

UBS Group AG interim consolidated financial statements (unaudited)

Income statement

USD m	Note	For the quarter ended			Year-to-date	
		30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	3	7,283	6,981	9,320	14,264	19,399
Interest expense from financial instruments measured at amortized cost	3	(6,817)	(6,948)	(9,319)	(13,765)	(19,042)
Net interest income from financial instruments measured at fair value through profit or loss and other	3	1,500	1,597	1,533	3,096	3,118
Net interest income	3	1,965	1,629	1,535	3,595	3,475
Other net income from financial instruments measured at fair value through profit or loss		3,408	3,937	3,684	7,346	7,866
Fee and commission income	4	7,361	7,426	7,211	14,787	14,291
Fee and commission expense	4	(653)	(649)	(679)	(1,302)	(1,268)
Net fee and commission income	4	6,708	6,777	6,531	13,485	13,023
Other income	5	30	213	154	243	278
Total revenues		12,112	12,557	11,904	24,668	24,642
Credit loss expense / (release)	8	163	100	95	263	201
Personnel expenses	6	6,976	7,032	7,119	14,008	14,068
General and administrative expenses	7	1,881	2,431	2,318	4,312	4,731
Depreciation, amortization and impairment of non-financial assets		898	861	903	1,759	1,798
Operating expenses		9,756	10,324	10,340	20,080	20,597
Operating profit / (loss) before tax		2,193	2,132	1,469	4,325	3,844
Tax expense / (benefit)		(209)	430	293	221	905
Net profit / (loss)		2,402	1,702	1,175	4,105	2,939
Net profit / (loss) attributable to non-controlling interests		7	10	40	18	48
Net profit / (loss) attributable to shareholders		2,395	1,692	1,136	4,087	2,890
Earnings per share (USD)						
Basic		0.75	0.53	0.35	1.29	0.90
Diluted		0.72	0.51	0.34	1.23	0.86

Statement of comprehensive income

USD m	For the quarter ended			Year-to-date	
	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Comprehensive income attributable to shareholders					
Net profit / (loss)	2,395	1,692	1,136	4,087	2,890
Other comprehensive income that may be reclassified to the income statement					
Foreign currency translation					
Foreign currency translation movements related to net assets of foreign operations, before tax	4,420	1,318	(268)	5,738	(3,741)
Effective portion of changes in fair value of hedging instruments designated as net investment hedges, before tax	(1,879)	(549)	291	(2,428)	2,473
Foreign currency translation differences on foreign operations reclassified to the income statement	(1)	3	2	2	2
Effective portion of changes in fair value of hedging instruments designated as net investment hedges reclassified to the income statement	0	(1)	0	(1)	1
Income tax relating to foreign currency translations, including the effect of net investment hedges	(4)	(2)	0	(6)	13
Subtotal foreign currency translation, net of tax	2,536	768	25	3,305	(1,252)
Financial assets measured at fair value through other comprehensive income					
Net unrealized gains / (losses), before tax	(4)	(3)	0	(7)	0
Net realized (gains) / losses reclassified to the income statement from equity	0	0	0	0	0
Income tax relating to net unrealized gains / (losses)	0	0	0	0	0
Subtotal financial assets measured at fair value through other comprehensive income, net of tax	(4)	(3)	0	(7)	0
Cash flow hedges of interest rate risk					
Effective portion of changes in fair value of derivative instruments designated as cash flow hedges, before tax	398	349	(417)	746	(1,663)
Net (gains) / losses reclassified to the income statement from equity	296	322	668	617	1,212
Income tax relating to cash flow hedges	(131)	(125)	5	(256)	124
Subtotal cash flow hedges, net of tax	562	545	256	1,107	(327)
Cost of hedging					
Cost of hedging, before tax	10	31	(19)	41	(28)
Income tax relating to cost of hedging	0	0	0	0	0
Subtotal cost of hedging, net of tax	10	31	(19)	41	(28)
Total other comprehensive income that may be reclassified to the income statement, net of tax	3,105	1,342	262	4,446	(1,608)
Other comprehensive income that will not be reclassified to the income statement					
Defined benefit plans					
Gains / (losses) on defined benefit plans, before tax	(36)	5	(38)	(31)	(100)
Income tax relating to defined benefit plans	(4)	2	8	(1)	14
Subtotal defined benefit plans, net of tax	(40)	7	(30)	(32)	(87)
Own credit on financial liabilities designated at fair value					
Gains / (losses) from own credit on financial liabilities designated at fair value, before tax	(126)	279	231	153	161
Income tax relating to own credit on financial liabilities designated at fair value	2	(1)	(3)	1	(1)
Subtotal own credit on financial liabilities designated at fair value, net of tax	(124)	279	228	154	160
Total other comprehensive income that will not be reclassified to the income statement, net of tax	(164)	286	198	122	73
Total other comprehensive income	2,941	1,628	460	4,568	(1,535)
Total comprehensive income attributable to shareholders	5,335	3,319	1,596	8,655	1,356
Comprehensive income attributable to non-controlling interests					
Net profit / (loss)	7	10	40	18	48
Total other comprehensive income that will not be reclassified to the income statement, net of tax	15	15	(21)	30	(35)
Total comprehensive income attributable to non-controlling interests	22	26	18	48	13
Total comprehensive income					
Net profit / (loss)	2,402	1,702	1,175	4,105	2,939
Other comprehensive income	2,955	1,643	439	4,598	(1,570)
of which: other comprehensive income that may be reclassified to the income statement	3,105	1,342	262	4,446	(1,608)
of which: other comprehensive income that will not be reclassified to the income statement	(149)	302	176	152	38
Total comprehensive income	5,357	3,345	1,614	8,703	1,369

Balance sheet

USD m	Note	30.6.25	31.3.25	31.12.24
Assets				
Cash and balances at central banks		236,193	231,370	223,329
Amounts due from banks		21,527	21,107	18,903
Receivables from securities financing transactions measured at amortized cost		110,161	101,784	118,301
Cash collateral receivables on derivative instruments	10	45,478	38,994	43,959
Loans and advances to customers	8	646,048	594,150	579,967
Other financial assets measured at amortized cost	11	72,211	66,513	58,835
Total financial assets measured at amortized cost		1,131,618	1,053,918	1,043,293
Financial assets at fair value held for trading	9	169,195	165,236	159,065
<i>of which: assets pledged as collateral that may be sold or repledged by counterparties</i>		<i>46,336</i>	<i>48,262</i>	<i>38,532</i>
Derivative financial instruments	9, 10	169,996	138,035	185,551
Brokerage receivables	9	29,068	28,747	25,858
Financial assets at fair value not held for trading	9	107,755	102,317	95,472
Total financial assets measured at fair value through profit or loss		476,014	434,334	465,947
Financial assets measured at fair value through other comprehensive income	9	6,872	3,216	2,195
Investments in associates		2,629	2,496	2,306
Property, equipment and software		16,376	15,564	15,498
Goodwill and intangible assets		7,023	6,909	6,887
Deferred tax assets		11,631	11,090	11,134
Other non-financial assets	11	17,829	15,836	17,766
Total assets		1,669,991	1,543,363	1,565,028
Liabilities				
Amounts due to banks		31,928	27,794	23,347
Payables from securities financing transactions measured at amortized cost		16,314	14,999	14,833
Cash collateral payables on derivative instruments	10	32,980	31,520	35,490
Customer deposits		800,045	744,866	745,777
Debt issued measured at amortized cost	13	224,709	213,880	214,219
Other financial liabilities measured at amortized cost	11	18,358	19,143	21,033
Total financial liabilities measured at amortized cost		1,124,334	1,052,202	1,054,698
Financial liabilities at fair value held for trading	9	52,330	43,099	35,247
Derivative financial instruments	9, 10	183,814	142,117	180,636
Brokerage payables designated at fair value	9	57,951	59,921	49,023
Debt issued designated at fair value	9, 12	113,522	112,092	107,909
Other financial liabilities designated at fair value	9, 11	29,410	27,235	28,699
Total financial liabilities measured at fair value through profit or loss		437,027	384,465	401,514
Provisions and contingent liabilities	14	7,466	8,517	8,409
Other non-financial liabilities	11	11,465	10,590	14,834
Total liabilities		1,580,292	1,455,773	1,479,454
Equity				
Share capital		334	346	346
Share premium		8,562	10,908	12,012
Treasury shares		(4,830)	(6,509)	(6,402)
Retained earnings		79,726	80,023	78,035
Other comprehensive income recognized directly in equity, net of tax		5,485	2,418	1,088
Equity attributable to shareholders		89,277	87,185	85,079
Equity attributable to non-controlling interests		422	405	494
Total equity		89,699	87,590	85,574
Total liabilities and equity		1,669,991	1,543,363	1,565,028

Statement of changes in equity

<i>USD m</i>	Share capital and share premium	Treasury shares	Retained earnings	OCI recognized directly in equity, net of tax ¹	<i>of which: foreign currency translation</i>	<i>of which: cash flow hedges</i>	Total equity attributable to shareholders
Balance as of 1 January 2025²	12,359	(6,402)	78,035	1,088	3,830	(2,585)	85,079
Acquisition of treasury shares		(2,249) ³					(2,249)
Delivery of treasury shares under share-based compensation plans	(1,344)	1,456					112
Other disposal of treasury shares	0	88 ³					88
Cancellation of treasury shares related to the 2022 share repurchase program ⁴	(1,145)	2,277	(1,133)				0
Share-based compensation expensed in the income statement	621						621
Tax (expense) / benefit	17						17
Dividends	(1,433) ⁵		(1,433) ⁵				(2,866)
Equity classified as obligation to purchase own shares	(81)						(81)
Translation effects recognized directly in retained earnings			50	(50)		(50)	0
Share of changes in retained earnings of associates and joint ventures			(2)				(2)
New consolidations / (deconsolidations) and other increases / (decreases)	(98)		0				(98)
Total comprehensive income for the period			4,209	4,446	3,305	1,107	8,655
<i>of which: net profit / (loss)</i>			4,087				4,087
<i>of which: OCI, net of tax</i>			122	4,446	3,305	1,107	4,568
Balance as of 30 June 2025²	8,896	(4,830)	79,726	5,485	7,135	(1,527)	89,277
Non-controlling interests as of 30 June 2025							422
Total equity as of 30 June 2025							89,699
Balance as of 1 January 2024²	13,562	(4,796)	74,397	2,462	5,584	(3,109)	85,624
Acquisition of treasury shares		(1,900) ³					(1,900)
Delivery of treasury shares under share-based compensation plans	(1,051)	1,133					82
Other disposal of treasury shares	1	65 ³					66
Share-based compensation expensed in the income statement	610						610
Tax (expense) / benefit	14						14
Dividends	(1,128) ⁵		(1,128) ⁵				(2,256)
Equity classified as obligation to purchase own shares	(27)						(27)
Translation effects recognized directly in retained earnings			(63)	63		63	0
Share of changes in retained earnings of associates and joint ventures			(1)				(1)
New consolidations / (deconsolidations) and other increases / (decreases)	106		8				114
Total comprehensive income for the period			2,964	(1,608)	(1,252)	(327)	1,356
<i>of which: net profit / (loss)</i>			2,890				2,890
<i>of which: OCI, net of tax</i>			73	(1,608)	(1,252)	(327)	(1,535)
Balance as of 30 June 2024²	12,089	(5,498)	76,176	917	4,332	(3,373)	83,683
Non-controlling interests as of 30 June 2024							535
Total equity as of 30 June 2024							84,218

¹ Excludes other comprehensive income related to defined benefit plans and own credit that is recorded directly in Retained earnings. ² Excludes non-controlling interests. ³ Includes treasury shares acquired and disposed of by the Investment Bank in its capacity as a market maker with regard to UBS shares and related derivatives, and to hedge certain issued structured debt instruments. These acquisitions and disposals are reported based on the sum of the net monthly movements. ⁴ Reflects the cancellation of 120,506,008 shares purchased under UBS's 2022 share repurchase program as approved by the shareholders at the 2025 Annual General Meeting. Swiss tax law requires Switzerland-domiciled companies with shares listed on a Swiss stock exchange to reduce capital contribution reserves by at least 50% of the total capital reduction amount exceeding the nominal value upon cancellation of the shares. ⁵ Reflects the payment of an ordinary cash dividend of USD 0.90 per dividend-bearing share in April 2025 (2024: USD 0.70 per dividend-bearing share paid in May 2024). Swiss tax law requires Switzerland-domiciled companies with shares listed on a Swiss stock exchange to pay no more than 50% of dividends from capital contribution reserves, with the remainder required to be paid from retained earnings.

Statement of cash flows

	Year-to-date	
USD m	30.6.25	30.6.24
Cash flow from / (used in) operating activities		
Net profit / (loss)	4,105	2,939
Non-cash items included in net profit and other adjustments		
Depreciation, amortization and impairment of non-financial assets	1,759	1,798
Credit loss expense / (release)	263	201
Share of net (profit) / loss of associates and joint ventures and impairment related to associates	(157)	(110)
Deferred tax expense / (benefit)	(607)	127
Net loss / (gain) from investing activities	(153)	95
Net loss / (gain) from financing activities	13,603	(3,961)
Other net adjustments ¹	(31,208)	18,094
Net change in operating assets and liabilities¹		
Amounts due from banks and amounts due to banks	6,953	675
Receivables from securities financing transactions measured at amortized cost	14,925	13,812
Payables from securities financing transactions measured at amortized cost	1,509	(38)
Cash collateral on derivative instruments	(3,533)	(2,120)
Loans and advances to customers	(7,214)	13,445
Customer deposits	(1,952)	(9,900)
Financial assets and liabilities at fair value held for trading and derivative financial instruments	33,794	(4,779)
Brokerage receivables and payables	5,294	(101)
Financial assets at fair value not held for trading and other financial assets and liabilities	(11,885)	(15,110)
Provisions and other non-financial assets and liabilities	(3,275)	(1,986)
Income taxes paid, net of refunds	(1,331)	(1,223)
Net cash flow from / (used in) operating activities²	20,889	11,858
Cash flow from / (used in) investing activities		
Purchase of subsidiaries, business, associates and intangible assets	(17)	0
Disposal of subsidiaries, business, associates and intangible assets ³	482 ⁴	55
Purchase of property, equipment and software	(1,109)	(913)
Disposal of property, equipment and software	62	40
Purchase of financial assets measured at fair value through other comprehensive income	(7,175)	(2,132)
Disposal and redemption of financial assets measured at fair value through other comprehensive income	2,772	2,501
Purchase of debt securities measured at amortized cost	(14,792)	(1,850)
Disposal and redemption of debt securities measured at amortized cost	5,625	4,848
Net cash flow from / (used in) investing activities	(14,150)	2,549
Cash flow from / (used in) financing activities		
Repayment of Swiss National Bank funding		(42,587) ⁵
Net issuance (repayment) of short-term debt measured at amortized cost	3,002	(3,384)
Net movements in treasury shares and own equity derivative activity	(2,073)	(1,786)
Distributions paid on UBS shares	(2,866)	(2,256)
Issuance of debt designated at fair value and long-term debt measured at amortized cost	61,836	59,080
Repayment of debt designated at fair value and long-term debt measured at amortized cost	(71,129)	(71,389)
Inflows from securities financing transactions measured at amortized cost ⁶	565	2,863
Outflows from securities financing transactions measured at amortized cost ⁶	(1,561)	(2,052)
Net cash flows from other financing activities	(544)	(404)
Net cash flow from / (used in) financing activities	(12,769)	(61,916)
Total cash flow		
Cash and cash equivalents at the beginning of the period	244,090	340,207
Net cash flow from / (used in) operating, investing and financing activities	(6,030)	(47,510)
Effects of exchange rate differences on cash and cash equivalents ¹	20,992	(13,733)
Cash and cash equivalents at the end of the period⁷	259,052	278,964
<i>of which: cash and balances at central banks⁷</i>	<i>236,193</i>	<i>248,336</i>
<i>of which: amounts due from banks⁷</i>	<i>19,821</i>	<i>19,811</i>
<i>of which: money market paper^{7,8}</i>	<i>3,039</i>	<i>10,818</i>
Additional information		
Net cash flow from / (used in) operating activities includes:		
Interest received in cash	21,679	28,362
Interest paid in cash	19,602	24,087
Dividends on equity investments, investment funds and associates received in cash ³	1,803	1,529

¹ Foreign currency translation and foreign exchange effects on operating assets and liabilities and on cash and cash equivalents are presented within the Other net adjustments line, with the exception of foreign currency hedge effects related to foreign exchange swaps, which are presented on the line Financial assets and liabilities at fair value held for trading and derivative financial instruments. ² Includes cash receipts from the sale of loans and loan commitments of USD 581m and USD 9,857m within Non-core and Legacy for the six-month periods ended 30 June 2025 and 30 June 2024, respectively. ³ Includes dividends received from associates. ⁴ Includes cash proceeds net of cash and cash equivalents disposed of the sale of the US mortgage servicing business of Credit Suisse, Select Portfolio Servicing, which was managed in Non-core and Legacy. Refer to "Note 29 Changes in organization and acquisitions and disposals of subsidiaries and businesses" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024 for more information. ⁵ Reflects the repayment of the Emergency Liquidity Assistance facility to the Swiss National Bank, which was recognized in the balance sheet line Amounts due to banks. ⁶ Reflects cash flows from securities financing transactions measured at amortized cost that use UBS debt instruments as the underlying. ⁷ Includes only balances with an original maturity of three months or less. ⁸ Money market paper is included in the balance sheet under Financial assets at fair value not held for trading (30 June 2025: USD 2,431m; 30 June 2024: USD 9,479m), Other financial assets measured at amortized cost (30 June 2025: USD 340m; 30 June 2024: USD 565m), Financial assets measured at fair value through other comprehensive income (30 June 2025: USD 140m; 30 June 2024: USD 344m) and Financial assets at fair value held for trading (30 June 2025: USD 127m; 30 June 2024: USD 430m).

