

UBS AG

Second quarter 2025 report



UBS

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1. Key figures

- 3 UBS AG consolidated key figures

2. Recent developments

- 4 Recent developments

3. UBS AG performance, business divisions and Group Items

- 8 UBS AG consolidated performance
- 16 Global Wealth Management
- 18 Personal & Corporate Banking
- 20 Asset Management
- 21 Investment Bank
- 23 Non-core and Legacy
- 24 Group Items

4. Risk and capital management

- 26 Risk management and control
- 26 Capital management

5. Consolidated financial statements

- 32 UBS AG interim consolidated financial statements (unaudited)

6. Comparison between UBS AG consolidated and UBS Group AG consolidated

- 67 Comparison between UBS AG consolidated and UBS Group AG consolidated

Appendix

- 69 Alternative performance measures
- 73 Abbreviations frequently used in our financial reports
- 75 Information sources
- 76 Cautionary statement

Terms used in this report, unless the context requires otherwise

"UBS", "UBS Group", "UBS Group AG consolidated", "Group"	UBS Group AG and its consolidated subsidiaries
"UBS AG" and "UBS AG consolidated", "we", "us" and "our"	UBS AG and its consolidated subsidiaries
"Credit Suisse AG"	Credit Suisse AG and its consolidated subsidiaries before the merger with UBS AG
"Credit Suisse Group" and "Credit Suisse"	Pre-acquisition Credit Suisse Group
"UBS Group AG"	UBS Group AG on a standalone basis
"UBS Switzerland AG"	UBS Switzerland AG on a standalone basis
"1m"	One million, i.e. 1,000,000
"1bn"	One billion, i.e. 1,000,000,000
"1trn"	One trillion, i.e. 1,000,000,000,000

In this report, unless the context requires otherwise, references to any gender shall apply to all genders.

Alternative performance measures

An alternative performance measure (an APM) is a financial measure of historical or future financial performance, financial position or cash flows other than a financial measure defined or specified in the applicable recognized accounting standards or in other applicable regulations. A number of APMs are reported in UBS's external reports (annual, quarterly and other reports). APMs are used to provide a more complete picture of operating performance and to reflect management's view of the fundamental drivers of the business results. A definition of each APM, the method used to calculate it and the information content are presented under "Alternative performance measures" in the appendix to this report. These APMs may qualify as non-GAAP measures as defined by US Securities and Exchange Commission (SEC) regulations.

Comparability

Comparative information in this report is presented as follows.

Profit and loss information and other flow-based information for the second quarter of 2025, the first quarter of 2025 and the fourth quarter of 2024 is based entirely on consolidated data following the merger of UBS AG and Credit Suisse AG. Profit and loss information and other flow-based information for the second quarter of 2024 and the six-month period ending 30 June 2024 includes only one month of post-merger UBS AG data.

Balance sheet information as at 30 June 2025, 31 March 2025 and 31 December 2024 includes post-merger consolidated information.

Comparison between UBS AG consolidated and UBS Group AG consolidated

This report should be read in conjunction with the UBS Group second quarter 2025 report that was published on 30 July 2025 and is available under "Quarterly reporting" at ubs.com/investors. A comparison of selected financial and capital information of UBS AG consolidated and of UBS Group AG consolidated is provided after the Notes to the UBS AG interim consolidated financial statements.

Key figures

UBS AG consolidated key figures

UBS AG consolidated key figures

<i>USD m, except where indicated</i>	As of or for the quarter ended				As of or year-to-date	
	30.6.25	31.3.25	31.12.24	30.6.24	30.6.25	30.6.24
Results						
Total revenues	11,635	12,163	11,317	9,900	23,798	19,008
Credit loss expense / (release)	152	124	241	84	275	136
Operating expenses	10,621	10,701	11,017	10,012	21,322	17,689
Operating profit / (loss) before tax	862	1,339	59	(196)	2,201	1,183
Net profit / (loss) attributable to shareholders	1,192	1,028	(257)	(264)	2,220	742
Profitability and growth¹						
Return on equity (%)	5.0	4.3	(1.1)	(1.4)	4.7	2.3
Return on tangible equity (%)	5.4	4.6	(1.2)	(1.6)	5.0	2.5
Return on common equity tier 1 capital (%)	6.8	5.7	(1.3)	(1.7)	6.2	2.8
Revenues over leverage ratio denominator, gross (%)	2.9	3.1	2.9	3.0	3.0	3.2
Cost / income ratio (%)	91.3	88.0	97.3	101.1	89.6	93.1
Net profit growth (%)	n.m.	2.2	n.m.	n.m.	199.2	(65.1)
Resources						
Total assets	1,671,814	1,547,489	1,568,060	1,564,664	1,671,814	1,564,664
Equity attributable to shareholders	94,278	96,553	94,003	93,392	94,278	93,392
Common equity tier 1 capital ²	69,829	70,756	73,792	83,001	69,829	83,001
Risk-weighted assets ²	498,327	481,539	495,110	509,953	498,327	509,953
Common equity tier 1 capital ratio (%) ²	14.0	14.7	14.9	16.3	14.0	16.3
Going concern capital ratio (%) ²	17.8	18.5	18.1	19.2	17.8	19.2
Total loss-absorbing capacity ratio (%) ²	36.5	38.0	36.7	38.6	36.5	38.6
Leverage ratio denominator ²	1,660,097	1,565,845	1,523,277	1,564,001	1,660,097	1,564,001
Common equity tier 1 leverage ratio (%) ²	4.2	4.5	4.8	5.3	4.2	5.3
Liquidity coverage ratio (%) ³	179.4	180.3	186.1	194.1	179.4	194.1
Net stable funding ratio (%)	120.9	122.8	124.1	127.7	120.9	127.7
Other						
Invested assets (USD bn) ^{1,4}	6,618	6,153	6,087	5,871	6,618	5,871
Personnel (full-time equivalents)	62,958	67,373	68,982	70,750	62,958	70,750

¹ Refer to "Alternative performance measures" in the appendix to this report for the relevant definition(s) and calculation method(s). ² Based on the Swiss systemically relevant bank framework. Refer to the "Capital management" section of this report for more information. ³ The disclosed ratios represent quarterly averages for the quarters presented and are calculated based on an average of 61 data points in the second quarter of 2025, 62 data points in the first quarter of 2025, 64 data points in the fourth quarter of 2024 and 61 data points in the second quarter of 2024, of which 40 data points were before the merger of UBS AG and Credit Suisse AG (i.e. from 2 April 2024 until 30 May 2024), and 21 data points were after the merger (i.e. from 31 May 2024 until 30 June 2024). Refer to the "Liquidity and funding management" section of the UBS Group second quarter 2025 report, available under "Quarterly reporting" at ubs.com/investors, for more information. ⁴ Consists of invested assets for Global Wealth Management, Asset Management (including invested assets from associates) and Personal & Corporate Banking. Refer to "Note 31 Invested assets and net new money" in the "Consolidated financial statements" section of the UBS AG Annual Report 2024, available under "Annual reporting" at ubs.com/investors, for more information.

Recent developments

Management report

Integration of Credit Suisse

We remain on track to substantially complete the integration of Credit Suisse by the end of 2026. Our focus continues to be on client account migrations and infrastructure decommissioning.

In the second quarter of 2025, we successfully completed the first main wave of our Swiss business migrations, having now migrated approximately one-third of the targeted client accounts, and we still aim to complete the Swiss booking center migrations by the end of the first quarter of 2026.

We have made substantial further progress with regard to the simplification of our legal entity structure in the US and Europe, having merged Credit Suisse Holdings (USA), Inc. with UBS Americas Inc, deregistered Credit Suisse (USA) LLC as a broker-dealer and established UBS Europe SE as the single EU intermediate parent undertaking ahead of schedule.

On 18 July 2025, the High Court of England and Wales approved the transfer of Credit Suisse International's residual business and related products to UBS AG London Branch and UBS Europe SE pursuant to Part VII of the Financial Services and Markets Act 2000. The transfer of the relevant assets and liabilities is expected to occur over the next six months.

Regulatory and legal developments

Developments in Switzerland aimed at strengthening financial stability

In June 2025, the Swiss Federal Council published regulatory proposals that aim to further strengthen banking stability in Switzerland (the Financial Stability Proposals). Proposed measures to be submitted to the Swiss Parliament for enactment would exclude from common equity tier 1 (CET1) capital investments in foreign subsidiaries of systemically important banks (SIBs), include additional requirements for the recovery and resolution of SIBs, add measures to increase the potential for obtaining liquidity via the Swiss National Bank (the SNB), introduce a Senior Managers Regime for banks, and provide additional powers for the Swiss Financial Market Supervisory Authority (FINMA). Proposed measures at the ordinance level would exclude capitalized software and deferred tax assets (DTAs) on temporary differences from CET1 capital, add stricter requirements for prudential valuation adjustments (PVAs) of assets and liabilities, permit the mandatory suspension of interest payments for additional tier 1 capital instruments in the event of a cumulative loss over four quarters, and introduce measures that aim to enable FINMA and other authorities to better assess the situation of banks in a liquidity crisis.

The Swiss Federal Council plans to start a public consultation in the fall of 2025 on the legislative amendments to capital requirements related to foreign subsidiaries and has indicated it expects to submit its proposal to the Swiss Parliament in the first half of 2026. Entry into force of these amendments is expected in 2028, at the earliest, and is expected to be phased in over a period of at least six to eight years. For the remaining legislative amendments, a consultation draft is expected in the first half of 2026, with the Swiss Federal Council's submission to the Parliament in the first half of 2027. The entry into force of these amendments is expected in 2028 or 2029.

The measures at the ordinance level, including the capital treatment of capitalized software and DTAs on temporary differences, are in public consultation until September 2025, with the ordinances expected to enter into force in January 2027, at the earliest. In addition, a consultation on amendments to the Liquidity Ordinance is expected to begin in the first half of 2026. The amendments to be proposed are expected to set minimum requirements for maintaining borrowing capacity for emergency liquidity assistance.

