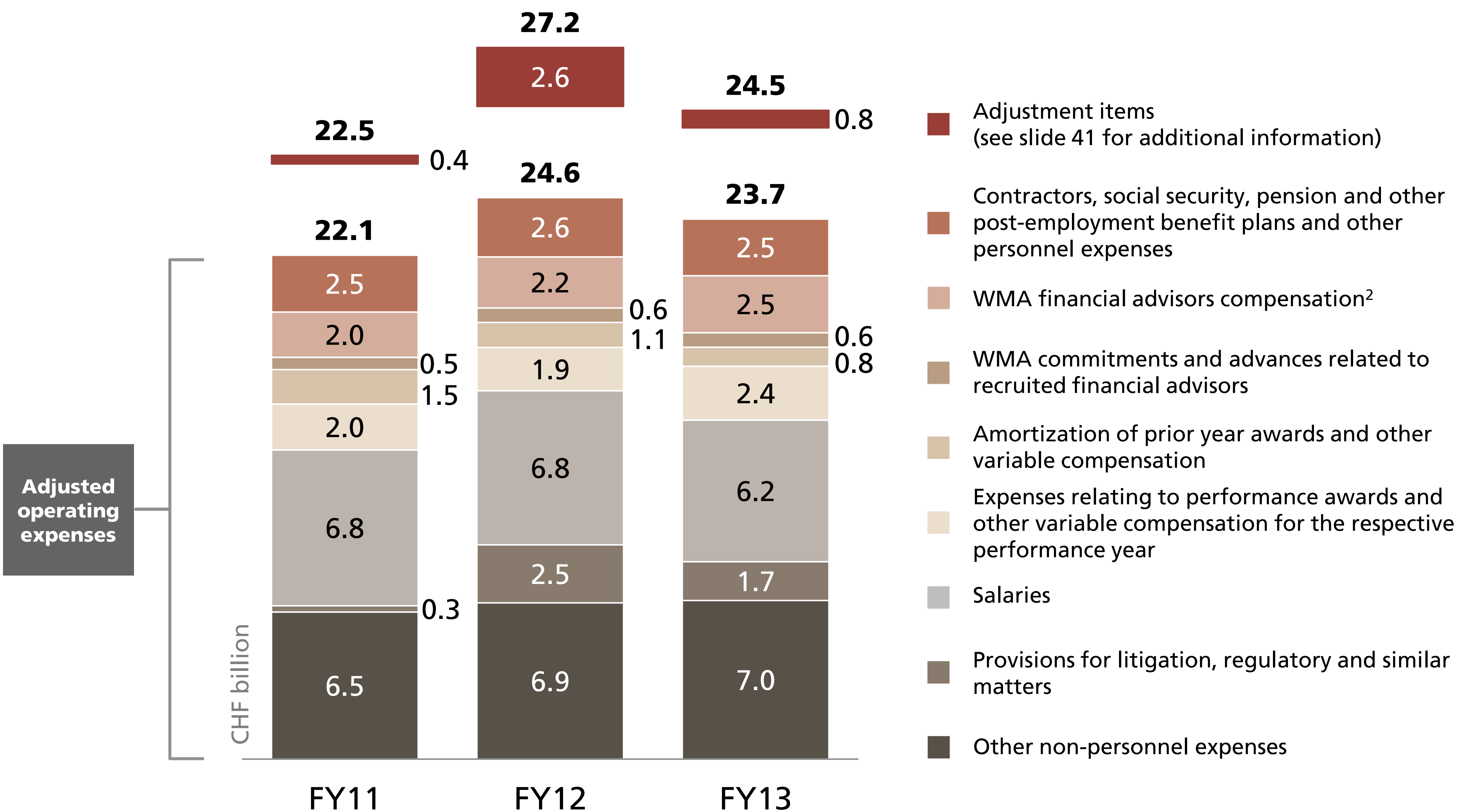
Wealth Management Americas—Lending balances[1]



➔ Over 99% of WMA's loan portfolio is secured by securities (83%) and residential property (16%)

1 Period ending balances; 2 Total WMA net interest income excluding the following EIR adjustments from mortgage-backed securities in the AFS portfolio (USD): 4Q11 (3) million, 1Q12 4 million, 2Q12 (7) million, 3Q12 (17) million, 4Q12 2 million, 1Q13 (12) million, 2Q13 3 million, 3Q13 28 million, 4Q13 7 million