Notes to the UBS Group AG interim consolidated financial statements (unaudited)

Note 1 Basis of accounting

Basis of preparation

The consolidated financial statements (the financial statements) of UBS Group AG and its subsidiaries (together, UBS or the Group) are prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (the IASB), and are presented in US dollars. These interim financial statements are prepared in accordance with IAS 34, *Interim Financial Reporting*.

In preparing these interim financial statements, the same accounting policies and methods of computation have been applied as in the UBS Group AG consolidated annual financial statements for the period ended 31 December 2024. These interim financial statements are unaudited and should be read in conjunction with: UBS Group AG's audited consolidated financial statements in the UBS Group Annual Report 2024; the "Management report" sections of this report, specifically the disclosures in the "Recent developments" section of this report regarding the sale of O'Connor hedge funds and the ownership increase in UBS Securities China and in the "UBS Group performance, business divisions and Group Items" section of this report regarding the sale of Select Portfolio Servicing (the US mortgage servicing business of Credit Suisse) and the transactions related to Swisscard; and the information about significant transactions disclosed in the UBS Group first quarter 2025 report. In the opinion of management, all necessary adjustments have been made for a fair presentation of the Group's financial position, results of operations and cash flows.

Preparation of these interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities. These estimates and assumptions are based on the best available information. Actual results in the future could differ from such estimates and differences may be material to the financial statements. Revisions to estimates, based on regular reviews, are recognized in the period in which they occur. For more information about areas of estimation uncertainty that are considered to require critical judgment, refer to "Note 1a Material accounting policies" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024.

Currency translation rates

The following table shows the rates of the main currencies used to translate the financial information of UBS's operations with a functional currency other than the US dollar into US dollars.

Currency translation rates

	Closing exchange rate				Average rate ¹				
	As of				For the quarter ended			Year-to-date	
	30.6.25	31.3.25	31.12.24	30.6.24	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
1 CHF	1.26	1.13	1.10	1.11	1.23	1.11	1.10	1.17	1.12
1 EUR	1.18	1.08	1.04	1.07	1.15	1.05	1.07	1.10	1.08
1 GBP	1.37	1.29	1.25	1.26	1.35	1.26	1.26	1.31	1.26
100 JPY	0.69	0.67	0.63	0.62	0.70	0.66	0.63	0.68	0.65

¹ Monthly income statement items of operations with a functional currency other than the US dollar are translated into US dollars using month-end rates. Disclosed average rates for a quarter represent an average of three month-end rates, weighted according to the income and expense volumes of all operations of the Group with the same functional currency for each month. Weighted average rates for individual business divisions may deviate from the weighted average rates for the Group.

Note 2 Segment reporting

UBS's business divisions are organized globally into five business divisions: Global Wealth Management, Personal & Corporate Banking, Asset Management, the Investment Bank, and Non-core and Legacy. All five business divisions are supported by Group Items and qualify as reportable segments for the purpose of segment reporting. Together with Group Items they reflect the management structure of the Group.

› Refer to the "Consolidated financial statements" section of the UBS Group Annual Report 2024 for more information about the Group's reporting segments

Segment reporting

<i>USD m</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	UBS Group
For the six months ended 30 June 2025							
Net interest income	3,413	2,605	(34)	(1,575)	(23)	(791)	3,595
Non-interest income	9,309	1,941	1,547	7,724	225	327	21,074
Total revenues	12,722	4,547	1,513	6,149	202	(465)	24,668
Credit loss expense / (release)	9	167	0	83	6	(1)	263
Operating expenses	10,150	3,078	1,224	4,788	838	2	20,080
Operating profit / (loss) before tax	2,563	1,302	289	1,279	(642)	(465)	4,325
Tax expense / (benefit)							221
Net profit / (loss)							4,105
As of 30 June 2025							
Total assets	584,157	481,297	25,873	520,571	38,279	19,813	1,669,991
<i>USD m</i>	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	UBS Group
For the six months ended 30 June 2024							
Net interest income	3,698	2,859	(31)	(1,841)	57	(1,267)	3,475
Non-interest income	8,498	1,836	1,574	7,394	1,345	520	21,167
Total revenues	12,196	4,695	1,543	5,554	1,402	(747)	24,642
Credit loss expense / (release)	(4)	146	0	26	35	(2)	201
Operating expenses	10,228	2,800	1,303	4,496	1,818	(48)	20,597
Operating profit / (loss) before tax	1,972	1,748	241	1,032	(451)	(699)	3,844
Tax expense / (benefit)							905
Net profit / (loss)							2,939
As of 31 December 2024							
Total assets	559,601	447,068	22,702	453,422	68,260	13,975	1,565,028

Note 3 Net interest income

Net interest income

<i>USD m</i>	For the quarter ended			Year-to-date	
	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Interest income from loans and deposits ¹	6,240	6,105	8,403	12,345	17,492
Interest income from securities financing transactions measured at amortized cost ²	915	839	1,136	1,754	2,354
Interest income from other financial instruments measured at amortized cost	406	360	328	766	675
Interest income from debt instruments measured at fair value through other comprehensive income	44	27	26	71	54
Interest income from derivative instruments designated as cash flow hedges	(322)	(351)	(574)	(672)	(1,175)
Total interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	7,283	6,981	9,320	14,264	19,399
Interest expense on loans and deposits ³	3,582	3,698	5,074	7,280	10,513
Interest expense on securities financing transactions measured at amortized cost ⁴	552	415	541	967	1,035
Interest expense on debt issued	2,639	2,794	3,655	5,433	7,395
Interest expense on lease liabilities	43	41	49	85	99
Total interest expense from financial instruments measured at amortized cost	6,817	6,948	9,319	13,765	19,042
Total net interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	466	33	2	498	357
Net interest income from financial instruments measured at fair value through profit or loss and other	1,500	1,597	1,533	3,096	3,118
Total net interest income	1,965	1,629	1,535	3,595	3,475

¹ Consists of interest income from cash and balances at central banks, amounts due from banks, and cash collateral receivables on derivative instruments, as well as negative interest on amounts due to banks, customer deposits, and cash collateral payables on derivative instruments. ² Includes interest income on receivables from securities financing transactions and negative interest, including fees, on payables from securities financing transactions. ³ Consists of interest expense on amounts due to banks, cash collateral payables on derivative instruments, and customer deposits, as well as negative interest on cash and balances at central banks, amounts due from banks, and cash collateral receivables on derivative instruments. ⁴ Includes interest expense on payables from securities financing transactions and negative interest, including fees, on receivables from securities financing transactions.

Note 4 Net fee and commission income

Net fee and commission income					
	For the quarter ended			Year-to-date	
USD m	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Underwriting fees	246	187	233	433	427
M&A and corporate finance fees	225	244	272	470	530
Brokerage fees	1,261	1,376	1,144	2,636	2,295
Investment fund fees	1,601	1,543	1,401	3,143	2,658
Portfolio management and related services	3,165	3,104	3,071	6,269	6,121
Other	864	972	1,090	1,836	2,259
Total fee and commission income¹	7,361	7,426	7,211	14,787	14,291
of which: recurring	4,762	4,610	4,484	9,372	8,891
of which: transaction-based	2,560	2,783	2,697	5,342	5,338
of which: performance-based	39	33	30	73	62
Fee and commission expense	653	649	679	1,302	1,268
Net fee and commission income	6,708	6,777	6,531	13,485	13,023

¹ Reflects third-party fee and commission income for the second quarter of 2025 of USD 4,328m for Global Wealth Management (first quarter of 2025: USD 4,431m; second quarter of 2024: USD 4,011m), USD 789m for Personal & Corporate Banking (first quarter of 2025: USD 730m; second quarter of 2024: USD 876m), USD 984m for Asset Management (first quarter of 2025: USD 939m; second quarter of 2024: USD 924m), USD 1,250m for the Investment Bank (first quarter of 2025: USD 1,243m; second quarter of 2024: USD 1,322m), USD 7m for Non-core and Legacy (first quarter of 2025: USD 68m; second quarter of 2024: USD 125m) and USD 3m for Group Items (first quarter of 2025: USD 14m; second quarter of 2024: negative USD 47m).

Note 5 Other income

Other income					
	For the quarter ended			Year-to-date	
USD m	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Associates, joint ventures and subsidiaries					
Net gains / (losses) from acquisitions and disposals of subsidiaries ¹	4	94 ²	(2)	98 ²	(3)
Net gains / (losses) from disposals of investments in associates and joint ventures	0	3	2	3	0
Share of net profit / (loss) of associates and joint ventures	21	136 ³	52	157 ³	110
Total	25	233	52	257	107
Income from properties ⁴	9	3	15	12	29
Net gains / (losses) from properties held for sale	(5)	8	(2)	3	(4)
Other ⁵	2	(31)	89	(29)	145
Total other income	30	213	154	243	278

¹ Includes foreign exchange gains / (losses) reclassified from other comprehensive income related to the disposal or closure of foreign operations. ² Includes a gain of USD 97m recognized upon completion of the sale of Select Portfolio Servicing, the US mortgage servicing business of Credit Suisse, which was managed in Non-core and Legacy. Refer to "Note 29 Changes in organization and acquisitions and disposals of subsidiaries and businesses" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024 for more information. ³ Includes a gain of USD 64m related to UBS's share of income recorded by Swisscard for the sale of the Credit Suisse card portfolios to UBS. Refer to "Note 29 Changes in organization and acquisitions and disposals of subsidiaries and businesses" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024 for more information. ⁴ Includes rent received from third parties. ⁵ Includes losses of USD 27m for the second quarter of 2025 related to the repurchase of UBS's own debt instruments (first quarter of 2025: losses of USD 36m; second quarter of 2024: gains of USD 4m).

Note 6 Personnel expenses

Personnel expenses					
	For the quarter ended			Year-to-date	
USD m	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Salaries and variable compensation ¹	5,900	5,968	6,058	11,868	11,922
of which: variable compensation – financial advisors ²	1,335	1,409	1,291	2,744	2,558
Contractors	79	72	82	152	168
Social security	416	405	419	821	828
Post-employment benefit plans	321	349	309	671	676
Other personnel expenses	260	237	251	497	476
Total personnel expenses	6,976	7,032	7,119	14,008	14,068

¹ Includes role-based allowances. ² Financial advisor compensation consists of cash compensation, determined using a formulaic approach based on production, and deferred awards. It also includes expenses related to compensation commitments with financial advisors entered into at the time of recruitment that are subject to vesting requirements.

Note 7 General and administrative expenses

General and administrative expenses

USD m	For the quarter ended			Year-to-date	
	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Outsourcing costs	381	378	463	760	886
Technology costs	592	573	567	1,166	1,154
Consulting, legal and audit fees	317	287	394	604	797
Real estate and logistics costs	284	239	302	523	590
Market data services	178	168	188	346	387
Marketing and communication	145	123	137	268	251
Travel and entertainment	89	74	87	163	159
Litigation, regulatory and similar matters ¹	(412)	114	(153)	(298)	(158)
Other	306	475 ²	334	781 ²	665
Total general and administrative expenses	1,881	2,431	2,318	4,312	4,731

¹ Reflects the net increase / (decrease) in provisions for litigation, regulatory and similar matters recognized in the income statement. The quarters and six-month periods ended 30 June 2025 and 30 June 2024 also reflect decreases in acquired contingent liabilities measured under IFRS 3. Refer to Note 14b for more information. ² Includes a USD 180m expense related to the payment to Swisscard for the sale of the Credit Suisse card portfolios to UBS. Refer to "Note 29 Changes in organization and acquisitions and disposals of subsidiaries and businesses" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024 for more information.

Note 8 Expected credit loss measurement

a) Credit loss expense / release

Total net credit loss expenses in the second quarter of 2025 were USD 163m, reflecting USD 38m net expenses related to performing positions and USD 125m net expenses on credit-impaired positions.

Stage 1 and 2 net expenses of USD 38m included scenario-update-related net expenses of USD 23m, mainly from corporate lending and portfolio changes, and USD 13m expenses in anticipation of a portfolio re-calibration in the large corporate clients segment.

Credit loss expenses of USD 125m for credit-impaired positions primarily related to Personal & Corporate Banking and Investment Bank exposures related to a small number of corporate counterparties.

Credit loss expense / (release)

USD m	Performing positions	Credit-impaired positions		Total
	Stages 1 and 2	Stage 3	Purchased	
For the quarter ended 30.6.25				
Global Wealth Management	(3)	6	0	3
Personal & Corporate Banking	22	91	1	114
Asset Management	0	0	0	0
Investment Bank	19	29	0	48
Non-core and Legacy	0	0	(2)	(2)
Group Items	0	0	0	0
Total	38	126	(1)	163
For the quarter ended 31.3.25				
Global Wealth Management	(7)	13	(1)	6
Personal & Corporate Banking	(8)	61	0	53
Asset Management	0	0	0	0
Investment Bank	(5)	40	0	35
Non-core and Legacy	0	(1)	8	7
Group Items	(1)	0	0	(1)
Total	(21)	113	8	100
For the quarter ended 30.6.24				
Global Wealth Management	(13)	12	0	(1)
Personal & Corporate Banking	(15)	132	(14)	103
Asset Management	0	0	0	0
Investment Bank	7	(14)	1	(6)
Non-core and Legacy	(1)	3	(2)	(1)
Group Items	0	0	0	0
Total	(22)	132	(15)	95

Note 8 Expected credit loss measurement (continued)

b) Changes to ECL models, scenarios and scenario weights

Scenarios and scenario weights

The expected credit loss (ECL) scenarios, along with their related macroeconomic factors and market data, were reviewed in light of the economic and political conditions prevailing in the second quarter of 2025 through a series of governance meetings, with input and feedback from UBS Risk and Finance experts across the business divisions and regions.

The baseline scenario was updated with the latest macroeconomic forecasts as of 30 June 2025. The assumptions on a calendar-year basis are included in the table below and have been revised downward in the US, the Eurozone and Japan relative to the start of 2025 in the second half of the year following the announcement of US tariffs imposed on imports from other countries. In general, forecasts for Swiss GDP growth and unemployment are less optimistic than in 2024, due to spillover effects from the US tariff announcements. Expectations for long-term interest rates were revised and are marginally lower, while forecasts for house prices remained unchanged.

At the beginning of the first quarter of 2025, UBS replaced the stagflationary geopolitical crisis scenario applied at the end of 2024 with the global crisis scenario, as the severe downside scenario. It targets risks such as sovereign defaults, low interest rates, a crisis in the Eurozone and significant emerging market stress. The mild stagflation crisis scenario replaced the mild debt crisis scenario as the mild downside scenario. In the mild stagflation crisis scenario, interest rates are assumed to rise rather than decline, as in the previously applied mild debt crisis scenario. However, the declines in GDP and equities are similar.

UBS kept the scenarios and scenario weights in line with those applied in the UBS Group first quarter 2025 report. All of the scenarios, including the asset price appreciation and the baseline scenarios, have been updated based on the latest macroeconomic forecasts as of 30 June 2025. The assumptions on a calendar-year basis are included in the table below.