Based on financial information published for the first quarter of 2025 and given UBS AG's target CET1 capital ratio of between 12.5% and 13%, UBS AG would be required to hold additional estimated CET1 capital of around USD 24bn on a pro-forma basis if the recommendations were to be implemented as proposed. This includes around USD 23bn related to the full deduction of UBS AG's investments in foreign subsidiaries. These pro-forma figures reflect previously announced expected capital repatriations of around USD 5bn.

The incremental CET1 capital of around USD 24bn required at UBS AG would result in a CET1 capital ratio at the UBS Group AG (consolidated) level of around 19%. At Group level, the proposed measures related to DTAs on temporary differences, capitalized software and PVAs would eliminate capital recognition for these items in a manner misaligned with international standards. This would reduce the CET1 capital ratio for the Group to around 17%, underrepresenting UBS's capital strength.

The additional capital of USD 24bn would be in addition to the previously communicated incremental capital of around USD 18bn that UBS will have to hold as a result of the acquisition of the Credit Suisse Group in order to meet existing regulations. This includes around USD 9bn to remove the regulatory concessions granted to Credit Suisse and around USD 9bn to meet the current progressive requirements due to the increased leverage ratio denominator (LRD) and higher market share of the combined business. The progressive requirements for LRD and market share are subject to confirmation.

On this basis, UBS would be required to hold around USD 42bn in additional CET1 capital in total.

Recent developments related to the implementation of the final Basel III standards

In June 2025, the European Commission (the EC) proposed to delay the implementation of the Fundamental Review of the Trading Book (the FRTB) by another year, to 1 January 2027. We expect that the overall impact on UBS will be limited.

In July 2025, the UK Prudential Regulatory Authority published for consultation proposals to delay the implementation of the FRTB internal models approach from 1 January 2027 to 1 January 2028. The FRTB regulation for standardized and advanced standardized approaches will continue to apply from 1 January 2027. With UBS's entities not being subject to the corresponding UK regulation, we expect that the overall impact on UBS will be limited.

In Switzerland, the FRTB became effective on 1 January 2025, together with all other requirements of the final Basel III regulation.

The Swiss Federal Council pauses the revision of the Ordinance on Climate Disclosures

In June 2025, the Swiss Federal Council decided to pause the revision of the Ordinance on Climate Disclosures until the approval of the ongoing revision of the overarching legislation on sustainability reporting in the Swiss Code of Obligations or until 1 January 2027, at the latest.

Recent developments related to EU sustainability reporting

In July 2025, Germany's Federal Ministry of Justice and Consumer Protection published a new draft bill to implement the EU Corporate Sustainability Reporting Directive (the CSRD). If enacted, the draft bill would make CSRD reporting mandatory for the 2025 financial year for large companies that are subject to wave one reporting requirements of the CSRD, which would include UBS AG.

In July 2025, the EC adopted amendments to the European Sustainability Reporting Standards (the ESRS) to allow wave one companies to omit certain of the ESRS disclosures for the 2025 and 2026 financial years. Also in July 2025, the EC published proposed measures to simplify the disclosure requirements under Art. 8 of the EU Taxonomy Regulation. These actions are part of a broader initiative by the EU to simplify its sustainability standards and to reduce the reporting burden on companies. We are currently assessing the impact of these measures on the disclosures of UBS AG and UBS Europe SE.

Other developments

Resolution of legacy Credit Suisse cross-border matter

On 5 May 2025, Credit Suisse Services AG entered into an agreement with the US Department of Justice (the DOJ) to settle a long-running tax-related investigation into Credit Suisse's implementation of its 2014 plea agreement, relating to its legacy cross-border business with US taxpayers booked in Switzerland, which began before UBS acquired the Credit Suisse Group. Credit Suisse Services AG pleaded guilty to one count of conspiracy to aid and assist in the preparation of false income tax returns. Credit Suisse Services AG also contemporaneously entered into a non-prosecution agreement regarding US taxpayers booked in the legacy Credit Suisse Singapore booking center. In the second quarter of 2025, we paid USD 511m with respect to the aforementioned resolutions and we recorded in our Non-core and Legacy division a USD 41m net increase in provisions, which included a provision for the estimated costs of UBS's ongoing obligations with the DOJ in respect of legacy Credit Suisse accounts.

› Refer to "Note 16 Provisions and contingent liabilities" in the "Consolidated financial statements" section of this report for more information

Sale of O'Connor business

In May 2025, UBS Asset Management (Americas) LLC entered into an agreement to sell its O'Connor single-manager hedge fund, private credit and commodities platform to Cantor Fitzgerald. The sale includes O'Connor's six investment strategies with around USD 11bn in assets under management and, as part of the agreement, UBS and Cantor Fitzgerald will establish a long-term commercial arrangement. The transaction is expected to close in stages, beginning in the fourth quarter of 2025, subject to regulatory approvals and other customary closing conditions. UBS AG does not expect to recognize a material profit or loss upon completion of the transaction.

Ownership increase in UBS Securities China

In the second quarter of 2025, we increased our stake in UBS Securities China from 67% to 100%. The closing of the transaction did not affect profit or loss and there was no material effect on our CET1 capital.

UBS AG performance, business divisions and Group Items

Management report

Our businesses

We report five business divisions, each of which qualifies as an operating segment pursuant to IFRS Accounting Standards: Global Wealth Management, Personal & Corporate Banking, Asset Management, the Investment Bank, and Non-core and Legacy. Non-core and Legacy consists of positions and businesses not aligned with our strategy and policies.

Our Group functions are support and control functions that provide services to the Group. Virtually all costs incurred by our Group functions are allocated to the business divisions, leaving a residual amount that we refer to as Group Items in our segment reporting.

This discussion and analysis of the results of the business divisions and Group Items compares the results for the second quarter of 2025 and the six-month period ending 30 June 2025, which are both based entirely on consolidated data following the merger of UBS AG and Credit Suisse AG, with the results for the second quarter of 2024 and the six-month period ending 30 June 2024, which both only included one month of post-merger UBS AG consolidated results. This is a material driver in many of the increases across both revenues and operating expenses.

UBS AG consolidated performance

Income statement

USD m	For the quarter ended			% change from		Year-to-date	
	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Net interest income	1,584	1,328	722	19	119	2,912	1,528
Other net income from financial instruments measured at fair value through profit or loss	3,374	3,924	3,271	(14)	3	7,298	6,216
Net fee and commission income	6,526	6,630	5,601	(2)	17	13,156	10,750
Other income	150	281	306	(47)	(51)	432	515
Total revenues	11,635	12,163	9,900	(4)	18	23,798	19,008
Credit loss expense / (release)	152	124	84	23	80	275	136
Personnel expenses	5,649	5,910	4,797	(4)	18	11,559	8,958
General and administrative expenses	4,228	4,077	4,584	4	(8)	8,305	7,570
Depreciation, amortization and impairment of non-financial assets	744	714	631	4	18	1,458	1,162
Operating expenses	10,621	10,701	10,012	(1)	6	21,322	17,689
Operating profit / (loss) before tax	862	1,339	(196)	(36)		2,201	1,183
Tax expense / (benefit)	(336)	303	28			(32)	393
Net profit / (loss)	1,198	1,035	(224)	16		2,233	790
Net profit / (loss) attributable to non-controlling interests	6	7	40	(21)	(85)	13	48
Net profit / (loss) attributable to shareholders	1,192	1,028	(264)	16		2,220	742

Comprehensive income

Total comprehensive income	4,231	2,657	271	59		6,889	101
Total comprehensive income attributable to non-controlling interests	18	22	20	(18)	(9)	41	17
Total comprehensive income attributable to shareholders	4,213	2,635	251	60		6,848	85

Integration-related expenses, by business division and Group Items

USD m	For the quarter ended			Year-to-date	
	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Global Wealth Management	381	355	378	736	606
Personal & Corporate Banking	213	166	113	379	197
Asset Management	63	73	69	136	104
Investment Bank	124	116	161	240	276
Non-core and Legacy	251	191	187	442	248
Group Items	6	(2)	9	5	10
Total integration-related expenses	1,038	900	916	1,938	1,440
of which: total revenues	7	(3)	10	4	10
of which: operating expenses	1,031	903	906	1,934	1,429
of which: personnel expenses	407	386	331	793	449
of which: general and administrative expenses	538	460	488	998	832
of which: depreciation, amortization and impairment of non-financial assets	87	57	87	144	148

2Q25 compared with 2Q24

The legal merger of UBS AG and Credit Suisse AG on 31 May 2024 has had a significant impact on the results from June 2024 onward. This discussion and analysis of results compares the second quarter of 2025, which covers three full months of post-merger results, with the second quarter of 2024, which included only one month of post-merger results. This is a material driver in many of the increases across both revenues and operating expenses.

- › Refer to "Note 2 Accounting for the merger of UBS AG and Credit Suisse AG" in the "Consolidated financial statements" section of the UBS AG Annual Report 2024, available under "Annual reporting" at ubs.com/investors, for more information about the accounting for the merger of UBS AG and Credit Suisse AG

Results: 2Q25 vs 2Q24

Operating profit before tax was USD 862m, compared with an operating loss before tax of USD 196m in the second quarter of 2024, reflecting higher total revenues, partly offset by increases in operating expenses and net credit loss expenses. Total revenues increased by USD 1,735m, or 18%, to USD 11,635m, which included an increase from foreign currency effects. The increase in total revenues was largely due to increases of USD 965m in combined net interest income and other net income from financial instruments measured at fair value through profit or loss and USD 925m in net fee and commission income, partly offset by USD 156m lower other income. Operating expenses increased by USD 609m, or 6%, to USD 10,621m, and included an increase from foreign currency effects. The overall increase was largely due to increases of USD 852m in personnel expenses and USD 113m in depreciation, amortization and impairment of non-financial assets, partly offset by a decrease of USD 356m in general and administrative expenses. Net credit loss expenses were USD 152m, compared with USD 84m in the second quarter of 2024.