2013 operating expenses[1]

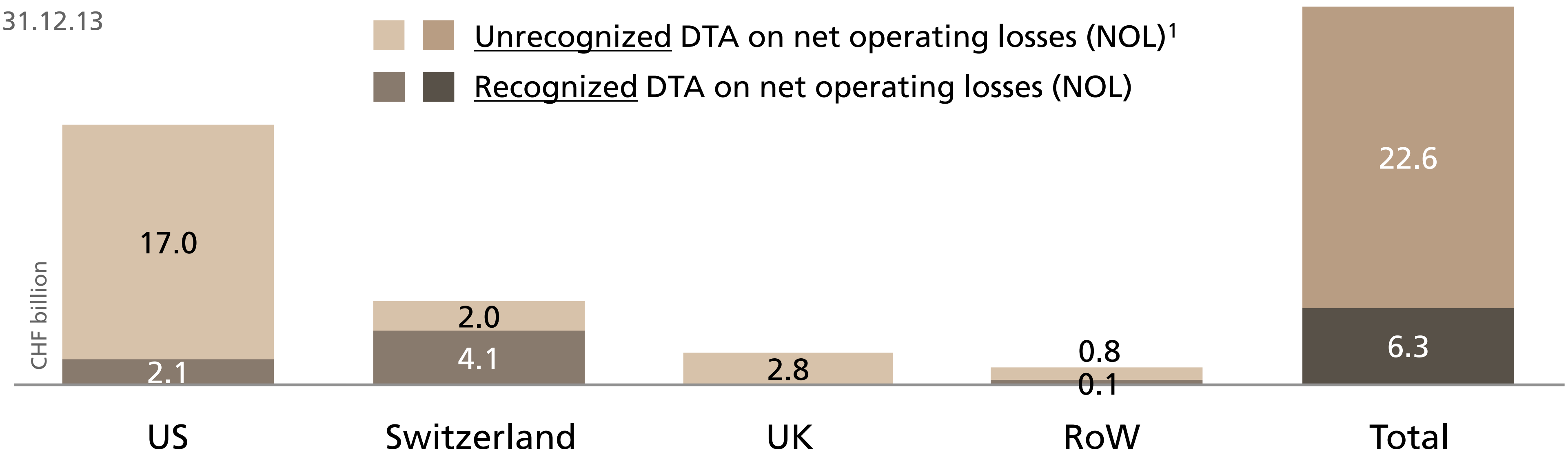


Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 For additional information refer to page 16 of the 4Q13 financial report; 2 Grid-based financial advisor (FA) compensation and other formulaic FA compensation