Comparison of shock factors

Key parameters	Baseline		
	2024	2025	2026
Real GDP growth (annual percentage change)			
US	2.8	1.6	1.2
Eurozone	0.8	0.7	1.0
Switzerland	1.4	0.9	1.4
Unemployment rate (% , annual average)			
US	4.0	4.3	4.8
Eurozone	6.4	6.5	6.6
Switzerland	2.5	2.9	2.9
Fixed income: 10-year government bonds (% , Q4)			
USD	4.6	4.2	4.4
EUR	2.4	2.7	2.8
CHF	0.3	0.5	0.6
Real estate (annual percentage change, Q4)			
US	3.8	2.3	3.7
Eurozone	4.2	2.7	3.4
Switzerland	0.9	4.0	2.5

Economic scenarios and weights applied

ECL scenario	Assigned weights in %		
	30.6.25	31.3.25	30.6.24
Asset price appreciation	5.0	5.0	–
Baseline	50.0	50.0	60.0
Mild debt crisis	–	–	15.0
Stagflationary geopolitical crisis	–	–	25.0
Mild stagflation crisis	30.0	30.0	–
Global crisis	15.0	15.0	–

Note 8 Expected credit loss measurement (continued)

c) ECL-relevant balance sheet and off-balance sheet positions including ECL allowances and provisions

The following tables provide information about financial instruments and certain non-financial instruments that are subject to ECL requirements. For amortized-cost instruments, the carrying amount represents the maximum exposure to credit risk, taking into account the allowance for credit losses. Financial assets measured at fair value through other comprehensive income (FVOCI) are also subject to ECL; however, unlike amortized-cost instruments, the allowance for credit losses for FVOCI instruments does not reduce the carrying amount of these financial assets. Instead, the carrying amount of financial assets measured at FVOCI represents the maximum exposure to credit risk.

In addition to recognized financial assets, certain off-balance sheet financial instruments and other credit lines are also subject to ECL. The maximum exposure to credit risk for off-balance sheet financial instruments is calculated based on the maximum contractual amounts.

ECL-relevant balance sheet and off-balance sheet positions

USD m

	30.6.25					ECL allowances ²				
	Carrying amount ¹					Total	Stage 1	Stage 2	Stage 3	PCI
Financial instruments measured at amortized cost	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 3	PCI
Cash and balances at central banks	236,193	236,007	20	0	167	(72)	0	(29)	0	(43)
Amounts due from banks	21,527	21,425	102	0	0	(10)	(5)	(5)	0	0
Receivables from securities financing transactions measured at amortized cost	110,161	110,161	0	0	0	(3)	(3)	0	0	0
Cash collateral receivables on derivative instruments	45,478	45,478	0	0	0	0	0	0	0	0
Loans and advances to customers	646,048	616,026	25,488	3,861	673	(2,343)	(343)	(311)	(1,395)	(293)
of which: Private clients with mortgages	285,106	272,055	11,620	1,391	41	(142)	(43)	(49)	(38)	(12)
of which: Real estate financing	92,450	86,557	5,572	313	8	(69)	(25)	(36)	(8)	0
of which: Large corporate clients	26,647	22,894	3,098	418	237	(647)	(116)	(97)	(298)	(136)
of which: SME clients	24,689	20,887	2,496	1,210	95	(1,018)	(74)	(85)	(823)	(35)
of which: Lombard	161,022	160,775	147	47	53	(64)	(11)	0	(27)	(26)
of which: Credit cards	2,315	1,791	479	45	0	(48)	(7)	(12)	(29)	0
of which: Commodity trade finance	4,273	4,236	25	12	0	(91)	(8)	0	(82)	0
of which: Ship / aircraft financing	8,708	7,903	727	78	0	(20)	(15)	(5)	0	0
of which: Consumer financing	2,973	2,684	131	89	69	(110)	(19)	(23)	(74)	5
Other financial assets measured at amortized cost	72,211	71,415	620	171	5	(131)	(25)	(11)	(94)	(1)
of which: Loans to financial advisors	2,682	2,495	97	90	0	(39)	(3)	(1)	(35)	0
Total financial assets measured at amortized cost	1,131,618	1,100,512	26,229	4,032	844	(2,559)	(378)	(356)	(1,489)	(337)
Financial assets measured at fair value through other comprehensive income	6,872	6,872	0	0	0	0	0	0	0	0
Total on-balance sheet financial assets in scope of ECL requirements	1,138,490	1,107,384	26,229	4,032	844	(2,559)	(378)	(356)	(1,489)	(337)
	Total exposure					ECL provisions ²				
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 3	PCI
Off-balance sheet (in scope of ECL)										
Guarantees	44,446	43,444	819	144	40	(96)	(14)	(21)	(61)	0
of which: Large corporate clients	7,728	7,154	480	67	26	(54)	(6)	(5)	(42)	0
of which: SME clients	3,280	3,007	219	48	7	(31)	(5)	(15)	(11)	0
of which: Financial intermediaries and hedge funds	26,604	26,516	87	0	0	(1)	(1)	0	0	0
of which: Lombard	3,958	3,933	1	24	0	(6)	0	0	(5)	0
of which: Commodity trade finance	1,874	1,873	1	0	0	(1)	(1)	0	0	0
Irrevocable loan commitments	82,046	77,132	4,688	199	27	(247)	(139)	(83)	(24)	(2)
of which: Large corporate clients	49,093	44,806	4,094	166	27	(195)	(101)	(74)	(18)	(1)
Forward starting reverse repurchase and securities borrowing agreements	20,143	20,143	0	0	0	0	0	0	0	0
Unconditionally revocable loan commitments	150,771	147,962	2,582	227	0	(62)	(47)	(15)	0	0
of which: Real estate financing	8,237	7,929	309	0	0	(3)	(4)	1	0	0
of which: Large corporate clients	14,601	13,752	817	32	0	(15)	(8)	(5)	(2)	0
of which: SME clients	12,030	11,420	454	156	0	(26)	(20)	(6)	0	0
of which: Lombard	75,099	75,013	74	12	0	0	0	0	0	0
of which: Credit cards	11,566	11,045	518	3	0	(9)	(7)	(2)	0	0
Irrevocable committed prolongation of existing loans	5,201	5,182	19	0	0	(2)	(2)	0	0	0
Total off-balance sheet financial instruments and other credit lines	302,608	293,863	8,108	570	67	(406)	(201)	(118)	(85)	(2)
Total allowances and provisions						(2,966)	(579)	(474)	(1,574)	(338)

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances. ² Negative balances are representative of a net improvement in credit quality since the acquisition of the respective financial instrument, which is reflected as a negative ECL allowance.

Note 8 Expected credit loss measurement (continued)

ECL-relevant balance sheet and off-balance sheet positions

USD m

31.3.25

	Carrying amount ¹					ECL allowances ²				
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 3	PCI
Financial instruments measured at amortized cost										
Cash and balances at central banks	231,370	231,207	18	0	145	(60)	0	(28)	0	(33)
Amounts due from banks	21,107	21,070	37	0	0	(9)	(5)	(4)	0	0
Receivables from securities financing transactions measured at amortized cost	101,784	101,784	0	0	0	(3)	(3)	0	0	0
Cash collateral receivables on derivative instruments	38,994	38,994	0	0	0	0	0	0	0	0
Loans and advances to customers	594,150	567,285	22,470	3,582	813	(2,099)	(289)	(300)	(1,228)	(281)
<i>of which: Private clients with mortgages</i>	257,254	245,046	10,800	1,309	99	(133)	(39)	(50)	(36)	(8)
<i>of which: Real estate financing</i>	83,414	78,340	4,828	228	18	(62)	(26)	(32)	(4)	0
<i>of which: Large corporate clients</i>	25,097	21,923	2,115	740	320	(646)	(82)	(111)	(335)	(119)
<i>of which: SME clients</i>	21,787	18,381	2,287	996	122	(811)	(65)	(67)	(646)	(33)
<i>of which: Lombard</i>	152,821	152,732	1	32	55	(48)	(8)	0	(18)	(22)
<i>of which: Credit cards</i>	2,025	1,564	420	41	0	(44)	(8)	(11)	(26)	0
<i>of which: Commodity trade finance</i>	4,330	4,311	12	7	0	(81)	(8)	0	(73)	0
<i>of which: Ship / aircraft financing</i>	8,029	7,713	316	0	0	(19)	(16)	(4)	0	0
<i>of which: Consumer financing</i>	2,629	2,414	109	73	33	(92)	(16)	(19)	(62)	5
Other financial assets measured at amortized cost	66,513	65,766	560	176	11	(121)	(24)	(8)	(82)	(8)
<i>of which: Loans to financial advisors</i>	2,738	2,600	48	89	0	(40)	(3)	(1)	(36)	0
Total financial assets measured at amortized cost	1,053,918	1,026,106	23,085	3,758	969	(2,293)	(321)	(340)	(1,309)	(322)
Financial assets measured at fair value through other comprehensive income	3,216	3,216	0	0	0	0	0	0	0	0
Total on-balance sheet financial assets in scope of ECL requirements	1,057,134	1,029,322	23,085	3,758	969	(2,293)	(321)	(340)	(1,309)	(322)
	Total exposure					ECL provisions ²				
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 3	PCI
Off-balance sheet (in scope of ECL)										
Guarantees	42,586	40,618	1,800	131	37	(60)	(12)	(20)	(27)	0
<i>of which: Large corporate clients</i>	7,103	6,487	530	64	23	(14)	(6)	(4)	(4)	0
<i>of which: SME clients</i>	2,885	2,529	316	31	8	(22)	(3)	(15)	(4)	0
<i>of which: Financial intermediaries and hedge funds</i>	25,139	24,249	890	0	0	(1)	(1)	0	0	0
<i>of which: Lombard</i>	3,591	3,561	0	30	0	(6)	(1)	0	(5)	0
<i>of which: Commodity trade finance</i>	2,160	2,158	1	0	0	(1)	(1)	0	0	0
Irrevocable loan commitments	79,463	75,299	3,906	217	40	(219)	(116)	(81)	(20)	(2)
<i>of which: Large corporate clients</i>	48,349	45,150	3,033	138	27	(160)	(84)	(59)	(16)	(2)
Forward starting reverse repurchase and securities borrowing agreements	18,178	18,178	0	0	0	0	0	0	0	0
Unconditionally revocable loan commitments	144,102	140,458	3,442	202	0	(55)	(41)	(14)	0	0
<i>of which: Real estate financing</i>	7,384	7,030	354	0	0	(3)	(4)	1	0	0
<i>of which: Large corporate clients</i>	13,497	12,751	722	23	0	(15)	(8)	(5)	(2)	0
<i>of which: SME clients</i>	10,902	9,952	801	149	0	(23)	(18)	(5)	0	0
<i>of which: Lombard</i>	72,767	72,757	8	2	0	0	0	0	0	0
<i>of which: Credit cards</i>	10,285	9,815	467	3	0	(8)	(6)	(2)	0	0
Irrevocable committed prolongation of existing loans	4,129	4,126	2	2	0	(3)	(3)	0	0	0
Total off-balance sheet financial instruments and other credit lines	288,458	278,679	9,150	551	78	(337)	(172)	(115)	(47)	(2)
Total allowances and provisions						(2,629)	(493)	(455)	(1,357)	(324)

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances. ² Negative balances are representative of a net improvement in credit quality since the acquisition of the respective financial instrument, which is reflected as a negative ECL allowance.

Note 8 Expected credit loss measurement (continued)

ECL-relevant balance sheet and off-balance sheet positions

USD m

31.12.24

	Carrying amount ¹					ECL allowances ²				
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 3	PCI
Financial instruments measured at amortized cost										
Cash and balances at central banks	223,329	223,201	13	0	114	(47)	0	(21)	0	(25)
Amounts due from banks	18,903	18,704	198	0	0	(36)	(1)	(5)	0	(30)
Receivables from securities financing transactions measured at amortized cost	118,301	118,301	0	0	0	(2)	(2)	0	0	0
Cash collateral receivables on derivative instruments	43,959	43,959	0	0	0	0	0	0	0	0
Loans and advances to customers	579,967	553,532	22,049	3,565	820	(1,978)	(276)	(323)	(1,134)	(244)
<i>of which: Private clients with mortgages</i>	249,756	239,540	8,987	1,146	84	(160)	(46)	(70)	(30)	(14)
<i>of which: Real estate financing</i>	82,602	78,410	3,976	195	20	(58)	(24)	(27)	(7)	0
<i>of which: Large corporate clients</i>	25,286	20,816	3,462	707	301	(573)	(72)	(123)	(277)	(100)
<i>of which: SME clients</i>	20,768	17,403	2,265	952	148	(742)	(55)	(47)	(613)	(26)
<i>of which: Lombard</i>	147,504	147,136	260	48	61	(42)	(6)	0	(18)	(18)
<i>of which: Credit cards</i>	1,978	1,533	406	39	0	(41)	(6)	(11)	(25)	0
<i>of which: Commodity trade finance</i>	4,203	4,089	106	8	0	(81)	(9)	0	(71)	0
<i>of which: Ship / aircraft financing</i>	7,848	6,974	874	0	0	(31)	(14)	(16)	0	0
<i>of which: Consumer financing</i>	2,820	2,480	114	159	67	(93)	(15)	(19)	(62)	4
Other financial assets measured at amortized cost	58,835	58,209	436	178	12	(125)	(25)	(7)	(84)	(8)
<i>of which: Loans to financial advisors</i>	2,723	2,568	59	95	0	(41)	(4)	(1)	(37)	0
Total financial assets measured at amortized cost	1,043,293	1,015,906	22,697	3,743	946	(2,187)	(304)	(357)	(1,218)	(307)
Financial assets measured at fair value through other comprehensive income	2,195	2,195	0	0	0	0	0	0	0	0
Total on-balance sheet financial assets in scope of ECL requirements	1,045,488	1,018,102	22,697	3,743	946	(2,187)	(304)	(357)	(1,218)	(307)
	Total exposure					ECL provisions ²				
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 3	PCI
Off-balance sheet (in scope of ECL)										
Guarantees	40,279	38,858	1,242	151	27	(64)	(16)	(24)	(24)	0
<i>of which: Large corporate clients</i>	7,817	7,096	635	78	8	(17)	(7)	(9)	(2)	0
<i>of which: SME clients</i>	2,524	2,074	393	41	15	(26)	(5)	(15)	(7)	0
<i>of which: Financial intermediaries and hedge funds</i>	21,590	21,449	141	0	0	(1)	(1)	0	0	0
<i>of which: Lombard</i>	3,709	3,652	24	29	4	(6)	(1)	0	(5)	0
<i>of which: Commodity trade finance</i>	2,678	2,676	2	0	0	(1)	(1)	0	0	0
Irrevocable loan commitments	79,579	75,158	4,178	187	56	(177)	(105)	(61)	(10)	(2)
<i>of which: Large corporate clients</i>	47,381	43,820	3,393	125	43	(155)	(91)	(54)	(8)	(2)
Forward starting reverse repurchase and securities borrowing agreements	24,896	24,896	0	0	0	0	0	0	0	0
Unconditionally revocable loan commitments	145,665	143,262	2,149	250	5	(76)	(59)	(17)	0	0
<i>of which: Real estate financing</i>	7,674	7,329	345	0	0	(6)	(4)	(2)	0	0
<i>of which: Large corporate clients</i>	14,690	14,089	584	14	3	(22)	(14)	(7)	(2)	0
<i>of which: SME clients</i>	9,812	9,289	333	190	0	(34)	(28)	(6)	0	0
<i>of which: Lombard</i>	73,267	73,181	84	0	1	0	0	0	0	0
<i>of which: Credit cards</i>	10,074	9,604	467	3	0	(8)	(6)	(2)	0	0
Irrevocable committed prolongation of existing loans	4,608	4,602	4	2	0	(3)	(3)	0	0	0
Total off-balance sheet financial instruments and other credit lines	295,027	286,776	7,572	590	89	(320)	(183)	(102)	(34)	(2)
Total allowances and provisions						(2,507)	(487)	(459)	(1,253)	(309)

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances. ² Negative balances are representative of a net improvement in credit quality since the acquisition of the respective financial instrument, which is reflected as a negative ECL allowance.