Integration-related expenses in general and administrative expenses primarily included shared services costs charged from other companies in the UBS Group reporting scope, consulting fees and outsourcing costs. Integration-related personnel expenses were mainly due to salaries and variable compensation related to the integration of Credit Suisse. In addition, there was accelerated depreciation of properties and leasehold improvements in depreciation, amortization and impairment of non-financial assets.

Total revenues: 2Q25 vs 2Q24

Net interest income and other net income from financial instruments measured at fair value through profit or loss

Total combined net interest income and other net income from financial instruments measured at fair value through profit or loss increased by USD 965m to USD 4,958m, mainly driven by increases in Global Wealth Management, Personal & Corporate Banking and the Investment Bank.

Global Wealth Management revenues increased by USD 402m to USD 2,042m, mainly driven by the consolidation of Credit Suisse AG net interest income for the full quarter. The remaining variance was mainly due to an increase in net interest income, largely driven by positive foreign currency effects and deposit inflows into higher-margin products, and an increase in trading revenues, reflecting higher levels of client activity.

Personal & Corporate Banking revenues increased by USD 334m to USD 1,357m, predominantly due to the consolidation of Credit Suisse AG net interest income for the full quarter, as well as positive foreign currency effects.

Investment Bank revenues increased by USD 379m to USD 1,886m, mainly due to higher Derivatives & Solutions revenues, mostly driven by Foreign Exchange, Equity Derivatives and Rates, due to elevated volatility and higher levels of client activity. In addition, there were higher revenues in Financing, with increases in all products, led by Prime Brokerage, supported by higher client balances. These increases were partly offset by lower revenues in Global Banking, largely driven by a contraction in Leveraged Capital Markets revenues.

Non-core and Legacy revenues were negative USD 150m compared with positive USD 121m in the second quarter of 2024. Revenues included lower net gains from position exits and lower net interest income from securitized products and credit products, as well as due to the consolidation of Credit Suisse AG revenues for the full quarter.

Revenues in Group Items were negative USD 176m compared with negative USD 288m in the second quarter of 2024. The change in revenues was mainly driven by mark-to-market gains from Group hedging and own debt, including hedge accounting ineffectiveness, compared with losses in the second quarter of 2024. Revenues in the second quarter of 2025 included offsetting impacts on portfolio-level economic hedges and mark-to-market effects on own credit.

- › Refer to the relevant business division commentary in this section for more information about business-division specific revenues
- › Refer to “Note 4 Net interest income” in the “Consolidated financial statements” section of this report for more information about net interest income

Net interest income and other net income from financial instruments measured at fair value through profit or loss

USD m	For the quarter ended			% change from		Year-to-date	
	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Net interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	89	(266)	(188)			(177)	(1)
Net interest income from financial instruments measured at fair value through profit or loss and other	1,495	1,594	910	(6)	64	3,089	1,528
Other net income from financial instruments measured at fair value through profit or loss	3,374	3,924	3,271	(14)	3	7,298	6,216
Total	4,958	5,252	3,993	(6)	24	10,210	7,744
Global Wealth Management	2,042	2,074	1,640	(2)	24	4,116	3,198
of which: net interest income	1,587	1,589	1,317	0	20	3,176	2,521
of which: transaction-based income from foreign exchange and other intermediary activity ¹	455	485	323	(6)	41	940	677
Personal & Corporate Banking	1,357	1,247	1,023	9	33	2,604	1,927
of which: net interest income	1,142	1,059	863	8	32	2,201	1,634
of which: transaction-based income from foreign exchange and other intermediary activity ¹	215	188	161	14	34	403	293
Asset Management	0	(5)	(11)	(99)	(100)	(5)	(23)
Investment Bank	1,886	2,056	1,507	(8)	25	3,942	3,064
Non-core and Legacy	(150)	117	121			(33)	139
Group Items	(176)	(237)	(288)	(26)	(39)	(413)	(563)

¹ Mainly includes spread-related income in connection with client-driven transactions, foreign currency translation effects and income and expenses from precious metals, which are included in the income statement line Other net income from financial instruments measured at fair value through profit or loss. The amounts reported on this line are one component of Transaction-based income in the management discussion and analysis in the "Global Wealth Management" and "Personal & Corporate Banking" sections of this report.

Net fee and commission income

Net fee and commission income increased by USD 925m to USD 6,526m, mainly driven by the consolidation of Credit Suisse AG revenues for the full quarter.

The consolidation of Credit Suisse AG revenues for the full quarter was the main factor driving a USD 485m increase in fees from portfolio management, to USD 3,163m, and a USD 242m increase in investment fund fees, to USD 1,600m, predominantly in Global Wealth Management and Asset Management, respectively. The increase in Global Wealth Management was also due to positive market performance and net new fee-generating asset inflows.

Net brokerage fees increased by USD 187m to USD 1,189m, mainly due to higher levels of client activity in Global Wealth Management, and in Cash Equities in Execution Services in the Investment Bank, due to higher volumes.

› Refer to "Note 5 Net fee and commission income" in the "Consolidated financial statements" section of this report for more information

Other income

Other income was USD 150m and included the consolidation of Credit Suisse AG income for the full quarter, compared with USD 306m in the second quarter of 2024. The decrease was largely due to lower costs charged to shared services subsidiaries of UBS Group AG. In addition, losses of USD 35m from disposals of properties held for sale were incurred, predominantly in Group Items. The second quarter of 2025 also included a USD 31m loss relating to an investment in an associate.

› Refer to "Note 6 Other income" in the "Consolidated financial statements" section of this report for more information

Credit loss expense / release: 2Q25 vs 2Q24

Total net credit loss expenses in the second quarter of 2025 were USD 152m, reflecting net expenses of USD 38m related to performing positions and net expenses of USD 114m on credit-impaired positions. Net credit loss expenses were USD 84m in the second quarter of 2024.

› Refer to "Note 9 Expected credit loss measurement" in the "Consolidated financial statements" section of this report for more information

Credit loss expense / (release)

USD m	Performing positions	Credit-impaired positions	
	Stages 1 and 2	Stage 3	Total
For the quarter ended 30.6.25			
Global Wealth Management	(3)	1	(2)
Personal & Corporate Banking	22	92	114
Asset Management	0	0	0
Investment Bank	19	22	41
Non-core and Legacy	0	(1)	(1)
Group Items	0	0	0
Total	38	114	152
For the quarter ended 31.3.25			
Global Wealth Management	(7)	15	8
Personal & Corporate Banking	(8)	66	58
Asset Management	0	0	0
Investment Bank	(5)	54	49
Non-core and Legacy	0	10	10
Group Items	(1)	0	(1)
Total	(21)	145	124
For the quarter ended 30.6.24			
Global Wealth Management	(14)	12	(2)
Personal & Corporate Banking	(15)	125	110
Asset Management	0	0	0
Investment Bank	1	(2)	(1)
Non-core and Legacy	(1)	(22)	(23)
Group Items	0	0	0
Total	(29)	113	84

Operating expenses: 2Q25 vs 2Q24

Operating expenses

USD m	For the quarter ended			% change from		Year-to-date	
	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Personnel expenses	5,649	5,910	4,797	(4)	18	11,559	8,958
of which: salaries and variable compensation	4,882	5,129	4,205	(5)	16	10,011	7,826
of which: variable compensation – financial advisors ¹	1,335	1,409	1,291	(5)	3	2,744	2,558
General and administrative expenses	4,228	4,077	4,584	4	(8)	8,305	7,570
of which: net expenses / (releases) for litigation, regulatory and similar matters	163	196	1,161	(17)	(86)	359	1,169
Depreciation, amortization and impairment of non-financial assets	744	714	631	4	18	1,458	1,162
Total operating expenses	10,621	10,701	10,012	(1)	6	21,322	17,689

¹ 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.

Personnel expenses

Personnel expenses increased by USD 852m to USD 5,649m, mainly driven by the consolidation of Credit Suisse AG expenses for the full quarter, reflecting both the combined workforce resulting from the merger and higher accruals for performance awards, and also driven by a USD 44m increase in financial advisor compensation resulting from higher compensable revenues.

- › Refer to “Note 7 Personnel expenses” in the “Consolidated financial statements” section of this report for more information

General and administrative expenses

General and administrative expenses decreased by USD 356m to USD 4,228m and included the consolidation of Credit Suisse AG expenses for the full quarter. The overall decrease was largely attributable to a USD 998m reduction in costs for litigation, regulatory and similar matters, mainly due to recognition of costs in the second quarter of 2024 when UBS agreed to fund an offer by the Credit Suisse supply chain finance funds to redeem all of the outstanding units of the respective funds. This was partly offset by an increase of USD 441m in shared services costs for Technology, Finance and Risk charged by shared services subsidiaries of UBS Group AG. General and administrative expenses also included increases of USD 45m in real estate and logistics costs, USD 43m in consulting, legal and audit fees, and USD 38m in technology costs.

- › Refer to “Note 8 General and administrative expenses” in the “Consolidated financial statements” section of this report for more information
- › Refer to “Note 16 Provisions and contingent liabilities” in the “Consolidated financial statements” section of this report for more information about litigation, regulatory and similar matters
- › Refer to the “Regulatory and legal developments” and “Risk factors” sections of the UBS AG Annual Report 2024, available under “Annual reporting” at ubs.com/investors, for more information about litigation, regulatory and similar matters on a UBS AG consolidated basis

Depreciation, amortization and impairment of non-financial assets

Depreciation, amortization and impairment of non-financial assets increased by USD 113m to USD 744m and included the consolidation of Credit Suisse AG expenses for the full quarter. The overall increase was largely attributable to a USD 73m increase of amortization of internally generated capitalized software as a result of a higher cost base of software assets, as well as higher depreciation attributable to right-of-use assets associated with real estate leases.

Tax: 2Q25 vs 2Q24

UBS AG had a net income tax benefit of USD 336m in the second quarter of 2025, representing a negative effective tax rate of 39.0%, compared with a tax expense of USD 28m in the second quarter of 2024.

