



UBS

2004 Global Financial Services Conference

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Forward-looking Statement

This presentation and corresponding material contain forward-looking statements. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements. These statements often include the words “may,” “could,” “would,” “should,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “targets,” “potentially,” “probably,” “projects,” “outlook” or similar expressions. These forward-looking statements cover, among other things, anticipated future revenue and expenses, and the future prospects of the Company. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated, including the following, in addition to those contained in the Company’s reports on file with the SEC: (i) general economic or industry conditions could be less favorable than expected, resulting in a deterioration in credit quality, a change in the allowance for credit losses, or a reduced demand for credit or fee-based products and services; (ii) changes in the domestic interest rate environment could reduce net interest income and could increase credit losses; (iii) the conditions of the securities markets could change, adversely affecting revenues from capital markets businesses, the value or credit quality of the Company’s assets, or the availability and terms of funding necessary to meet the Company’s liquidity needs; (iv) changes in the extensive laws, regulations and policies governing financial services companies could alter the Company’s business environment or affect operations; (v) the potential need to adapt to industry changes in information technology systems, on which the Company is highly dependent, could present operational issues or require significant capital spending; (vi) competitive pressures could intensify and affect the Company’s profitability, including as a result of continued industry consolidation, the increased availability of financial services from non-banks, technological developments, or bank regulatory reform; (vii) acquisitions may not produce revenue enhancements or cost savings at levels or within time frames originally anticipated, or may result in unforeseen integration difficulties; and (viii) capital investments in the Company’s businesses may not produce expected growth in earnings anticipated at the time of the expenditure. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update them in light of new information or future events.

Financial Performance Summary

(\$ in Millions)

	<u>1Q 2004</u>	<u>1Q 2003</u>	<u>Percent Change</u>
Net Income	\$1,008.4	\$884.8	14.0%
Diluted EPS	\$0.52	\$0.46	13.0%
Net Interest Margin	4.29%	4.59%	
Net Charge-off Ratio	0.79%	1.16%	
Return on Equity	20.7%	19.1%	
Return on Assets	2.14%	1.95%	

Industry Leading Performance Metrics

First Quarter 2004

	<u>USB</u>	<u>Top 12 Median</u>	<u>USB Rank ⁽¹⁾</u>
Return on Assets	2.14%	1.39%	1
Return on Equity	20.7%	16.5%	3
Efficiency Ratio ⁽²⁾	42.3%	57.7%	1
Net Interest Margin	4.29%	3.58%	2
Tangible Return on Equity ⁽³⁾	35.9%	24.9%	1
Tangible Return on Assets ⁽³⁾	2.38%	1.55%	1
Tangible Efficiency Ratio ⁽²⁾⁽³⁾	38.5%	57.5%	1

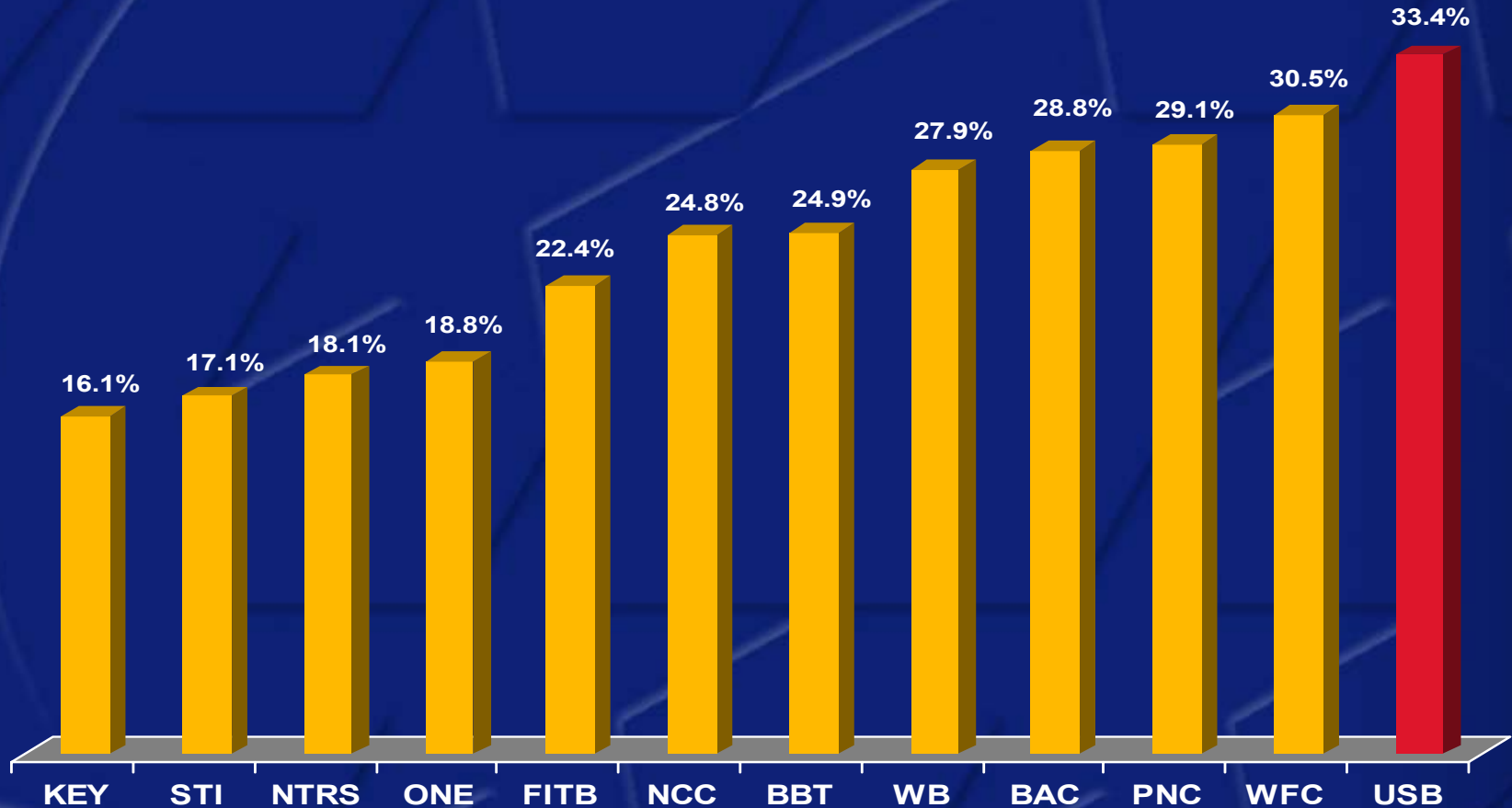
(1) Rank among Top 12 Peer Group which includes BAC, ONE, BBT, FITB, KEY, NCC, NTRS, PNC, STI, USB, WB and WFC.