Deferred tax assets on net operating losses

Amount of tax losses which have not been recognized remains significant



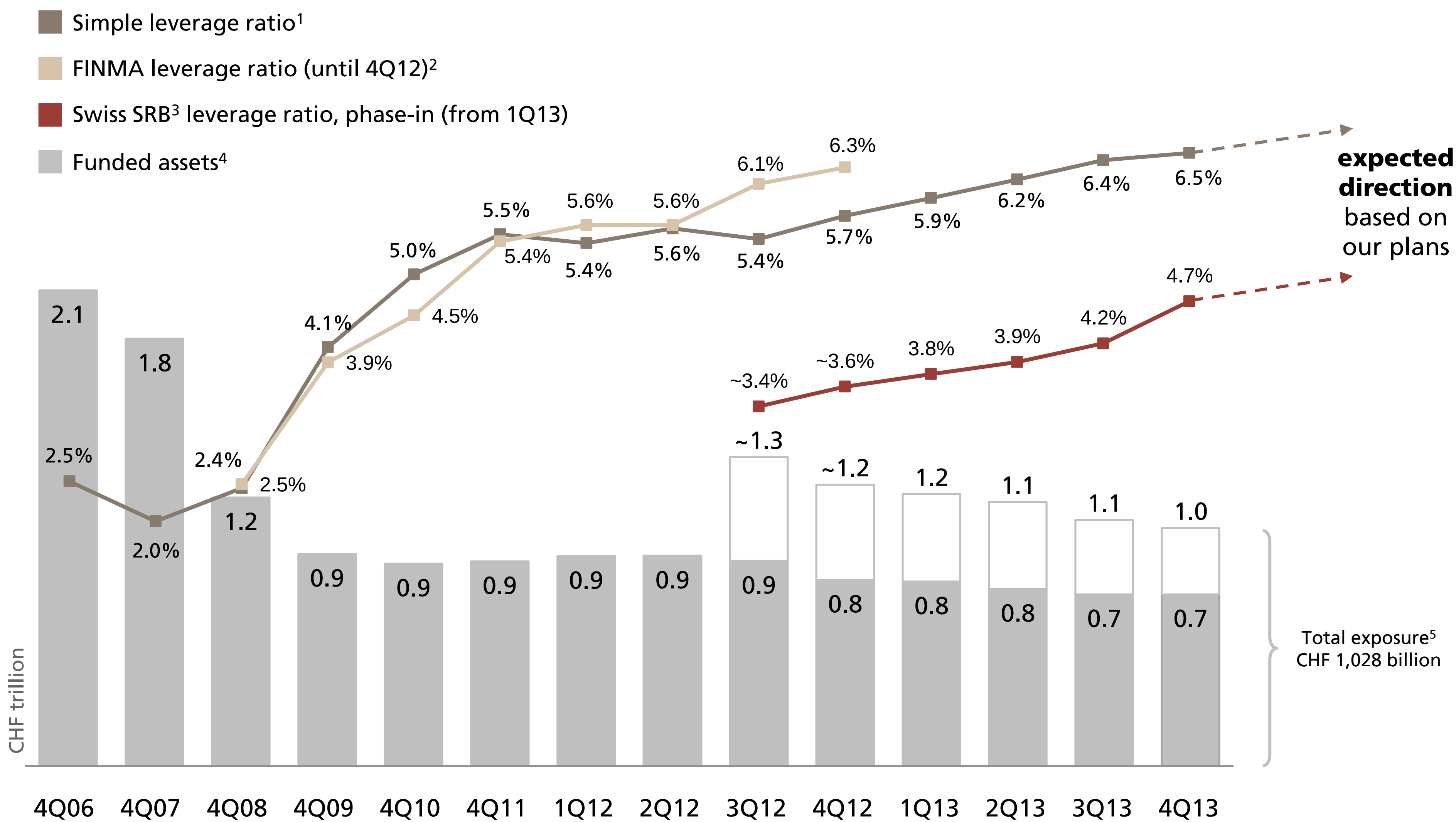
- **Unrecognized DTA on NOL of CHF 22.6 billion on 31.12.13**
  - Unrecognized tax losses have a remaining average life of at least 16 years in the US, 2 years in Switzerland and indefinite life in the UK
  - Profitability assumptions over a 5-year time horizon form the basis for the recognition of DTA
- **DTA revalued in 4Q13 following the completion of our business planning process**
  - Upward revaluation of DTA for the Group of CHF 589 million
- **We expect an effective tax rate in the region of 20-25% for 2014 excluding any impact from future DTA reassessments[2]**
  - We expect the next DTA revaluation to occur during the second half of 2014

UBS

1 Relates to the potential tax savings associated with unrecognized tax loss carry forwards; 2 The full year tax rate could change significantly on the basis of any future reassessments taking into account updated business plan forecasts in the second half of 2014.

Leverage ratios (phase-in)