Note 8 Expected credit loss measurement (continued)

The table below provides information about the gross carrying amount of exposures subject to ECL and the ECL coverage ratio for UBS's core loan portfolios (i.e. *Loans and advances to customers* and *Loans to financial advisors*) and relevant off-balance sheet exposures. *Cash and balances at central banks*, *Amounts due from banks*, *Receivables from securities financing transactions*, *Cash collateral receivables on derivative instruments* and *Financial assets measured at fair value through other comprehensive income* are not included in the table below, due to their lower sensitivity to ECL.

ECL coverage ratios are calculated by dividing ECL allowances and provisions by the gross carrying amount of the related exposures.

The overall coverage ratio for performing positions increased by 1 basis point to 11 basis points as of 30 June 2025. Compared with 31 March 2025, coverage ratios for performing positions related to real estate lending (on-balance sheet) were unchanged at 4 basis points, and coverage ratios for performing positions related to corporate lending (on-balance sheet) increased by 3 basis points to 75 basis points.

Coverage ratios for core loan portfolio

30.6.25											
On-balance sheet	Gross carrying amount (USD m)					ECL coverage (bps)					
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	285,249	272,098	11,669	1,429	53	5	2	42	3	266	2,234
Real estate financing	92,519	86,582	5,608	320	9	7	3	64	7	235	376
Total real estate lending	377,768	358,680	17,277	1,749	61	6	2	49	4	260	1,970
Large corporate clients	27,294	23,011	3,194	716	373	237	51	302	81	4,164	3,651
SME clients	25,706	20,961	2,581	2,033	131	396	35	331	68	4,048	2,710
Total corporate lending	53,001	43,972	5,776	2,749	504	314	43	315	75	4,078	3,406
Lombard	161,086	160,787	147	73	78	4	1	0	1	3,643	3,294
Credit cards	2,363	1,798	491	74	0	201	36	250	82	3,898	0
Commodity trade finance	4,364	4,244	25	94	0	208	19	0	19	8,714	0
Ship / aircraft financing	8,728	7,917	732	78	0	23	18	70	23	0	0
Consumer financing	3,083	2,703	154	163	64	356	71	1,466	146	4,531	15
Other loans and advances to customers	37,999	36,269	1,197	275	259	35	7	32	8	625	3,425
Loans to financial advisors	2,721	2,498	99	125	0	145	13	140	18	2,777	0
Total other lending	220,344	216,216	2,845	882	401	23	4	159	6	2,984	2,727
Total¹	651,112	618,868	25,898	5,381	966	37	6	121	10	2,658	3,034
Off-balance sheet	Gross exposure (USD m)					ECL coverage (bps)					
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	11,178	10,950	222	6	0	4	3	25	4	0	0
Real estate financing	9,734	9,401	333	0	0	8	9	0	8	0	0
Total real estate lending	20,912	20,351	555	6	0	6	6	0	6	0	0
Large corporate clients	71,511	65,801	5,392	265	53	37	17	156	28	2,359	271
SME clients	17,371	16,346	780	237	7	46	22	358	37	718	425
Total corporate lending	88,882	82,148	6,172	503	60	39	18	182	30	1,584	289
Lombard	82,536	82,424	75	36	0	1	1	0	1	1,508	0
Credit cards	11,566	11,045	518	3	0	8	6	36	8	0	0
Commodity trade finance	2,230	2,223	6	0	0	3	3	46	3	0	0
Ship / aircraft financing	2,430	2,390	41	0	0	0	0	0	0	0	0
Consumer financing	327	327	0	0	0	2	2	0	2	0	0
Financial intermediaries and hedge funds	28,287	27,748	539	0	0	2	2	7	2	0	0
Other off-balance sheet commitments	45,295	45,064	203	22	7	6	5	207	6	46	0
Total other lending	172,671	171,221	1,381	61	7	3	2	47	3	903	0
Total²	282,465	273,720	8,108	570	67	14	7	146	11	1,494	229
Total on- and off-balance sheet³	933,577	892,588	34,006	5,950	1,033	30	6	127	11	2,546	2,852

¹ Includes Loans and advances to customers and Loans to financial advisors, which are presented on the balance sheet line Other financial assets measured at amortized cost. ² Excludes Forward starting reverse repurchase and securities borrowing agreements. ³ Includes on-balance sheet exposure, gross and off-balance sheet exposure (notional) and the related ECL coverage ratio (bps).

Note 8 Expected credit loss measurement (continued)

Coverage ratios for core loan portfolio

31.3.25											
On-balance sheet	Gross carrying amount (USD m)					ECL coverage (bps)					
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	257,387	245,085	10,850	1,345	107	5	2	46	3	269	706
Real estate financing	83,476	78,366	4,860	232	18	7	3	65	7	187	130
Total real estate lending	340,863	323,451	15,710	1,577	125	6	2	52	4	257	622
Large corporate clients	25,744	22,004	2,225	1,075	438	251	37	497	79	3,120	2,703
SME clients	22,598	18,446	2,354	1,642	155	359	35	286	64	3,934	2,106
Total corporate lending	48,341	40,451	4,580	2,717	593	302	36	389	72	3,612	2,548
Lombard	152,869	152,740	1	50	77	3	1	31	1	3,652	2,811
Credit cards	2,069	1,572	431	66	0	214	49	255	94	3,847	0
Commodity trade finance	4,410	4,319	12	80	0	183	18	10	18	9,154	5,616
Ship / aircraft financing	8,048	7,729	319	0	0	24	20	117	24	0	0
Consumer financing	2,721	2,430	128	135	28	340	65	1,501	137	4,624	0
Other loans and advances to customers	36,927	34,883	1,590	184	270	44	6	44	8	1,452	3,907
Loans to financial advisors	2,778	2,603	49	125	0	144	13	174	16	2,870	0
Total other lending	209,822	206,275	2,530	640	376	23	4	165	6	3,778	3,258
Total¹	599,026	570,177	22,820	4,935	1,094	36	5	132	10	2,561	2,572
Off-balance sheet	Gross exposure (USD m)					ECL coverage (bps)					
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	9,352	9,083	264	6	0	4	3	33	4	421	0
Real estate financing	8,225	7,851	374	0	0	8	10	0	8	0	0
Total real estate lending	17,578	16,934	638	6	0	6	6	0	6	416	0
Large corporate clients	69,056	64,495	4,286	225	49	27	15	160	24	972	313
SME clients	15,801	14,290	1,268	223	21	47	19	293	41	475	190
Total corporate lending	84,857	78,785	5,554	448	70	31	16	190	27	725	277
Lombard	79,638	79,597	8	33	0	1	1	14	1	1,602	0
Credit cards	10,285	9,815	467	3	0	8	6	37	8	0	0
Commodity trade finance	3,019	3,001	17	0	0	2	2	14	2	0	0
Ship / aircraft financing	2,520	2,486	34	0	0	0	0	0	0	0	0
Consumer financing	377	377	0	0	0	3	3	0	3	0	0
Financial intermediaries and hedge funds	29,826	28,309	1,517	0	0	1	1	3	1	0	0
Other off-balance sheet commitments	42,180	41,197	914	61	8	9	5	86	7	1,536	0
Total other lending	167,845	164,782	2,958	97	8	4	2	34	3	1,506	0
Total²	270,279	260,501	9,150	551	78	12	7	126	11	859	228
Total on- and off-balance sheet³	869,306	830,678	31,969	5,486	1,172	28	6	130	10	2,390	2,416

¹ Includes Loans and advances to customers and Loans to financial advisors, which are presented on the balance sheet line Other financial assets measured at amortized cost. ² Excludes Forward starting reverse repurchase and securities borrowing agreements. ³ Includes on-balance sheet exposure, gross and off-balance sheet exposure (notional) and the related ECL coverage ratio (bps).

Note 8 Expected credit loss measurement (continued)

Coverage ratios for core loan portfolio

31.12.24											
On-balance sheet	Gross carrying amount (USD m)					ECL coverage (bps)					
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	249,916	239,586	9,056	1,176	98	6	2	77	5	257	1,447
Real estate financing	82,660	78,434	4,003	202	20	7	3	67	6	353	2
Total real estate lending	332,576	318,020	13,059	1,378	118	7	2	74	5	271	1,203
Large corporate clients	25,859	20,888	3,585	983	402	222	35	344	80	2,814	2,500
SME clients	21,510	17,459	2,312	1,565	174	345	32	205	52	3,918	1,474
Total corporate lending	47,369	38,347	5,897	2,549	576	278	33	290	67	3,492	2,190
Lombard	147,547	147,141	260	66	79	3	0	8	0	2,719	2,317
Credit cards	2,019	1,539	416	64	0	205	39	256	85	3,857	0
Commodity trade finance	4,284	4,098	106	79	0	189	22	40	23	8,984	4,226
Ship / aircraft financing	7,879	6,988	891	0	0	39	20	184	39	0	0
Consumer financing	2,912	2,495	133	221	63	318	62	1,449	132	2,786	0
Other loans and advances to customers	37,359	35,179	1,610	342	228	42	8	57	10	917	3,909
Loans to financial advisors	2,764	2,571	60	132	0	149	14	159	17	2,785	0
Total other lending	204,764	200,012	3,477	905	370	24	4	164	7	2,691	2,804
Total¹	584,708	556,380	22,433	4,831	1,064	35	5	145	10	2,424	2,294
Off-balance sheet	Gross exposure (USD m)					ECL coverage (bps)					
	Total	Stage 1	Stage 2	Stage 3	PCI	Total	Stage 1	Stage 2	Stage 1&2	Stage 3	PCI
Private clients with mortgages	8,473	8,271	176	25	1	4	4	22	4	84	0
Real estate financing	8,694	8,300	394	0	0	7	6	33	7	0	0
Total real estate lending	17,167	16,571	570	25	1	6	5	30	6	84	0
Large corporate clients	69,892	65,009	4,612	217	54	28	17	150	26	588	290
SME clients	13,944	12,788	842	287	27	53	30	324	48	281	0
Total corporate lending	83,837	77,797	5,454	504	81	32	19	177	30	413	186
Lombard	80,390	80,235	120	30	4	1	0	1	0	1,764	0
Credit cards	10,074	9,604	467	3	0	8	6	36	8	0	0
Commodity trade finance	3,487	3,464	23	0	0	3	3	51	3	0	0
Ship / aircraft financing	2,669	2,663	6	0	0	13	13	49	13	0	0
Consumer financing	134	134	0	0	0	6	6	0	6	0	0
Financial intermediaries and hedge funds	19,609	19,145	464	0	0	1	1	8	1	0	0
Other off-balance sheet commitments	52,765	52,268	468	27	2	4	2	28	2	2,903	0
Total other lending	169,127	167,512	1,549	61	6	2	1	23	2	2,171	0
Total²	270,131	261,880	7,572	590	89	12	7	135	11	580	171
Total on- and off-balance sheet³	854,839	818,260	30,006	5,421	1,153	27	6	142	10	2,223	2,131

¹ Includes Loans and advances to customers and Loans to financial advisors, which are presented on the balance sheet line Other financial assets measured at amortized cost. ² Excludes Forward starting reverse repurchase and securities borrowing agreements. ³ Includes on-balance sheet exposure, gross and off-balance sheet exposure (notional) and the related ECL coverage ratio (bps).

Note 9 Fair value measurement

a) Fair value hierarchy

The fair value hierarchy classification of financial and non-financial assets and liabilities measured at fair value is summarized in the table below.

During the first six months of 2025, assets and liabilities that were transferred from Level 2 to Level 1, or from Level 1 to Level 2, and were held for the entire reporting period were not material.

Determination of fair values from quoted market prices or valuation techniques¹

USD m	30.6.25				31.3.25				31.12.24			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value on a recurring basis												
Financial assets at fair value held for trading	134,753	30,988	3,454	169,195	133,772	27,799	3,665	165,236	128,393	27,564	3,108	159,065
of which: Equity instruments	117,030	370	155	117,556	117,456	320	138	117,914	116,501	430	91	117,022
of which: Government bills / bonds	8,997	3,715	139	12,851	8,304	3,468	46	11,817	4,443	3,261	41	7,746
of which: Investment fund units	7,554	874	96	8,525	7,180	949	149	8,279	6,537	987	151	7,675
of which: Corporate and municipal bonds	1,167	22,710	757	24,634	828	20,606	876	22,310	911	17,462	838	19,211
of which: Loans	0	3,145	2,172	5,317	0	2,254	2,292	4,545	0	5,200	1,799	6,998
of which: Asset-backed securities	4	168	134	306	4	197	162	363	1	219	153	373
Derivative financial instruments	1,315	165,530	3,151	169,996	1,372	134,204	2,459	138,035	795	181,965	2,792	185,551
of which: Foreign exchange	815	77,598	81	78,494	570	48,895	71	49,536	472	100,328	66	100,867
of which: Interest rate	0	37,105	884	37,988	0	37,566	898	38,464	0	40,553	878	41,431
of which: Equity / index	0	44,112	1,255	45,367	0	39,940	937	40,877	0	35,747	1,129	36,876
of which: Credit	0	2,310	928	3,238	0	2,668	517	3,185	0	2,555	581	3,136
of which: Commodities	2	4,267	2	4,272	2	4,989	35	5,026	1	2,599	17	2,617
Brokerage receivables	0	29,068	0	29,068	0	28,747	0	28,747	0	25,858	0	25,858
Financial assets at fair value not held for trading	44,849	53,642	9,263	107,755	40,762	52,368	9,187	102,317	35,911	50,813	8,748	95,472
of which: Financial assets for unit-linked investment contracts	19,424	112	1	19,537	17,398	4	0	17,403	17,101	6	0	17,106
of which: Corporate and municipal bonds	31	19,182	91	19,303	30	14,844	145	15,020	31	14,695	133	14,859
of which: Government bills / bonds	24,842	6,093	0	30,935	22,856	6,062	0	28,919	18,264	6,204	0	24,469
of which: Loans	0	5,626	3,734	9,360	0	4,972	3,589	8,561	0	4,427	3,192	7,619
of which: Securities financing transactions	0	21,208	703	21,911	0	24,995	731	25,726	0	24,026	611	24,638
of which: Asset-backed securities	0	864	534	1,399	0	1,041	540	1,581	0	972	597	1,569
of which: Auction rate securities	0	0	191	191	0	0	191	191	0	0	191	191
of which: Investment fund units	433	386	626	1,445	387	362	640	1,389	423	401	681	1,505
of which: Equity instruments	119	0	3,066	3,186	90	0	2,932	3,023	93	0	2,917	3,010
Financial assets measured at fair value through other comprehensive income on a recurring basis												
Financial assets measured at fair value through other comprehensive income	4,716	2,156	0	6,872	1,130	2,087	0	3,216	59	2,137	0	2,195
of which: Government bills / bonds	4,644	0	0	4,644	1,064	0	0	1,064	0	0	0	0
of which: Commercial paper and certificates of deposit	0	1,926	0	1,926	0	1,916	0	1,916	0	1,959	0	1,959
of which: Corporate and municipal bonds	71	231	0	302	66	171	0	236	59	178	0	237
Non-financial assets measured at fair value on a recurring basis												
Precious metals and other physical commodities	9,465	0	0	9,465	7,623	0	0	7,623	7,341	0	0	7,341
Non-financial assets measured at fair value on a non-recurring basis												
Other non-financial assets ²	0	0	76	76	0	0	89	89	0	0	84	84
Total assets measured at fair value	195,098	281,384	15,944	492,426	184,658	245,204	15,400	445,263	172,499	288,337	14,732	475,568

Note 9 Fair value measurement (continued)

Determination of fair values from quoted market prices or valuation techniques (continued)¹

USD m	30.6.25				31.3.25				31.12.24			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value on a recurring basis												
Financial liabilities at fair value held for trading	38,223	14,057	50	52,330	30,503	12,565	31	43,099	24,577	10,429	240	35,247
of which: Equity instruments	30,064	215	26	30,305	22,597	390	21	23,008	18,528	257	29	18,814
of which: Corporate and municipal bonds	0	11,953	21	11,974	2	10,768	5	10,775	5	8,771	206	8,982
of which: Government bills / bonds	5,614	1,629	0	7,243	6,490	1,210	0	7,699	4,336	1,174	0	5,510
of which: Investment fund units	2,545	169	1	2,715	1,414	96	3	1,512	1,708	162	3	1,873
Derivative financial instruments	1,294	178,372	4,148	183,814	1,407	136,581	4,130	142,117	829	175,747	4,060	180,636
of which: Foreign exchange	736	87,968	56	88,759	553	50,511	44	51,108	506	94,035	46	94,587
of which: Interest rate	0	33,261	307	33,568	0	33,911	337	34,248	0	36,313	324	36,636
of which: Equity / index	0	50,340	3,469	53,810	0	44,707	3,293	48,000	0	39,597	3,142	42,739
of which: Credit	0	3,192	241	3,433	0	3,182	374	3,556	0	3,280	414	3,694
of which: Commodities	1	3,498	11	3,510	2	4,128	25	4,155	1	2,200	15	2,216
of which: Loan commitments measured at FVTPL	0	12	30	42	0	45	29	74	0	75	62	137
Financial liabilities designated at fair value on a recurring basis												
Brokerage payables designated at fair value	0	57,951	0	57,951	0	59,921	0	59,921	0	49,023	0	49,023
Debt issued designated at fair value	0	100,668	12,854	113,522	0	99,373	12,719	112,092	0	94,573	13,336	107,909
Other financial liabilities designated at fair value	0	27,110	2,300	29,410	0	24,483	2,752	27,235	0	25,931	2,768	28,699
of which: Financial liabilities related to unit-linked investment contracts	0	19,669	0	19,669	0	17,528	0	17,528	0	17,203	0	17,203
of which: Securities financing transactions	0	4,580	118	4,699	0	3,985	108	4,094	0	5,798	0	5,798
of which: Over-the-counter debt instruments and others	0	2,861	2,182	5,043	0	2,969	2,644	5,613	0	2,930	2,768	5,698
Total liabilities measured at fair value	39,517	378,158	19,351	437,027	31,910	332,923	19,632	384,465	25,406	355,703	20,405	401,514

¹ Bifurcated embedded derivatives are presented on the same balance sheet lines as their host contracts and are not included in this table. The fair value of these derivatives was not material for the periods presented.