(2) Computed as noninterest expense divided by the sum of net interest income on a taxable-equivalent basis and noninterest income excluding securities gains (losses), net. Excludes nonrecurring items.

(3) Tangible ratios exclude the impact of intangible amortization expense.

Industry Leading Capital Generation

Tangible Common Equity Generation Rates



Business Unit Results

1st Qtr 2004 Vs 1st Qtr 2003

Business Unit		Revenue Growth	Expense Growth	Earnings Growth	Operating Leverage
Consumer Banking 43% of Revenue	(1)	3.2%	-0.7%	8.8%	3.9%
	(2)	-4.6%	-2.2%	-8.1%	-2.4%
Wholesale Banking 20% of Revenue		-4.6%	-5.5%	17.1%	0.9%
Payment Services 18% of Revenue		5.2%	0.1%	20.8%	5.1%
Private Client, Trust & Asset Management 11% of Revenue		12.0%	-2.1%	26.3%	14.1%

(1) Excludes securities gains of \$105.8 million in 1Q 2003 used to partially offset mortgage servicing rights impairment. Excludes mortgage servicing rights impairment of \$109.3 million in 1Q 2004 and \$120.9 million in 1Q 2003.

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Business Unit Outlook

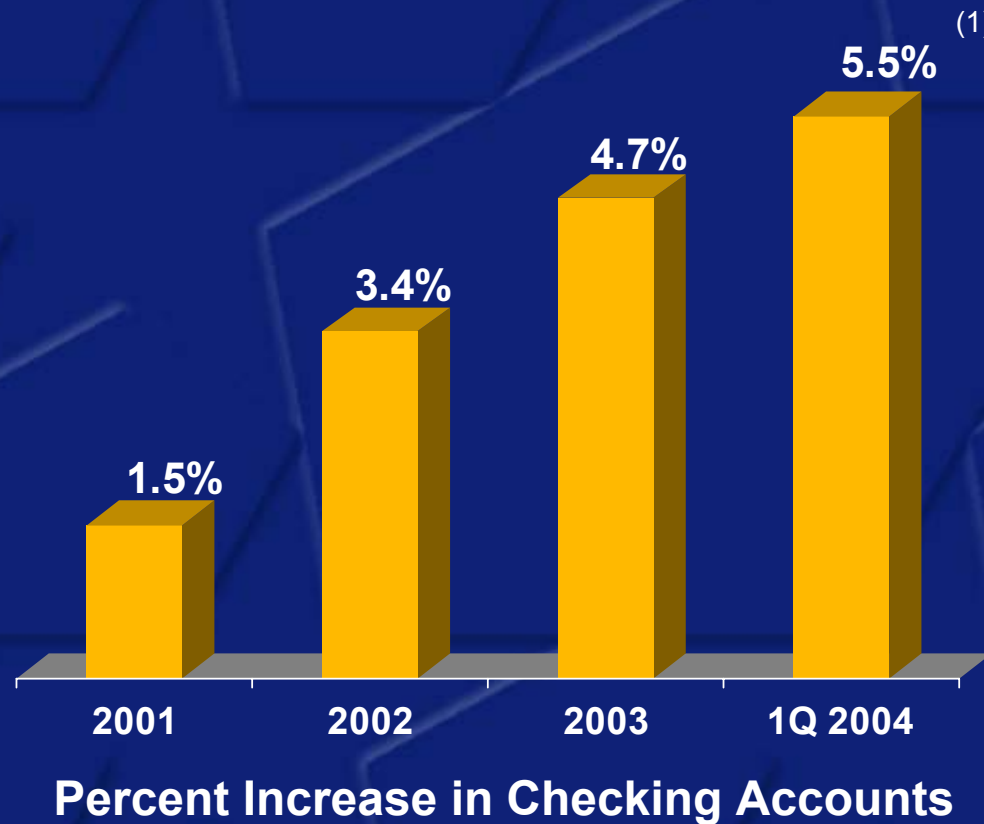
- Strength in Consumer Banking Carrying Over From 2003
- Wholesale Banking Loan Demand Increasing While Credit Costs Continue to Trend Lower
- Improving Economic Environment Driving Fee Growth in Payments and Fiduciary Businesses

Consumer Banking Outlook

- Strong Business Momentum
- Increasing Customer Penetration Through Better Identification of Cross-Sell Opportunities
- Investing in Distribution in High-Growth Markets
 - In-store Initiative
 - Expanding Mortgage Banking Origination Capabilities