Our leverage ratios should improve materially as we reduce our balance sheet



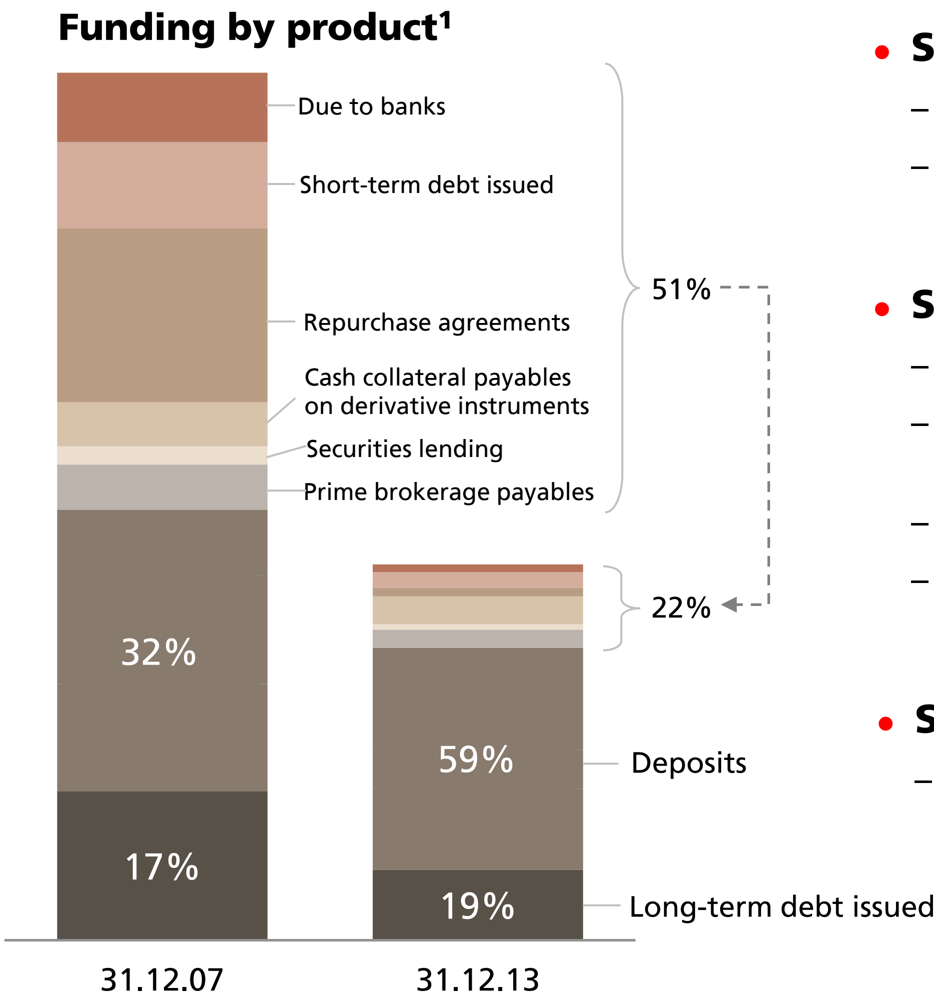
Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 IFRS equity attributable to UBS shareholders/funded assets; 2 Refer to the 4Q12 financial report for more information on UBS's FINMA leverage ratio; 3 Systemically relevant banks; 4 Funded assets defined as total IFRS balance sheet assets less positive replacement values (PRV) and collateral delivered against over-the-counter (OTC) derivatives; figures prior to 4Q10 include collateral for OTC derivatives; 5 Total adjusted exposure for the calculation of the Swiss SRB leverage ratio, includes on-balance sheet assets and off-balance sheet items