This reflected a net deferred tax benefit of USD 664m, which included a USD 663m benefit related to integration-related tax planning, primarily driven by the recognition of deferred tax assets (DTAs) in respect of tax losses carried forward and deductible temporary differences resulting from the final consolidation of legal entities in the United States and a USD 52m benefit due to an increase in DTA recognition within UBS AG's US branch. These benefits were partly offset by a net deferred tax expense of USD 51m that primarily related to the amortization of DTAs previously recognized in relation to tax losses carried forward and deductible temporary differences.

The current tax expense was USD 328m, which primarily related to the taxable profits of UBS Switzerland AG and other entities.

Total comprehensive income attributable to shareholders

In the second quarter of 2025, total comprehensive income attributable to shareholders was USD 4,213m, reflecting a net profit of USD 1,192m and other comprehensive income (OCI), net of tax, of USD 3,021m.

Foreign currency translation OCI was USD 2,610m, mainly resulting from the US dollar weakening against the Swiss franc and the euro.

OCI related to cash flow hedges was USD 562m, mainly reflecting net unrealized gains on US dollar hedging derivatives resulting from decreases in the relevant US dollar long-term interest rates and net losses on hedging instruments that were reclassified from OCI to the income statement.

OCI related to own credit on financial liabilities designated at fair value was negative USD 138m, primarily due to a tightening of our own credit spreads.

- › Refer to "Statement of comprehensive income" in the "Consolidated financial statements" section of this report for more information
- › Refer to "Reconciliation of equity under IFRS Accounting Standards to Swiss SRB common equity tier 1 capital (UBS AG vs UBS Group AG consolidated)" in the "Capital management" section of this report for more information about the effects of OCI on common equity tier 1 capital
- › Refer to "Note 21 Fair value measurement" in the "Consolidated financial statements" section of the UBS AG Annual Report 2024, available under "Annual reporting" at ubs.com/investors, for more information about own credit on financial liabilities designated at fair value

Sensitivity to interest rate movements

As of 30 June 2025, it is estimated that a parallel shift in yield curves by +100 basis points could lead to a combined increase in annual net interest income from our banking book of approximately USD 1.4bn in the first year after such a shift. Of this increase, approximately USD 0.7bn, USD 0.4bn and USD 0.1bn would result from changes in Swiss franc, US dollar and euro interest rates, respectively.

A parallel shift in yield curves by –100 basis points could lead to a combined increase in annual net interest income of approximately USD 0.8bn. Of this increase, approximately USD 1.5bn would result from changes in the Swiss franc interest rate, driven by both contractual and assumed flooring benefits under negative interest rates. US dollar and euro interest rate changes would lead to an offsetting decrease of USD 0.5bn and USD 0.1bn, respectively.

These estimates do not represent net interest income forecasts as they are based on a hypothetical scenario of an immediate change in interest rates, equal across all currencies and relative to implied forward rates as of 30 June 2025 applied to our banking book. These estimates further assume no change to balance sheet size and product mix, stable foreign exchange rates, and no specific management action.

› Refer to the “Risk management and control” section of the UBS Group second quarter 2025 report, available under “Quarterly reporting” at ubs.com/investors, for information about interest rate risk in the banking book

Key figures and personnel

Below is an overview of selected key figures of UBS AG consolidated. For further information about key figures related to capital management, refer to the “Capital management” section of this report.

Cost / income ratio: 2Q25 vs 2Q24

The cost / income ratio was 91.3%, compared with 101.1%, mainly reflecting an increase in total revenues, partly offset by an increase in operating expenses.

Personnel: 2Q25 vs 1Q25

The number of internal personnel employed as of 30 June 2025 was 62,958 (full-time equivalents), a net decrease of 4,415 compared with 31 March 2025.

Equity, CET1 capital and returns

	As of or for the quarter ended			Year-to-date	
USD m, except where indicated	30.6.25	31.3.25	30.6.24	30.6.25	30.6.24
Net profit					
Net profit attributable to shareholders	1,192	1,028	(264)	2,220	742
Equity					
Equity attributable to shareholders	94,278	96,553	93,392	94,278	93,392
less: goodwill and intangible assets	6,753	6,691	7,023	6,753	7,023
Tangible equity attributable to shareholders	87,524	89,862	86,369	87,524	86,369
less: other CET1 adjustments	17,695	19,106	3,368	17,695	3,368
CET1 capital	69,829	70,756	83,001	69,829	83,001
Returns					
Return on equity (%)	5.0	4.3	(1.4)	4.7	2.3
Return on tangible equity (%)	5.4	4.6	(1.6)	5.0	2.5
Return on CET1 capital (%)	6.8	5.7	(1.7)	6.2	2.8

Common equity tier 1 capital: 2Q25 vs 1Q25

During the second quarter of 2025, common equity tier 1 (CET1) capital decreased by USD 0.9bn to USD 69.8bn, mainly as operating profit before tax of USD 0.9bn and foreign currency translation gains of USD 2.5bn were more than offset by dividend accruals of USD 3.5bn and current tax expenses of USD 0.3bn.

Return on common equity tier 1 capital: 2Q25 vs 2Q24

The annualized return on CET1 capital was 6.8%, compared with negative 1.7%, driven by net profit attributable to shareholders compared with a net loss attributable to shareholders in the second quarter of 2024, as well as a decrease in average CET1 capital.

Risk-weighted assets: 2Q25 vs 1Q25

During the second quarter of 2025, RWA increased by USD 16.8bn to USD 498.3bn, driven by an USD 18.7bn increase in currency effects, partly offset by a USD 1.5bn decrease resulting from asset size and other movements and a USD 0.3bn decrease resulting from model updates and methodology changes.

Common equity tier 1 capital ratio: 2Q25 vs 1Q25

The CET1 capital ratio decreased to 14.0% from 14.7%, reflecting the aforementioned increase in RWA and the aforementioned decrease in CET1 capital.

Leverage ratio denominator: 2Q25 vs 1Q25

During the second quarter of 2025, the leverage ratio denominator (the LRD) increased by USD 94.3bn to USD 1,660.1bn, mainly driven by currency effects of USD 88.4bn and asset size and other movements of USD 5.8bn.

Common equity tier 1 leverage ratio: 2Q25 vs 1Q25

The CET1 leverage ratio decreased to 4.2% from 4.5%, reflecting the aforementioned increase in the LRD and the aforementioned decrease in CET1 capital.

Results 6M25 vs 6M24

Operating profit before tax increased by USD 1,018m, or 86%, to USD 2,201m, reflecting a USD 4,790m increase in total revenues, which was partly offset by a USD 3,633m increase in operating expenses. Net credit loss expenses were USD 275m compared with net credit loss expenses of USD 136m in the first six months of 2024.

Total combined net interest income and other net income from financial instruments measured at fair value through profit or loss increased by USD 2,466m to USD 10,210m. Revenues in Global Wealth Management increased by USD 918m, mainly driven by the consolidation of Credit Suisse AG revenues for the full period, positive foreign currency effects, deposit inflows into higher-margin products, as well as the impact of higher levels of client activity. Personal & Corporate Banking increased by USD 677m, largely due to the consolidation of Credit Suisse AG net interest income for the full period. The Investment Bank increased by USD 878m, mainly due to an increase in Derivatives & Solutions revenues that resulted from elevated volatility and higher levels of client activity. In addition, there were higher revenues in Financing, led by Prime Brokerage, supported by higher client balances. These increases were partly offset by lower revenues in Global Banking, which mainly resulted from lower volumes in Leveraged Capital Markets. Non-core and Legacy revenues were negative USD 33m compared with positive USD 139m in the first six months of 2024, largely due to lower net gains from position exits and net interest income from securitized products and credit products, partly offset by the effect from the consolidation of Credit Suisse AG revenues for the full period. Group Items revenues were negative USD 413m, compared with negative USD 563m in the first six months of 2024, mainly due to lower mark-to-market losses from Group hedging and own debt, including hedge accounting ineffectiveness. The losses in the first half of 2025 were driven by mark-to-market effects on own credit and portfolio-level economic hedges within Group Treasury.

Net fee and commission income increased by USD 2,406m to USD 13,156m. The consolidation of Credit Suisse AG revenues for the full period led to increases of USD 1,131m in portfolio management and related service fees and USD 584m in investment fund fees, predominantly in Global Wealth Management and Asset Management, respectively. The increase in Global Wealth Management was also due to positive market performance and net new fee-generating asset inflows. Net brokerage fees increased by USD 511m, mainly reflecting higher levels of client activity in Global Wealth Management and in Execution Services in the Investment Bank, due to higher volumes.

Other income was USD 432m, compared with USD 515m in the first six months of 2024, and included the consolidation of Credit Suisse income for the full period. The overall change was mainly due to lower costs charged to shared services subsidiaries of UBS Group AG. The share of net profits of associates and joint ventures was USD 118m higher, mainly reflecting a USD 64m gain related to the Swisscard transactions, partly offset by a USD 16m net loss relating to an investment in an associate.

Personnel expenses increased by USD 2,601m to USD 11,559m and included the consolidation of Credit Suisse AG expenses for the full period, reflecting both the combined workforce resulting from the merger and higher accruals for performance awards, and also driven by a USD 186m increase in financial advisor compensation as a result of higher compensable revenues.

General and administrative expenses increased by USD 735m to USD 8,305m, mainly driven by the consolidation of Credit Suisse AG expenses for the full period. The overall increase was largely attributable to a USD 739m increase in shared services costs charged by shared services subsidiaries of the UBS Group. General and administrative expenses also included a USD 180m expense related to the Swisscard transactions in Personal & Corporate Banking and increases of USD 130m in technology costs, USD 119m in real estate and logistics costs, and USD 99m in consulting, legal and audit fees. These increases were partly offset by USD 810m lower expenses for litigation, regulatory and similar matters, mainly due to the costs recognized in the first six months of 2024 when UBS agreed to fund an offer by the Credit Suisse supply chain finance funds to redeem all of the outstanding units in the respective funds.

Depreciation, amortization and impairment of non-financial assets increased by USD 296m to USD 1,458m and included the impact from the consolidation of Credit Suisse AG expenses for the full period. The overall increase included a USD 217m increase of amortization of internally generated capitalized software mainly as a result of the consolidation of Credit Suisse AG expenses and a higher cost base of software assets, as well as higher depreciation attributable to right-of-use assets associated with real estate leases.

