

Supplement No. 5 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, London Branch, dated 20 October 2005,

concerning the issue of

[Call] [Put] Warrants, HIT [Call] [Put] Warrants, Lock Out [Call] [Put] Warrants, Double Lock Out Warrants, [Turbo Long-] [Turbo Short-] Warrants, Digital [Call] [Put] Warrants and Hamster Warrants

at the same time

Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 20 October 2005,

concerning the issue of

[Discount] [Discount PLUS] [Sprint] [Multibloc] Certificates

at the same time

Supplement No. 6 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 5 January 2006,

concerning the issue of

UBS [Performance Certificates without settlement formula] [Performance-Certificates with settlement formula] [Outperformance Certificates] [Relative Performance Plus Certificates] [Open-End Certificates without settlement formula] [Open-End Certificates with settlement formula] [S²MART Certificates] [Super S²MART Certificates] [Bonus Certificates] [Bonus Plus Certificates] [Bonus Extra Plus Certificates] [Express Certificates] [Express Kick-In Certificates] [Express Plus Certificates] [Easy Express Certificates] [Express XL Certificates]

at the same time

Supplement No. 4 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 1 March 2006,

concerning the issue of

UBS [Capital Protected] Gearing Certificates

at the same time

Supplement No. 2 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, London Branch, dated 28 March 2006,

concerning the issue of

A(lternative) I(nvestment) S(trategies) Index - Certificates

at the same time

Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, London Branch, dated 11 July 2006,

concerning the issue of

UBS [TWIN-WIN] [•] Certificates

at the same time

Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, London Branch, dated 11 July 2006,

concerning the issue of

UBS Reverse [(Capped)] Bonus Certificates

at the same time

Supplement No. 2 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, London Branch, dated 22 September 2006,

concerning the issue of

UBS Capital Protected Plus Minus Certificates

at the same time

Supplement No. 4 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, London Branch, dated 24 October 2006,

concerning the issue of

UBS Synthetically Financed Capital Protected Certificates

at the same time

Supplement No. 4 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, London Branch, dated 16 November 2006,

concerning the issue of

UBS [[Call] [or, as the case may be,] [Put] Warrants] [Hit [Call] [or, as the case may be,] [Put] Warrants] [Lock Out [Call] [or, as the case may be,] [Put] Warrants] [Double Lock Out Warrants] [[Turbo Long-] [or, as the case may be,] [Turbo Short-] Warrants] [Digital [Call] [or, as the case may be,] [Put] Warrants] [Hamster Warrants]

at the same time

Supplement No. 5 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 17 November 2006,

concerning the issue of

UBS [Discount Certificates] [Discount PLUS Certificates] [Sprint [PLUS] Certificates] [Multibloc Certificates] [[Easy] [Outperformance [(Capped)]] Express [Kick-In] [PLUS] [XL] [Bonus] Certificates] [Callable Yield Certificates]

at the same time

Supplement No. 8 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 25 January 2007,

concerning the issue of

UBS [[Performance] [PERLES] [(Capped)] Certificates [without] [with] settlement formula] [Outperformance [(Capped)] Certificates] [Relative Performance Plus Certificates] [Open-End [(Capped)] Certificates [without] [with] settlement formula*] [[Super] S²MART Certificates*] [[Lock-In] Bonus [(Capped)] [Extra] [Plus] [Flex] Certificates]

at the same time

Supplement No. 4 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, London Branch, dated 20 March 2007,

concerning the issue of

- Series 2007-[●] Up to CHF [●] 100% Principal Protected Type A Notes linked to the [●] CHF Protected Index
- Series 2007-[●] Up to CHF [●] 100% Principal Protected Type B Notes linked to the [●] CHF Protected Index ((i) and (ii) together, the CHF Notes) (for marketing purposes these securities are known as "[●] CHF Index Notes")
- Series 2007-[●] Up to EUR [●] 100% Principal Protected Type A Notes linked to the [●] EUR Protected Index
- Series 2007-[●] Up to EUR [●] 100% Principal Protected Type B Notes linked to the [●] EUR Protected Index ((iii) and (iv) together, the EUR Notes) (for marketing purposes these securities are known as the "[●] EUR Index Notes")
- Series 2007-[●] Up to USD [●] 100% Principal Protected Type A Notes linked to the [●] USD Protected Index
- Series 2007-[●] Up to USD [●] 100% Principal Protected Type B Notes linked to the [●] USD Protected Index ((v) and (vi) together, the USD Notes and, together with the CHF Notes and the EUR Notes, the Notes) (for marketing purposes these securities are known as "[●] USD Index Notes")

as well as for the

- Series 2007-[●] Up to CHF [●] Type A Certificates linked to the [●] CHF Index
- Series 2007-[●] Up to CHF [●] Type B Certificates linked to the [●] CHF Index ((vii) and (viii) together, the CHF Certificates) (for marketing purposes these securities are known as the "[●] CHF Index Certificates")
- Series 2007-[●] Up to EUR [●] Type A Certificates linked to the [●] EUR Index
- Series 2007-[●] Up to EUR [●] Type B Certificates linked to the [●] EUR Index ((ix) and (x) together, the EUR Certificates) (for marketing purposes these securities are known as "[●] EUR Index Certificates")
- Series 2007-[●] Up to USD [●] Type A Certificates linked to the [●] USD Index
- Series 2007-[●] Up to USD [●] Type B Certificates linked to the [●] USD Index ((xi) and (xii) together, the USD Certificates) (for marketing purposes these securities are known as "[●] USD Certificates")

at the same time

Supplement No. 8 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 12 April 2007,

concerning the issue of

UBS [Capital Protected] [Gearing] [●] [(Capped)] Certificates

at the same time

Supplement No. 4 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 17 April 2007,

concerning the issue of

UBS [Capital Protected] [A(lternative) I(nvestment) S(trategies)] [●] Index [(Capped)]-Certificates

at the same time

Supplement No. 3 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London] [Jersey] Branch, dated 17 August 2007

concerning the issue of

UBS [Capital Protected] [A(lternative) I(nvestment) S(trategies)] [●] [Portfolio] [(Capped)] Certificates

at the same time

Supplement No. 7 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 13 November 2007,

concerning the issue of

UBS [Capital Protected] [[Call] [or, as the case may be,] [Put]] [Hit [Call] [or, as the case may be,] [Put]] [Lock Out [Call] [or, as the case may be,] [Put]] [Double Lock Out] [[Turbo Long-] [or, as the case may be,] [Turbo Short-]] [Digital [Call] [or, as the case may be,] [Put]] [Hamster] [●] [(Capped)] Warrants

at the same time

Supplement No. 6 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 23 November 2007,

concerning the issue of

UBS [Capital Protected] [Discount [PLUS]] [Sprint [PLUS]] [Multibloc] [[Easy] [Outperformance [Express]] [Kick-In] [PLUS] [XL] [Bonus]] [Callable Yield] [●] [(Capped)] Certificates

at the same time

Supplement No. 4 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 20 December 2007,

concerning the issue of

UBS [Capital Protected] [Bonus] [Express] [Reverse] [Lock-in] [(Capped)] Certificates