UBS

Our balance sheet, funding and liquidity positions are strong

Our balance sheet structure has many characteristics of a AA-rated bank

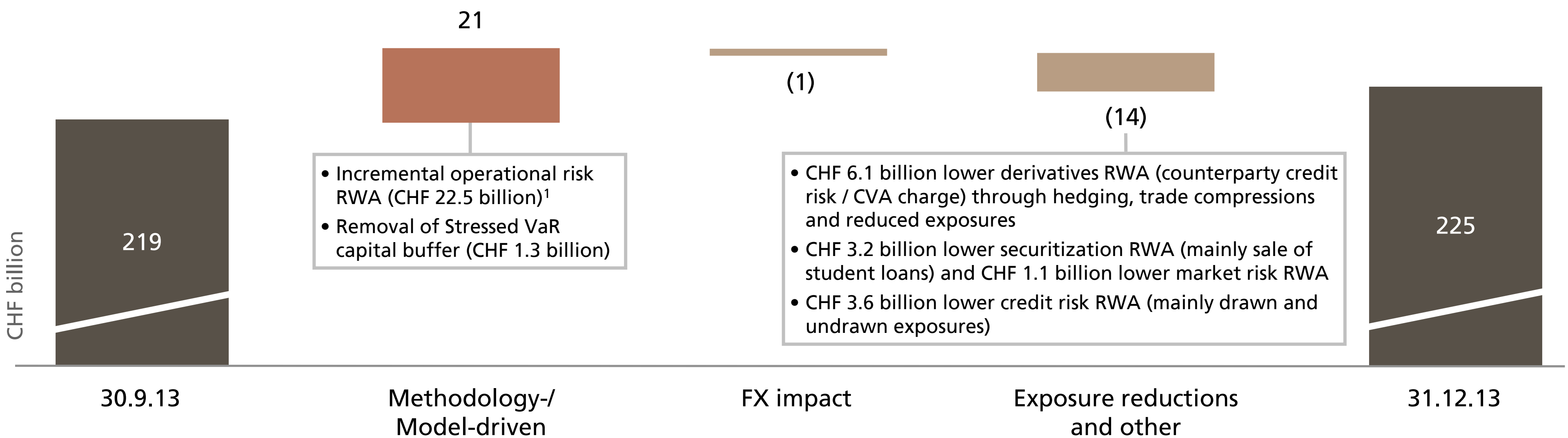


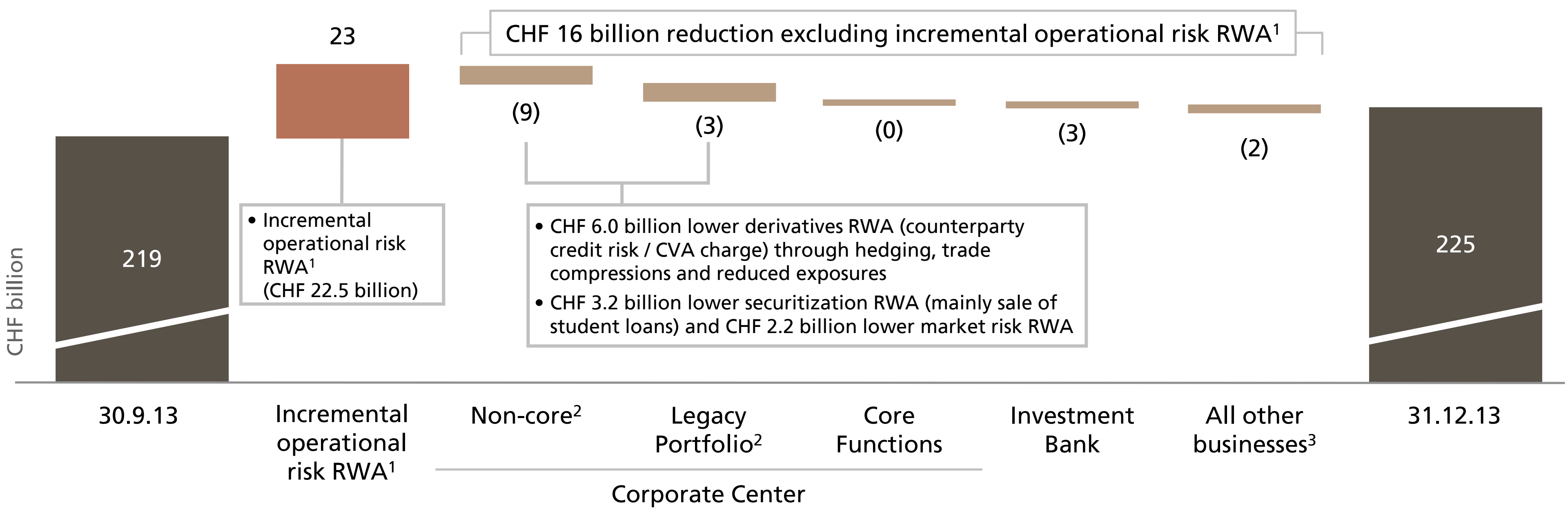
- **Strong and significantly reduced balance sheet**
  - Funded assets[2] down >60% from peak in 2007
  - Phase-in Swiss SRB leverage ratio 4.7%[3]
- **Strong funding profile**
  - Well diversified by market, tenor and currency
  - High proportion of stable funding sources with deposits 59% and long-term debt 19%
  - Limited use of short-term wholesale funding
  - 109% Basel III NSFR[4]
- **Strong liquidity position**
  - 110% Basel III LCR[4]

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 As a percentage of total funding sources defined as: repurchase agreements, cash collateral on securities lent, due to banks, short-term debt issued, due to customers, long-term debt (including financial liabilities at fair value), cash collateral payables on derivative transactions and prime brokerage payables. CHF 1,527 billion on 31.12.07 and CHF 660 billion on 31.12.13; 2 Funded assets defined as total IFRS balance sheet assets less positive replacement values (PRV) and collateral delivered against over-the-counter (OTC) derivatives; figures prior to 4Q10 include collateral for OTC derivatives; 3 As of 31.12.13. Refer to the 4Q13 financial report for more information about UBS's Swiss SRB leverage ratio; 4 As of 31.12.13. Estimated pro-forma ratios as Basel III liquidity rules and the FINMA framework are not yet finalized. Refer to the 4Q13 financial report for details about the calculation of UBS's Basel III LCR and NSFR