² Other non-financial assets primarily consist of properties and other non-current assets held for sale, which are measured at the lower of their net carrying amount or fair value less costs to sell.

b) Valuation adjustments

The table below summarizes the changes in deferred day-1 profit or loss reserves during the relevant period.

Deferred day-1 profit or loss is generally released into *Other net income from financial instruments measured at fair value through profit or loss* when the pricing of equivalent products or the underlying parameters become observable or when the transaction is closed out.

Deferred day-1 profit or loss reserves

USD m	For the quarter ended			Year-to-date	
	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Reserve balance at the beginning of the period	391	421	384	421	404
Profit / (loss) deferred on new transactions	68	65	59	133	101
(Profit) / loss recognized in the income statement	(41)	(95)	(55)	(135)	(116)
Foreign currency translation	(1)	(1)	(1)	(2)	(1)
Reserve balance at the end of the period	417	391	388	417	388

The table below summarizes other valuation adjustment reserves recognized on the balance sheet.

Other valuation adjustment reserves on the balance sheet

USD m	As of		
	30.6.25	31.3.25	31.12.24
Own credit adjustments on financial liabilities designated at fair value ¹	(1,040)	(897)	(1,165)
of which: debt issued designated at fair value	(1,080)	(929)	(1,188)
of which: other financial liabilities designated at fair value	40	32	23
Credit valuation adjustments ²	(40)	(128)	(125)
Funding and debit valuation adjustments	(87)	(69)	(96)
Other valuation adjustments	(966)	(971)	(1,207)
of which: liquidity	(586)	(570)	(746)
of which: model uncertainty	(380)	(401)	(460)

¹ Own credit adjustments on financial liabilities designated at fair value includes amounts for TLAC notes. ² Amount does not include reserves against defaulted counterparties.

Note 9 Fair value measurement (continued)

c) Level 3 instruments: valuation techniques and inputs

The table below presents material Level 3 assets and liabilities, together with the valuation techniques used to measure fair value, as well as the inputs used in a given valuation technique that are considered significant as of 30 June 2025 and unobservable, and a range of values for those unobservable inputs.

The range of values represents the highest- and lowest-level inputs used in the valuation techniques. Therefore, the range does not reflect the level of uncertainty regarding a particular input or an assessment of the reasonableness of the Group's estimates and assumptions, but rather the different underlying characteristics of the relevant assets and liabilities held by the Group.

The significant unobservable inputs disclosed in the table below are consistent with those included in "Note 21 Fair value measurement" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024.

Valuation techniques and inputs used in the fair value measurement of Level 3 assets and liabilities

USD bn	Fair value				Valuation technique(s)	Significant unobservable input(s) ¹	Range of inputs						unit ¹
	Assets		Liabilities				30.6.25			31.12.24			
	30.6.25	31.12.24	30.6.25	31.12.24			low	high	weighted average ²	low	high	weighted average ²	
Financial assets and liabilities at fair value held for trading and Financial assets at fair value not held for trading													
Corporate and municipal bonds	0.8	1.0	0.0	0.2	Relative value to market comparable	Bond price equivalent	12	104	77	23	114	98	points
Loans at fair value (held for trading and not held for trading) and guarantees ³	6.0	5.2	0.0	0.0	Relative value to market comparable	Loan price equivalent	3	101	93	1	173	84	points
					Discounted expected cash flows	Credit spread	17	294	94	16	545	195	basis points
					Market comparable and securitization model	Credit spread	98	1,958	225	75	1,899	208	basis points
Asset-backed securities	0.7	0.7	0.0	0.0	Relative value to market comparable	Bond price equivalent	5	105	80	0	112	79	points
Investment fund units ⁴	0.7	0.8	0.0	0.0	Relative value to market comparable	Net asset value							
Equity instruments ⁴	3.2	3.0	0.0	0.0	Relative value to market comparable	Price							
Debt issued designated at fair value ³			12.9	13.3									
Other financial liabilities designated at fair value ³			2.3	2.8	Discounted expected cash flows	Funding spread	95	224		95	201		basis points
Derivative financial instruments													
Interest rate	0.9	0.9	0.3	0.3	Option model	Volatility of interest rates	53	119		50	156		basis points
						IR-to-IR correlation	68	99		60	99		%
					Discounted expected cash flows	Funding spread	5	20		5	20		basis points
Credit	0.9	0.6	0.2	0.4	Discounted expected cash flows	Credit spreads	3	1,760		2	1,789		basis points
						Credit correlation	50	58		50	66		%
						Recovery rates	0	100		0	100		%
					Option model	Credit volatility	60	143		59	127		%
						Recovery rates	0	40					%
Equity / index	1.3	1.1	3.5	3.1	Option model	Equity dividend yields	0	10		0	16		%
						Volatility of equity stocks, equity and other indices	3	99		4	126		%
						Equity-to-FX correlation	(65)	74		(65)	80		%
						Equity-to-equity correlation	(10)	100		0	100		%
Loan commitments measured at FVTPL			0.0	0.1	Relative value to market comparable	Loan price equivalent	80	100		60	101		points

¹ The ranges of significant unobservable inputs are represented in points, percentages and basis points. Points are a percentage of par (e.g. 100 points would be 100% of par). ² Weighted averages are provided for most non-derivative financial instruments and were calculated by weighting inputs based on the fair values of the respective instruments. Weighted averages are not provided for inputs related to Other financial liabilities designated at fair value and Derivative financial instruments, as this would not be meaningful. ³ Debt issued designated at fair value primarily consists of UBS structured notes, which include variable maturity notes with various equity and foreign exchange underlying risks, as well as rates-linked and credit-linked notes, all of which have embedded derivative parameters that are considered to be unobservable. The derivative instrument parameters for debt issued designated at fair value, embedded derivatives for over-the-counter debt instruments reported under Other financial liabilities designated at fair value and funded derivatives reported under Loans at fair value (held for trading and not held for trading) are presented in the corresponding derivative financial instruments lines in this table. ⁴ The range of inputs is not disclosed, as there is a dispersion of values given the diverse nature of the investments.

Note 9 Fair value measurement (continued)

d) Level 3 instruments: sensitivity to changes in unobservable input assumptions

The table below summarizes those financial assets and liabilities classified as Level 3 for which a change in one or more of the unobservable inputs to reflect reasonably possible alternative assumptions would change fair value significantly, and the estimated effect thereof.

The sensitivity data shown below presents an estimation of valuation uncertainty based on reasonably possible alternative values for Level 3 inputs at the balance sheet date and does not represent the estimated effect of stress scenarios. Typically, these financial assets and liabilities are sensitive to a combination of inputs from Levels 1–3. Although well-defined interdependencies may exist between Level 1 / 2 parameters and Level 3 parameters (e.g. between interest rates, which are generally Level 1 or Level 2, and prepayments, which are generally Level 3), these have not been incorporated in the table. Furthermore, direct interrelationships between the Level 3 parameters are not a significant element of the valuation uncertainty.

Sensitivity of fair value measurements to changes in unobservable input assumptions¹

	30.6.25		31.3.25		31.12.24	
USD m	Favorable changes	Unfavorable changes	Favorable changes	Unfavorable changes	Favorable changes	Unfavorable changes
Loans at fair value (held for trading and not held for trading) and guarantees ²	141	(112)	147	(115)	185	(143)
Securities financing transactions	25	(14)	25	(20)	30	(24)
Auction rate securities	8	(4)	8	(6)	8	(6)
Asset-backed securities	19	(17)	23	(18)	32	(28)
Equity instruments	387	(370)	348	(314)	333	(308)
Investment fund units	178	(180)	176	(178)	179	(181)
Loan commitments measured at FVTPL	13	(41)	15	(47)	38	(42)
Interest rate derivatives, net	68	(58)	77	(65)	115	(70)
Credit derivatives, net	78	(108)	88	(108)	112	(117)
Foreign exchange derivatives, net	6	(5)	4	(3)	3	(2)
Equity / index derivatives, net	690	(577)	619	(503)	732	(617)
Other	216	(115)	256	(152)	289	(161)
Total	1,830	(1,601)	1,785	(1,528)	2,056	(1,700)

¹ Sensitivity of issued and over-the-counter debt instruments is reported with the equivalent derivative or Other. ² Sensitivity of funded derivatives is reported under equivalent derivatives.

e) Level 3 instruments: movements during the period

The table below presents additional information about material Level 3 assets and liabilities measured at fair value on a recurring basis. Level 3 assets and liabilities may be hedged with instruments classified as Level 1 or Level 2 in the fair value hierarchy and, as a result, realized and unrealized gains and losses included in the table may not include the effect of related hedging activity. Furthermore, the realized and unrealized gains and losses presented in the table are not limited solely to those arising from Level 3 inputs, as valuations are generally derived from both observable and unobservable parameters.

Assets and liabilities transferred into or out of Level 3 are presented as if those assets or liabilities had been transferred on 1 January 2025.

Note 9 Fair value measurement (continued)

Movements of Level 3 instruments

USD bn	Balance at the beginning of the period	Net gains / losses included in comprehensive income ¹	of which: related to instruments held at the end of the period	Purchases	Sales	Issuances	Settlements	Transfers into Level 3	Transfers out of Level 3	Foreign currency translation	Balance at the end of the period
For the six months ended 30 June 2025²											
Financial assets at fair value held for trading	3.1	(0.0)	(0.1)	0.4	(1.1)	1.1	(0.4)	0.4	(0.1)	0.1	3.5
of which: Equity instruments	0.1	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)	0.1	(0.0)	0.0	0.2
of which: Corporate and municipal bonds	0.8	(0.0)	(0.0)	0.3	(0.4)	0.0	(0.0)	0.1	(0.1)	0.0	0.8
of which: Loans	1.8	0.1	(0.0)	0.0	(0.5)	1.1	(0.3)	0.0	(0.0)	0.0	2.2
Derivative financial instruments – assets	2.8	(0.0)	0.1	0.0	(0.0)	1.3	(0.9)	0.3	(0.3)	0.0	3.2
of which: Interest rate	0.9	0.1	0.1	0.0	(0.0)	0.0	(0.2)	0.1	(0.0)	(0.1)	0.9
of which: Equity / index	1.1	(0.2)	(0.2)	0.0	0.0	0.7	(0.3)	0.1	(0.2)	0.0	1.3
of which: Credit	0.6	0.1	0.2	0.0	(0.0)	0.5	(0.3)	0.1	(0.1)	0.0	0.9
Financial assets at fair value not held for trading	8.7	0.7	0.6	0.1	(0.3)	0.7	(0.8)	0.1	(0.1)	0.2	9.3
of which: Loans	3.2	0.7	0.7	0.0	(0.0)	0.5	(0.7)	0.0	(0.0)	0.1	3.7
of which: Auction rate securities	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
of which: Equity instruments	2.9	0.1	0.1	0.1	(0.1)	0.0	(0.0)	0.0	(0.0)	0.1	3.1
of which: Investment fund units	0.7	0.0	0.0	0.0	(0.1)	0.0	(0.0)	0.0	0.0	0.0	0.6
of which: Asset-backed securities	0.6	(0.0)	(0.0)	0.0	(0.1)	0.0	0.0	0.0	(0.0)	0.0	0.5
Derivative financial instruments – liabilities	4.1	0.2	0.2	0.0	(0.0)	1.2	(1.0)	0.1	(0.6)	0.1	4.1
of which: Interest rate	0.3	0.1	0.1	0.0	(0.0)	0.0	(0.1)	0.0	(0.0)	0.0	0.3
of which: Equity / index	3.1	0.2	0.2	0.0	0.0	1.1	(0.6)	0.1	(0.5)	0.1	3.5
of which: Credit	0.4	(0.0)	(0.1)	0.0	0.0	0.1	(0.2)	0.0	(0.0)	(0.0)	0.2
of which: Loan commitments measured at FVTPL	0.1	0.0	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0	0.0
Debt issued designated at fair value	13.3	0.2	0.2	0.0	0.0	2.6	(1.7)	0.8	(2.9)	0.5	12.9
Other financial liabilities designated at fair value	2.8	(0.0)	(0.0)	0.0	(0.0)	0.4	(0.8)	0.0	(0.0)	0.0	2.3
For the six months ended 30 June 2024											
Financial assets at fair value held for trading	22.6	0.3	(0.3)	0.9	(11.6)	0.8	(5.7)	1.6	(0.7)	(0.1)	8.0
of which: Equity instruments	0.3	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0	(0.1)	(0.0)	0.2
of which: Corporate and municipal bonds	1.3	(0.1)	(0.0)	0.3	(0.5)	0.0	0.0	0.0	(0.1)	(0.0)	0.9
of which: Loans	19.6	0.5	(0.2)	0.4	(9.9)	0.8	(5.7)	1.4	(0.6)	(0.1)	6.4
Derivative financial instruments – assets	2.6	(0.0)	0.0	0.0	(0.0)	0.6	(0.5)	0.3	(0.6)	(0.0)	2.3
of which: Interest rate	0.4	0.0	0.1	0.0	(0.0)	0.0	(0.1)	0.1	(0.0)	0.0	0.4
of which: Equity / index	1.3	(0.0)	(0.0)	0.0	(0.0)	0.5	(0.2)	0.1	(0.4)	(0.0)	1.2
of which: Credit	0.5	(0.1)	(0.0)	0.0	(0.0)	0.1	(0.1)	0.1	(0.0)	(0.0)	0.5
Financial assets at fair value not held for trading	8.4	(0.2)	(0.3)	0.3	(0.2)	1.1	(1.7)	0.5	(0.2)	(0.1)	7.9
of which: Loans	2.3	(0.1)	(0.1)	0.2	(0.0)	0.7	(0.3)	0.0	(0.1)	(0.1)	2.6
of which: Auction rate securities	1.2	0.0	(0.0)	0.0	0.0	0.0	(1.1)	0.0	0.0	0.0	0.2
of which: Equity instruments	3.1	(0.1)	(0.1)	0.0	(0.1)	0.0	0.0	0.0	0.0	(0.1)	2.9
of which: Investment fund units	0.7	0.0	0.0	0.1	(0.1)	0.0	(0.0)	0.0	(0.0)	(0.0)	0.7
of which: Asset-backed securities	0.2	(0.0)	(0.0)	0.0	(0.0)	0.0	0.0	0.4	(0.0)	(0.0)	0.5
Derivative financial instruments – liabilities	5.6	(0.8)	(0.3)	0.0	(0.2)	1.7	(1.4)	0.3	(0.6)	(0.0)	4.4
of which: Interest rate	0.2	(0.1)	0.1	0.0	(0.0)	0.0	(0.0)	0.1	(0.0)	0.0	0.2
of which: Equity / index	3.3	0.0	0.0	0.0	(0.1)	1.5	(1.1)	0.2	(0.5)	(0.0)	3.4
of which: Credit	0.6	(0.1)	(0.1)	0.0	(0.0)	0.1	(0.2)	0.0	(0.0)	(0.0)	0.4
of which: Loan commitments measured at FVTPL	1.0	(0.6)	(0.2)	0.0	(0.1)	0.0	(0.0)	0.0	0.0	(0.0)	0.3
Debt issued designated at fair value	15.3	(0.4)	(0.0)	0.0	0.0	3.0	(2.9)	0.7	(2.7)	(0.1)	13.0
Other financial liabilities designated at fair value	2.6	(0.1)	(0.0)	0.0	(0.0)	1.1	(0.5)	0.4	(0.1)	(0.0)	3.4

¹ Net gains / losses included in comprehensive income are recognized in Net interest income and Other net income from financial instruments measured at fair value through profit or loss in the Income statement, and also in Gains / (losses) from own credit on financial liabilities designated at fair value, before tax in the Statement of comprehensive income. ² Total Level 3 assets as of 30 June 2025 were USD 15.9bn (31 December 2024: USD 14.7bn). Total Level 3 liabilities as of 30 June 2025 were USD 19.4bn (31 December 2024: USD 20.4bn).