Consumer Banking Trends

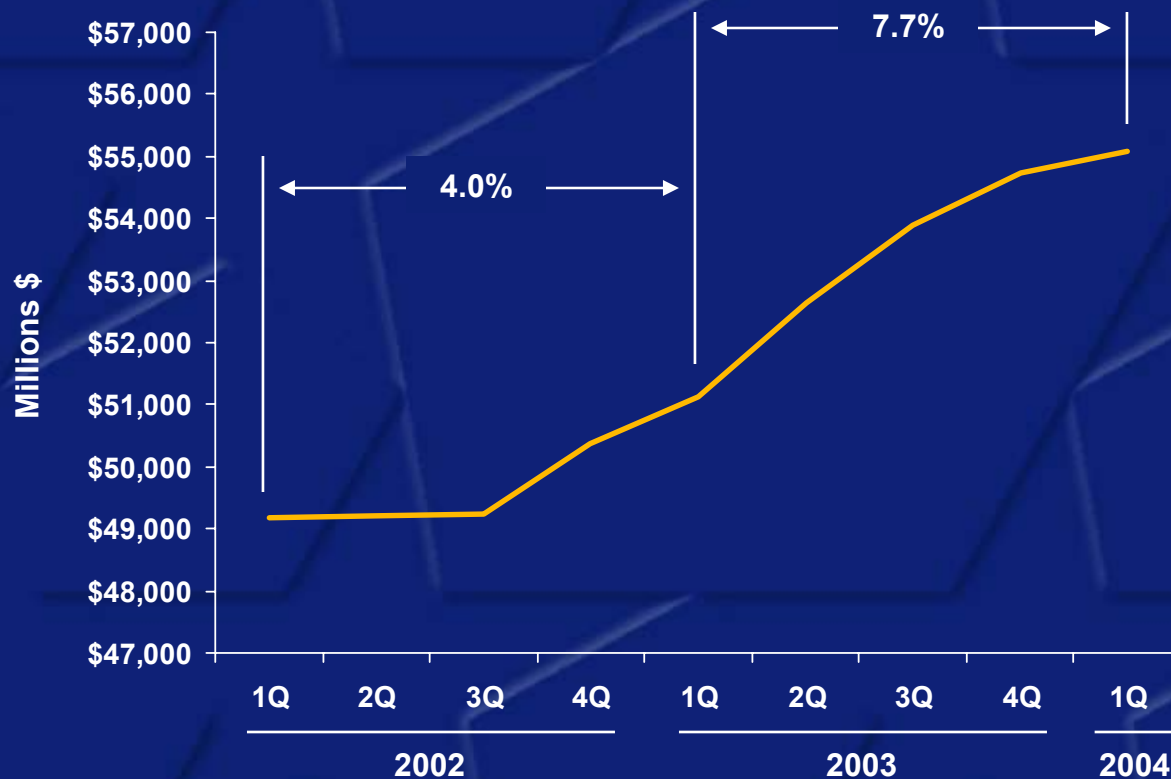
Growth in Checking Accounts is Accelerating



(1) Annualized

Consumer Banking Trends

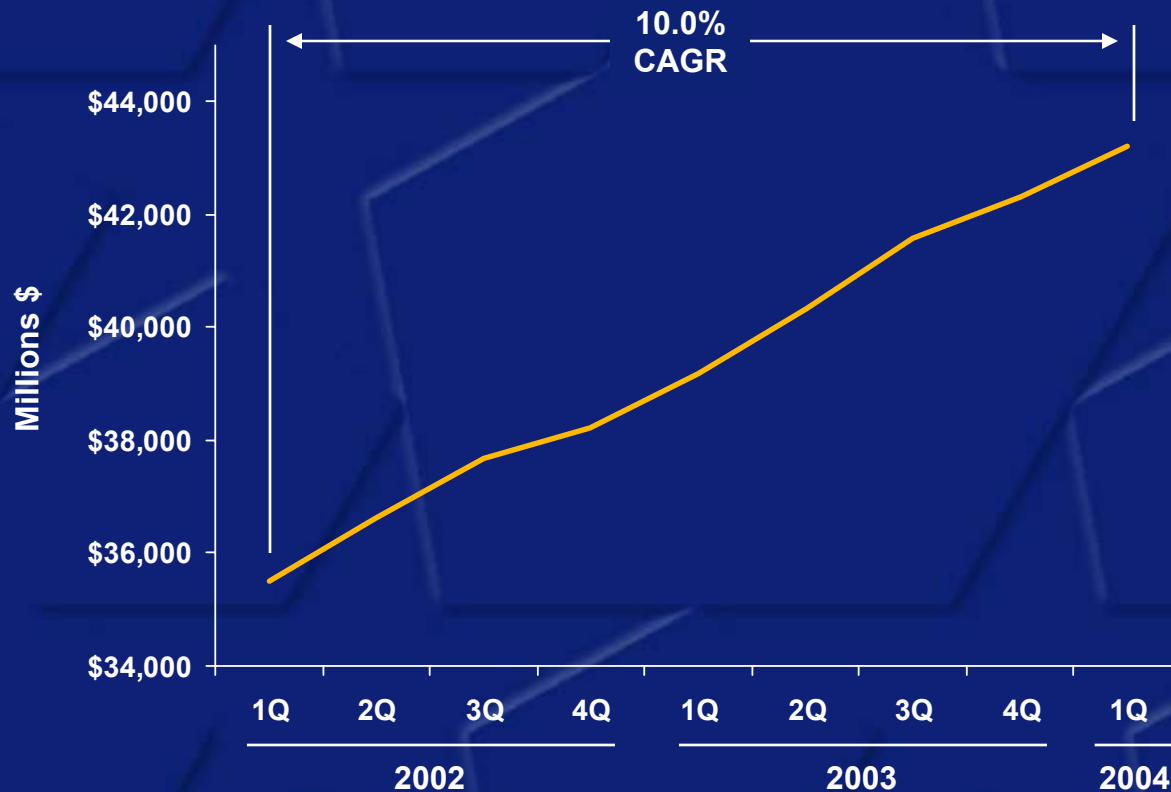
Average Low-Cost Core Deposit Growth is Strong (1)



(1) Branch-originated noninterest-bearing, NOW, money market and savings excluding the impact of acquisitions.