Breakdown of changes in Group RWA (fully applied)



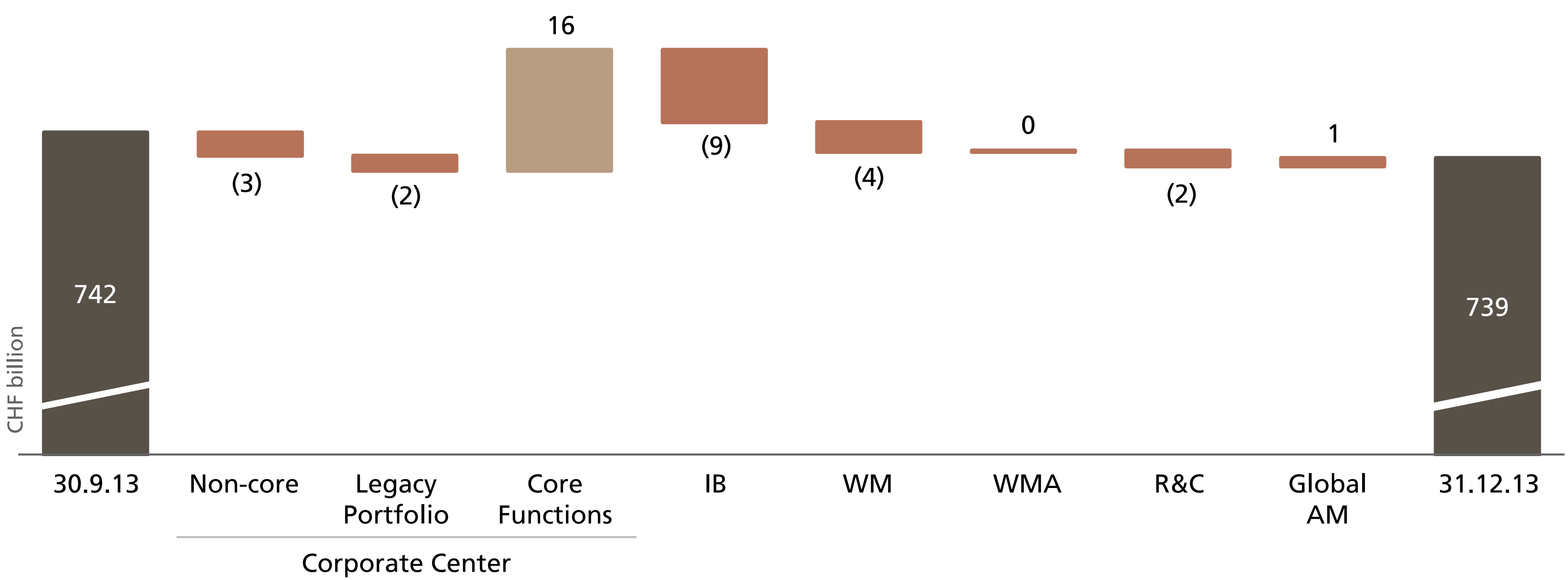


UBS

Refer to slide 41 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 Derived from supplemental analysis mutually agreed with FINMA that will be used to calculate the incremental operational risk capital required to be held for litigation, regulatory and similar matters and other contingent liabilities, effective on 31 December 2013; 2 Refer to pages 59-61 of the 4Q13 financial report for more information on Non-core and Legacy Portfolio; 3 Wealth Management, Wealth Management Americas, Retail & Corporate and Global Asset Management

Changes in funded assets[1]



- **FX movements contributed approximately CHF 7 billion to the decrease in funded assets[1], primarily from USD and Yen depreciation against CHF**
  – Largest effects on Corporate Center – Core Functions and the Investment Bank
- **PRV down by CHF 36 billion to CHF 246 billion; OTC margin CHF 25 billion as of 31.12.13**
  – Non-core and Legacy Portfolio PRV down by CHF 40 billion