Note 9 Fair value measurement (continued)

f) Financial instruments not measured at fair value

The table below reflects the estimated fair values of financial instruments not measured at fair value. Valuation principles applied when determining fair value estimates for financial instruments not measured at fair value are consistent with those described in "Note 21 Fair value measurement" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024.

Financial instruments not measured at fair value

	30.6.25		31.3.25		31.12.24	
<i>USD bn</i>	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Assets						
Cash and balances at central banks	236.2	236.2	231.4	231.4	223.3	223.3
Amounts due from banks	21.5	21.5	21.1	21.1	18.9	18.9
Receivables from securities financing transactions measured at amortized cost	110.2	110.2	101.8	101.8	118.3	118.3
Cash collateral receivables on derivative instruments	45.5	45.5	39.0	39.0	44.0	44.0
Loans and advances to customers	646.0	646.5	594.1	592.2	580.0	579.7
Other financial assets measured at amortized cost	72.2	71.0	66.5	65.1	58.8	57.0
Liabilities						
Amounts due to banks	31.9	32.0	27.8	27.8	23.3	23.4
Payables from securities financing transactions measured at amortized cost	16.3	16.3	15.0	15.0	14.8	14.8
Cash collateral payables on derivative instruments	33.0	33.0	31.5	31.5	35.5	35.5
Customer deposits	800.0	800.8	744.9	745.6	745.8	746.6
Debt issued measured at amortized cost	224.7	229.7	213.9	218.5	214.2	220.6
Other financial liabilities measured at amortized cost ¹	13.9	13.9	14.6	14.6	16.4	16.4

¹ Excludes lease liabilities.

Note 10 Derivative instruments

a) Derivative instruments

	Derivative financial assets	Derivative financial liabilities	Notional values related to derivative financial assets and liabilities ¹	Other notional values ²
<i>As of 30.6.25, USD bn</i>				
Derivative financial instruments				
Interest rate	38.0	33.6	3,680	18,031
Credit derivatives	3.2	3.4	132	
Foreign exchange	78.5	88.8	8,214	372
Equity / index	45.4	53.8	1,579	98
Commodities	4.3	3.5	174	19
Other ³	0.6	0.7	168	
Total derivative financial instruments, based on netting under IFRS Accounting Standards⁴	170.0	183.8	13,947	18,519
Further netting potential not recognized on the balance sheet ⁵	(152.9)	(161.9)		
<i>of which: netting of recognized financial liabilities / assets</i>	<i>(130.4)</i>	<i>(130.4)</i>		
<i>of which: netting with collateral received / pledged</i>	<i>(22.5)</i>	<i>(31.5)</i>		
Total derivative financial instruments, after consideration of further netting potential	17.1	21.9		

As of 31.3.25, USD bn

Derivative financial instruments				
Interest rate	38.5	34.2	3,716	18,048
Credit derivatives	3.2	3.6	173	
Foreign exchange	49.5	51.1	7,248	294
Equity / index	40.9	48.0	1,419	104
Commodities	5.0	4.2	180	19
Other ³	0.9	1.1	178	
Total derivative financial instruments, based on netting under IFRS Accounting Standards⁴	138.0	142.1	12,913	18,465
Further netting potential not recognized on the balance sheet ⁵	(122.6)	(127.8)		
<i>of which: netting of recognized financial liabilities / assets</i>	<i>(100.8)</i>	<i>(100.8)</i>		
<i>of which: netting with collateral received / pledged</i>	<i>(21.8)</i>	<i>(27.0)</i>		
Total derivative financial instruments, after consideration of further netting potential	15.5	14.3		

As of 31.12.24, USD bn

Derivative financial instruments				
Interest rate	41.4	36.6	3,644	16,844
Credit derivatives	3.1	3.7	144	
Foreign exchange	100.9	94.6	7,207	269
Equity / index	36.9	42.7	1,365	93
Commodities	2.6	2.2	155	17
Other ³	0.6	0.8	87	
Total derivative financial instruments, based on netting under IFRS Accounting Standards⁴	185.6	180.6	12,602	17,223
Further netting potential not recognized on the balance sheet ⁵	(161.7)	(166.3)		
<i>of which: netting of recognized financial liabilities / assets</i>	<i>(135.5)</i>	<i>(135.5)</i>		
<i>of which: netting with collateral received / pledged</i>	<i>(26.2)</i>	<i>(30.8)</i>		
Total derivative financial instruments, after consideration of further netting potential	23.9	14.3		

¹ In cases where derivative financial instruments are presented on a net basis on the balance sheet, the respective notional values of the netted derivative financial instruments are still presented on a gross basis. Notional amounts of client-cleared ETD and OTC transactions through central clearing counterparties are not disclosed, as they have a significantly different risk profile. ² Other notional values relate to derivatives that are cleared through either a central counterparty or an exchange and settled on a daily basis. The fair value of these derivatives is presented on the balance sheet within Cash collateral receivables on derivative instruments and Cash collateral payables on derivative instruments. ³ Includes Loan commitments measured at FVTPL, as well as unsettled purchases and sales of non-derivative financial instruments for which the changes in the fair value between trade date and settlement date are recognized as derivative financial instruments. ⁴ Financial assets and liabilities are presented net on the balance sheet if UBS has the unconditional and legally enforceable right to offset the recognized amounts, both in the normal course of business and in the event of default, bankruptcy or insolvency of UBS or its counterparties, and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Refer to "Note 22 Offsetting financial assets and financial liabilities" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024 for more information. ⁵ Reflects the netting potential in accordance with enforceable master netting and similar arrangements where not all criteria for a net presentation on the balance sheet have been met. Refer to "Note 22 Offsetting financial assets and financial liabilities" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024 for more information.

b) Cash collateral on derivative instruments

	Receivables 30.6.25	Payables 30.6.25	Receivables 31.3.25	Payables 31.3.25	Receivables 31.12.24	Payables 31.12.24
<i>USD bn</i>						
Cash collateral on derivative instruments, based on netting under IFRS Accounting Standards ¹	45.5	33.0	39.0	31.5	44.0	35.5
Further netting potential not recognized on the balance sheet ²	(29.2)	(17.0)	(24.3)	(16.6)	(28.3)	(21.7)
<i>of which: netting of recognized financial liabilities / assets</i>	<i>(27.3)</i>	<i>(15.0)</i>	<i>(22.2)</i>	<i>(14.5)</i>	<i>(25.9)</i>	<i>(19.3)</i>
<i>of which: netting with collateral received / pledged</i>	<i>(2.0)</i>	<i>(2.0)</i>	<i>(2.1)</i>	<i>(2.1)</i>	<i>(2.4)</i>	<i>(2.4)</i>
Cash collateral on derivative instruments, after consideration of further netting potential	16.2	16.0	14.7	14.9	15.7	13.8

¹ Financial assets and liabilities are presented net on the balance sheet if UBS has the unconditional and legally enforceable right to offset the recognized amounts, both in the normal course of business and in the event of default, bankruptcy or insolvency of UBS or its counterparties, and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. ² Reflects the netting potential in accordance with enforceable master netting and similar arrangements where not all criteria for a net presentation on the balance sheet have been met. Refer to "Note 22 Offsetting financial assets and financial liabilities" in the "Consolidated financial statements" section of the UBS Group Annual Report 2024 for more information.

Note 11 Other assets and liabilities

a) Other financial assets measured at amortized cost

USD m	30.6.25	31.3.25	31.12.24
Debt securities	52,645	48,097	41,585
Loans to financial advisors	2,682	2,738	2,723
Fee- and commission-related receivables	2,732	2,506	2,242
Finance lease receivables	6,770	6,056	5,879
Settlement and clearing accounts	458	445	430
Accrued interest income	2,171	2,101	2,115
Other ¹	4,754	4,571	3,862
Total other financial assets measured at amortized cost	72,211	66,513	58,835

¹ Predominantly includes cash collateral provided to exchanges and clearing houses to secure securities trading activity through those counterparties.

b) Other non-financial assets

USD m	30.6.25	31.3.25	31.12.24
Precious metals and other physical commodities	9,465	7,623	7,341
Deposits and collateral provided in connection with litigation, regulatory and similar matters ¹	2,132	2,012	1,946
Prepaid expenses	1,886	1,867	1,679
Current tax assets	1,412	1,460	1,546
VAT, withholding tax and other tax receivables	1,013	875	1,233
Properties and other non-current assets held for sale	186	189	196
Assets of disposal groups held for sale ²			1,705
Other	1,734	1,810	2,119
Total other non-financial assets	17,829	15,836	17,766

¹ Refer to Note 14 for more information. ² Refer to Note 5 for more information about the sale of Select Portfolio Servicing.

c) Other financial liabilities measured at amortized cost

USD m	30.6.25	31.3.25	31.12.24
Other accrued expenses	3,015	3,039	3,140
Accrued interest expenses	5,378	4,951	5,876
Settlement and clearing accounts	1,919	2,218	1,944
Lease liabilities	4,433	4,560	4,597
Other	3,613	4,375	5,476
Total other financial liabilities measured at amortized cost	18,358	19,143	21,033

d) Other financial liabilities designated at fair value

USD m	30.6.25	31.3.25	31.12.24
Financial liabilities related to unit-linked investment contracts	19,669	17,528	17,203
Securities financing transactions	4,699	4,093	5,798
Over-the-counter debt instruments and other	5,043	5,613	5,698
Total other financial liabilities designated at fair value	29,410	27,235	28,699

e) Other non-financial liabilities

USD m	30.6.25	31.3.25	31.12.24
Compensation-related liabilities	8,228	6,716	9,592
of which: net defined benefit liability	818	779	763
Current tax liabilities	1,103	1,818	1,671
Deferred tax liabilities	383	365	340
VAT, withholding tax and other tax payables	1,029	1,054	1,156
Deferred income	593	546	555
Liabilities of disposal groups held for sale ¹			1,199
Other	129	91	320
Total other non-financial liabilities	11,465	10,590	14,834

¹ Refer to Note 5 for more information about the sale of Select Portfolio Servicing.

Note 12 Debt issued designated at fair value

Debt issued designated at fair value			
USD m	30.6.25	31.3.25	31.12.24
Equity-linked ¹	59,645	57,151	54,069
Rates-linked	23,607	23,778	23,641
Credit-linked	4,197	5,354	5,225
Fixed-rate	14,180	14,352	14,250
Commodity-linked	3,140	3,462	3,592
Other	8,752	7,995	7,131
<i>of which: debt that contributes to total loss-absorbing capacity</i>	5,751	5,263	4,934
Total debt issued designated at fair value²	113,522	112,092	107,909
<i>of which: issued by UBS AG standalone with original maturity greater than one year³</i>	<i>89,883</i>	<i>85,588</i>	<i>82,491</i>
<i>of which: issued by Credit Suisse International standalone with original maturity greater than one year³</i>	<i>2</i>	<i>110</i>	<i>96</i>

¹ Includes investment fund unit-linked instruments issued. ² As of 30 June 2025, 100% of Total debt issued designated at fair value was unsecured (31 March 2025: 100% and 31 December 2024: 100%). ³ Based on original contractual maturity without considering any early redemption features.

Note 13 Debt issued measured at amortized cost

Debt issued measured at amortized cost			
USD m	30.6.25	31.3.25	31.12.24
Short-term debt¹	35,299	30,572	30,509
Senior unsecured debt	131,022	130,323	133,159
<i>of which: contributes to total loss-absorbing capacity</i>	<i>93,503</i>	<i>93,863</i>	<i>92,515</i>
<i>of which: issued by UBS AG standalone with original maturity greater than one year</i>	<i>29,407</i>	<i>30,112</i>	<i>32,664</i>
Covered bonds	11,432	9,044	8,762
Subordinated debt	17,291	17,038	15,030
<i>of which: eligible as high-trigger loss-absorbing additional tier 1 capital instruments²</i>	<i>16,608</i>	<i>16,352</i>	<i>13,084</i>
<i>of which: eligible as low-trigger loss-absorbing additional tier 1 capital instruments</i>			<i>1,245</i>
<i>of which: eligible as non-Basel III-compliant tier 2 capital instruments</i>	<i>196</i>	<i>205</i>	<i>207</i>
Debt issued through the Swiss central mortgage institutions	29,190	26,474	26,335
Other long-term debt	476	429	424
Long-term debt³	189,411	183,308	183,709
Total debt issued measured at amortized cost^{4,5}	224,709	213,880	214,219

¹ Debt with an original contractual maturity of less than one year, includes mainly certificates of deposit and commercial paper. ² For 30 June 2025, includes USD 10.2bn (31 March 2025: USD 10.1bn and 31 December 2024: USD 6.9bn) that are, upon the occurrence of a trigger event or a viability event, subject to conversion into ordinary UBS shares. ³ Debt with an original contractual maturity greater than or equal to one year. The classification of debt issued into short-term and long-term does not consider any early redemption features. ⁴ Net of bifurcated embedded derivatives, the fair value of which was not material for the periods presented. ⁵ Except for Covered bonds (100% secured), Debt issued through the Swiss central mortgage institutions (100% secured) and Other long-term debt (93% secured), 100% of the balance was unsecured as of 30 June 2025.

Note 14 Provisions and contingent liabilities

a) Provisions and contingent liabilities

The table below presents an overview of total provisions and contingent liabilities.

Overview of total provisions and contingent liabilities			
USD m	30.6.25	31.3.25	31.12.24
Provisions related to expected credit losses (IFRS 9, <i>Financial Instruments</i>) ¹	406	337	320
Provisions related to Credit Suisse loan commitments (IFRS 3, <i>Business Combinations</i>)	638	809	997
Provisions related to litigation, regulatory and similar matters (IAS 37, <i>Provisions, Contingent Liabilities and Contingent Assets</i>)	3,450	3,852	3,602
Acquisition-related contingent liabilities relating to litigation, regulatory and similar matters (IFRS 3, <i>Business Combinations</i>)	1,479	2,031	2,122
Restructuring, real-estate and other provisions (IAS 37, <i>Provisions, Contingent Liabilities and Contingent Assets</i>)	1,493	1,489	1,368
Total provisions and contingent liabilities	7,466	8,517	8,409

¹ Refer to Note 8c for more information about ECL provisions recognized for off-balance sheet financial instruments and credit lines.

Note 14 Provisions and contingent liabilities (continued)

The table below presents additional information for provisions under IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*.

Additional information for provisions under IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*

USD m	Litigation, regulatory and similar matters ¹	Restructuring ²	Real estate ³	Other ⁴	Total
Balance as of 31 December 2024	3,602	813	240	315	4,969
Balance as of 31 March 2025	3,852	921	239	329	5,340
Increase in provisions recognized in the income statement	256 ⁵	372	0	33	661
Release of provisions recognized in the income statement	(137)	(180)	(4)	(26)	(348)
Provisions used in conformity with designated purpose	(703) ⁶	(281)	(2)	(17)	(1,003)
Reclassifications	44 ⁷	0	0	0	44
Foreign currency translation and other movements	139	57	24	27	248
Balance as of 30 June 2025	3,450	889	257	346	4,943

¹ Consists of provisions for losses resulting from legal, liability and compliance risks. ² Includes USD 278m of provisions for onerous contracts related to real estate as of 30 June 2025 (31 March 2025: USD 374m; 31 December 2024: USD 383m), USD 518m of personnel-related restructuring provisions as of 30 June 2025 (31 March 2025: USD 439m; 31 December 2024: USD 334m) and USD 93m of provisions for onerous contracts related to technology as of 30 June 2025 (31 March 2025: USD 108m; 31 December 2024: USD 96m). ³ Mainly includes provisions for reinstatement costs with respect to leased properties. ⁴ Mainly includes provisions related to employee benefits, VAT and operational risks. ⁵ Includes a new provision for the estimated costs associated with UBS's ongoing obligations as described in item 1 of section b) of this Note. ⁶ Mainly includes provisions used for the resolution reached with the US Department of Justice in the second quarter of 2025 as described in item 1 of section b) of this Note. ⁷ Includes reclassifications from IFRS 3 contingent liabilities to IAS 37 provisions.