at the same time

Supplement No. 4 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 21 January 2008,

concerning the issue of

UBS [Capital Protected] [[Performance] [PERLES]] [Outperformance] [Relative Performance Plus] [Open-End] [[Super] S²MART] [[Lock-In] Bonus [Extra] [Plus] [Flex]] [(Capped)] Certificates [[without] [with] settlement formula]

at the same time

Supplement No. 2 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG [Zurich], [London][Jersey] Branch, dated 29 February 2008,

concerning the issue of

UBS [Capital Protected] [A(lternative) I(nvestment) S(trategies)] [Reverse] [Performance] [Tracker] [(Capped)] Certificates

at the same time

Supplement No. 1 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG [London][Jersey] Branch, dated 18 April 2008,

concerning the issue of

UBS [Capital Protected] [Gearing] [(Capped)] Certificates

at the same time

Supplement No. 1 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG [Zurich], [London][Jersey] Branch, dated 2 May 2008,

concerning the issue of

UBS [Capital Protected] [A(lternative) I(nvestment) S(trategies)] [•] [Portfolio] [(Capped)] Certificates

at the same time

Supplement No. 1 pursuant to § 16 (1) of the German Securities Prospectus Act

dated 2 June 2008 to the already published (single document) Base Prospectus of UBS AG, [London][Jersey] Branch, dated 27 May 2008,

concerning the issue of

UBS [Capital Protected] [Kick-In] [GOAL] [(Capped)] Notes

The attention of the investors is in particular drawn to the following: Investors who have already agreed to purchase or subscribe for the Securities before the Supplement is published have, pursuant to § 16 (3) of the German Securities Prospectus Act, the right, exercisable within a time limit of two working days after the publication of the Supplement, to withdraw their acceptances, provided that the Securities have not been settled yet. Declarations of withdrawal do not have to contain a cause and must be directed at UBS Deutschland AG, Risk Management Products, Stephan-strasse 14-16 , D-60313 Frankfurt am Main, Germany . The time limit is met if the declaration of withdrawal is duly dispatched.

1) The paragraph and the columns headed 'Incorporated document' and 'Information' in the section following the heading "Documents incorporated by reference" is completely replaced as follows:

DOCUMENTS INCORPORATED BY REFERENCE

The following documents relating to UBS AG, acting through its [London] [Jersey] Branch, have been filed with the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin"*) as appendices to the Registration Document of UBS AG dated 5 April 2007 (Financial Report 2006) or, as the case may be, to the Registration Document of UBS AG dated 4 April 2008 (Annual Report 2007), or, as the case may be, to the Prospectus of UBS AG, London Branch, dated 9 May 2008, concerning the issue of "UBS 3 Year Quanto SEK Call Warrants linked to the performance of a share (class H participating non-voting shares (USD)) in the Q-BLK Appreciation Fund, Inc." (ISIN CH004223321) (quarterly report as of 31 March 2008), and are incorporated by reference in this Prospectus and represent an integral part of this Prospectus:

Incorporated document	Referred to in	Information
- UBS Annual Report 2007, 1 Strategy, Performance and Responsibility, in English; pages A85 – A152 (inclusive)		- Description of the Issuer's business groups
- UBS Annual Report 2007, 4 Financial Statements, in English; pages D96 – D99 (inclusive)		- Illustration of the key subsidiaries
- UBS Annual Report 2007, 3 Corporate Governance and Compensation Report, in English; pages C5 – C6 (inclusive)		- Further details on UBS shares
- UBS Financial Report 2006, in English:		- Financial Statements of UBS AG (Group) for the financial year 2006:
(i) page A82,		(i) Income Statement,
(ii) page A83,		(ii) Balance Sheet,
(iii) pages A86 - A87 (inclusive),		(iii) Statement of Cash Flows,
(iv) pages A88 – A214 (inclusive),		(iv) Notes to the Financial Statements,
(v) pages A67 – A72 (inclusive),		(v) Accounting Standards and Policies,
(vi) pages A80 – A81 (inclusive).		(vi) Report of the Group Auditors.
		- Financial Statements of UBS AG (Parent Bank) for the financial year 2006:
(i) page A218,		(i) Income Statement,
(ii) page A219,		(ii) Balance Sheet,
(iii) page A220,		(iii) Statement of Appropriation of Retained Earnings,
(iv) page A221 – A225 (inclusive),		(iv) Notes to the Financial Statements,
(v) page A217,		(v) Parent Bank Review,
(vi) pages A67 - A72 (inclusive),		(vi) Accounting Standards and Policies,

(vii) page A226 (inclusive).		(vii) Report of the Statutory Auditors.
- UBS Annual Report 2007, 4 Financial Statements, in English:		- Financial Statements of UBS AG (Group) for the financial year 2007:
(i) page D18,		(i) Income Statement,
(ii) page D19,		(ii) Balance Sheet,
(iii) pages D23 - D24 (inclusive),		(iii) Statement of Cash Flows,
(iv) pages D25 - D120 (inclusive),		(iv) Notes to the Financial Statements,
(v) pages D3 - D8 (inclusive),		(v) Accounting Standards and Policies,
(vi) pages D16 – D17 (inclusive).		(vi) Report of the Group Auditors.
		- Financial Statements of UBS AG (Parent Bank) for the financial year 2007:
(i) page D125,		(i) Income Statement,
(ii) page D126,		(ii) Balance Sheet,
(iii) page D127,		(iii) Statement of Appropriation of Retained Earnings,
(iv) pages D128,		(iv) Notes to the Financial Statements,
(v) page D124,		(v) Parent Bank Review,
(vi) pages D3 - D8 (inclusive),		(vi) Accounting Standards and Policies,
(vii) page D140.		(vii) Report of the Statutory Auditors.
- UBS AG quarterly report as of 31 March 2008	- Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses (page • of the Prospectus)	- UBS AG quarterly report as of 31 March 2008

2) In section "SUMMARY", the bullet point 'Who is the Issuer', 'Who are the members of the Issuer's management and supervisory bodies?' and 'What is the Issuer's financial situation?' are completely replaced as follows:

Who is the Issuer?

UBS AG, with registered offices in Zurich and Basel, Switzerland, was formed from the merger of Swiss Bank Corporation and Union Bank of Switzerland in 1998.

UBS AG and subsidiaries and branch offices, including UBS AG, [London][Jersey] Branch, ("**UBS**" or "**UBS AG**") is, according to its own opinion, one of the world's leading financial firms, serving a discerning international client base. As an integrated firm, UBS creates added value for clients by drawing on the combined resources and expertise of all its businesses. UBS is, according to its own opinion, the leading global wealth manager, a leading investment banking and securities firm with a strong institutional and corporate client franchise, one of the largest global asset managers and the market leader in Swiss commercial and retail banking. On 31 March 2008, UBS employed more than 80,000 people. With headquarters in Zurich and Basel, Switzerland, UBS operates in over 50 countries and from all major international centers.