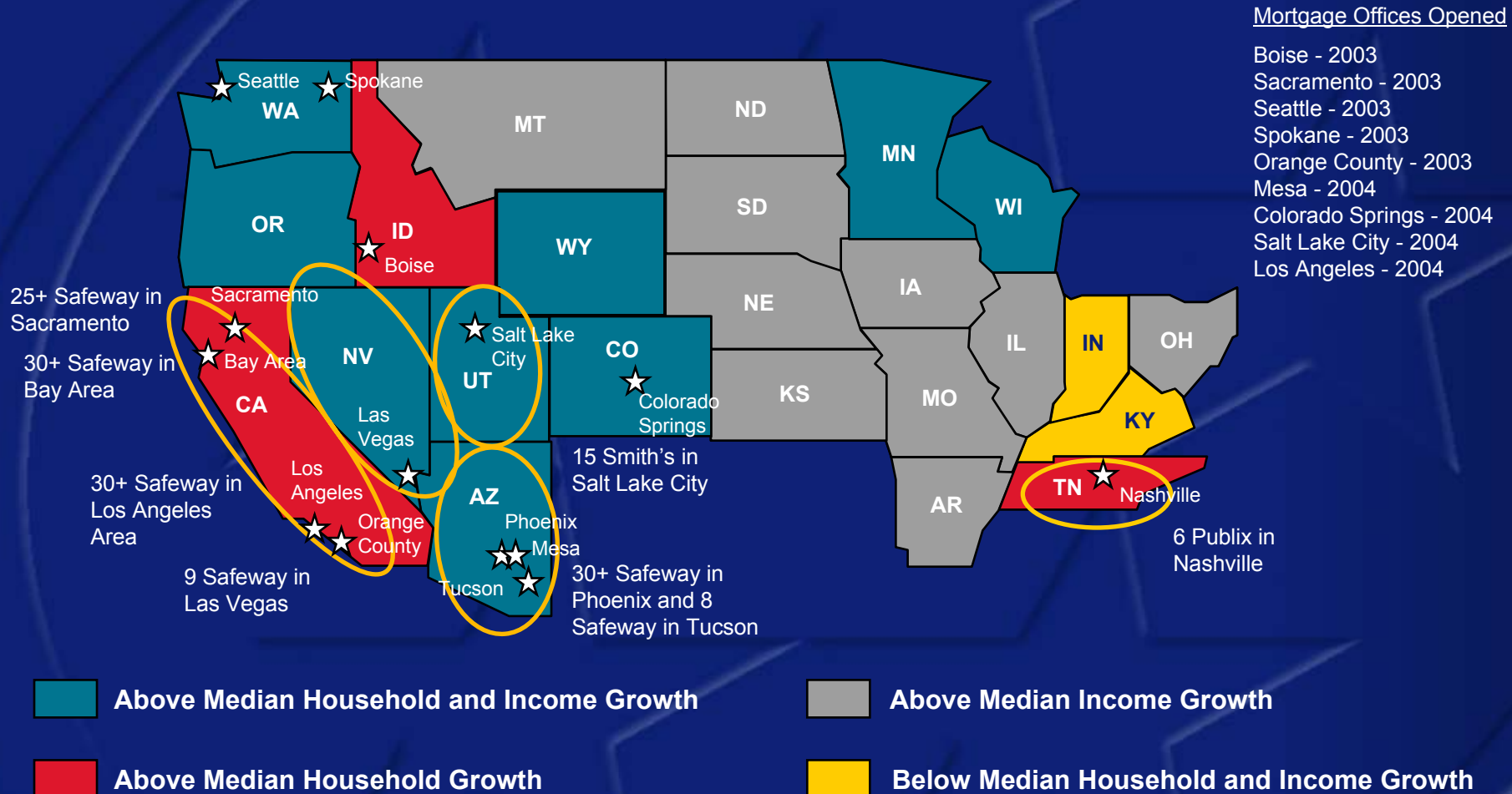
Consumer Banking Trends

Average Retail Loans Showing Consistent Growth (1)



(1) Includes home equity, home equity first lien, installment and retail leasing.