Information about provisions and contingent liabilities in respect of litigation, regulatory and similar matters, as a class, is included in Note 14b. There are no material contingent liabilities associated with the other classes of provisions.

b) Litigation, regulatory and similar matters

The Group operates in a legal and regulatory environment that exposes it to significant litigation and similar risks arising from disputes and regulatory proceedings. As a result, UBS (which for purposes of this Note may refer to UBS Group AG and/or one or more of its subsidiaries, as applicable) is involved in various disputes and legal proceedings, including litigation, arbitration, and regulatory and criminal investigations.

Such matters are subject to many uncertainties, and the outcome and the timing of resolution are often difficult to predict, particularly in the earlier stages of a case. There are also situations where the Group may enter into a settlement agreement. This may occur in order to avoid the expense, management distraction or reputational implications of continuing to contest liability, even for those matters for which the Group believes it should be exonerated. The uncertainties inherent in all such matters affect the amount and timing of any potential outflows for both matters with respect to which provisions have been established and other contingent liabilities. The Group makes provisions for such matters brought against it when, in the opinion of management after seeking legal advice, it is more likely than not that the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required, and the amount can be reliably estimated. Where these factors are otherwise satisfied, a provision may be established for claims that have not yet been asserted against the Group, but are nevertheless expected to be, based on the Group's experience with similar asserted claims. If any of those conditions is not met, such matters result in contingent liabilities. If the amount of an obligation cannot be reliably estimated, a liability exists that is not recognized even if an outflow of resources is probable. Accordingly, no provision is established even if the potential outflow of resources with respect to such matters could be significant. Developments relating to a matter that occur after the relevant reporting period, but prior to the issuance of financial statements, which affect management's assessment of the provision for such matter (because, for example, the developments provide evidence of conditions that existed at the end of the reporting period), are adjusting events after the reporting period under IAS 10 and must be recognized in the financial statements for the reporting period.

Specific litigation, regulatory and other matters are described below, including all such matters that management considers to be material and others that management believes to be of significance to the Group due to potential financial, reputational and other effects. The amount of damages claimed, the size of a transaction or other information is provided where available and appropriate in order to assist users in considering the magnitude of potential exposures.

Note 14 Provisions and contingent liabilities (continued)

In the case of certain matters below, we state that we have established a provision, and for the other matters, we make no such statement. When we make this statement and we expect disclosure of the amount of a provision to prejudice seriously our position with other parties in the matter because it would reveal what UBS believes to be the probable and reliably estimable outflow, we do not disclose that amount. In some cases we are subject to confidentiality obligations that preclude such disclosure. With respect to the matters for which we do not state whether we have established a provision, either: (a) we have not established a provision; or (b) we have established a provision but expect disclosure of that fact to prejudice seriously our position with other parties in the matter because it would reveal the fact that UBS believes an outflow of resources to be probable and reliably estimable.

With respect to certain litigation, regulatory and similar matters for which we have established provisions, we are able to estimate the expected timing of outflows. However, the aggregate amount of the expected outflows for those matters for which we are able to estimate expected timing is immaterial relative to our current and expected levels of liquidity over the relevant time periods.

The aggregate amount provisioned for litigation, regulatory and similar matters as a class is disclosed in the "Provisions" table in Note 14 a) above. UBS provides below an estimate of the aggregate liability for its litigation, regulatory and similar matters as a class of contingent liabilities. Estimates of contingent liabilities are inherently imprecise and uncertain as these estimates require UBS to make speculative legal assessments as to claims and proceedings that involve unique fact patterns or novel legal theories, that have not yet been initiated or are at early stages of adjudication, or as to which alleged damages have not been quantified by the claimants. Taking into account these uncertainties and the other factors described herein, UBS estimates the future losses that could arise from litigation, regulatory and similar matters disclosed below for which an estimate is possible, that are not covered by existing provisions (including acquisition-related contingent liabilities established under IFRS 3 in connection with the acquisition of Credit Suisse), are in the range of USD 0bn to USD 1.9bn.

Litigation, regulatory and similar matters may also result in non-monetary penalties and consequences. A guilty plea to, or conviction of, a crime could have material consequences for UBS. Resolution of regulatory proceedings may require UBS to obtain waivers of regulatory disqualifications to maintain certain operations, may entitle regulatory authorities to limit, suspend or terminate licenses and regulatory authorizations, and may permit financial market utilities to limit, suspend or terminate UBS's participation in such utilities. Failure to obtain such waivers, or any limitation, suspension or termination of licenses, authorizations or participations, could have material consequences for UBS.

The amounts shown in the table below reflect the provisions recorded under IFRS Accounting Standards. In connection with the acquisition of Credit Suisse, UBS Group AG additionally has reflected in its purchase accounting under IFRS 3 a valuation adjustment reflecting an estimate of outflows relating to contingent liabilities for all present obligations included in the scope of the acquisition at fair value upon closing, even if it is not probable that the contingent liability will result in an outflow of resources, significantly decreasing the recognition threshold for litigation liabilities beyond those that generally apply under IFRS Accounting Standards. The IFRS 3 acquisition-related contingent liabilities of USD 1.5bn at 30 June 2025 reflect a decrease of USD 0.6bn from 31 March 2025 as a result of releases upon resolution of the relevant matter and reclassifications to provisions under IAS 37.

Provisions for litigation, regulatory and similar matters, by business division and in Group Items¹

USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	UBS Group
Balance as of 31 December 2024	1,271	147	1	266	1,779	139	3,602
Balance as of 31 March 2025	1,318	153	0	293	1,878	209	3,852
Increase in provisions recognized in the income statement	16	0	0	12	227 ²	2	256
Release of provisions recognized in the income statement	(2)	0	0	(3)	(132)	0	(137)
Provisions used in conformity with designated purpose	(15)	0	0	(11)	(673) ³	(4)	(703)
Reclassifications ⁴	0	0	0	0	44	0	44
Foreign currency translation and other movements	98	14	0	17	10	1	139
Balance as of 30 June 2025	1,415	167	0	308	1,353	207	3,450

¹ Provisions, if any, for the matters described in items 2 and 9 of this Note are recorded in Global Wealth Management. Provisions, if any, for the matters described in items 4, 5, 6, 7, 8, 11 and 12 of this Note are recorded in Non-core and Legacy. Provisions, if any, for the matters described in item 1 of this Note are allocated between Global Wealth Management, Personal & Corporate Banking and Non-core and Legacy. Provisions, if any, for the matters described in item 3 of this Note are allocated between the Investment Bank, Non-core and Legacy and Group Items. Provisions, if any, for the matters described in item 10 of this Note are allocated between the Investment Bank and Non-core and Legacy. ² Includes a new provision for the estimated costs of UBS's ongoing obligations with the US Department of Justice as described in item 1 of this Note. ³ Mainly includes provisions used for the resolution reached with the US Department of Justice in the second quarter of 2025 as described in item 1 of this Note. ⁴ Includes reclassifications from IFRS 3 contingent liabilities to IAS 37 provisions.

Note 14 Provisions and contingent liabilities (continued)

1. Inquiries regarding cross-border wealth management businesses

Tax and regulatory authorities in a number of countries have made inquiries, served requests for information or examined employees located in their respective jurisdictions relating to the cross-border wealth management services provided by UBS and other financial institutions. Credit Suisse offices in various locations, including the UK, the Netherlands, France and Belgium, have been contacted by regulatory and law enforcement authorities seeking records and information concerning investigations into Credit Suisse's historical private banking services on a cross-border basis and in part through its local branches and banks. The UK and French aspects of these issues have been closed. UBS is continuing to cooperate with the authorities.

Since 2013, UBS (France) S.A., UBS AG and certain former employees have been under investigation in France in relation to UBS's cross-border business with French clients. In connection with this investigation, the investigating judges ordered UBS AG to provide bail ("*caution*") of EUR 1.1bn.

In 2019, the court of first instance returned a verdict finding UBS AG guilty of unlawful solicitation of clients on French territory and aggravated laundering of the proceeds of tax fraud, and UBS (France) S.A. guilty of aiding and abetting unlawful solicitation and of laundering the proceeds of tax fraud. The court imposed fines aggregating EUR 3.7bn on UBS AG and UBS (France) S.A. and awarded EUR 800m of civil damages to the French state. A trial in the Paris Court of Appeal took place in March 2021. In December 2021, the Court of Appeal found UBS AG guilty of unlawful solicitation and aggravated laundering of the proceeds of tax fraud. The court ordered a fine of EUR 3.75m, the confiscation of EUR 1bn, and awarded civil damages to the French state of EUR 800m. UBS appealed the decision to the French Supreme Court. The Supreme Court rendered its judgment on 15 November 2023. It upheld the Court of Appeal's decision regarding unlawful solicitation and aggravated laundering of the proceeds of tax fraud, but overturned the confiscation of EUR 1bn, the penalty of EUR 3.75m and the EUR 800m of civil damages awarded to the French state. The case has been remanded to the Court of Appeal for a retrial regarding these overturned elements. The French state has reimbursed the EUR 800m of civil damages to UBS AG.

In May 2014, Credit Suisse AG entered into settlement agreements with the SEC, the Federal Reserve and the New York Department of Financial Services and agreed with the US Department of Justice (the DOJ) to plead guilty to conspiring to aid and assist US taxpayers in filing false tax returns (the 2014 Plea Agreement). Credit Suisse continued to report to and cooperate with US authorities in accordance with its obligations under the 2014 Plea Agreement, including by conducting a review of cross-border services provided by Credit Suisse. In this connection, Credit Suisse provided information to US authorities regarding potentially undeclared US assets held by clients at Credit Suisse since the 2014 Plea Agreement. In May 2025, Credit Suisse Services AG entered into a plea agreement (the 2025 Plea Agreement) with the DOJ under which it agreed to plead guilty to one count of conspiracy to aid and assist in the preparation of false income tax returns relating to legacy Credit Suisse accounts booked in Credit Suisse's Swiss booking center, thereby settling the investigation into Credit Suisse's implementation of the 2014 Plea Agreement. In addition, Credit Suisse Services AG entered into a non-prosecution agreement with the DOJ (the 2025 NPA) relating to legacy Credit Suisse accounts booked in Credit Suisse's Singapore booking center. The 2025 Plea Agreement and the 2025 NPA provide for penalties, restitution and forfeiture of USD 511m in the aggregate. The 2025 Plea Agreement and the 2025 NPA include ongoing obligations of UBS to furnish information and cooperate with DOJ's investigations of legacy Credit Suisse accounts held by US persons in its Switzerland and Singapore booking centers and related accounts in other booking centers. In the second quarter of 2025, we recorded in our Non-core and Legacy division a net release of USD 427m of provisions and contingent liabilities, which included a new provision for the estimated costs of UBS's ongoing obligations with the DOJ.

Our balance sheet at 30 June 2025 reflected provisions in an amount that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which we have established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that we have recognized.

Note 14 Provisions and contingent liabilities (continued)

2. Madoff

In relation to the Bernard L. Madoff Investment Securities LLC (BMIS) investment fraud, UBS AG, UBS (Luxembourg) S.A. (now UBS Europe SE, Luxembourg branch) and certain other UBS subsidiaries have been subject to inquiries by a number of regulators, including the Swiss Financial Market Supervisory Authority (FINMA) and the Luxembourg Commission de Surveillance du Secteur Financier. Those inquiries concerned two third-party funds established under Luxembourg law, substantially all assets of which were with BMIS, as well as certain funds established in offshore jurisdictions with either direct or indirect exposure to BMIS. These funds faced severe losses, and the Luxembourg funds are in liquidation. The documentation establishing both funds identifies UBS entities in various roles, including custodian, administrator, manager, distributor and promoter, and indicates that UBS employees serve as board members.

In 2009 and 2010, the liquidators of the two Luxembourg funds filed claims against UBS entities, non-UBS entities and certain individuals, including current and former UBS employees, seeking amounts totaling approximately EUR 2.1bn, which includes amounts that the funds may be held liable to pay the trustee for the liquidation of BMIS (BMIS Trustee).

A large number of alleged beneficiaries have filed claims against UBS entities (and non-UBS entities) for purported losses relating to the Madoff fraud. The majority of these cases have been filed in Luxembourg, where decisions that the claims in eight test cases were inadmissible have been affirmed by the Luxembourg Court of Appeal, and the Luxembourg Supreme Court has dismissed a further appeal in one of the test cases.

In the US, the BMIS Trustee filed claims against UBS entities, among others, in relation to the two Luxembourg funds and one of the offshore funds. The total amount claimed against all defendants in these actions was not less than USD 2bn. In 2014, the US Supreme Court rejected the BMIS Trustee's motion for leave to appeal decisions, dismissing all claims against UBS defendants except those for the recovery of approximately USD 125m of payments alleged to be fraudulent conveyances and preference payments. Similar claims have been filed against Credit Suisse entities seeking to recover redemption payments. In 2016, the bankruptcy court dismissed these claims against the UBS entities and most of the Credit Suisse entities. In 2019, the Court of Appeals reversed the dismissal of the BMIS Trustee's remaining claims. The cases were remanded to the Bankruptcy Court for further proceedings.

3. Foreign exchange, LIBOR and benchmark rates, and other trading practices

Foreign-exchange-related regulatory matters: Beginning in 2013, numerous authorities commenced investigations concerning possible manipulation of foreign exchange markets and precious metals prices. As a result of these investigations, UBS entered into resolutions with Swiss, US and UK regulators and the European Commission. UBS was granted conditional immunity by the Antitrust Division of the DOJ and by authorities in other jurisdictions in connection with potential competition law violations relating to foreign exchange and precious metals businesses. In December 2021, the European Commission issued a decision imposing a fine of EUR 83.3m on Credit Suisse entities based on findings of anticompetitive practices in the foreign exchange market. Credit Suisse appealed the decision to the European General Court and, in July 2025, the court issued a judgment reducing the fine to EUR 28.9m. The European Commission is permitted to appeal the decision. UBS received leniency and accordingly no fine was assessed.

Foreign-exchange-related civil litigation: Putative class actions have been filed since 2013 in US federal courts and in other jurisdictions against UBS, Credit Suisse and other banks on behalf of persons who engaged in foreign currency transactions with any of the defendant banks. UBS and Credit Suisse have resolved US federal court class actions relating to foreign currency transactions with the defendant banks and persons who transacted in foreign exchange futures contracts and options on such futures. Certain class members have excluded themselves from that settlement and filed individual actions in US and English courts against UBS, Credit Suisse and other banks, alleging violations of US and European competition laws and unjust enrichment. UBS, Credit Suisse and the other banks have resolved those individual matters. In addition, Credit Suisse and UBS, together with other financial institutions, were named in a consolidated putative class action in Israel, which made allegations similar to those made in the actions pursued in other jurisdictions. Credit Suisse and UBS entered into agreements to settle all claims in this action in April 2022 and February 2024, respectively. Credit Suisse's settlement received court approval and became final in May 2025. UBS's settlement remains subject to court approval.

Note 14 Provisions and contingent liabilities (continued)

LIBOR and other benchmark-related regulatory matters: Numerous government agencies conducted investigations regarding potential improper attempts by UBS, among others, to manipulate LIBOR and other benchmark rates at certain times. UBS and Credit Suisse reached settlements or otherwise concluded investigations relating to benchmark interest rates with the investigating authorities. UBS was granted conditional leniency or conditional immunity from authorities in certain jurisdictions, including the Antitrust Division of the DOJ and the Swiss Competition Commission (WEKO), in connection with potential antitrust or competition law violations related to certain rates. However, UBS has not reached a final settlement with WEKO, as the Secretariat of WEKO has asserted that UBS does not qualify for full immunity.