UBS is structured into three main business groups: Global Wealth Management & Business Banking - according to its own opinion, one of the largest asset managers in the world, in terms of assets under management, and the leading bank for corporate and institutional clients in Switzerland; Global Asset Management - a leading global asset manager; and Investment Bank - a first-class investment banking and securities firm. The services offered include traditional investment banking activities, such as consulting services for mergers and acquisitions, the execution of capital market transactions on both the primary and secondary markets, recognised research expertise and the issuing of investment products for institutional and private investors.

After giving effect to the proposed rights issue of approximately CHF 15 billion, on a pro forma basis, UBS will remain, according to its own opinion, one of the best-capitalised financial institutions in the world. On 31 March 2008 the BIS Tier 1¹ ratio was 6.9 %², invested assets stood at CHF 2,759 billion, equity attributable to UBS shareholders at CHF 16,386 million and the market capitalisation was CHF 59,843 million.

Who are the members of the Issuer's management and supervisory bodies?

The board of directors comprises a minimum of six or a maximum of twelve members. Their term of office lasts one year.

Board of Directors of UBS AG

The Board of Directors consists of twelve members:

	Title	Term of office	Position outside UBS AG
Peter Kurer	Chairman	2009	
Stephan Haeringer	Executive Vice Chairman	2010	
Sergio Marchionne	Member	2010	CEO of Fiat S.p.A, Turin; CFO of Fiat Group Automobiles; Chairman of the board of the Société Générale de Surveillance (SGS) Group, Geneva and Chairman of the board of CNH Global N.V., Amsterdam; member of the Board of Directors of Philip Morris International Inc., New York
Ernesto Bertarelli	Member	2009	Chairman of Kedge Capital Partners Ltd. Jersey; Chairman of Team Alinghi SA, Ecublens (Switzerland); Chairman of Alinghi Holdings Ltd. Jersey; various board mandates in professional organizations of the biotech and pharmaceutical industries
Gabrielle Kaufmann-Kohler	Member	2009	Partner at the Lévy, Kaufmann-Kohler law firm and Professor of international private law at the University of Geneva; member of the American Arbitration Association

¹ Tier 1 capital comprises share capital, share premium, retained earnings including current year profit, foreign currency translation and minority interests less accrued dividends, net long positions in own shares and goodwill.

² Following the EUR 1 billion hybrid Tier 1 issue already completed in April and the CHF 15 billion rights issue expected to be completed in June, pro-forma 31 March 2008 Tier 1 ratio would have increased to 11.8 per cent.

Rolf A. Meyer	Member	2009	Member of the BoD of DKSH AG, Zurich; member of the BoD of Ascom (Switzerland) Ltd., Berne
Helmut Panke	Member	2010	Member of the Board of Directors of Microsoft Corporation, Redmond, WA (USA); member of the BoD of the American Chamber of Commerce in Germany; member of the International Advisory Board for Dubai International Capital's "Global Strategic Equities Fund"
David Sidwell	Member	2009	Member of the BoD of MSCI Barra Inc.; trustee of the International Accounting Standards Committee Foundation; member of the Advisory Committee of the US Securities and Exchange Commission (SEC)
Peter Spuhler	Member	2010	Owner of Stadler Rail AG (Switzerland); Chairman of Stadler Bussnang AG; Chairman of various companies within the Stadler Rail Group; member of the BoD of Kühne Holding, Switzerland; member of the BoD of Walo Bertschinger Central AG, Switzerland; Vice President of LITRA, Berne; member of the National Council of the Swiss Parliament (lower house)
Peter R. Vosser	Member	2009	Chief Financial Officer of Royal Dutch Shell plc, London; member of the BoD of the Federal Auditor Oversight Authority
Lawrence A. Weinbach	Member	2009	Partner of the Yankee Hill Capital Management LLC, Southport, CT (USA); member of the BoD of Avon Products Inc., New York; trustee and member of the Audit Committee of Carnegie Hall, New York; member of the BoD of Quadra Realty Trust, Inc., New York; member of the BoD of Discover Financial Services, Riverwoods, Illinois; member of the New York Stock Exchange Listed Company Advisory Committee; member of the National Security Telecommunications Advisory Committee
Joerg Wolle	Member	2009	President and CEO of DKSH (Diethelm Keller Siber Hegner) Holding Ltd., Zurich

Group Executive Board of UBS AG

The Group Executive Board consists of eleven members:

Marcel Rohner	Group Chief Executive Officer
John A. Fraser	Chairman and CEO Global Asset Management
Marten Hoekstra	Deputy CEO, Global Wealth Management & Business Banking and Head of Wealth Management Americas
Jerker Johansson	Chairman & CEO Investment Bank
Joseph Scoby	Group Chief Risk Officer
Walter Stuerzinger	Chief Operating Officer, Corporate Center
Marco Suter	Group Chief Financial Officer

Rory Tapner	Chairman and CEO Asia Pacific
Raoul Weil	Chairman and CEO Global Wealth Management & Business Banking
Alexander Wilmot-Sitwell	Joint Global Head Investment Banking Department, Investment Bank, and Chairman and CEO, Group Europe, Middle East & Africa
Robert Wolf	Chairman and CEO, Group Americas and President and Chief Operating Officer, Investment Bank

No member of the GEB has any significant business interests outside of UBS.

What is the Issuer's financial situation?

The following table has been produced from the quarterly unaudited results of UBS as of 31 March 2008 and shows the key facts and UBS' first class ratings:

UBS financial highlights

CHF million, except where indicated	As of or for the quarter ended			% change from	
	31.3.08	31.12.07	31.3.07	4Q07	1Q07

Performance indicators from continuing operations

Diluted earnings per share (CHF) ¹	(5.63)	(6.47)	1.43	13	
Return on equity attributable to UBS shareholders (%) ²	(180.0)	(12.2)	26.8		
Cost / income ratio (%) ³	N/A ⁴	N/A ⁴	69.6		
Net new money (CHF billion) ⁵	(12.8)	15.5	52.8		

Group results

Operating income	(3,952)	(4,132)	13,486	4	
Operating expenses	7,847	8,918	9,380	(12)	(16)
Operating profit before tax (from continuing and discontinued operations)	(11,679)	(13,016)	4,112	10	
Net profit attributable to UBS shareholders	(11,535)	(12,967)	3,031	11	
Personnel (full-time equivalents) ⁶	83,839	83,560	80,637	0	4

UBS balance sheet and capital management

Balance sheet key figures

Total assets	2,231,019	2,272,768	2,514,359	(2)	(11)
Equity attributable to UBS shareholders	16,386	35,219	51,311	(53)	(68)
Market capitalization	59,843	108,654	149,157	(45)	(60)

BIS capital ratios

Tier 1 (%) ⁷	6.9	8.7	11.6		
Total BIS (%)	10.7	11.9	14.6		
Risk-weighted assets	333,300	372,298	354,603	(10)	(6)
Invested assets (CHF billion)	2,759	3,189	3,112	(13)	(11)

Long-term ratings

Fitch, London	AA- ⁸	AA	AA+		
Moody's, New York	Aa1 ⁸	Aaa	Aa2		
Standard & Poor's, New York	AA- ⁸	AA	AA+		

¹ For the earnings per share calculation, see Note 8 to the unaudited Financial Statements in UBS' *First Quarter 2008* financial report. ² Net profit attributable to UBS shareholders from continuing operations year-to-date (annualized as applicable) / average equity attributable to UBS shareholders less distributions (estimated as applicable). ³ Operating expenses / operating income before credit loss expense or recovery. ⁴ The cost / income ratio is not meaningful due to negative income. ⁵ Excludes interest and dividend income. ⁶ Excludes personnel from Industrial Holdings. ⁷ For further details, please refer to the "Capital management" section of UBS' *First Quarter 2008* financial report. ⁸ Reflects rating on 1 April 2008.