Outlook

The third quarter started with strong market performance in risk assets, particularly international equities, combined with a weak US dollar. Investor sentiment remains broadly constructive, tempered by persistent macroeconomic and geopolitical uncertainties. Against this backdrop, our client conversations and deal pipelines indicate a high level of readiness among investors and corporates to deploy capital as conviction around the macro outlook strengthens.

For the third quarter, we expect Global Wealth Management's net interest income (NII) and Personal & Corporate Banking's NII in Swiss francs to be broadly stable. In US dollar terms, this translates to a sequential low single-digit percentage increase.

We also expect trading and transactional activity to reflect more normalized seasonal patterns and activity levels compared with the same quarter a year ago, particularly in Global Wealth Management's transaction-based revenues and the Investment Bank's Global Markets performance.

We remain focused on actively engaging with our clients, helping them to navigate a complex environment while executing on our growth and integration plans. We are confident in our ability to deliver on our 2025 and 2026 financial targets, leveraging the power of our diversified business model.

Global Wealth Management

Global Wealth Management

	As of or for the quarter ended			% change from		Year-to-date	
USD m, except where indicated	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Results							
Net interest income	1,587	1,589	1,317	0	20	3,176	2,521
Recurring net fee income ¹	3,352	3,274	2,893	2	16	6,626	5,586
Transaction-based income ¹	1,225	1,423	960	(14)	28	2,648	1,945
Other income	7	6	22	19	(67)	14	58
Total revenues	6,171	6,293	5,192	(2)	19	12,463	10,110
Credit loss expense / (release)	(2)	8	(2)		24	6	7
Operating expenses	5,121	5,069	4,473	1	14	10,190	8,448
Business division operating profit / (loss) before tax	1,052	1,216	720	(13)	46	2,268	1,655
Performance measures and other information							
Pre-tax profit growth (year-on-year, %) ¹	46.0	30.1	(34.3)			37.0	(27.8)
Cost / income ratio (%) ¹	83.0	80.6	86.2			81.8	83.6
Financial advisor compensation ²	1,334	1,409	1,291	(5)	3	2,743	2,558
Invested assets (USD bn) ¹	4,512	4,218	4,038	7	12	4,512	4,038
Loans, gross (USD bn) ³	319.9	301.7	307.4	6	4	319.9	307.4
Customer deposits (USD bn) ³	489.0	464.8	477.0	5	3	489.0	477.0
Impaired loan portfolio as a percentage of total loan portfolio, gross (%) ^{1,4}	0.5	0.4	0.4			0.5	0.4
Advisors (full-time equivalents)	9,565	9,693	10,068	(1)	(5)	9,565	10,068

¹ Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. ² Relates to licensed professionals with the ability to provide investment advice to clients in the Americas. Consists of cash compensation, determined using a formulaic approach based on production, and deferred awards. Also includes expenses related to compensation commitments with financial advisors entered into at the time of recruitment that are subject to vesting requirements. Recruitment loans to financial advisors were USD 1,579m as of 30 June 2025. ³ Loans and Customer deposits in this table include customer brokerage receivables and payables, respectively, which are presented in separate reporting lines on the balance sheet. ⁴ Refer to the "Risk management and control" section of the UBS Group second quarter 2025 report, available under "Quarterly reporting" at ubs.com/investors, for more information about (credit-)impaired exposures. Excludes loans to financial advisors.

Results: 2Q25 vs 2Q24

Profit before tax increased by USD 332m, or 46%, to USD 1,052m, mainly driven by the positive impact from the merger of UBS AG and Credit Suisse AG, and higher total revenues, partly offset by higher operating expenses.

Total revenues

Total revenues increased by USD 979m, or 19%, to USD 6,171m, mainly due to the consolidation of Credit Suisse AG revenues for the full quarter. The remaining increase largely reflected increases in recurring net fee income and transaction-based income.

Net interest income increased by USD 270m, or 20%, to USD 1,587m, mainly driven by the consolidation of Credit Suisse AG net interest income for the full quarter, with the remaining variance largely driven by positive foreign currency effects and deposit inflows into higher-margin products.

Recurring net fee income increased by USD 459m, or 16%, to USD 3,352m, mainly driven by positive market performance and net new fee-generating asset inflows, as well as the consolidation of Credit Suisse AG recurring net fee income for the full quarter.

Transaction-based income increased by USD 265m, or 28%, to USD 1,225m, mainly driven by the consolidation of Credit Suisse AG transaction-based income for the full quarter and higher levels of client activity across all regions.

Other income decreased by USD 15m to USD 7m and included a loss of USD 8m related to an investment in an associate.

Credit loss expense / release

Net credit loss releases were USD 2m, compared with net releases of USD 2m in the second quarter of 2024.

Operating expenses

Operating expenses increased by USD 648m, or 14%, to USD 5,121m, mainly driven by the consolidation of Credit Suisse AG operating expenses for the full quarter, unfavorable foreign currency effects and an increase in financial advisor compensation as a result of higher compensable revenues.

Invested assets: 2Q25 vs 1Q25

Invested assets increased by USD 294bn, or 7%, to USD 4,512bn, mainly driven by positive market performance of USD 178bn, positive foreign currency effects of USD 97bn and net new asset inflows.

Loans: 2Q25 vs 1Q25

Loans increased by USD 18.2bn to USD 319.9bn, mainly driven by positive foreign currency effects and positive net new loans.

› Refer to the “Risk management and control” section of the UBS Group second quarter 2025 report, available under “Quarterly reporting” at ubs.com/investors, for more information

Customer deposits: 2Q25 vs 1Q25

Customer deposits increased by USD 24.2bn to USD 489.0bn, mainly driven by positive foreign currency effects and net new deposit inflows.

Results: 6M25 vs 6M24

Profit before tax increased by USD 613m, or 37%, to USD 2,268m, mainly driven by the positive impact from the merger of UBS AG and Credit Suisse AG, and higher total revenues, partly offset by higher operating expenses.

Total revenues increased by USD 2,353m, or 23%, to USD 12,463m, mainly due to the consolidation of Credit Suisse AG revenues for the full period. The remaining increase largely reflected increases in recurring net fee income and transaction-based income.

Net interest income increased by USD 655m, or 26%, to USD 3,176m, mainly driven by the consolidation of Credit Suisse AG net interest income for the full period, with the remaining variance largely driven by positive foreign currency effects and deposit inflows into higher-margin products.

Recurring net fee income increased by USD 1,040m, or 19%, to USD 6,626m, mainly driven by positive market performance and net new fee-generating asset inflows, as well as the consolidation of Credit Suisse AG recurring net fee income for the full period.

Transaction-based income increased by USD 703m, or 36%, to USD 2,648m, mainly driven by the consolidation of Credit Suisse AG transaction-based income for the full period and higher levels of client activity across all regions.

Other income decreased by USD 44m to USD 14m, mostly due to lower shared services costs charged to other subsidiaries of UBS Group AG, mainly related to secondments and included a net loss of USD 5m related to an investment in an associate.

Net credit loss expenses were USD 6m, compared with net expenses of USD 7m in the first half of 2024.

Operating expenses increased by USD 1,742m, or 21%, to USD 10,190m, mainly driven by the consolidation of Credit Suisse AG operating expenses for the full period, unfavorable foreign currency effects and an increase in financial advisor compensation as a result of higher compensable revenues.

Personal & Corporate Banking

Personal & Corporate Banking – in Swiss francs

	As of or for the quarter ended			% change from		Year-to-date	
CHF m, except where indicated	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Results							
Net interest income	929	953	781	(3)	19	1,882	1,463
Recurring net fee income ¹	313	329	271	(5)	15	642	493
Transaction-based income ¹	484	454	353	7	37	938	653
Other income	(28)	68	11			40	25
Total revenues	1,698	1,804	1,417	(6)	20	3,502	2,634
Credit loss expense / (release)	91	52	98	76	(7)	143	108
Operating expenses	1,224	1,373	905	(11)	35	2,597	1,620
Business division operating profit / (loss) before tax	383	378	413	1	(7)	761	906
Performance measures and other information							
Pre-tax profit growth (year-on-year, %) ¹	(7.4)	(23.2)	(32.9)			(16.0)	(22.3)
Cost / income ratio (%) ¹	72.1	76.1	63.9			74.2	61.5
Net interest margin (bps) ¹	148	153	156			150	168
Loans, gross (CHF bn)	251.5	251.8	253.2	0	(1)	251.5	253.2
Customer deposits (CHF bn)	250.5	252.2	256.4	(1)	(2)	250.5	256.4
Impaired loan portfolio as a percentage of total loan portfolio, gross (%) ^{1,2}	1.3	1.5	1.3			1.3	1.3

¹ Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. ² Refer to the "Risk management and control" section of the UBS Group second quarter 2025 report, available under "Quarterly reporting" at ubs.com/investors, for more information about (credit-)impaired exposures.

Results: 2Q25 vs 2Q24

Profit before tax decreased by CHF 30m, or 7%, to CHF 383m, as higher total revenues and lower net credit loss expenses were more than offset by higher operating expenses.

Total revenues

Total revenues increased by CHF 281m, or 20%, to CHF 1,698m, mainly due to the consolidation of Credit Suisse AG revenues for the full quarter.

Net interest income increased by CHF 148m to CHF 929m, largely reflecting the consolidation of Credit Suisse AG net interest income for the full quarter.

Recurring net fee income increased by CHF 42m to CHF 313m, mainly due to the consolidation of Credit Suisse AG recurring net fee income for the full quarter.

Transaction-based income increased by CHF 131m to CHF 484m, largely due to the consolidation of Credit Suisse AG transaction-based income for the full quarter.

Other income was negative CHF 28m, compared with CHF 11m, and included a loss of CHF 18m related to an investment in an associate.

Credit loss expense / release

Net credit loss expenses were CHF 91m and included the effect from the consolidation of Credit Suisse AG, as well as net credit loss expenses on credit-impaired positions. Net credit loss expenses in the second quarter of 2024 were CHF 98m.