Investing in Distribution in High Growth Markets

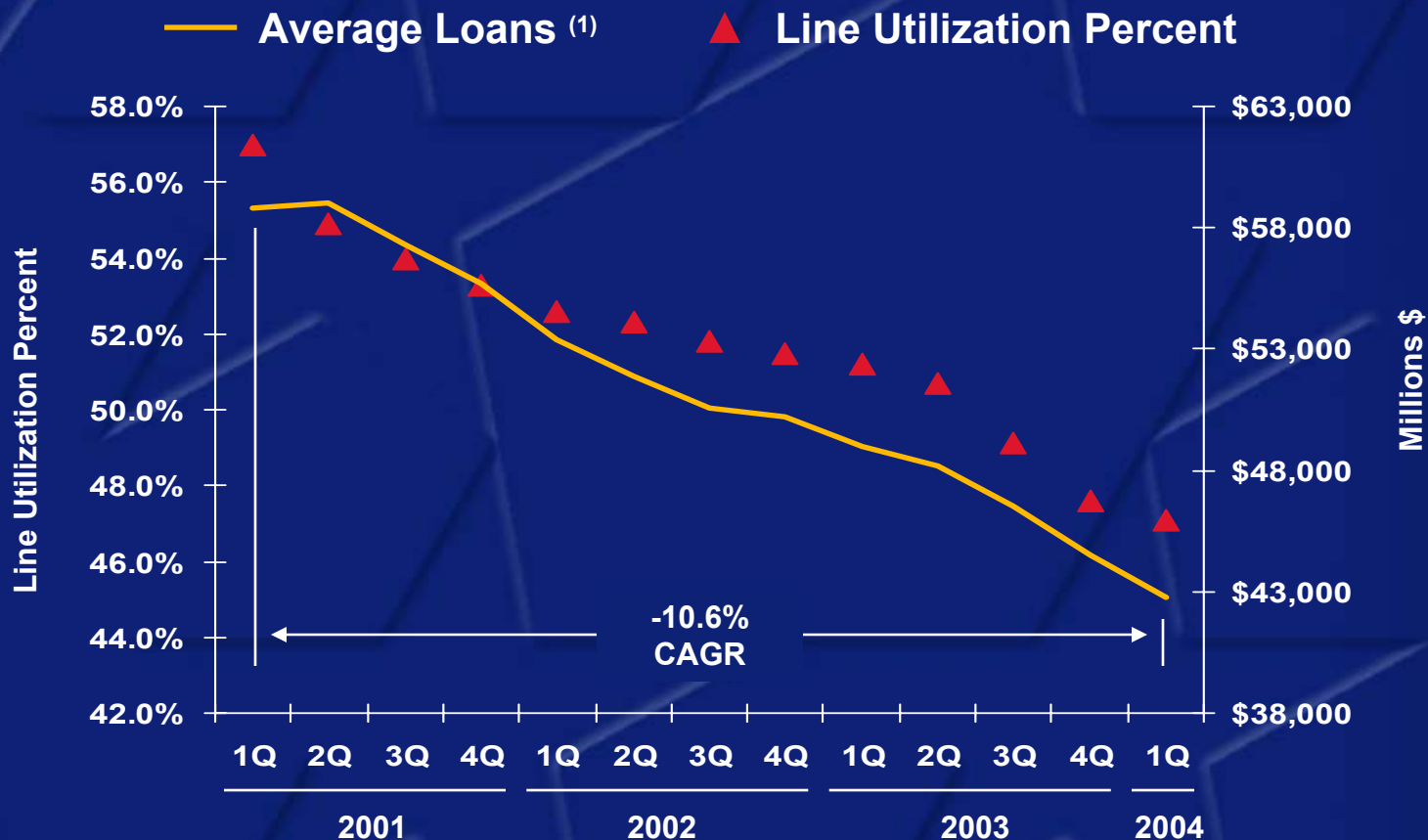


Wholesale Banking Outlook

- Low Line Utilization Continues to Impact Balance Sheet Growth
- Credit Quality Trends Showing Continued Improvement
- Relationship Managers are Focusing on Fee and Deposit Penetration
- Exercising Disciplined Use of Capital

Wholesale Banking Trends

Line Utilization At Historic Lows

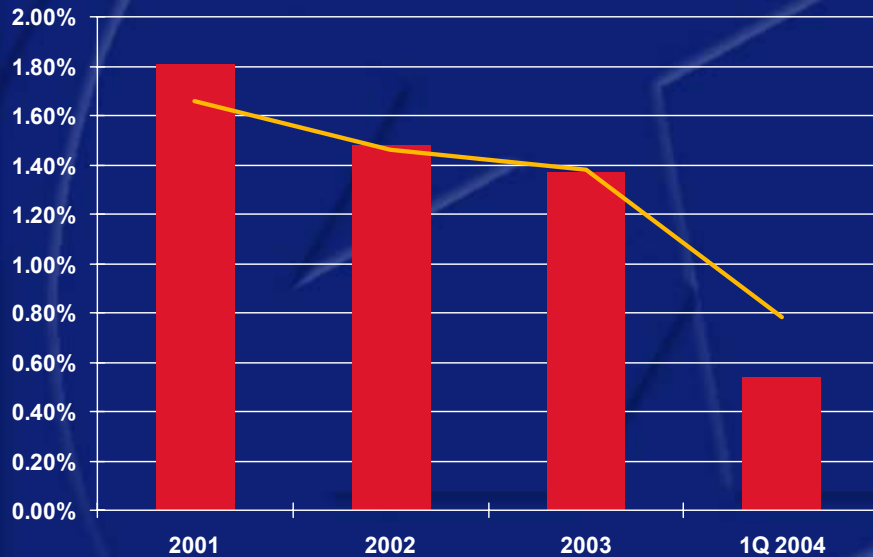


(1) Commercial, Commercial Leasing and Commercial Real Estate.