3) The section 'Description of the Issuer' is completely replaced as follows:

DESCRIPTION OF THE ISSUER

The following description contains general information on UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland, and Aeschenvorstadt 1, 4051 Basel, Switzerland, acting through its [London Branch, 1 Finsbury Avenue, London EC2M 2PP, United Kingdom] [Jersey Branch, 24 Union Street, Saint Helier, Jersey JE4 8UJ].

OVERVIEW

UBS AG and its subsidiaries ("**UBS AG**" or "**UBS**") is, according to its own opinion, one of the world's leading financial firms, serving a discerning international client base. As an integrated firm, UBS creates added value for clients by drawing on the combined resources and expertise of all its businesses. UBS is, according to its own opinion, the leading global wealth manager, a leading investment banking and securities firm with a strong institutional and corporate client franchise, one of the largest global asset managers and the market leader in Swiss commercial and retail banking. On 31 March 2008, UBS employed more than 80,000 people. With headquarters in Zurich and Basel, Switzerland, UBS operates in over 50 countries and from all major international centers.

After giving effect to the proposed rights issue of approximately CHF 15 billion, on a pro forma basis, UBS will remain, according to its own opinion, one of the best-capitalised financial institutions in the world. On 31 March 2008 the BIS Tier1³ ratio was 6.9 per cent⁴, invested assets stood at CHF 2,759 billion, equity attributable to UBS shareholders at CHF 16,386 million and the market capitalisation was CHF 59,843 million.

The rating agencies Standard & Poor's Inc. ("**Standard & Poor's**"), Fitch Ratings ("**Fitch**") and Moody's Investors Service Inc. ("**Moody's**") have assessed the creditworthiness of UBS, i.e. the ability of UBS to fulfil payment obligations, such as principal or interest payments on long-term loans, also known as debt servicing, in a timely manner. The ratings from Fitch and Standard & Poor's may be attributed a plus or minus sign, and those from Moody's a number. These supplementary attributes indicate the relative position within the respective rating class. Standard & Poor's currently rates UBS' creditworthiness AA-, Fitch with AA- and Moody's with Aa1.

I. CORPORATE INFORMATION

The legal and commercial name of the company is UBS AG. The company was incorporated under the name SBC AG on 28 February 1978 for an unlimited duration and entered in the Commercial Register of Canton Basel-City on that day. On 8 December 1997, the company changed its name to UBS AG. The company in its present form was created on 29 June 1998 by the merger of Union Bank of Switzerland (founded 1862) and Swiss Bank Corporation (founded 1872). UBS AG is entered in the Commercial Registers of Canton Zurich and Canton Basel-City. The registration number is CH-270.3.004.646-4.

UBS AG is incorporated and domiciled in Switzerland and operates under Swiss Code of Obligations and Swiss Federal Banking Law as an *Aktiengesellschaft*, a corporation that has issued shares of common stock to investors.

³ Tier 1 capital comprises share capital, share premium, retained earnings including current year profit, foreign currency translation and minority interests less accrued dividends, net long positions in own shares and goodwill.

⁴ Following the EUR 1 billion hybrid Tier 1 issue already completed in April and the CHF 15 billion rights issue expected to be completed in June, pro-forma 31 March 2008 Tier 1 ratio would have increased to 11.8 per cent.

The addresses and telephone numbers of UBS two registered offices and principal places of business are: Bahnhofstrasse 45, CH-8001 Zurich, Switzerland, telephone +41-44-234 11 11; and Aeschenvorstadt 1, CH-4051 Basel, Switzerland, telephone +41-61-288 20 20.

UBS shares are listed on the SWX Swiss Exchange and traded through SWX Europe which is majority owned by the SWX Swiss Exchange. They are also listed on the New York Stock Exchange and on the Tokyo Stock Exchange.

According to Article 2 of the Articles of Association of UBS AG ("**Articles of Association**") the purpose of UBS is the operation of a bank. Its scope of operations extends to all types of banking, financial, advisory, service and trading activities in Switzerland and abroad.

II. BUSINESS OVERVIEW

UBS is managed through three Business Groups and its Corporate Center, each of which is described below. A full description of their strategies, structure, organisation, products, services and markets can be found in the Annual Report 2007 of UBS AG, 1 Strategy, Performance and Responsibility, in the English version on pages A85 - A152 (inclusive).

Global Wealth Management & Business Banking

With almost 150 years of experience, the global wealth management business provides a comprehensive range of products and services individually tailored for wealthy clients around the world. UBS' client advisors provide a full range of wealth management services to clients - from asset management to estate planning and from corporate finance advice to art banking. In the U.S., the business is, according to its own opinion, one of the leading wealth managers. Business Banking Switzerland is, according to its own opinion, the market leader in Switzerland, providing a complete set of banking and securities services for individual and corporate clients.

Global Asset Management

The Global Asset Management business is, according to its own opinion, one of the world's leading investment managers, providing traditional and alternative and real estate investment solutions to private, institutional and corporate clients, and through financial intermediaries. It is, according to its own opinion, one of the largest global institutional asset managers and the largest hedge fund of funds manager in the world. It is also, according to its own opinion, one of the largest mutual fund managers in Europe and the largest in Switzerland.

Investment Bank

UBS Investment Bank is, according to its own opinion, one of the world's leading investment banking and securities firms, providing a full range of products and services to corporate and institutional clients, governments, financial intermediaries and alternative asset managers. Its investment bankers, salespeople and research analysts, supported by its risk and logistics teams, deliver advice and execution to clients all over the world. The Investment Bank also works with financial sponsors and hedge funds and indirectly meets the needs of private investors through both UBS' own wealth management business and through other private banks.

Corporate Center

Corporate Center creates value for shareholders and other stakeholders by partnering with the Business Groups to ensure that the firm operates as an effective and integrated whole with a common vision and set of values. It helps UBS' businesses grow sustainably through its risk, financial control, treasury, communication, legal and compliance, human resources, strategy, off shoring and technology functions. On 1 January 2008, UBS' private equity portfolio (formerly held by Industrial Holdings) was integrated into Corporate Center. The strategy for the portfolio remains the same as it was prior to integration: to de-emphasize and reduce exposure to this asset class while capitalizing on orderly exit opportunities as they arise.

Competition

UBS faces stiff competition in all business areas. Both in Switzerland and abroad, the Bank competes with asset management companies, commercial, investment and private banks, brokerages and other financial services providers. Competitors include not only local banks, but also global financial institutions, which are similar to UBS in terms of both size and services offered.