Operating expenses

Operating expenses increased by CHF 319m, or 35%, to CHF 1,224m, largely due to the consolidation of Credit Suisse AG operating expenses for the full quarter, and included higher integration-related expenses.

Results: 6M25 vs 6M24

Profit before tax decreased by CHF 145m, or 16%, to CHF 761m, as higher total revenues were more than offset by higher operating expenses and net credit loss expenses.

Total revenues increased by CHF 868m, or 33%, to CHF 3,502m, mainly due to the consolidation of Credit Suisse AG revenues for the full period.

Net interest income increased by CHF 419m to CHF 1,882m, largely reflecting the consolidation of Credit Suisse AG net interest income for the full period.

Recurring net fee income increased by CHF 149m to CHF 642m, mainly due to the consolidation of Credit Suisse AG recurring net fee income for the full period, as well as an increase in revenues due to higher investment product levels, mostly reflecting net new inflows and positive market performance.

Transaction-based income increased by CHF 285m to CHF 938m, largely due to the consolidation of Credit Suisse AG transaction-based income for the full period.

Other income was CHF 40m, compared with CHF 25m, and included a gain of CHF 58m related to the Swisscard transactions and a net loss of CHF 8m related to an investment in an associate.

Net credit loss expenses were CHF 143m, mainly reflecting the effect from the consolidation of Credit Suisse AG, primarily due to net credit loss expenses on credit-impaired positions in the legacy Credit Suisse corporate loan book. Net credit loss expenses in the first half of 2024 were CHF 108m.

Operating expenses increased by CHF 977m, or 60%, to CHF 2,597m, largely due to the consolidation of Credit Suisse AG operating expenses for the full period, and included both a CHF 164m expense related to the Swisscard transactions and higher integration-related expenses.

Personal & Corporate Banking – in US dollars

	As of or for the quarter ended			% change from		Year-to-date	
<i>USD m, except where indicated</i>	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Results							
Net interest income	1,142	1,059	863	8	32	2,201	1,634
Recurring net fee income ¹	385	365	300	5	29	751	550
Transaction-based income ¹	594	505	389	18	53	1,099	729
Other income	(35)	75	12			40	28
Total revenues	2,086	2,005	1,564	4	33	4,091	2,942
Credit loss expense / (release)	114	58	110	96	4	172	120
Operating expenses	1,504	1,526	999	(1)	51	3,030	1,808
Business division operating profit / (loss) before tax	469	421	455	11	3	890	1,014
Performance measures and other information							
Pre-tax profit growth (year-on-year, %) ¹	3.0	(24.7)	(33.5)			(12.2)	(20.9)
Cost / income ratio (%) ¹	72.1	76.1	63.9			74.1	61.5
Net interest margin (bps) ¹	152	153	155			152	167
Loans, gross (USD bn)	316.9	284.7	281.8	11	12	316.9	281.8
Customer deposits (USD bn)	315.5	285.1	285.3	11	11	315.5	285.3
Impaired loan portfolio as a percentage of total loan portfolio, gross (%) ^{1,2}	1.3	1.5	1.3			1.3	1.3

¹ Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. ² Refer to the "Risk management and control" section of the UBS Group second quarter 2025 report, available under "Quarterly reporting" at ubs.com/investors, for more information about (credit-)impaired exposures.

Asset Management

Asset Management

	As of or for the quarter ended			% change from		Year-to-date	
USD m, except where indicated	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Results							
Net management fees ¹	733	713	582	3	26	1,445	1,069
Performance fees	39	30	23	28	67	69	45
Net gain from disposals		(2)	28			(2)	28
Total revenues	771	741	634	4	22	1,512	1,143
Credit loss expense / (release)	0	0	0			0	0
Operating expenses	622	603	513	3	21	1,225	972
Business division operating profit / (loss) before tax	149	137	121	8	23	286	172
Performance measures and other information							
Pre-tax profit growth (year-on-year, %) ²	22.8	173.2	35.0			66.9	(7.0)
Cost / income ratio (%) ²	80.7	81.4	80.8			81.0	85.0
Gross margin on invested assets (bps) ²	16	17	17			17	17

Information by business line / asset class

Invested assets (USD bn)²							
Equities	846	753	691	12	22	846	691
Fixed Income	497	479	448	4	11	497	448
of which: money market	169	164	146	3	16	169	146
Multi-asset & Solutions	304	275	277	11	10	304	277
Hedge Fund Businesses	62	60	59	3	6	62	59
Real Estate & Private Markets	159	147	147	8	8	159	147
Total invested assets excluding associates	1,868	1,715	1,622	9	15	1,868	1,622
of which: passive strategies	930	823	756	13	23	930	756
Associates ³	84	81	77	4	10	84	77
Total invested assets	1,952	1,796	1,699	9	15	1,952	1,699

Information by region

Invested assets (USD bn)²							
Americas	465	447	426	4	9	465	426
Asia Pacific ⁴	236	222	213	6	11	236	213
EMEA (excluding Switzerland)	487	440	378	11	29	487	378
Switzerland	765	688	682	11	12	765	682
Total invested assets	1,952	1,796	1,699	9	15	1,952	1,699

Information by channel

Invested assets (USD bn)²							
Third-party institutional	1,129	1,027	957	10	18	1,129	957
Third-party wholesale	179	163	181	10	(1)	179	181
UBS's wealth management businesses	559	525	484	7	16	559	484
Associates ³	84	81	77	4	10	84	77
Total invested assets	1,952	1,796	1,699	9	15	1,952	1,699

¹ Net management fees include transaction fees, fund administration revenues (including net interest and trading income from lending activities and foreign-exchange hedging as part of the fund services offering), distribution fees, incremental fund-related expenses, gains or losses from seed money and co-investments, funding costs, the negative pass-through impact of third-party performance fees, and other items that are not Asset Management's performance fees. ² Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method. ³ The invested assets amounts reported for associates are prepared in accordance with their local regulatory requirements and practices. ⁴ Includes invested assets from associates.

Results: 2Q25 vs 2Q24

Profit before tax increased by USD 28m, or 23%, to USD 149m, mainly reflecting the impact from the consolidation of Credit Suisse AG for the full quarter.

Total revenues

Total revenues increased by USD 137m, or 22%, to USD 771m, primarily reflecting the consolidation of Credit Suisse AG revenues for the full quarter, partly offset by the second quarter of 2024 including USD 28m of net gains from disposals.

Net management fees increased by USD 151m, or 26%, to USD 733m, largely reflecting the impact from the consolidation of Credit Suisse AG net management fees for the full quarter.

Performance fees increased by USD 16m, or 67%, to USD 39m, mainly due to an increase in Hedge Fund Businesses.

Operating expenses

Operating expenses increased by USD 109m, or 21%, to USD 622m, largely due to the consolidation of Credit Suisse AG operating expenses for the full quarter, partly offset by lower non-personnel and personnel costs.

Invested assets: 2Q25 vs 1Q25

Invested assets increased by USD 156bn, or 9%, to USD 1,952bn, reflecting positive foreign currency effects of USD 96bn and positive market performance of USD 62bn, partly offset by negative net new money of USD 2bn.

Results: 6M25 vs 6M24

Profit before tax increased by USD 114m, or 67%, to USD 286m, mainly reflecting the impact from the consolidation of Credit Suisse AG for the full period.

Total revenues increased by USD 369m, or 32%, to USD 1,512m, primarily reflecting the consolidation of Credit Suisse AG revenues for the full period, partly offset by the first half of 2024 including USD 28m of net gains from disposals.

Net management fees increased by USD 376m, or 35%, to USD 1,445m, largely reflecting the consolidation of Credit Suisse AG net management fees for the full period.

Performance fees increased by USD 24m, or 51%, to USD 69m, mainly due to an increase in Hedge Fund Businesses and the consolidation of Credit Suisse AG performance fees for the full period.

Operating expenses increased by USD 253m, or 26%, to USD 1,225m, largely due to the consolidation of Credit Suisse AG operating expenses for the full period, partly offset by lower non-personnel and personnel costs.

Investment Bank

Investment Bank

	As of or for the quarter ended			% change from		Year-to-date	
USD m, except where indicated	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Results							
Advisory	192	221	226	(13)	(15)	414	391
Capital Markets	335	349	399	(4)	(16)	684	748
Global Banking	527	570	625	(8)	(16)	1,097	1,139
Execution Services	501	517	405	(3)	24	1,017	802
Derivatives & Solutions	1,119	1,301	880	(14)	27	2,420	1,813
Financing	670	665	526	1	27	1,334	1,069
Global Markets	2,289	2,482	1,811	(8)	26	4,771	3,684
of which: Equities	1,623	1,815	1,337	(11)	21	3,438	2,697
of which: Foreign Exchange, Rates and Credit	666	667	474	0	41	1,333	988
Total revenues	2,816	3,052	2,436	(8)	16	5,869	4,824
Credit loss expense / (release)	41	49	(1)	(15)		90	31
Operating expenses	2,385	2,455	2,200	(3)	8	4,840	4,284
Business division operating profit / (loss) before tax	390	548	237	(29)	65	938	509
Performance measures and other information							
Pre-tax profit growth (year-on-year, %) ¹	64.7	101.3	67.2			84.3	(16.9)
Cost / income ratio (%) ¹	84.7	80.4	90.3			82.5	88.8

¹ Refer to "Alternative performance measures" in the appendix to this report for the definition and calculation method.

Results: 2Q25 vs 2Q24

Profit before tax increased by USD 153m, or 65%, to USD 390m, mainly due to higher total revenues, partly offset by higher operating expenses.

Total revenues

Total revenues increased by USD 380m, or 16%, to USD 2,816m, due to higher revenues in Global Markets, partly offset by lower revenues in Global Banking.

Global Banking

Global Banking revenues decreased by USD 98m, or 16%, to USD 527m, reflecting lower Capital Markets and Advisory revenues.

Advisory revenues decreased by USD 34m, or 15%, to USD 192m, mainly due to lower private-fund activity levels and a decrease in merger and acquisition transaction revenues.