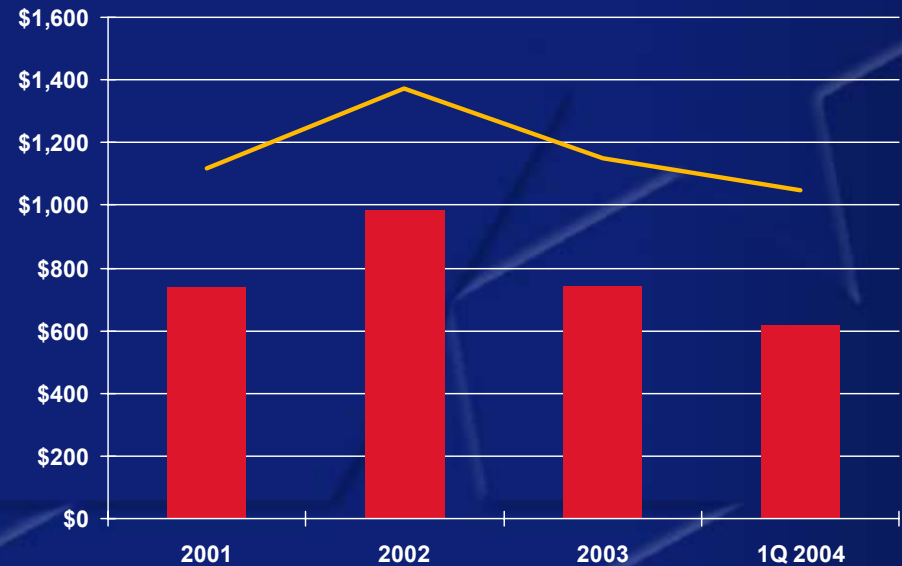
Wholesale Banking Trends

Credit Quality Continues To Improve

Commercial Loan Net Charge-Off Ratio (1)



Nonperforming Assets (\$ in Millions)



— Total USB

■ Wholesale Banking

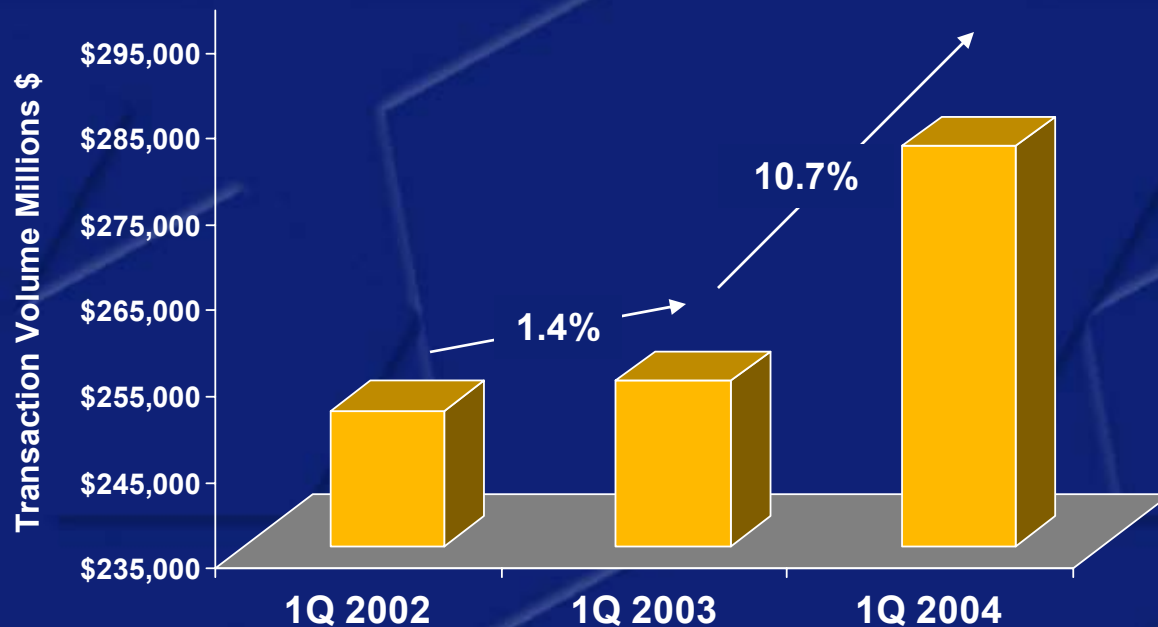
(1) Includes Commercial and Lease Financing.

Payment Services Outlook

- Strong Momentum in Merchant Processing, Retail Payments and Corporate Payments
- Focusing on Expansion of Existing Relationships with Financial Services Customers
- Increasing Penetration of Middle Market and Small Business with Corporate Payment Products and Merchant Processing
- Building Transaction Processing Capabilities in Europe