In addition, the consolidation trend in the global financial services sector is introducing new competition, which may have a greater impact on prices, as a result of an expanded range of products and services and increased access to capital and growing efficiency.

III. ORGANISATIONAL STRUCTURE OF THE ISSUER

The objective of UBS' group structure is to support the business activities of the Company within an efficient legal, tax, supervisory and financial framework. Neither the individual business groups of UBS, Global Wealth Management & Business Banking, Global Asset Management, Investment Bank, nor the Corporate Center (the "**Business Groups**") are legally independent entities; instead, they perform their activities through the domestic and foreign offices of the parent bank, UBS AG.

Settlement of transactions through the parent bank allows UBS to fully exploit the advantages generated for all business groups through the use of a single legal entity. In cases where it is impossible or inefficient to process transactions via the parent, due to local statutory, tax or supervisory provisions or newly acquired companies, these tasks are performed on location by legally independent group companies. The major subsidiaries are listed in the Annual Report 2007 of UBS AG, 4 Financial Statements, in English, on pages D96 - D99 (inclusive).

IV. TREND INFORMATION

The year started with tough business conditions for the financial industry as a whole. UBS expects this difficult environment to remain and be characterized by a continuing unfavorable global economic climate, deleveraging by institutional and private investors, slower wealth creation and lower trading and capital market activity.

Recent Developments

- On 23 April 2008, at UBS' annual general meeting, the shareholders of UBS AG approved a capital increase relating to a fully underwritten rights issue. On 22 May 2008 UBS announced the final terms of said rights issue: UBS' Board of Directors approved an increase in the share capital of UBS AG through the issue of 760,295,181 fully paid-in registered shares with a par value of CHF 0.10. Upon completion of the transaction, 2,932,541,279 fully paid-in registered shares with a par value of CHF 0.10 each will be outstanding. The subscription price for the new shares was set at CHF 21.00 per new share, which is expected to translate into gross proceeds of approximately CHF 15.97 billion. The transaction is expected to close on 17 June 2008.
- On 6 May 2008, UBS announced that (i) the Group has targeted a reduced cost run-rate of approximately CHF 28 billion for 2009, which would be significantly below current levels, and (ii) after the capacity reductions planned in the Investment Bank, UBS has established as a target that the Investment Bank would have an inherent capacity to generate approximately CHF 4 billion pre-tax contribution in a normalized environment. There can be no assurance that these plans or targets can be achieved in whole or in part or, if they can, over what time period.

The impact will affect all of UBS' businesses, and it requires the firm to manage costs, resources and capacity very actively. The Investment Bank expects to employ around 19,000 people at the end of 2008. This will require a reduction of up to 2,600, of which the large majority will be redundancies. In other business groups, personnel numbers will be reduced mainly through natural attrition and internal redeployment, although it will not be possible to avoid redundancies entirely. Assuming no change in market conditions, UBS estimates that, by mid-2009, the firm as a whole will have about 5,500 fewer employees than today.

- On 6 May 2008, UBS also announced that it had made a decision to exit the institutional side of the U.S. municipal securities business through sale or otherwise.

- UBS announced on 1 April 2008 that it would form a new entity to hold substantial parts of UBS' work-out portfolio of currently illiquid U.S. real estate assets, and said that it intended to reduce its exposure in a way that would reduce the effect of distressed market conditions on the core businesses while providing an opportunity for shareholders to realize value over time. On 21 May 2008, UBS announced that it had sold to a newly created distressed asset fund that will be managed by BlackRock positions consisting primarily of subprime and Alt-A U.S. residential mortgage-backed securities. UBS sold positions with a nominal value of USD 22 billion to the new fund for an aggregate sale price of approximately USD 15 billion. Based on UBS categorizations, the vast majority of the positions are subprime and Alt-A in roughly equal parts and the remainder is prime. The fund purchased the securities using approximately USD 3.75 billion in equity raised by BlackRock from investors and a multi-year collateralized term loan of approximately USD 11.25 billion provided by UBS.
- As part of its review of its fixed income businesses, UBS is evaluating the operation of its reference linked note programs, and may determine to limit or discontinue one or more of the programs. A decision to discontinue or limit operation of one or more of the programs could result in a charge to income.
- Current economic and market conditions were volatile and challenging into the second quarter. UBS remains very cautious about the net new money outlook in the near term.

V. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES OF THE ISSUER

UBS operates under a strict dual Board structure, as mandated by Swiss banking law. The functions of Chairman of the Board of Directors ("**Chairman**") and Group Chief Executive Officer ("**Group CEO**") are assigned to two different people, thus providing separation of powers. This structure establishes checks and balances and creates an institutional independence of the Board of Directors ("**BoD**") from the day-to-day management of the firm, for which responsibility is delegated to the Group Executive Board ("**GEB**"). No member of one Board may be a member of the other.

The supervision and control of the executive management remains with the BoD. The Articles of Association and the Organisation Regulations of UBS AG, with their Appendices govern all details as to authorities and responsibilities of the two bodies. Please refer to www.ubs.com/corporate-governance.

The BoD consists of at least six and a maximum of twelve members. The term of office for members of the board is one year.

Details of the Executive Bodies of the Company

Board of Directors of UBS AG

The Board of Directors consists of twelve members:

	Title	Term of office	Position outside UBS AG
Peter Kurer	Chairman	2009	
Stephan Haeringer	Executive Vice Chairman	2010	
Sergio Marchionne	Member	2010	CEO of Fiat S.p.A, Turin; CFO of Fiat Group Automobiles; Chairman of the board of the Société Générale de Surveillance (SGS) Group, Geneva and Chairman of the board of CNH Global N.V., Amsterdam; member of the Board of Directors of Philip Morris International Inc., New York
Ernesto Bertarelli	Member	2009	Chairman of Kedge Capital Partners Ltd. Jersey; Chairman of Team Alinghi SA, Ecublens (Switzerland); Chairman of Alinghi Holdings Ltd. Jersey; various

			board mandates in professional organizations of the biotech and pharmaceutical industries
Gabrielle Kaufmann-Kohler	Member	2009	Partner at the Lévy, Kaufmann-Kohler law firm and Professor of international private law at the University of Geneva; member of the American Arbitration Association
Rolf A. Meyer	Member	2009	Member of the BoD of DKSH AG, Zurich; member of the BoD of Ascom (Switzerland) Ltd., Berne
Helmut Panke	Member	2010	Member of the Board of Directors of Microsoft Corporation, Redmond, WA (USA); member of the BoD of the American Chamber of Commerce in Germany; member of the International Advisory Board for Dubai International Capital's "Global Strategic Equities Fund"
David Sidwell	Member	2009	Member of the BoD of MSCI Barra Inc.; trustee of the International Accounting Standards Committee Foundation; member of the Advisory Committee of the US Securities and Exchange Commission (SEC)
Peter Spuhler	Member	2010	Owner of Stadler Rail AG (Switzerland); Chairman of Stadler Bussnang AG; Chairman of various companies within the Stadler Rail Group; member of the BoD of Kühne Holding, Switzerland; member of the BoD of Walo Bertschinger Central AG, Switzerland; Vice President of LITRA, Berne; member of the National Council of the Swiss Parliament (lower house)
Peter R. Voser	Member	2009	Chief Financial Officer of Royal Dutch Shell plc, London; member of the BoD of the Federal Auditor Oversight Authority
Lawrence A. Weinbach	Member	2009	Partner of the Yankee Hill Capital Management LLC, Southport, CT (USA); member of the BoD of Avon Products Inc., New York; trustee and member of the Audit Committee of Carnegie Hall, New York; member of the BoD of Quadra Realty Trust, Inc., New York; member of the BoD of Discover Financial Services, Riverwoods, Illinois; member of the New York Stock Exchange Listed Company Advisory Committee; member of the National Security Telecommunications Advisory Committee
Joerg Wolle	Member	2009	President and CEO of DKSH (Diethelm Keller Siber Hegner) Holding Ltd., Zurich

