

Open End PERLES on SMI[®] Mid Index (SMMPR)

PERformance Linked to Equity Securities

Tax Treatment Switzerland adjusted

Final Terms

Product Details

Underlying Index	SMI[®] Mid Index (Reuters: .SMIM; Bloomberg: SMIMX; Valor 1 939 983)
Issue Size	Up to 275'000 Open End PERLES (with reopening clause)
Conversion Ratio	10 Open End PERLES refer to 1 Underlying Index Level
Initial Reference Underlying Index Level	1'803.65
Issue Price	CHF 180.36 (was set at 100.00% of Initial Reference Underlying Index Level adjusted by the conversion Ratio)
Security-Numbers	ISIN: CH0029591101 Valor: 2 959 110 WKN: tba Common Code: tba

Dates

Issue Date	26 February 2007
Pricing Date	26 February 2007
First Listing Date	02 March 2007
Payment Date	05 March 2007
Expiration Date	Open End

General Information

Issuer	UBS AG, Zurich
Rating	Aa2/AA+
Lead manager	UBS AG, Zurich (UBS Investment Bank)
Settlement	Cash settlement
Trading	Indicative prices will be available on Reuters UBSDEEW05
Clearing	SIS, Euroclear, Clearstream (booked at SIS SegalInterSettle AG)
Lot	Minimum 1 Open End PERLES or a multiple thereof for trading and exercise
Listing	SWX Swiss Exchange
Selling Restrictions	Europe, Hong Kong, Singapore, UK, USA, U.S. persons WARNING - The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Investors are advised to exercise caution in relation to the offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.
Form of Deed	Book-entry Security
Governing Law / Jurisdiction	Swiss / Zurich

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Contact: UBS AG, P.O. Box, 8098 Zurich

Institutional Investors: Zurich: +41-44-239 68 00*
Geneva: +41-22-389 50 05*

Private Investors: 0848-911-011*
E-Mail: derivatives@ubs.com
Internet: www.ubs.com/keyinvest

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Issuer Call right	The Issuer has the annual right, on 05 March, for the first time on 05 March 2008 ("Notice Date") to call the Open End PERLES for early redemption for a value equal to the Underlying Index Level adjusted by the conversion ratio effective 1 year after the "Notice Date" has been published to that effect (the "Termination Date"). In case that any of the dates is not a business day, the next following business day applies.
Investor exercise right	In addition to the possibility to sell the Open End PERLES at any time, each Investor has an annual right to exercise his Open End PERLES (notice to be received not later than 10 am Zurich time on 05 March of the relevant year (the "Exercise Date") for a value equal to the current Underlying Index Level adjusted by the conversion ratio at the time of the exercise. The exercise will become effective as of close of business on 05 March of the relevant year. In case that any of the dates is not a business day, the next following business day applies.

Tax information

Swiss federal stamp duty	Secondary market transactions are not subject to Swiss Stamp Duty. If index certificates (e.g. Open End Perles) are delivered to the investor at redemption, the delivery of the index certificates is not subject to Swiss Stamp Duty.
Swiss income tax	For private investors resident in Switzerland who hold the product on the Closing Date, any kind of distribution reinvested in the index or basket (dividends, repayments of nominal value and capital contribution reserves) is subject to income tax on an annual basis. The amount will be determined and reported to the Swiss Federal Tax Administration annually for publication in the Kursliste (list of tax values). Closing date (for Swiss tax purposes): December 31, for the first time December 31, 2018.
Swiss withholding tax	The product is not subject to the Swiss withholding tax.
EU savings tax	For Swiss paying agents, the product is not subject to the EU Savings Tax (TK9). The tax information only provides a general overview over the Swiss tax consequences linked to this product based on the tax laws and the practice of the tax administration. Tax laws and the practice of tax administrations may change, possibly with retroactive effect.

This product does not represent a participation in any of the collective investment schemes pursuant to Art. 7 ss of the Swiss Federal Act on Collective Investment Schemes (CISA) and thus is not subject to the supervision of the Swiss Federal Banking Commission (Eidgenössische Bankenkommision). Therefore, investors in this product are not eligible for the specific investor protection under the CISA.

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In the event where this Product is subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor) the sole business of which is to hold investment and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor;

then the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired this Product under Section 275 except:

- (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA;
- (2) where no consideration is given for the transfer; or
- (3) by operation of law.

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