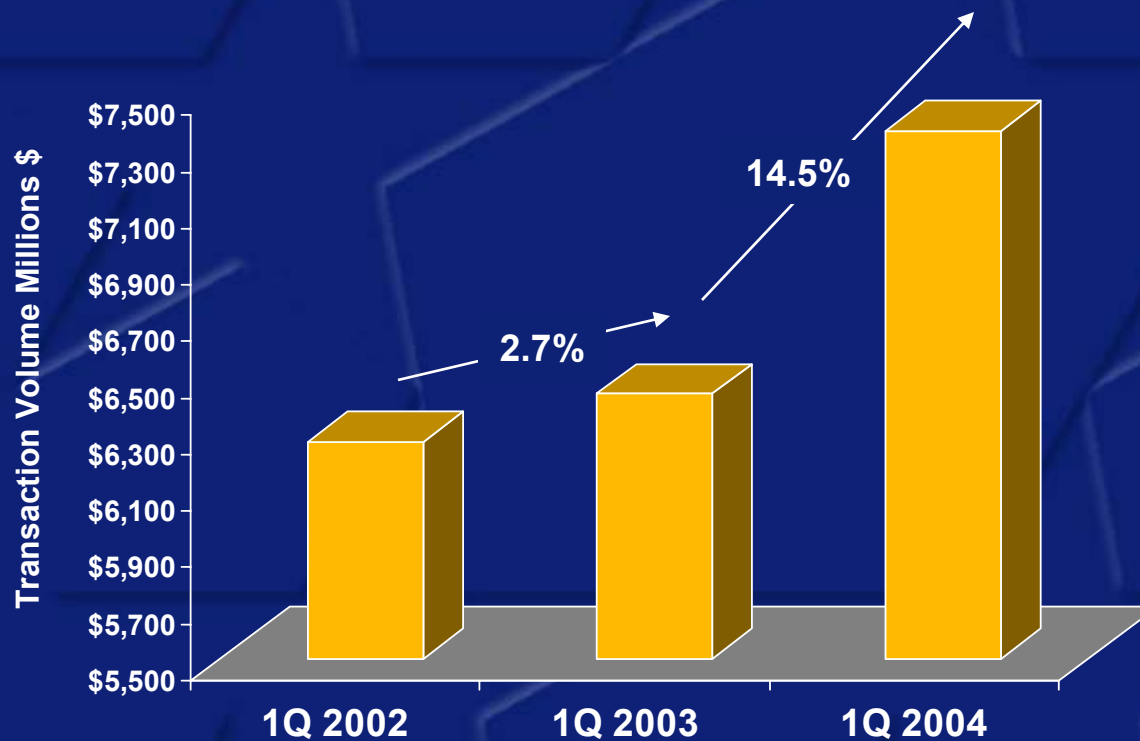
Payment Services Trends

Merchant Processing Transaction Growth Accelerating



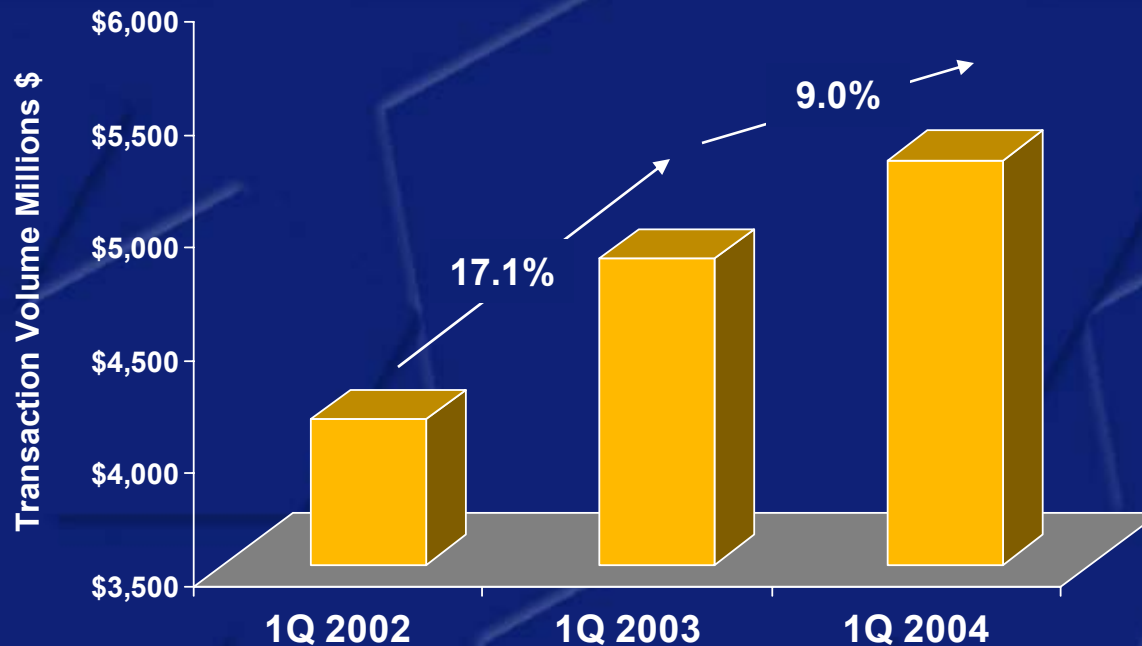
Payment Services Trends

Consumer Card Transaction Growth Accelerating



Payment Services Trends

Corporate Card Transactions Show Solid Growth



Building Transaction Processing Capabilities in Europe

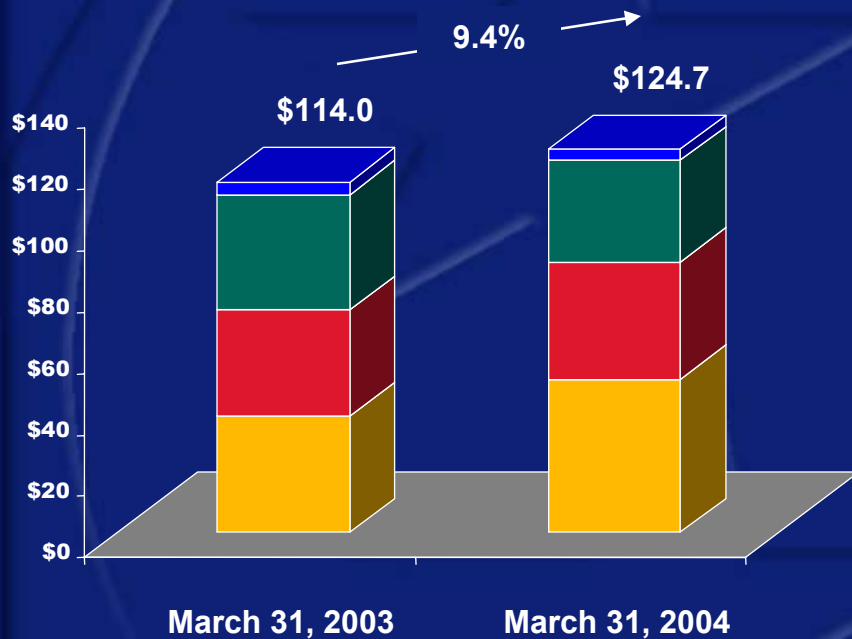
- Purchased Remaining 50% euroConex from Bank of Ireland
- Purchased CardPoint from Bank Zachodni of Poland
 - 15% Marketshare in Poland, the Fastest Growing Card Issuing Market in Europe
- Purchased the Merchant Acquiring Business from Alliance & Leicester Commercial Bank
 - 7% Marketshare in U.K., the Largest Merchant Acquiring Market in Europe

