



Open End Certificate on EUROPA ROLLING FLEX DISCOUNT INDEX

Product Description

The Europe Rolling Flex Discount Index is a systematic investment strategy that invests into the Dow Jones EURO STOXX 50SM Index*. The investment is done on a monthly basis, but indirectly, i.e. into a one month discount certificate with a cap of either 3% below, at, or 3% higher than current market level. The respective cap is determined on a monthly basis using a 40 days and 200 days moving average as a trend indicator.

Product Details

Underlying	Europe Rolling Flex Discount Index on the Dow Jones Euro STOXX 50SM, a price index (the "Index")
Underlying Level	350,16 index points
Issue Price	Euro 100.00
Risk Management Fee (RMF)	0.1875 % per quarter
Final Reference Price of Underlying	Closing price of the Index on the valuation date. The valuation date is the exercise date or the termination date.
Security No.	ISIN: DE0009637082 Valor: 1682192 WKN: 963708 Common Code: 17721844

Dates

Issue Date	22.09.2003
Pricing Date	19.09.2003
Payment Date	24.09.2003
Last Trading Day	2 trading days prior to the termination date
Expiration Date	Open End
Redemption Date	5 Tage/5 Business Days

*Dow Jones Euro STOXX 50 Index is property of STOXX Ltd. The name of the index is a service mark of DOW JONES & COMPANY, Inc. and licensed for certain purposes to UBS AG.

General Information

Issuer	UBS AG, London Branch
Lead Manager	UBS Investment Bank AG, Frankfurt am Main
Issue Size	3.000.000
Redemption	Cash Settlement in EUR on the exercise or termination date. The Settlement Amount = Euro 100 x Final Reference Price / Initial Reference Price x RMF Factor
	RMF = 0.1875 % Risk Management Fee per quarter, to be deducted quarterly in arrears.
	The RMF Factor is calculated as follows: $1/(1.001875)^n$
	$n = \text{number of quarters passed since the payment date with } n1 = 29 \text{ December 2003}$
Trading	9:00 - 20:00 Uhr/hours
Listing	Frankfurt, Stuttgart (Third Section)
Lot Minimum	1 Certificate
Sales	U.S.A./U.S. persons; U.K.
Restrictions	Clearstream Banking AG
Clearing	Clearstream Banking eligible (up-to Global Certificate)
Custody	

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Sources: Company/Index Description: Bloomberg; Chart: Reuters

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The **Europe Rolling Flex Discount-Certificate** reflects the value development of the Europe Rolling Flex Index on the Dow Jones Euro STOXX 50SM. The Index calculated by UBS Investment Bank does not track the 50 companies included in the Dow Jones Euro STOXX 50SM Index directly, but indirectly, by always investing into 1-month Discount-Certificates on a rolling basis. Roll-over date for each Discount-Certificates is the expiry date for options on the Dow Jones Euro STOXX 50SM on the relevant options exchange, for the time being the 3rd friday in each month on EUREX (first Roll-over will be 17th October 2003).

The cap of each Discount-Certificates will be fixed on such a **roll-over date 3% below current market level, at-the-money or 3% higher than current market level**. (Options will be calculated at EUREX Bid Prices). The respective cap is determined on a monthly basis using 2 moving average lines as a trend indicator. If the Dow Jones Euro STOXX 50SM (the "Reference") closes one business day before the roll over lower than its 40 days and 200 days average, a cap 3% below the Reference is chosen. If it closes in between the 2 moving average lines, the cap will be fixed at the money and if it closes above both lines, the cap will be fixed 3% higher than the Reference.

The calculation of the Index started with 100 Index points on 31 December, 1994.

Issuer's Call Right: The Issuer has a right to call the Certificates for early redemption by giving notice to that effect. The Certificates can be terminated at any time and the termination will become effective after a notice period of 1 year and 1 month.

Investors's Exercise Right: Despite the fact that the Certificates can be sold daily on the above mentioned stock exchanges, the Investor has an annual right to exercise his Certificates (notice to be received no later than 10:00 am on 24 September, Frankfurt time) effective 24 September, for the value of the current Index level.

Certificates

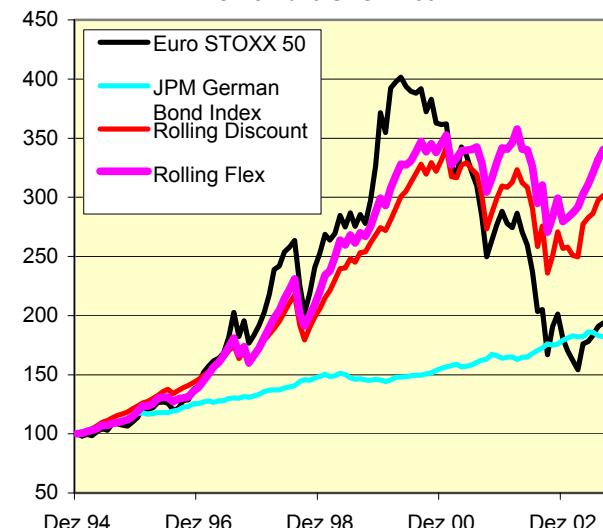
Certificates are a group of products, which replicate the performance of the underlying. Certificates give the investor the possibility to be diversified with low administrative costs and small investment amounts. The risk of loss is limited to the invested capital.

The trend indicator

(40 and 200 days Moving Average)



**Europa Rolling Flex Discount Index
vs DJ Euro STOXX 50**



Theoretical historical back-testing
(31.12.1994 until 31.08.2003)

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