Group Executive Board of UBS AG

The Group Executive Board consists of eleven members:

Marcel Rohner	Group Chief Executive Officer
John A. Fraser	Chairman and CEO Global Asset Management
Marten Hoekstra	Deputy CEO, Global Wealth Management & Business Banking and Head of Wealth Management Americas
Jerker Johansson	Chairman & CEO Investment Bank
Joseph Scoby	Group Chief Risk Officer
Walter Stuerzinger	Chief Operating Officer, Corporate Center
Marco Suter	Group Chief Financial Officer
Rory Tapner	Chairman and CEO Asia Pacific
Raoul Weil	Chairman and CEO Global Wealth Management & Business Banking
Alexander Wilmot-Sitwell	Joint Global Head Investment Banking Department, Investment Bank, and Chairman and CEO, Group Europe, Middle East & Africa
Robert Wolf	Chairman and CEO, Group Americas and President and Chief Operating Officer, Investment Bank

No member of the GEB has any significant business interests outside of UBS.

Board of Directors

The BoD is the most senior body of UBS. All the members of the BoD are elected individually by the Annual General Meeting for a term of office of one year⁵. The BoD itself then appoints its Chairman, the Vice Chairmen and the various BoD Committees (Audit Committee, Compensation Committee, Nominating Committee and Corporate Responsibility Committee)⁶.

The BoD has ultimate responsibility for the mid- and long-term strategic direction of UBS, for appointments and dismissals at top management levels and the definition of the firm's risk principles and risk capacity. While the majority of the BoD members are always non-executive and independent, the Chairman and at least one Vice Chairman have executive roles in line with Swiss banking laws, and assume supervisory and leadership responsibilities. The BoD meets as often as business requires, and at least six times a year.

The business address of the members of the BoD is UBS AG, Bahnhofstrasse 45, CH-8001 Zurich, Switzerland.

Group Executive Board

The GEB has business management responsibility for UBS. The Group CEO and the members of the GEB are appointed by the Board of Directors and are accountable to the Chairman and the Board for the firm's results. The GEB, and in particular the Group CEO, are responsible for the implementation and results of the firm's business strategies, for the alignment of the Business Groups to UBS integrated business model, and for the exploitation of synergies across the firm.

The business address of the members of the GEB is UBS AG, Bahnhofstrasse 45, CH-8001 Zurich, Switzerland.

Potential conflicts of interest

Members of the BoD and GEB may act as directors or executive officers of other companies (please see above under "Details of the Executive Bodies of the Company") and may have economic interests that differ from those of the Issuer. Potential conflicts of interest may arise from these positions or interests. UBS is confident that its internal corporate governance practices and its compliance with relevant legal

⁵ At the Annual General Meeting on 23 April 2008 the shareholders reduced the term of office for the members of the BoD from three years to one year. As a result, the new members were elected for one year. For existing members the one-year term starts from the point at which they are re-elected.

⁶ New committee structure to be implemented by the end of June 2008.

and regulatory provisions reasonably ensure that any conflicts of interest of the type described above are appropriately managed, including disclosure when appropriate.

VI. AUDITORS

On 23 April 2008, the UBS Annual General Meeting reelected Ernst & Young Ltd., Aeschengraben 9, 4002 Basel, Switzerland, as the Group and statutory auditor in accordance with company law and banking law provisions for a further one-year term. Ernst & Young Ltd., Basel, is a member of the Swiss Institute of Certified Accountants and Tax Consultants based in Zurich, Switzerland.

VII. MAJOR SHAREHOLDERS OF THE ISSUER

The ownership of UBS shares is broadly disbursed. As at 31 December 2007, Chase Nominees Ltd., London, was registered with a 7.99 per cent holding (31 December 2006: 8.81 per cent, 31 December 2005: 8.55 per cent) of total share capital held in trust for other investors. As at 31 December 2007, the US securities clearing organisation DTC (Cede & Co.) New York, "The Depository Trust Company", held 14.15 per cent (31 December 2006: 13.21 per cent, 31 December 2005: 9.95 per cent) of total share capital in trust for other beneficiaries. As of 8 February 2008, Credit Suisse Group, Zurich, directly or indirectly held a stake of 3.651% of acquisition positions, consisting of 19,160,098 (0.924%) UBS registered shares and a total of 56,550,917 (2.727 %) acquisition rights and granted disposal rights on UBS registered shares. At the same time, Credit Suisse Group directly or indirectly held 82,449,871 (3.976%) disposal rights relating to UBS registered shares. Pursuant to UBS provisions on registering shares, the voting rights of nominees are limited to 5 per cent. This regulation does not apply to securities clearing and settlement organisations. No other shareholder was registered with a holding in excess of 5 per cent of total share capital.

As of 29 February 2008, UBS held a stake of 5.73 % (118,912,541) of acquisition positions (proportion of voting rights) consisting of 104,858,252 UBS registered shares and a total of 14,054,289 acquisition rights and granted disposal rights on UBS registered shares. At the same time, UBS held 25.97 % (538,431,438) of disposal positions (proportion of voting rights) relating to UBS registered shares. These comprised, inter alia, conversion rights on 252,525,253 (12.18 %) UBS registered shares in the form of mandatory convertible notes ("MCNs") issued to the Government of Singapore Investment Corporation Pte. Ltd, Singapore, and another investor from the Middle East on 5 March 2008. Based on the maximum number of shares to be issued under the MCNs, the Government of Singapore Investment Corporation Pte. Ltd, as a result of the conversion, would hold approximately 252,525,253 (without giving effect to any adjustment made as a result of the rights offering) of UBS registered shares. As of 27 February 2008, the Government of Singapore Investment Corporation Pte. Ltd held 8,316,717 UBS shares.

Further details on the distribution of UBS shares, the number of registered and non-registered securities, voting rights as well as distribution by shareholder categories and geographical regions can be found in the Annual Report 2007 of UBS AG, 3 Corporate Governance and Compensation Report, in English, on pages C5-C6 (inclusive).

