

The strength of UBS

UBS is one of the world's leading wealth managers. For more than 150 years—in major financial centers around the world—UBS has managed wealth for private clients and demonstrated strength through ever-changing economic climates. Today, few firms rival our distinctive combination of wealth and asset management and investment banking, or our global footprint and infrastructure.

Wealth management is our core business

The year 2010 is a time of transformation, during which Wealth Management Americas (WMA) continues to build on the foundation for sustained profitability.

WMA is moving toward CEO Robert McCann's stated goal of being the best wealth manager in the Americas, offering private clients the best of two worlds. "We have the tools of a large firm and the culture of a boutique," Mr. McCann noted in touting the division's unique position in the marketplace.

Second quarter 2010 results show private clients have entrusted WMA with more than \$644 billion in invested assets, (an increase of \$4 billion over 1Q10), while international Wealth Management & Swiss Bank clients have committed \$849 billion in invested assets—a reflection of their ongoing confidence in the guidance of their UBS Financial Advisors and the products and services we provide.

Enhanced global performance

- In 2Q10, UBS AG reported net profits of \$2.42 billion
- Wealth Management & Swiss Bank profits were in line with first quarter
- Global Asset Management achieved pretax profits of \$108 million
- Investment Bank quarterly pretax profit totaled \$1.216 billion, compared with \$1.13 billion in the first quarter that ended March 31, 2010

All 2010 figures contained herein have been converted using the spot rate of 1.08.

UBS AG

| Raised capital ratio | Lowered risk exposure | Reduced fixed costs |
|--|---|---|
| BIS Tier capital ratio climbed to 16.4% from 16% last quarter. | Risk framework robust in these market conditions. | Cost and head count reductions set for year-end 2010 were largely achieved in 2009. |
| FINMA leverage ratio unchanged at 4.1%. | Total risk-weighted assets were reduced by \$3.7 billion. | Group cost/income ratio of 71.2%; underlying cost base stable. |

The quarter clearly showed the firm's continued financial strength, greater efficiency and enhanced cost control. In the wake of the recent financial crisis and despite persistent market volatility, UBS reported its third consecutive profitable quarter, swinging to a profit of \$1.9 billion. The firm's performance bested that of rival banks in fixed income, currencies and commodities divisions and saw a 9% rise in equities business, compared to a drop among competitors.

"Our revenue growth has been significant, especially compared to our peers," says Mr. McCann. "The strategy of how we are building our business is working. Our best days are ahead of us."

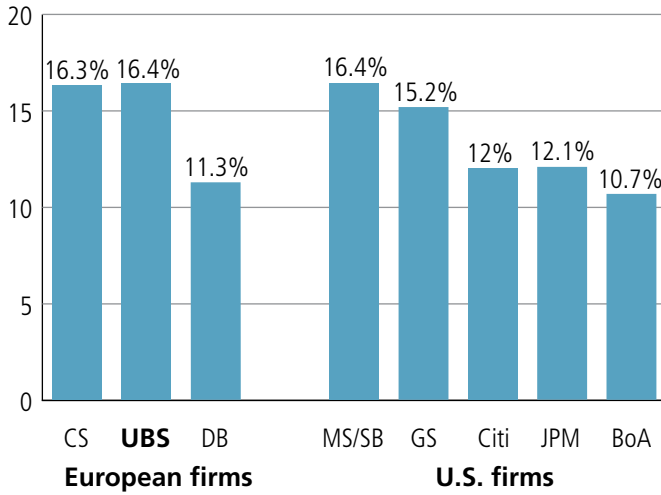
'Our revenue growth has been significant, especially compared to our peers.'

—Robert McCann
CEO Wealth Management Americas

One of the world's strongest and best-capitalized banks

As a result of the continued reduction of risk-weighted assets, our BIS Tier 1 capital ratio totaled 16.4% at the end of 2010's second quarter, up from 16% last quarter.

Tier 1 capital ratio, 2Q 2010



Our current long-term credit ratings are among the highest in the industry:

Credit ratings (as of June 30, 2010)

| | Moody's long-term rating/outlook | S&P long-term rating/outlook |
|-----------------|----------------------------------|------------------------------|
| UBS | Aa3 | A+ |
| Credit Suisse | Aa2/N | A/S |
| JPMorgan | Aa3/N | A+/N |
| Wells Fargo | A1 | AA |
| Goldman Sachs | A1/N | A/N |
| Bank of America | A2/S | A/N |
| Morgan Stanley | A2/N | A/N |

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