

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

dated 8 January 2008 to the already published (single document) Base Prospectus of UBS AG, [London] [Jersey] Branch, dated 23 November 2007, as amended by Supplement No. 1 dated 27 December 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 based on the [description of [the share] [the index] [the currency exchange rate] [the precious metal] [the commodity] [the interest rate] [the other security] [the fund unit] [the basket comprising the aforementioned assets] [the portfolio comprising the aforementioned assets] as Underlying[s]: [•]].

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.

UBS AG, acting through its [London][Jersey] Branch, announces the following supplement to the already published (single document) Base Prospectus dated 23 November 2007:

1) In section "SUMMARY", the paragraph 'What is the Issuer's financial situation?' (page 9 et seq. of the Base Prospectus) are completely replaced as follows:

### What is the Issuer's financial situation?

The following table has been produced from the unaudited quarterly report of UBS as of 30 September 2007 published in English and shows the financial highlights and UBS' first class ratings:

#### UBS Financial Highlights

##### UBS Group

	As of or for the quarter ended			% change from 2Q07 in relation to 3Q06		Year to date	
	30.9.07	30.6.07	30.9.06	2Q07	3Q06	30.9.07	30.9.06
<i>CHF million, except where indicated</i>							
Operating profit before tax (from continuing and discontinued operations)	<b>(726)</b>	6,236	2,814			9,902	11,619
Net profit attributable to UBS shareholders	<b>(830)</b>	5,622	2,199			8,067	8,850
Net profit attributable to minority interests	<b>117</b>	149	105	(21)	11	428	397
<b>Performance indicators from continuing operations</b>							
Diluted earnings per share (CHF)	<b>(0.49)</b>	2.69	1.07			3.87	4.04
Return on equity attributable to UBS shareholders (%) <sup>1</sup>						20.7	26.0
<b>Financial Businesses<sup>2</sup></b>							
Operating income	<b>6,169</b>	15,651	10,462	(61)	(41)	35,167	34,899
Operating expenses	<b>7,123</b>	9,695	7,715	(27)	(8)	25,909	24,137
Net profit attributable to UBS shareholders from continuing operations	<b>(1,086)</b>	5,152	2,114			7,248	8,194
Cost / income ratio (%) <sup>3</sup>	<b>115.2</b>	62.0	73.8			73.7	69.4
Net new money (CHF billion) <sup>4</sup>	<b>38.3</b>	34.0	41.9			125.1	126.2

	As of or for the quarter ended			% change from 2Q07 in relation to 3Q06		Year to date	
	<b>30.9.07</b>	30.6.07	30.9.06	2Q07	3Q06	30.9.07	30.9.06
Personnel (full-time equivalents)	<b>83,814</b>	81,557	75,593	3	11		
<b>UBS balance sheet &amp; capital management</b>							
<b>Balance sheet key figures</b>							
Total assets	<b>2,484,235</b>	2,539,741	2,261,009	(2)	10		
Equity attributable to UBS shareholders	<b>48,229</b>	51,259	48,094	(6)	0		
<b>Market capitalization</b>	<b>127,525</b>	151,203	156,615	(16)	(19)		
<b>BIS capital ratios</b>							
Tier 1 (%) <sup>5</sup>	<b>10.6</b>	12.3	12.2				
Total BIS (%)	<b>13.6</b>	15.5	15.1				
Risk-weighted assets	<b>390,320</b>	378,430	331,697	3	18		
<b>Invested assets (CHF billion)</b>	<b>3,265</b>	3,265	2,879	0	13		
<b>Long-term ratings</b>							
Fitch, London <sup>6</sup>	<b>AA+</b>	AA+	AA+				
Moody's, New York	<b>Aaa</b>	Aaa	Aa2				
Standard & Poor's, New York <sup>7</sup>	<b>AA+</b>	AA+	AA+				

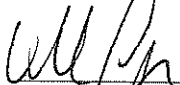
<sup>1</sup> Net profit attributable to UBS shareholders from continuing operations year to date (annualized as applicable) / average equity attributable to UBS shareholders less distributions (estimated as applicable). <sup>2</sup> Excludes results from industrial holdings. <sup>3</sup> Operating expenses / operating income less credit loss expense or recovery. <sup>4</sup> Excludes interest and dividend income. <sup>5</sup> Includes hybrid Tier 1 capital. <sup>6</sup> Fitch's long-term rating was changed from AA+ to AA on 10 December 2007. <sup>7</sup> Standard & Poor's long-term rating was changed to AA on 1 October 2007.

The Base Prospectus dated 23 November 2007 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](http://www.ubs.com/keyinvest), or a successor website.

Frankfurt am Main, 8 January 2008

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

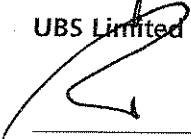


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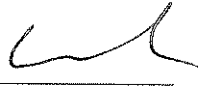


Kai Schmidt

**UBS Limited**



Stefanie Ganz



Sigrid Kossatz