VIII. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

A description of the Issuer's assets and liabilities, financial position and profits and losses is available in the Financial Report of the Issuer for financial year 2006 and in the Annual Report 2007 of UBS AG, 4 Financial Statements for financial year 2007, in English. In this context, the Issuer's fiscal year equals the calendar year.

In the case of financial year 2006 reference is made to

- (i) the Financial Statements of UBS AG (Group), in particular the Income Statement of UBS AG (Group) on page A82, the Balance Sheet of UBS AG (Group) on page A83, the Statement of Cash Flows of UBS AG (Group) on pages A86 - A87 (inclusive) and the Notes to the Financial Statements on pages A88 - A214 (inclusive), and
- (ii) the Financial Statements of UBS AG (Parent Bank), in particular the Income Statement of UBS AG (Parent Bank) on page A218, the Balance Sheet of UBS AG (Parent Bank) on page A219, the Statement of Appropriation of Retained Earnings of UBS AG (Parent Bank) on

page A220, the Notes to the Financial Statements on pages A221 - A225 (inclusive) and the Parent Bank Review on page A217, and

- (iii) the sections entitled "Accounting Standards and Policies" on pages A67 - A72 (inclusive) in the Financial Report 2006.

In the case of financial year 2007 reference is made to

- (i) the Financial Statements of UBS AG (Group), in particular to the Income Statement of UBS AG (Group) on page D18, the Balance Sheet of UBS AG (Group) on page D19, to the Statement of Cash Flows of UBS AG (Group) on pages D23 - D24 (inclusive) and to the Notes to the Financial Statements on pages D25 - D120 (inclusive), and
- (ii) the Financial Statements of UBS AG (Parent Bank), in particular to the Income Statement of UBS AG (Parent Bank) on page D125, the Balance Sheet of UBS AG (Parent Bank) on page D126, to the Statement of Appropriation of Retained Earnings of UBS AG (Parent Bank) on page D127, to the Notes to the Financial Statements on page D128 and to the Parent Bank Review on page D124, and
- (iii) the sections entitled "Accounting Standards and Policies" on pages D3 - D8 (inclusive) in the Annual Report 2007 of UBS AG, 4 Financial Statements.

All relevant financial information including the relevant notes thereto, contained therein and audited by the UBS auditor, form an integral component of this Prospectus, and are therefore fully incorporated in this Prospectus.

The Financial Reports form an essential part of UBS reporting. They include the audited Consolidated Financial Statements of UBS, prepared in accordance with International Financial Reporting Standards ("IFRS") and the audited financial statements of UBS AG, prepared according to Swiss banking law provisions. The Financial Reports also include discussions and analyses of the financial and business results of UBS and its business groups, as well as certain additional disclosures required under Swiss and US regulations.

The financial statements for UBS AG (Group) and its subsidiaries as well as for UBS AG (Parent Bank) were audited by Ernst & Young Ltd., Basel, for financial years 2006 and 2007. The "Report of the Statutory Auditors" of UBS AG (Parent Bank) can be found on page A226 of the Financial Reports for 2006 and on page D140 of the Annual Report 2007 of UBS AG, 4 Financial Statements. The "Report of the Group Auditors" of the UBS AG (Group) can be found on pages A80 – A81 (inclusive) of the Financial Reports for 2006 and on page D16 - D17 (inclusive) of the Annual Report 2007 of UBS AG, 4 Financial Statements.

Reference is also made to the English version of the Issuer's quarterly report for the first quarter 2008, which includes information concerning the Issuer's current assets and liabilities, financial position and profits and losses. The information contained in this report as of 31 March 2008 was not audited by the Issuer's statutory auditor.

1. LEGAL AND ARBITRATION PROCEEDINGS

UBS Group operates in a legal and regulatory environment that exposes them to potentially significant litigation risks. As a result, UBS is involved in various disputes and legal proceedings, including litigation, arbitration, and regulatory and criminal investigations. Such cases are subject to many uncertainties, and their outcome is often difficult to predict, particularly in the earlier stages of a case. In certain circumstances, to avoid the expense and distraction of legal proceedings, UBS may based on a cost benefit analysis enter a settlement even though UBS denies any wrongdoing. UBS Group makes provisions for cases brought against it only when after seeking legal advice, in the opinion of management, it is probable that a liability exists, and the amount can be reasonably estimated. No provision is made for claims asserted against UBS Group that in the opinion of management are without merit and where it is not likely that UBS will be found liable.

Currently, UBS is responding to a number of regulatory inquiries and investigations, and is involved in a number of litigations and disputes, related to the sub-prime crisis, subprime securities, and structured transactions involving subprime securities. These matters concern, among other things, UBS' valuations, disclosures, write-downs, underwriting, and contractual obligations. UBS has been in regular communication with its home country consolidated regulator, the Swiss Federal Banking Commission (EBK), regarding some of these issues and others, including the role of internal control units, governance and processes around risk control and valuation of sub-prime instruments, compliance with public

disclosure rules, and the business rationales for the launching and the reintegration of Dillon Read Capital Management.

Within the last 12 months until the date of this document, UBS has been involved in the following material legal :

- (a) Tax Shelter: In connection with a criminal investigation of tax shelters, the United States Attorney's Office for the Southern District of New York ("US Attorney's Office") is examining UBS' conduct in relation to certain tax-oriented transactions in which UBS and others engaged during the years 1996–2000. Some of these transactions were the subject of the Deferred Prosecution Agreement which the accounting firm KPMG LLP entered into with the US Attorney's Office in August 2005, and are at issue in *United States v. Stein, S1 05 Cr. 888 (LAK)*. UBS is cooperating in the government's investigation.
- (b) Municipal Bonds: In November 2006, UBS and others received subpoenas from the US Department of Justice, Antitrust Division, and the SEC relating to derivative transactions entered into with municipal bond issuers and to the investment of proceeds of municipal bond issuances. Both investigations are ongoing, and UBS is cooperating. In the SEC investigation, on 4 February 2008, UBS received a "Wells notice" advising that the SEC staff is considering recommending that the SEC bring a civil action against UBS AG in connection with the bidding of various financial instruments associated with municipal securities. Under the SEC's Wells process, UBS will have the opportunity to set forth reasons of law, policy or fact why such an action should not be brought.
- (c) HealthSouth: UBS is defending itself in two purported securities class actions brought in the US District Court of the Northern District of Alabama by holders of stock and bonds in HealthSouth Corp. UBS also is a defendant in HealthSouth derivative litigation in Alabama State Court and has responded to an SEC investigation relating to UBS' role as a banker for HealthSouth.
- (d) Parmalat: UBS is involved in a number of proceedings in Italy related to the bankruptcy of Parmalat. These proceedings include, *inter alia*, clawback proceedings against UBS Limited in connection with a structured finance transaction. Further, UBS is a defendant in two civil damages claims brought by Parmalat, one of which relates to the same structured finance transaction against UBS Limited, while the other against UBS AG relates to certain derivative transactions. In addition, UBS Limited and one current and one former UBS employee are the subject of criminal proceedings in Milan. UBS AG and UBS Limited are defendants in civil actions brought by Parmalat investors in parallel with the criminal proceedings in Milan. Furthermore, four current or former UBS employees are defendants in relation to criminal proceedings in Parma. Civil claims have also been recently filed in parallel with the criminal proceedings by Parmalat against the individuals and UBS Limited and also by Parmalat investors against the individuals, UBS AG and UBS Limited. UBS AG and UBS Limited deny the allegations made against them and against the individuals in these matters and are vigorously defending themselves in these proceedings.
- (e) Auction Rate Securities Litigation: UBS has been named in three putative class actions and several arbitrations and individual civil litigations, and is responding to numerous regulatory requests, including requests from the SEC and a number of state regulators, relating to the marketing and sale of Auction Rate Securities (ARS) to clients and to UBS' role and participation in ARS auctions. The requests and the class actions followed the disruption in the markets for these securities and related auction failures since mid-February 2008.
- (f) US Cross-Border: The DOJ and the SEC are examining UBS's conduct in relation to cross-border services provided by Swiss-based UBS client advisors to U.S. clients during the years 2000-2007. In particular, DOJ is examining whether certain U.S. clients sought, with the assistance of UBS client advisors, to evade their U.S. tax obligations by avoiding restrictions on their securities investments imposed by the Qualified Intermediary agreement UBS entered into with the U.S. Internal Revenue Service in 2001. As has been reported, in connection with this investigation, a senior UBS employee was detained by U.S. authorities as a "material witness", and he remains in the U.S. until his status as a witness is resolved. As has also previously been reported, a former UBS AG client advisor was charged in an indictment unsealed on 13 May 2008 in the Southern District of Florida with conspiring to defraud the United States and the Internal Revenue Service in connection with providing investment and other services to a U.S. person who is alleged to have evaded U.S. income taxes on income earned on assets maintained in, among other places, a