Capital Markets revenues decreased by USD 64m, or 16%, to USD 335m, largely driven by lower Leveraged Capital Markets revenues as sponsor activity sharply reduced and due to markdowns on positions.

Global Markets

Global Markets revenues increased by USD 478m, or 26%, to USD 2,289m, driven by higher Derivatives & Solutions, Financing and Execution Services revenues.

Execution Services revenues increased by USD 96m, or 24%, to USD 501m, mainly driven by higher Cash Equities revenues across all regions, on higher volumes.

Derivatives & Solutions revenues increased by USD 239m, or 27%, to USD 1,119m, with higher Foreign Exchange, Equity Derivatives and Rates revenues, mainly due to elevated volatility and higher levels of client activity.

Financing revenues increased by USD 144m, or 27%, to USD 670m, with increases in all products, led by Prime Brokerage, supported by higher client balances.

Equities

Global Markets Equities revenues increased by USD 286m, or 21%, to USD 1,623m, mainly driven by higher revenues in Cash Equities, Prime Brokerage and Equity Derivatives.

Foreign Exchange, Rates and Credit

Global Markets Foreign Exchange, Rates and Credit revenues increased by USD 192m, or 41%, to USD 666m, mainly driven by increases in Foreign Exchange revenues.

Credit loss expense / release

Net credit loss expenses were USD 41m, compared with net credit loss releases of USD 1m in the second quarter of 2024.

Operating expenses

Operating expenses increased by USD 185m, or 8%, to USD 2,385m, mainly driven by higher personnel expenses and unfavorable foreign currency effects.

Results: 6M25 vs 6M24

Profit before tax increased by USD 429m, or 84%, to USD 938m, mainly due to higher total revenues, partly offset by higher operating expenses.

Total revenues increased by USD 1,045m, or 22%, to USD 5,869m, due to higher revenues in Global Markets, partly offset by lower revenues in Global Banking.

Global Banking revenues decreased by USD 42m, or 4%, to USD 1,097m, reflecting lower Capital Markets revenues, partly offset by higher Advisory revenues.

Advisory revenues increased by USD 23m, or 6%, to USD 414m, mostly due to higher merger and acquisition transaction revenues, partly offset by lower private-fund activity levels.

Capital Markets revenues decreased by USD 64m, or 9%, to USD 684m, largely driven by lower Leveraged Capital Markets revenues as sponsor activity sharply reduced and due to markdowns on positions.

Global Markets revenues increased by USD 1,087m, or 30%, to USD 4,771m, driven by higher Derivatives & Solutions, Financing and Execution Services revenues.

Execution Services revenues increased by USD 215m, or 27%, to USD 1,017m, mainly driven by higher Cash Equities revenues across all regions, on higher volumes.

Derivatives & Solutions revenues increased by USD 607m, or 33%, to USD 2,420m, with higher revenues in Equity Derivatives and Foreign Exchange, mainly due to elevated volatility and higher levels of client activity.

Financing revenues increased by USD 265m, or 25%, to USD 1,334m, with increases in all products, led by Prime Brokerage, supported by higher client balances.

Equities

Global Markets Equities revenues increased by USD 741m, or 27%, to USD 3,438m, mainly driven by higher revenues in Equity Derivatives, Cash Equities and Prime Brokerage.

Foreign Exchange, Rates and Credit

Global Markets Foreign Exchange, Rates and Credit revenues increased by USD 345m, or 35%, to USD 1,333m, mainly driven by increases in Foreign Exchange revenues.

Net credit loss expenses were USD 90m, compared with net credit loss expenses of USD 31m in the first half of 2024.

Operating expenses increased by USD 556m, or 13%, to USD 4,840m, mainly due to higher personnel expenses.

Non-core and Legacy

Non-core and Legacy

	As of or for the quarter ended			% change from		Year-to-date	
USD m	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Results							
Total revenues	(140)	119	165			(21)	186
Credit loss expense / (release)	(1)	10	(23)		(97)	9	(23)
Operating expenses	740	748	1,552	(1)	(52)	1,488	1,691
Operating profit / (loss) before tax	(880)	(639)	(1,365)	38	(36)	(1,519)	(1,483)

Results: 2Q25 vs 2Q24

Loss before tax was USD 880m, compared with a loss before tax of USD 1,365m.

Total revenues

Total revenues were negative USD 140m, compared with total revenues of USD 165m, mainly reflecting lower net gains from position exits and lower net interest income from securitized products and credit products, as well as due to the consolidation of Credit Suisse AG revenues for the full quarter.

Credit loss expense / release

Net credit loss releases were USD 1m, compared with net credit loss releases of USD 23m.

Operating expenses

Operating expenses decreased by USD 812m, or 52%, to USD 740m, mainly due to the second quarter of 2024 including litigation expenses of USD 1,118m, largely reflecting UBS agreeing in that quarter to fund an offer by the Credit Suisse supply chain finance funds (the SCFFs) to redeem all the outstanding units of the respective funds. This reduction was partly offset by higher operating expenses resulting from the consolidation of Credit Suisse AG expenses for the full quarter in 2025. In addition, operating expenses in the second quarter of 2025 included USD 139m related to provisions for litigation, regulatory and similar matters.

Results: 6M25 vs 6M24

Loss before tax was USD 1,519m, compared with a loss before tax of USD 1,483m.

Total revenues were negative USD 21m, compared with total revenues of USD 186m, mainly reflecting lower net gains from position exits and net interest income from securitized products and credit products, partly offset by the effect from the consolidation of Credit Suisse AG revenues for the full period. Total revenues in the first half of 2025 included a loss of USD 11m from the sale of Select Portfolio Servicing, the US mortgage servicing business of Credit Suisse.

Net credit loss expenses were USD 9m, compared with net credit loss releases of USD 23m.

Operating expenses decreased by USD 203m, or 12%, to USD 1,488m, mainly due to the first half of 2024 including litigation expenses of USD 1,118m, largely reflecting UBS agreeing in the second quarter of 2024 to fund an offer by the SCFFs to redeem all the outstanding units of the respective funds. This reduction was partly offset by higher operating expenses resulting from the consolidation of Credit Suisse AG expenses for the full period in 2025. In addition, operating expenses in the first half of 2025 included USD 230m related to provisions for litigation, regulatory and similar matters.

Group Items

Group Items

USD m	As of or for the quarter ended			% change from		Year-to-date	
	30.6.25	31.3.25	30.6.24	1Q25	2Q24	30.6.25	30.6.24
Results							
Total revenues	(70)	(46)	(90)	50	(23)	(116)	(196)
Credit loss expense / (release)	0	(1)	0			(1)	1
Operating expenses	249	299	275	(17)	(9)	548	487
Operating profit / (loss) before tax	(318)	(344)	(365)	(8)	(13)	(663)	(684)

Results: 2Q25 vs 2Q24

Loss before tax was USD 318m, mainly reflecting operating expenses and deferred tax asset (DTA) funding costs. The USD 47m, or 13%, decrease in loss before tax between quarters was largely due to mark-to-market gains from Group hedging and own debt, including hedge accounting ineffectiveness, compared with mark-to-market losses in the second quarter of 2024. The gains in the second quarter of 2025 included offsetting impacts on portfolio-level economic hedges and mark-to-market effects on own credit. The second quarter of 2025 also included losses from disposals of properties held for sale.

Results: 6M25 vs 6M24

Loss before tax was USD 663m, mainly reflecting operating expenses, DTA funding costs and mark-to-market losses from Group hedging and own debt, including hedge accounting ineffectiveness. The USD 21m, or 3%, decrease in loss before tax between periods was largely due to lower mark-to-market losses from Group hedging and own debt, including hedge accounting ineffectiveness. The losses in the first half of 2025 were driven by mark-to-market effects on own credit and portfolio-level economic hedges. In addition, the first half of 2025 included an increase in provisions for litigation, regulatory and similar matters, higher shared services costs charged by other subsidiaries of UBS Group AG, and losses from disposals of properties held for sale.

Risk and capital management

Management report

Table of contents

26 Risk management and control

26 UBS AG consolidated risk profile

26 Capital management

28 Total loss-absorbing capacity

Risk management and control

This section provides information about key developments during the reporting period and should be read in conjunction with the “Risk management and control” section of the UBS AG Annual Report 2024, available under “Annual reporting” at ubs.com/investors, and the “Recent developments” section of this report for more information about the integration of Credit Suisse.

UBS AG consolidated risk profile

The risk profile of UBS AG consolidated does not differ materially from that of UBS Group AG consolidated and the risk information provided in the UBS Group second quarter 2025 report is equally applicable to UBS AG consolidated.

The credit risk profile of UBS AG consolidated as of 30 June 2025 differed from that of UBS Group AG consolidated in relation to total banking products exposure, mainly reflecting purchase price allocation effects booked at the Group level relating to the acquisition of the Credit Suisse Group, as well as receivables of UBS AG and UBS Switzerland AG from UBS Group AG and UBS Business Solutions AG, reflecting consolidation scope differences.

The total banking products exposure of UBS AG consolidated as of 30 June 2025 was USD 1,111.9bn, i.e. USD 7.7bn, or 0.7%, higher than the exposure of UBS Group AG consolidated. As of 31 March 2025, the total banking products exposure of UBS AG consolidated was USD 1,046.3bn, i.e. USD 9.7bn, or 0.9%, higher than the exposure of UBS Group AG consolidated.

- › Refer to the “Risk management and control” section of the UBS Group second quarter 2025 report, available under “Quarterly reporting” at ubs.com/investors, for more information
- › Refer to the “Comparison between UBS AG consolidated and UBS Group AG consolidated” section of this report for more information about selected financial and capital information of UBS AG consolidated and UBS Group AG consolidated

Capital management

The disclosures in this section are provided for UBS AG on a consolidated basis and focus on information in accordance with the Basel III framework, as applicable to Swiss systemically relevant banks (SRBs). They should be read in conjunction with “Capital management” in the “Capital, liquidity and funding, and balance sheet” section of the UBS AG Annual Report 2024, available under “Annual reporting” at ubs.com/investors, which provides more information about relevant capital management objectives, planning and activities, as well as the Swiss SRB total loss-absorbing capacity framework, on a UBS AG consolidated basis.