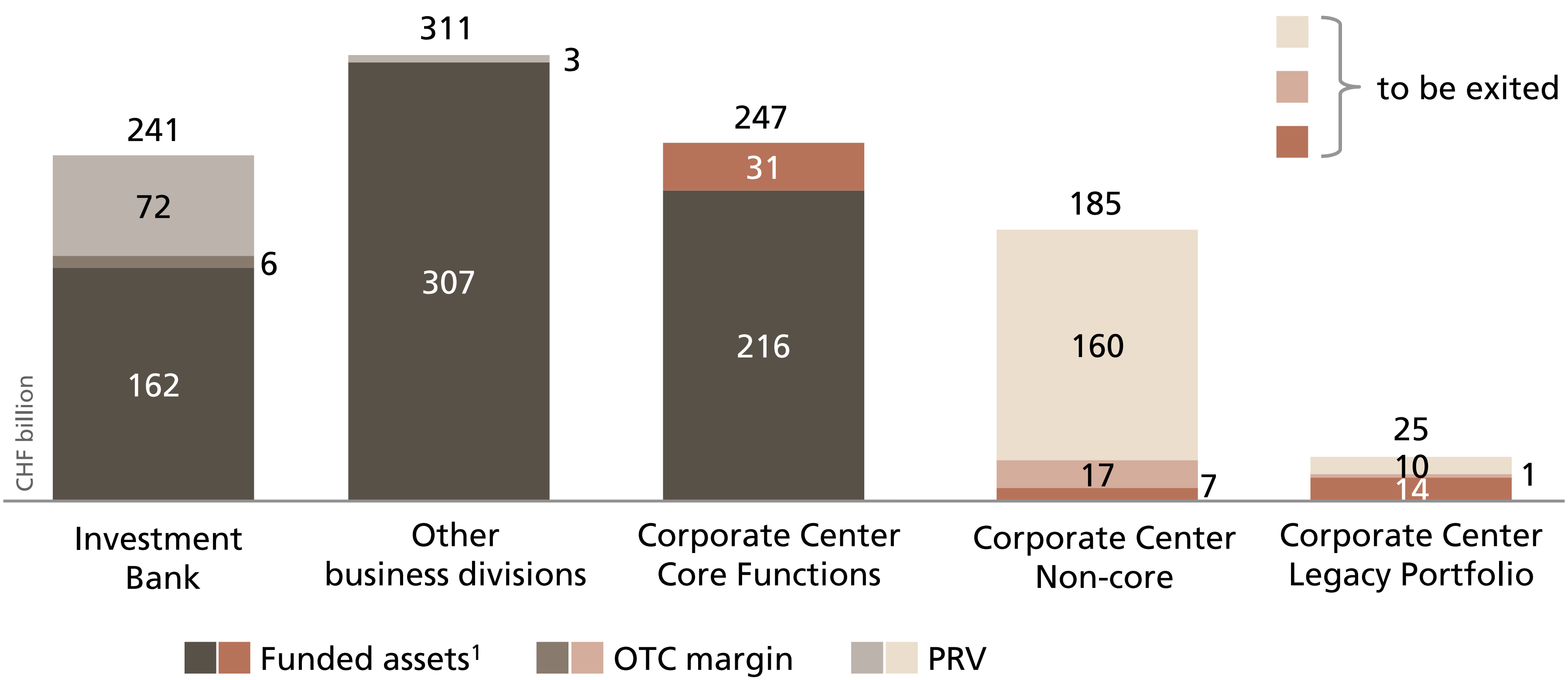
UBS

1 Funded assets defined as total IFRS balance sheet assets less positive replacement values (PRV) and collateral delivered against over-the-counter (OTC) derivatives

Balance sheet

Total assets CHF 1,010 billion or CHF 739 billion excluding PRV and OTC margin

31.12.13



1 Funded assets defined as total IFRS balance sheet assets less positive replacement values (PRV) and collateral delivered against over-the-counter (OTC) derivatives

Adjusted results[1]