former UBS AG account in Switzerland. The SEC is examining whether Swiss-based UBS client advisors engaged in activities in relation to their U.S.-domiciled clients that triggered an obligation for UBS Switzerland to register with the SEC as a broker-dealer and/or investment adviser. UBS has been cooperating with these investigations.

- (g) U.S. Cross-Border: The Department of Justice (“DOJ”) and the Securities and Exchange Commission (“SEC”) are examining UBS’ conduct in relation to cross-border services provided by Swiss-based UBS client advisors to US clients during the years 2000-2007. In particular, DOJ is examining whether certain US clients sought, with the assistance of UBS client advisors, to evade their U.S. tax obligations by avoiding restrictions on their securities investments imposed by the Qualified Intermediary agreement UBS entered into with the U.S. Internal Revenue Service in 2001. The SEC is examining whether Swiss-based UBS client advisors engaged in activities in relation to their US-domiciled clients that triggered an obligation for UBS Switzerland to register with the SEC as a broker-dealer and/or investment adviser. UBS is cooperating with these investigations.
- (h) Insight One: In early July 2007, UBS agreed to a settlement of the InsightOne case after the New York State Attorney General filed a civil complaint regarding UBS’ fee-based brokerage program for private clients in the United States in December 2006. UBS denied that the program was part of a scheme to disadvantage clients, but chose to settle to bring the proceedings to an end. Under the settlement, UBS paid a total of USD 23.3 million, of which USD 21.3 million was paid to certain current and former InsightOne customers pursuant to an agreed upon remediation plan, and USD 2 million was paid in penalties. In 2006, UBS established provisions sufficient to cover the settlement, and therefore the settlement did not impact UBS’ net profit in 2007.
- (i) Bankruptcy Estate of Enron: In June 2007, UBS and Enron settled adversarial proceedings in the US Bankruptcy Court for the Southern District of New York brought by Enron to avoid and recover payments made prior to filing for bankruptcy in connection with equity forward and swap transactions. UBS believed it had valid defences to all of Enron’s claims, but chose to settle to eliminate the uncertainty created by the proceeding. Under the terms of the settlement, UBS paid Enron USD 115 million and waived a proof of claim for approximately USD 5.5 million that UBS filed in Enron’s bankruptcy case. In 2006, UBS recognized a provision for more than half of the settlement amount, with the difference recognized in 2007. Therefore, the settlement did not materially impact UBS’ net profit in 2007.

Besides the proceedings specified above under (a) through (i) no governmental, legal or arbitration proceedings, which may significantly affect the Issuer’s financial condition are or have been pending, nor is the Issuer aware that any such governmental, legal or arbitration proceedings are threatened.

2. SIGNIFICANT CHANGES IN THE FINANCIAL SITUATION OF THE ISSUER

Since the last audited financial statements for the period ending 31 December 2007, the following changes occurred or are planned to occur:

As reflected in UBS’ Financial Report for the first quarter 2008, UBS incurred in the quarter a net loss attributable to shareholders of approximately CHF 11.5 billion.

Apart from the above-mentioned, there has been no material adverse change in UBS’ financial or trading position since 31 December 2007.

IX. MATERIAL CONTRACTS

No material agreements have been concluded outside of the normal course of business which could lead to UBS being subjected to an obligation or obtaining a right, which would be of key significance to the Issuer’s ability to meet its obligations to the investors in relation to the issued securities.

X. DOCUMENTS ON DISPLAY

- The Annual Report of UBS AG as at 31 December 2006, comprising (i) the Annual Review 2006, (ii) the Handbook 2006/2007 and (iii) the Financial Report 2006 (including the “Report of the Group Auditors” and the “Report of the Statutory Auditors”);

- The Annual Report of UBS AG as at 31 December 2007*, comprising (i) the Review 2007, (ii) 1 Strategy, Performance and Responsibility, (iii) 2 Risk, Treasury and Capital Management, (iv) 3 Corporate Governance and Compensation Report, (v) 4 Financial Statements (including the "Report of the Group Auditors" and the "Report of the Statutory Auditors");
- The quarterly report as of 31 March 2008, and
- The Articles of Association of UBS AG Zurich/Basel, as the Issuer,

shall be maintained in printed format, for free distribution, at the offices of the Issuer as well as at UBS Deutschland AG, Stephanstrasse 14 - 16, 60313 Frankfurt am Main, Federal Republic of Germany, for a period of twelve months after the publication of this document. In addition, the annual and quarterly reports of UBS AG are published on the UBS website, at www.ubs.com/investors or a successor address.

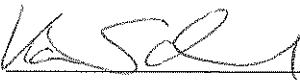
- * On 14 April 2008 UBS filed an amendment of its Form 20-F with the SEC. This amendment includes, amongst other adjustments, a restatement of the audited financial statements contained in the Annual Report 2007. The amendment of the Form 20-F is published on the above-mentioned UBS website.

The relevant Base Prospectus and all supplements thereto, are available free of charge at the Issuer and at UBS Deutschland AG, Stephanstrasse 14 – 16, 60313 Frankfurt am Main, Federal Republic of Germany.

Additionally, the Base Prospectus and all supplements thereto are published on the website www.ubs.com/keyinvest, or a successor website.

Frankfurt am Main, 2 June 2008

UBS AG, acting through its [London][Jersey] Branch


Kai Schmidt


Matthias Fischer

UBS Limited


Dirk Ellerkmann


Stefanie Ganz