LIBOR and other benchmark-related civil litigation: A number of putative class actions and other actions are pending in the federal courts in New York against UBS and numerous other banks on behalf of parties who transacted in certain interest rate benchmark-based derivatives. Also pending in the US and in other jurisdictions are a number of other actions asserting losses related to various products whose interest rates were linked to LIBOR and other benchmarks, including adjustable rate mortgages, preferred and debt securities, bonds pledged as collateral, loans, depository accounts, investments and other interest-bearing instruments. The complaints allege manipulation, through various means, of certain benchmark interest rates, including USD LIBOR, Yen LIBOR, EURIBOR, CHF LIBOR, and GBP LIBOR and seek unspecified compensatory and other damages under various legal theories.

USD LIBOR class and individual actions in the US: Beginning in 2013, putative class actions were filed in US federal district courts (and subsequently consolidated in the US District Court for the Southern District of New York (SDNY)) by plaintiffs who engaged in over-the-counter instruments, exchange-traded Eurodollar futures and options, bonds or loans that referenced USD LIBOR. The complaints allege violations of antitrust law and the Commodities Exchange Act, as well breach of contract and unjust enrichment. Following various rulings by the SDNY and the Second Circuit dismissing certain of the causes of action and allowing others to proceed, one class action with respect to transactions in over-the-counter instruments and several actions brought by individual plaintiffs are proceeding in the district court. UBS and Credit Suisse have entered into settlement agreements in respect of the class actions relating to exchange-traded instruments, bonds and loans. These settlements have received final court approval and the actions have been dismissed as to UBS and Credit Suisse. In addition, an individual action was filed in federal court in California against UBS, Credit Suisse and numerous other banks alleging that the defendants conspired to fix the interest rate used as the basis for loans to consumers by jointly setting the USD ICE LIBOR rate and monopolized the market for LIBOR-based consumer loans and credit cards. The court dismissed the initial complaint and subsequently dismissed an amended complaint with prejudice; the US Court of Appeals for the Ninth Circuit affirmed the dismissal. In June 2025, the US Supreme Court denied plaintiffs' petition to challenge the decisions of the lower courts.

Other benchmark class actions in the US: The Yen LIBOR/Euroyen TIBOR, EURIBOR and GBP LIBOR actions have been dismissed. Plaintiffs have appealed the dismissals.

In January 2023, defendants moved to dismiss the complaint in the CHF LIBOR action. In 2023, the court approved a settlement by Credit Suisse of the claims against it in this matter.

Government bonds: In 2021, the European Commission issued a decision finding that UBS and six other banks breached European Union antitrust rules between 2007 and 2011 relating to European government bonds. The European Commission fined UBS EUR 172m, which amount was confirmed on appeal in March 2025. UBS has appealed to the European Court of Justice.

Credit default swap auction litigation – In June 2021, Credit Suisse, along with other banks and entities, was named in a putative class action filed in federal court in New Mexico alleging manipulation of credit default swap (CDS) final auction prices. Defendants filed a motion to enforce a previous CDS class action settlement in the SDNY. In January 2024, the SDNY ruled that, to the extent claims in the New Mexico action arise from conduct prior to 30 June 2014, those claims are barred by the SDNY settlement. The plaintiffs appealed and, in May 2025, the Second Circuit affirmed the SDNY decision.

With respect to additional matters and jurisdictions not encompassed by the settlements and orders referred to above, UBS's balance sheet at 30 June 2025 reflected a provision in an amount that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which we have established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that we have recognized.

Note 14 Provisions and contingent liabilities (continued)

4. Mortgage-related matters

Government and regulatory related matters: DOJ RMBS settlement – In January 2017, Credit Suisse Securities (USA) LLC (CSS LLC) and its current and former US subsidiaries and US affiliates reached a settlement with the DOJ related to its legacy Residential Mortgage-Backed Securities (RMBS) business, a business conducted through 2007. The settlement resolved potential civil claims by the DOJ related to certain of those Credit Suisse entities' packaging, marketing, structuring, arrangement, underwriting, issuance and sale of RMBS. Pursuant to the terms of the settlement a civil monetary penalty was paid to the DOJ in January 2017. The settlement also required the Credit Suisse entities to provide certain levels of consumer relief measures, including affordable housing payments and loan forgiveness, and the DOJ and Credit Suisse agreed to the appointment of an independent monitor to oversee the completion of the consumer relief requirements of the settlement. UBS continues to evaluate its approach toward satisfying the remaining consumer relief obligations. The aggregate amount of the consumer relief obligation increased after 2021 by 5% per annum of the outstanding amount due until these obligations are settled. The monitor publishes reports periodically on these consumer relief matters.

Civil litigation: Repurchase litigations – Credit Suisse affiliates are defendants in various civil litigation matters related to their roles as issuer, sponsor, depositor, underwriter and/or servicer of RMBS transactions. These cases currently include repurchase actions by RMBS trusts and/or trustees, in which plaintiffs generally allege breached representations and warranties in respect of mortgage loans and failure to repurchase such mortgage loans as required under the applicable agreements. The amounts disclosed below do not reflect actual realized plaintiff losses to date. Unless otherwise stated, these amounts reflect the original unpaid principal balance amounts as alleged in these actions.

DLJ Mortgage Capital, Inc. (DLJ) is a defendant in New York State court in five actions: An action brought by Asset Backed Securities Corporation Home Equity Loan Trust, Series 2006-HE7 alleges damages of not less than USD 374m. In December 2023, the court granted in part DLJ's motion to dismiss, dismissing with prejudice all notice-based claims; the parties have appealed. An action by Home Equity Asset Trust, Series 2006-8, alleges damages of not less than USD 436m. An action by Home Equity Asset Trust 2007-1 alleges damages of not less than USD 420m. Following a non-jury trial, the court issued a decision in December 2024 that the plaintiff established liability relating to certain of the loans at issue, and in May 2025, the court awarded damages of approximately USD 66m plus interest and costs. The parties have appealed the decision on liability. An action by Home Equity Asset Trust 2007-2 alleges damages of not less than USD 495m. An action by CSMC Asset-Backed Trust 2007-NC1 does not allege a damages amount.

5. ATA litigation

Since November 2014, a series of lawsuits have been filed against a number of banks, including Credit Suisse, in the US District Court for the Eastern District of New York (EDNY) and the SDNY alleging claims under the United States Anti-Terrorism Act (ATA) and the Justice Against Sponsors of Terrorism Act. The plaintiffs in each of these lawsuits are, or are relatives of, victims of various terrorist attacks in Iraq and allege a conspiracy and/or aiding and abetting based on allegations that various international financial institutions, including the defendants, agreed to alter, falsify or omit information from payment messages that involved Iranian parties for the express purpose of concealing the Iranian parties' financial activities and transactions from detection by US authorities. The lawsuits allege that this conduct has made it possible for Iran to transfer funds to Hezbollah and other terrorist organizations actively engaged in harming US military personnel and civilians. In January 2023, the Second Circuit affirmed a September 2019 ruling by the EDNY granting defendants' motion to dismiss the first filed lawsuit. In October 2023, the US Supreme Court denied plaintiffs' petition for a writ of certiorari. In February 2024, plaintiffs filed a motion to vacate the judgment in the first filed lawsuit. Of the other seven cases, four are stayed, including one that was dismissed as to Credit Suisse and most of the bank defendants prior to entry of the stay, and in three cases defendants moved to dismiss plaintiffs' amended complaints.

Note 14 Provisions and contingent liabilities (continued)

6. Customer account matters

Several clients have claimed that a former relationship manager in Switzerland had exceeded his investment authority in the management of their portfolios, resulting in excessive concentrations of certain exposures and investment losses. Credit Suisse AG has investigated the claims, as well as transactions among the clients. Credit Suisse AG filed a criminal complaint against the former relationship manager with the Geneva Prosecutor's Office upon which the prosecutor initiated a criminal investigation. Several clients of the former relationship manager also filed criminal complaints with the Geneva Prosecutor's Office. In February 2018, the former relationship manager was sentenced to five years in prison by the Geneva criminal court for fraud, forgery and criminal mismanagement and ordered to pay damages of approximately USD 130m. On appeal, the Criminal Court of Appeals of Geneva and, subsequently, the Swiss Federal Supreme Court upheld the main findings of the Geneva criminal court.

Civil lawsuits have been initiated against Credit Suisse AG and / or certain affiliates in various jurisdictions, based on the findings established in the criminal proceedings against the former relationship manager.

In Singapore, in a now-concluded civil lawsuit, Credit Suisse Trust Limited was ordered to pay USD 461m, including interest and costs.

In Bermuda, in the civil lawsuit brought against Credit Suisse Life (Bermuda) Ltd., the Supreme Court of Bermuda issued a judgment awarding damages of USD 607.35m to the plaintiff. Credit Suisse Life (Bermuda) Ltd. appealed the decision. In June 2023, the Bermuda Court of Appeal confirmed the award and the Supreme Court of Bermuda's finding that Credit Suisse Life (Bermuda) Ltd. breached its contractual and fiduciary duties, but overturned the finding that Credit Suisse Life (Bermuda) Ltd. made fraudulent misrepresentations. In March 2024, Credit Suisse Life (Bermuda) Ltd. was granted leave to appeal the judgment to the Judicial Committee of the Privy Council and a hearing on the appeal was held in June 2025. The Bermuda Court of Appeal also ordered that the current stay continue pending determination of the appeal on the condition that the damages awarded, plus interest calculated at the Bermuda statutory rate of 3.5%, remain in the escrow account.

In Switzerland, certain civil lawsuits have been commenced against Credit Suisse AG in the Court of First Instance of Geneva since March 2023.

7. Mozambique matter

Credit Suisse was subject to investigations by regulatory and enforcement authorities, as well as civil litigation, regarding certain Credit Suisse entities' arrangement of loan financing to Mozambique state enterprises, Proindicus S.A. and Empresa Moçambicana de Atum S.A. (EMATUM), a distribution to private investors of loan participation notes (LPN) related to the EMATUM financing in September 2013, and certain Credit Suisse entities' subsequent role in arranging the exchange of those LPNs for Eurobonds issued by the Republic of Mozambique. In 2019, three former Credit Suisse employees pleaded guilty in the EDNY to accepting improper personal benefits in connection with financing transactions carried out with two Mozambique state enterprises.

In October 2021, Credit Suisse reached settlements with the DOJ, the US Securities and Exchange Commission (SEC), the UK Financial Conduct Authority (FCA) and FINMA to resolve inquiries by these agencies, including findings that Credit Suisse failed to appropriately organize and conduct its business with due skill and care, and manage risks. Credit Suisse Group AG entered into a three-year Deferred Prosecution Agreement (DPA) with the DOJ in connection with the criminal information charging Credit Suisse Group AG with conspiracy to commit wire fraud and Credit Suisse Securities (Europe) Limited (CSSEL) entered into a Plea Agreement and pleaded guilty to one count of conspiracy to violate the US federal wire fraud statute. Under the terms of the DPA, UBS Group AG (as successor to Credit Suisse Group AG) continued compliance enhancement and remediation efforts agreed by Credit Suisse, and undertake additional measures as outlined in the DPA. In January 2025, as permitted under the terms of the DPA, the DOJ elected to extend the term of the DPA by one year.

8. ETN-related litigation

XIV litigation: Since March 2018, three class action complaints were filed in the SDNY on behalf of a putative class of purchasers of VelocityShares Daily Inverse VIX Short-Term Exchange Traded Notes linked to the S&P 500 VIX Short-Term Futures Index (XIV ETNs). The complaints have been consolidated and asserts claims against Credit Suisse for violations of various anti-fraud and anti-manipulation provisions of US securities laws arising from a decline in the value of XIV ETNs in February 2018. On appeal from an order of the SDNY dismissing all claims, the Second Circuit issued an order that reinstated a portion of the claims. In decisions in March 2023 and February 2025, the court granted class certification for two of the three classes proposed by plaintiffs and denied class certification of the third proposed class.

Note 14 Provisions and contingent liabilities (continued)

9. Bulgarian former clients matter

In December 2020, the Swiss Office of the Attorney General brought charges against Credit Suisse AG and other parties concerning the diligence and controls applied to a historical relationship with Bulgarian former clients who are alleged to have laundered funds through Credit Suisse AG accounts. In June 2022, following a trial, Credit Suisse AG was convicted in the Swiss Federal Criminal Court of certain historical organizational inadequacies in its anti-money-laundering framework and ordered to pay a fine of CHF 2m. In addition, the court seized certain client assets in the amount of approximately CHF 12m and ordered Credit Suisse AG to pay a compensatory claim in the amount of approximately CHF 19m. Credit Suisse AG appealed the decision to the Swiss Federal Court of Appeals. Following the merger of UBS AG and Credit Suisse AG, UBS AG confirmed the appeal. In November 2024, the court issued a judgment that acquitted UBS AG and annulled the fine and compensatory claim ordered by the first instance court. In February 2025, the court affirmed the acquittal of UBS AG, and the Office of the Attorney General has appealed the judgment to the Swiss Federal Supreme Court. UBS has also appealed, limited to the issue whether a successor entity by merger can be criminally liable for acts of the predecessor entity.

10. Archegos

Credit Suisse and UBS have received requests for documents and information in connection with inquiries, investigations and/or actions relating to their relationships with Archegos Capital Management (Archegos), including from FINMA (assisted by a third party appointed by FINMA), the DOJ, the SEC, the US Federal Reserve, the US Commodity Futures Trading Commission (CFTC), the US Senate Banking Committee, the Prudential Regulation Authority (PRA), the FCA, the WEKO, the Hong Kong Competition Commission and other regulatory and governmental agencies. UBS is cooperating with the authorities in these matters. In July 2023, CSI and CSSEL entered into a settlement agreement with the PRA providing for the resolution of the PRA's investigation. Also in July 2023, FINMA issued a decree ordering remedial measures and the Federal Reserve Board issued an Order to Cease and Desist. Under the terms of the order, Credit Suisse paid a civil money penalty and agreed to undertake certain remedial measures relating to counterparty credit risk management, liquidity risk management and non-financial risk management, as well as enhancements to board oversight and governance. UBS Group, as the legal successor to Credit Suisse Group AG, is a party to the FINMA decree and Federal Reserve Board Cease and Desist Order.

Civil actions relating to Credit Suisse's relationship with Archegos have been filed against Credit Suisse and/or certain officers and directors, including claims for breaches of fiduciary duties.

11. Credit Suisse financial disclosures

Credit Suisse Group AG and certain directors, officers and executives have been named in securities class action complaints pending in the SDNY and New Jersey federal court. These complaints, filed on behalf of purchasers of Credit Suisse shares, additional tier 1 capital notes, and other securities in 2023 and 2024, allege that defendants made misleading statements regarding: (i) customer outflows in late 2022 and early 2023; (ii) the adequacy of Credit Suisse's financial reporting controls; and (iii) the adequacy of Credit Suisse's risk management processes, and include allegations relating to Credit Suisse Group AG's merger with UBS Group AG. In July 2025, the SDNY certified the class in one case, and, in another case, brought on behalf of a second class, granted in part and denied in part a motion to dismiss.

Credit Suisse has received requests for documents and information from regulatory and governmental agencies in connection with inquiries, investigations and/or actions relating to these matters, as well as for other statements regarding Credit Suisse's financial condition, including from the SEC, the DOJ and FINMA. UBS is cooperating with the authorities in these matters.

Note 14 Provisions and contingent liabilities (continued)

12. Merger-related litigation

Certain Credit Suisse Group AG affiliates and certain directors, officers and executives have been named in class action complaints pending in the SDNY. One complaint, brought on behalf of Credit Suisse shareholders, alleges breaches of fiduciary duty under Swiss law and civil RICO claims under US federal law. In February 2024, the court granted defendants' motions to dismiss the civil RICO claims and conditionally dismissed the Swiss law claims pending defendants' acceptance of jurisdiction in Switzerland. In March 2024, having received consents to Swiss jurisdiction from all defendants served with the complaint, the court dismissed the Swiss law claims against those defendants. Additional complaints, brought on behalf of holders of Credit Suisse additional tier 1 capital notes (AT1 noteholders) allege breaches of fiduciary duty under Swiss law, arising from a series of scandals and misconduct, which led to Credit Suisse Group AG's merger with UBS Group AG, causing losses to shareholders and AT1 noteholders. Motions to dismiss these complaints were granted in March 2024 and September 2024 on the basis that Switzerland is the most appropriate forum for litigation. Plaintiffs in two of these cases have appealed the dismissal.