Adjustment items	Business division / Corporate Center	4Q12	3Q13	4Q13	FY12	FY13
CHF million						
Operating income as reported (Group)		**6,208**	**6,261**	**6,307**	**25,423**	**27,732**
Own credit on financial liabilities designated at FV	Corporate Center - Core Functions	414	147	94	2,202	283
Gains on sales of real estate	Corporate Center - Core Functions	(109)	(207)	(61)	(112)	(288)
Net loss related to the buyback of debt in public tender offer	Corporate Center - Core Functions	0	0	75	0	194
	Corporate Center - Non-Core and Legacy Portfolio	0	0	0	0	(27)
Gain on disposal of Global AM's Canadian domestic business	Global Asset Management	0	0	0	0	(34)
Net gain on sale of remaining proprietary trading business	Investment Bank	0	0	0	0	(55)
	Corporate Center - Core Functions	0	0	0	0	24
Operating income adjusted (Group)		**6,513**	**6,201**	**6,415**	**27,513**	**27,829**
Operating expenses as reported (Group)		**8,044**	**5,906**	**5,858**	**27,216**	**24,461**
Restructuring	Wealth Management	(17)	(62)	(41)	(26)	(178)
	Wealth Management Americas	(2)	(13)	(26)	1	(59)
	Retail & Corporate	(1)	(15)	(12)	(3)	(54)
	Global Asset Management	(15)	(12)	(13)	(20)	(43)
	Investment Bank	(173)	(84)	(89)	(273)	(210)
	Corporate Center - Core Functions	0	1	7	8	6
	Corporate Center - Non-Core and Legacy Portfolio	(51)	(5)	(24)	(58)	(235)
Credit related to changes to the Swiss pension plan	Wealth Management	0	0	0	357	0
	Retail & Corporate	0	0	0	287	0
	Global Asset Management	0	0	0	30	0
	Investment Bank	0	0	0	51	0
	Corporate Center - Core Functions	0	0	0	3	0
	Corporate Center - Non-Core and Legacy Portfolio	0	0	0	2	0
Credit related to changes to a retiree benefit plan in the US	Wealth Management	0	0	0	1	0
	Wealth Management Americas	0	0	0	2	0
	Global Asset Management	0	0	0	16	0
	Investment Bank	0	0	0	91	0
	Corporate Center - Core Functions	0	0	0	1	0
	Corporate Center - Non-Core and Legacy Portfolio	0	0	0	7	0
Impairment of goodwill and other non-financial assets	Corporate Center - Non-Core and Legacy Portfolio	0	0	0	(3,064)	0
Operating expenses adjusted (Group)		**7,786**	**5,718**	**5,660**	**24,627**	**23,689**
Operating profit/(loss) before tax as reported		**(1,837)**	**356**	**449**	**(1,794)**	**3,272**
Operating profit/(loss) before tax adjusted		**(1,274)**	**484**	**755**	**2,885**	**4,141**

UBS

1 FY11 adjustment items: CHF 1,537 million gain on own credit on financial liabilities designated at fair value, CHF 94 million gain on sale of real estate, CHF 722 million gain from strategic portfolio sale, CHF 380 million restructuring costs

Important information related to numbers shown in this presentation

Use of adjusted numbers

Unless otherwise indicated, "adjusted" figures exclude the adjustment items listed on slide 40, to the extent applicable, on a Group and business division level. Refer to pages 12-13 of the 4Q13 financial report for an overview of adjusted numbers.

Basel III RWA, Basel III capital and Basel III liquidity ratios

Basel III numbers in the presentation are BIS Basel III numbers unless otherwise stated. In addition, systemically relevant banks (SRB) in Switzerland (currently UBS and Credit Suisse) are required to comply with specific Swiss SRB rules. Our fully applied and phase-in Swiss SRB Basel III capital components and our respective BIS Basel III capital components have the same basis of calculation, except for differences relating to the amortization of deferred contingent capital plan instruments (representing high-trigger loss-absorbing capital) and the recognition of a portion of the unrealized gains on financial investments available-for-sale (representing other tier 2 capital under BIS Basel III).

Basel III risk-weighted assets in the presentation are calculated on the basis of Basel III fully applied unless otherwise stated.

From 1Q13 Basel III requirements apply. All Basel III numbers prior to 1Q13 are on a pro-forma basis. Some of the models applied when calculating pro-forma information required regulatory approval and included estimates (discussed with our primary regulator) of the effect of these new capital charges. These estimates were refined with prospective effect during 2013, as models and associated systems were enhanced.

Refer to the "Capital Management" section in the 4Q13 financial report for more information.

Currency translation

Monthly income statement items of foreign operations with a functional currency other than Swiss francs are translated with month-end rates into Swiss francs. Refer to "Note 17 Currency translation rates" in the 4Q13 financial report for more information.