

Media release

UBS significantly expands Middle East operations to accelerate growth.

- **UBS to set up operations in the Kingdom of Saudi Arabia.**
- **UBS selects CEO for UBS Saudi Arabia.**
- **UBS applies for license to operate in Qatar.**
- **UBS expands Investment Banking Division & Equity Research coverage in the region.**

Zurich/Basel/London/Riyadh – 8 July 2008. UBS today unveils a number of key measures aimed at significantly boosting the firm's already rapid growth in the Middle East. This package of initiatives further demonstrates UBS's long-term commitment to the Middle East and will help achieve its goal of becoming one of the region's leading financial services providers.

UBS to set up operations in the Kingdom of Saudi Arabia.

UBS is delighted to announce that it has been granted conditional authorisation by the Capital Markets Authority (CMA) to set up operations in the Kingdom of Saudi Arabia.

John Fraser, Chairman and CEO of UBS Global Asset Management and Group Executive Board member will also become Chairman of UBS Saudi Arabia, and Mohammed Al Dhoheyan, currently CEO of the Development and Management House for Investments (an existing CMA regulated firm), will assume the role of Vice Chairman.

Commenting on this announcement John Fraser said: "With over 40 years' experience in the region our decision to set up operations in the Kingdom of Saudi Arabia is further evidence of UBS's long-term commitment to the Middle East and marks yet another important milestone for the firm in this very exciting and significant market."

"The CMA approval gives us the opportunity to extend our world leading position in wealth management in the region, but also brings us closer to our asset management and investment banking clients in the Kingdom of Saudi Arabia", Mr Fraser continued.

Following the final approval of the CMA and other relevant authorities, UBS Saudi Arabia plans to open by year end. In line with its integrated business model, UBS Saudi Arabia will focus on UBS's global core securities businesses offering international and domestic clients comprehensive Wealth Management, Asset Management and Investment Banking services.

UBS selects CEO for UBS Saudi Arabia.

UBS is also pleased to announce that it is proposed that Mohamed Sammakia will become CEO of UBS Saudi Arabia subject to receiving the usual regulatory approvals.

Currently a Managing Director in UBS's Fixed Income division and President of the Middle East Region based in London, Mohamed's longstanding career within the Middle East and North Africa spans more than 30 years. Mohamed has a proven track record and been instrumental in numerous high profile UBS deals in the region.

In his new role, Mohamed will be responsible for setting up UBS's new operations in the Kingdom of Saudi Arabia as well as focusing on the continued expansion of UBS's successful platform throughout the region. As part of this, he will build on his extensive and long-serving relationships in the region to develop cross-business opportunities to maximise revenue growth and profitability in the Middle East.

Commenting on the appointment John Fraser said: "I am delighted that Mohamed has agreed to take on this key role. He has an impressive history of working with key decision makers in the Middle East which together with his 30 year long career within the financial sector makes him ideally suited for this pivotal role in the region".

UBS applies for license to operate in Qatar.

UBS has made an application to the Qatar Financial Centre Regulatory Authority for a licence to open and operate a branch in the Qatar Financial Centre. This will not only further the firm's strategy of increasing its footprint in the Middle East but will also provides UBS with access to the many opportunities within Qatar, which has both the highest GDP per capita in the world and one of the highest rates of economic growth.

UBS expands Investment Banking Division (IBD) & Equity Research coverage in the region.

As part of its long term expansion in the Middle East UBS also announces today that it plans to:

- Expand its regional IBD team - having recently appointed Christopher Niehaus as Joint Head of Investment Banking MENA - by more than double by end of 2008;
- Establish regional coverage of Middle East stocks out of the UAE by end 2008 – UBS recently initiated economic coverage of the UAE via the European Economics Research Team in London.

In another recent development in the region, UBS Global Asset Management joined forces with Abu Dhabi Investment Company in February 2008 to form a 50/50 joint venture to develop, promote, and manage infrastructure funds focused on the MENA region. The joint venture's first fund "ADIC-UBS Infrastructure Fund I" will be a USD 500 million fund which is expected to launch during 2008.

In addition, UBS Wealth Management was voted Number 1 for “Best Private Banking” services in the Middle East while UBS Investment Bank was awarded “Best Equity House” in the Middle East in Euromoney’s 2008 rankings.

- Ends -

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Notes to Editors:**UBS in the Middle East**

- UBS’s commitment to the Middle East is longstanding spanning over 40 years (Beirut 1964).
- UBS has more than 200 staff dedicated to the Middle Eastern market of which more than 65 are dedicated to the Gulf region.
- The expansion of our presence in the Middle East started in 2006 and the current expansion will be finalised by end of 2008 with the opening of the Saudi and Qatar offices.
- UBS was a founding member of the Dubai International Financial Exchange (DIFX).
- The UBS Dubai branch in the DIFC became operational in Q1 2007 and is now a major regional hub for UBS in the Middle East.

About UBS

UBS is one of the world’s leading financial firms, serving a discerning international client base. Its business, global in scale, is focused on growth. As an integrated firm, UBS creates added value for clients by drawing on the combined resources and expertise of all its businesses.

UBS is the leading global wealth manager, a leading global investment banking and securities firm, and one of the largest global asset managers. In Switzerland, UBS is the market leader in retail and commercial banking.

UBS is present in all major financial centers worldwide. It has offices in 50 countries, with about 38% of its employees working in the Americas, 33% in Switzerland, 16% in the rest of Europe and 13% in Asia Pacific. UBS employs more than 80,000 people around the world. Its shares are listed on the Swiss Stock Exchange (SWX), the New York Stock Exchange (NYSE) and the Tokyo Stock Exchange (TSE).