Private Client, Trust And Asset Management Outlook

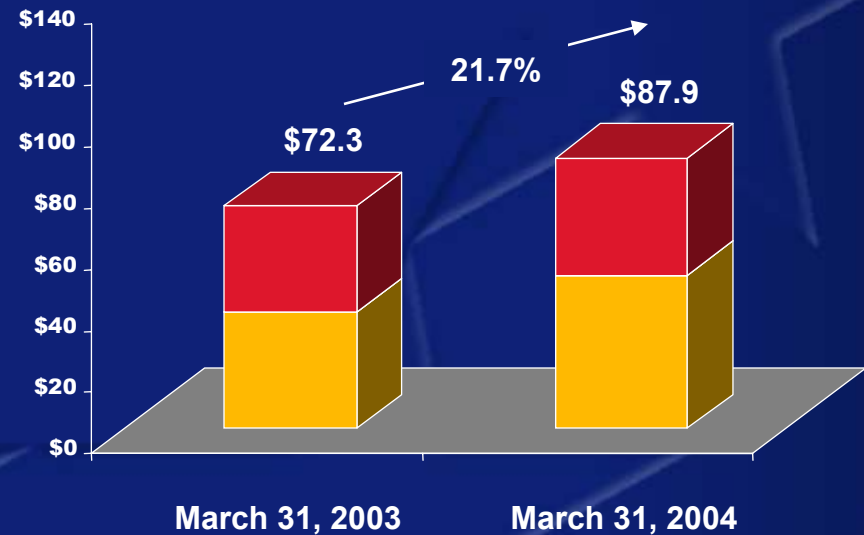
- Improving Equity Markets Driving Growth and Client Confidence
- Increasing Share of Wallet Within the Private Client Group with a Focus on Bank-Wide Partnerships
- Leveraging Distribution and Scale in Corporate Trust
- Expanding Asset Management Distribution through Increased Penetration of the Institutional Market and Third-Party Distribution
- Expanding Customer Focus in Fund Services to Include Partnerships and Alternative Investments

Private Client, Trust And Asset Management Trends

Total Assets Under Management Up 9.4%



Long-Term Assets Under Management Up 21.7%

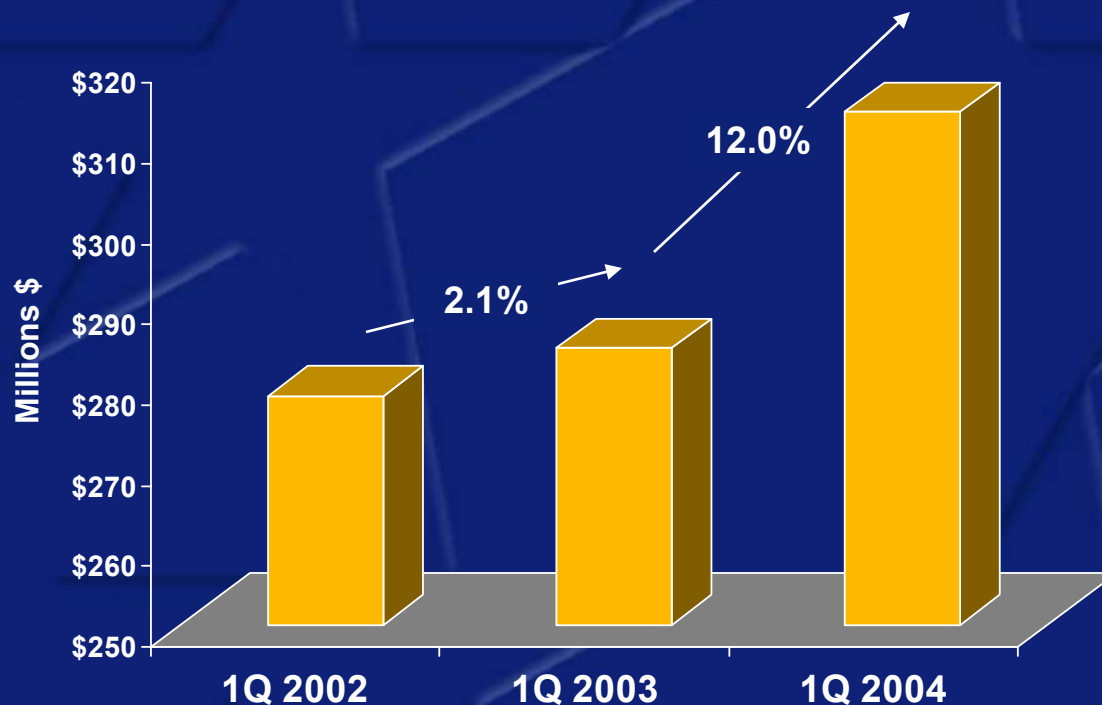


Equity
 Fixed Income
 Money Market
 Other

(\$ in Billions)

Private Client, Trust And Asset Management Trends

Total Revenue Growth Accelerating



Executing For Long-term Success

- 10% Plus EPS Growth
- 20% Plus ROE
- Reducing Credit and Earnings Volatility
- Providing High-Quality Customer Service
- Investing For Future Growth
- Targeting 80% Return of Earnings to Shareholders



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