BLOCKBUSTER INC Form SC 13G/A February 14, 2006

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

SCHEDULE 13G

Information to be included in Statements filed pursuant to Rules 13d-1(b), (c) and (d) and amendments thereto filed pursuant to Rule 13d-2(b)

(Amendment No. 1)

Blockbuster Inc. (Name of Issuer)

Class A Common Stock (Title of Class of Securities)

> 093679108 (CUSIP Number)

December 31, 2005 (Date of Event That Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- [X] Rule 13d-1(b)
- [] Rule 13d-1(c)
- [] Rule 13d-1(d)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

SCHEDULE 13G

Information to be included in Statements filed pursuant to Rules 13d-1(b), (c) and (d) and amendments thereto filed pursuant to Rule 13d-2(b)

(Amendment No.1)

Blockbuster Inc. (Name of Issuer)

Class B Common Stock (Title of Class of Securities)

> 093679207 (CUSIP Number)

December 31, 2005 (Date of Event That Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

[X]	Rule 13d-1	(b)		
[]	Rule 13d-1	(c)		
[]	Rule 13d-1	(d)		
 1.	UBS AG (f	- or t	rting Persons and I.R.S. Identification No. he benefit and on behalf of UBS Investment Bank, Wea A, and Global Wealth Management and Business Banking	
	groups of	UBS	AG (See Item 7))	
2. Check the		 App	ropriate Box if a Member of a Group	a [] b []
3.	SEC USE O	NLY		
4.	Citizenship or Place of Organization			
	Switzerla	nd		
		5.	Sole Voting Power	
			12,045,708 shares of Class A Common Stock	
Number of Shares Beneficially Owned by Each Reporting Person With:		6.	Shared Voting Power	
			0	
		7.	Sole Dispositive Power	
			12,045,708 shares of Class A Common Stock	
		8.	Shared Dispositive Power	
			0	
9.	Aggregate Amount Beneficially Owned by Each Reporting Person:			
	12,045,70	8 sh	ares of Class A Common Stock	
10.	Check if	the	Aggregate Amount in Row 9 Excludes Certain Shares	[]
11.	Percent o	f Cl	ass Represented by Amount in Row 9	
	9.88% sha	res	of Class A Common Stock	
12.	Type of Reporting Person			
	вк			

_____ 1. Names of Reporting Persons and I.R.S. Identification No. UBS AG (for the benefit and on behalf of UBS Investment Bank, Wealth Management USA, and Global Wealth Management and Business Banking business groups of UBS AG (See Item 7)) _____ 2. Check the Appropriate Box if a Member of a Group a [] b [] _____ 3. SEC USE ONLY _____ 4. Citizenship or Place of Organization Switzerland _____ 5. Sole Voting Power 6,029,741 shares of Class B Common Stock _____ Number of 6. Shared Voting Power Shares Beneficially 0 Owned by _____ Each 7. Sole Dispositive Power Reporting Person With: 6,029,741 shares of Class B Common Stock _____ 8. Shared Dispositive Power 0 _____ Aggregate Amount Beneficially Owned by Each Reporting Person: 9. 6,029,741 shares of Class B Common Stock 10. Check if the Aggregate Amount in Row 9 Excludes Certain Shares [] _____ 11. Percent of Class Represented by Amount in Row 9 8.37% of Class B Common Stock _____ 12. Type of Reporting Person BK _____

Item 1(a) Name of Issuer

Blockbuster Inc. Item 1(b) Address of Issuer's Principal Executive Offices: 1202 Elm Street Dallas, TX 75720 Item 2(a) Name of Person Filing: UBS AG Item 2(b) Address of Principal Business Office: UBS AG's principal business office is: Bahnhofstrasse 45 PO Box CH-8021 Zurich, Switzerland Item 2(c) Citizenship: Switzerland Item 2(d) Title of Class of Securities Class A Common Stock Class B Common Stock Item 2(e) CUSIP Number: 093679108 Class A Common Stock 093679207 Class B Common Stock Item 3. Type of Person Filing: UBS AG is classified as a Bank as defined in section 3(a)(6) of the Act pursuant to no-action relief granted by the staff of the Securities and Exchange Commission. Item 4 (a) - (c) (iv). Ownership: Items 5-11 of the cover pages are incorporated by reference.

Item 5. Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [].

Item 6. Ownership of More than Five Percent on Behalf of Another Person:

Not applicable

Item 7. Identification and Classification of the Subsidiary That Acquired the Security Being Reported on By the Parent Holding Company:

This statement on Schedule 13G is being filed by UBS AG on behalf of itself and the subsidiaries listed below. The securities being reported on by UBS AG were acquired directly by UBS AG directly and certain of such subsidiaries.

UBS AG London Branch

UBS Portfolio LLC UBS AG Frankfurt UBS Ltd UBS Warburg Private Clients Ltd UBS AG Tokyo branch UBS AG (Switzerland) UBS Warburg Securities (Pty) Ltd (South Africa) UBS International Ltd UBS Warburg Securities Ltd Banco UBS Warburg S.A UBS Warburg Corretora de Cambio e Valores Mobiliarios S.A. UBS Warburg Trading S.A. UBS Bunting Warburg Inc UBS Capital Americas Investments III, Ltd. UBS Capital II LLC UBS Capital LLC UBS AG Brazil UBS Limited UBS Capital Americas Investments II Ltd SBC Equity Partners AG UBS Capital Asia Pacific Ltd UBS Capital Holdings LLC UBS Capital Jersey Ltd UBS Capital BV UBS (USA) Inc UBS Warburg AG (Frankfurt) UBS Securities Australia Ltd UBS Securities (Japan) Ltd UBS Securities LLC UBS Securities New Zealand Limited UBS New Zealand Limited UBS AG Australia Branch UBS Capital Markets LP UBS Capital Latin America LDC UBS Securities France SA UBS AG Canada Branch UBS Cayman Ltd. PaineWebber Capital Inc Paine Webber International Inc UBS Fiduciary Trust Company UBS Financial Services Incorporated of Puerto Rico UBS Americas Inc UBS Financial Services Inc. Inversiones Ibersuizas, S.A. UBS (Bahamas) LTD UBS (Cayman Islands) LTD UBS (France) LTD UBS (Italia) LTD UBS (Luxemberg) LTD UBS (Luxemberg) SA Austria Branch UBS (Monaco) S.A. UBS AG Brazil UBS AG New York (101 Park Avenue) UBS AG Hong Kong UBS AG Jersey Branch UBS AG Singapore UBS Assessores LTD UBS Bank (Canada) UBS Belgium SA/NV UBS Deutschland AG UBS Espana S.A.

UBS International Inc UBS Swiss Advisors AG UBS Wealth Management AG UBS Wealth Management (UK) Ltd

Item 8. Identification and Classification of Members of the Group

Not Applicable

Item 9 Notice of Dissolution of Group:

Not Applicable

Item 10. Certification:

By signing below, the undersigned certify that, to the best of their knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

By: /s/ Per Dyrvik

Per Dyrvik Managing Director

By: /s/ Teresa Ressel

Teresa Ressel Managing Director

Date: February 10, 2006