In Switzerland, the amendments to the Capital Adequacy Ordinance (the CAO) that incorporate the final Basel III standards into Swiss law, including the five new ordinances that contain the implementing provisions for the revised CAO, entered into force on 1 January 2025.

UBS AG contributes a significant portion of capital to, and provides substantial liquidity to, its subsidiaries. Many of these subsidiaries are subject to local regulations requiring compliance with minimum capital, liquidity and similar requirements.

- › Refer to the UBS Group and significant regulated subsidiaries and sub-groups 30 June 2025 Pillar 3 Report, which will be available as of 28 August 2025 under “Pillar 3 disclosures” at ubs.com/investors, for more information about additional regulatory disclosures for UBS Group AG on a consolidated basis, as well as the significant regulated subsidiaries and sub-groups of UBS Group AG

Swiss SRB going and gone concern requirements and information

As of 30.6.25	RWA		LRD	
USD m, except where indicated	in %		in %	
Required going concern capital				
Total going concern capital	14.98 ¹	74,648	5.01 ¹	83,198
Common equity tier 1 capital	10.63 ²	52,954	3.51 ³	58,296
of which: minimum capital	4.50	22,425	1.50	24,901
of which: buffer capital	5.50	27,408	2.00	33,202
of which: countercyclical buffer	0.46	2,308		
Maximum additional tier 1 capital	4.35 ²	21,695	1.50	24,901
of which: additional tier 1 capital	3.50	17,441	1.50	24,901
of which: additional tier 1 buffer capital	0.80	3,987		
Eligible going concern capital				
Total going concern capital	17.76	88,485	5.33	88,485
Common equity tier 1 capital	14.01	69,829	4.21	69,829
Total loss-absorbing additional tier 1 capital	3.74	18,656	1.12	18,656
of which: high-trigger loss-absorbing additional tier 1 capital	3.74	18,656	1.12	18,656
Required gone concern capital				
Total gone concern loss-absorbing capacity ^{4,5,6}	10.73	53,446	3.75	62,254
of which: base requirement including add-ons for market share and LRD	10.73 ⁷	53,446	3.75 ⁷	62,254
Eligible gone concern capital				
Total gone concern loss-absorbing capacity	18.76	93,502	5.63	93,502
Total tier 2 capital	0.04	196	0.01	196
of which: non-Basel III-compliant tier 2 capital	0.04	196	0.01	196
TLAC-eligible unsecured debt	18.72	93,306	5.62	93,306
Total loss-absorbing capacity				
Required total loss-absorbing capacity	25.70	128,094	8.76	145,452
Eligible total loss-absorbing capacity	36.52	181,987	10.96	181,987
Risk-weighted assets / leverage ratio denominator				
Risk-weighted assets		498,327		
Leverage ratio denominator				1,660,097

¹ Includes applicable add-ons of 1.66% for risk-weighted assets (RWA) and 0.51% for leverage ratio denominator (LRD), of which 4 basis points for RWA and 1 basis points for LRD reflect a Pillar 2 capital add-on of USD 193m related to the supply chain finance funds matter at Credit Suisse. An additional 18 basis points for RWA reflect a Pillar 2 capital add-on for the residual exposure (after collateral mitigation) to hedge funds, private equity and family offices, effective 1 January 2025. ² Includes the Pillar 2 add-on for the residual exposure (after collateral mitigation) to hedge funds, private equity and family offices of 0.12% for CET1 capital and 0.05% for AT1 capital, effective 1 January 2025. For AT1 capital, under Pillar 1 requirements, a maximum of 4.3% of AT1 capital can be used to meet going concern requirements; 4.35% includes the aforementioned Pillar 2 capital add-on. ³ Our CET1 leverage ratio requirement of 3.51% consists of a 1.5% base requirement, a 1.5% base buffer capital requirement, a 0.25% LRD add-on requirement, a 0.25% market share add-on requirement based on our Swiss credit business and a 0.01% Pillar 2 capital add-on related to the supply chain finance funds matter at Credit Suisse. ⁴ A maximum of 25% of the gone concern requirements can be met with instruments that have a remaining maturity of between one and two years. Once at least 75% of the minimum gone concern requirement has been met with instruments that have a remaining maturity of greater than two years, all instruments that have a remaining maturity of between one and two years remain eligible to be included in the total gone concern capital. ⁵ From 1 January 2023, the resolvability discount on the gone concern capital requirements for systemically important banks (SIBs) has been replaced with reduced base gone concern capital requirements equivalent to 75% of the total going concern requirements (excluding countercyclical buffer requirements and the Pillar 2 add-ons). ⁶ As of July 2024, FINMA has the authority to impose a surcharge of up to 25% of the total going concern capital requirements (excluding countercyclical buffer requirements and the Pillar 2 add-ons) should obstacles to an SIB's resolvability be identified in future resolvability assessments. ⁷ Includes applicable add-ons of 1.08% for RWA and 0.38% for LRD.

UBS AG, on a consolidated basis, is subject to the going and gone concern requirements of the Swiss CAO, which include additional requirements applicable to Swiss SRBs. The table above provides the risk-weighted asset (RWA)- and leverage ratio denominator (LRD)-based requirements and information as of 30 June 2025.

UBS AG and UBS Switzerland AG are subject to going and gone concern requirements on a standalone basis.

Effective 1 January 2025, a Pillar 2 capital add-on for uncollateralized exposures to hedge funds, private equity and family offices has been introduced. This resulted in an increase of 18 basis points in the RWA-based going concern capital requirement as of 30 June 2025.

On a standalone basis as of 30 June 2025, UBS AG's fully applied common equity tier 1 (CET1) capital ratio was 13.2%. Additional capital information for UBS AG standalone will be published with our 30 June 2025 Pillar 3 Report, which will be available as of 28 August 2025 under "Pillar 3 disclosures" at ubs.com/investors.

Total loss-absorbing capacity

The table below provides Swiss SRB going and gone concern information based on the Swiss SRB framework and requirements that are discussed under "Capital management" in the "Capital, liquidity and funding, and balance sheet" section of the UBS AG Annual Report 2024, available under "Annual reporting" at ubs.com/investors. Changes to the Swiss SRB framework and requirements after the publication of the UBS AG Annual Report 2024 are described above.

Swiss SRB going and gone concern information

<i>USD m, except where indicated</i>	30.6.25	31.3.25	31.12.24
Eligible going concern capital			
Total going concern capital	88,485	89,081	89,623
Total tier 1 capital	88,485	89,081	89,623
Common equity tier 1 capital	69,829	70,756	73,792
Total loss-absorbing additional tier 1 capital	18,656	18,325	15,830
<i>of which: high-trigger loss-absorbing additional tier 1 capital</i>	18,656	18,325	14,585
<i>of which: low-trigger loss-absorbing additional tier 1 capital</i>			1,245
Eligible gone concern capital			
Total gone concern loss-absorbing capacity	93,502	93,705	92,177
Total tier 2 capital	196	205	207
<i>of which: non-Basel III-compliant tier 2 capital</i>	196	205	207
TLAC-eligible unsecured debt	93,306	93,499	91,970
Total loss-absorbing capacity			
Total loss-absorbing capacity	181,987	182,786	181,800
Risk-weighted assets / leverage ratio denominator			
Risk-weighted assets	498,327	481,539	495,110
Leverage ratio denominator	1,660,097	1,565,845	1,523,277
Capital and loss-absorbing capacity ratios (%)			
Going concern capital ratio	17.8	18.5	18.1
<i>of which: common equity tier 1 capital ratio</i>	14.0	14.7	14.9
Gone concern loss-absorbing capacity ratio	18.8	19.5	18.6
Total loss-absorbing capacity ratio	36.5	38.0	36.7
Leverage ratios (%)			
Going concern leverage ratio	5.3	5.7	5.9
<i>of which: common equity tier 1 leverage ratio</i>	4.2	4.5	4.8
Gone concern leverage ratio	5.6	6.0	6.1
Total loss-absorbing capacity leverage ratio	11.0	11.7	11.9

UBS AG vs UBS Group AG consolidated loss-absorbing capacity and leverage information

Swiss SRB going and gone concern information (UBS AG vs UBS Group AG consolidated)

As of 30.6.25

<i>USD m, except where indicated</i>	UBS AG (consolidated)	UBS Group AG (consolidated)	Difference
Eligible going concern capital			
Total going concern capital	88,485	91,721	(3,236)
Total tier 1 capital	88,485	91,721	(3,236)
Common equity tier 1 capital	69,829	72,709	(2,880)
Total loss-absorbing additional tier 1 capital	18,656	19,012	(356)
<i>of which: high-trigger loss-absorbing additional tier 1 capital</i>	<i>18,656</i>	<i>19,012</i>	<i>(356)</i>
Eligible gone concern capital			
Total gone concern loss-absorbing capacity	93,502	99,450	(5,948)
Total tier 2 capital	196	196	0
<i>of which: non-Basel III-compliant tier 2 capital</i>	<i>196</i>	<i>196</i>	<i>0</i>
TLAC-eligible senior unsecured debt	93,306	99,254	(5,948)
Total loss-absorbing capacity			
Total loss-absorbing capacity	181,987	191,171	(9,184)
Risk-weighted assets / leverage ratio denominator			
Risk-weighted assets	498,327	504,500	(6,172)
Leverage ratio denominator	1,660,097	1,658,089	2,008
Capital and loss-absorbing capacity ratios (%)			
Going concern capital ratio	17.8	18.2	(0.4)
<i>of which: common equity tier 1 capital ratio</i>	<i>14.0</i>	<i>14.4</i>	<i>(0.4)</i>
Gone concern loss-absorbing capacity ratio	18.8	19.7	(0.9)
Total loss-absorbing capacity ratio	36.5	37.9	(1.4)
Leverage ratios (%)			
Going concern leverage ratio	5.3	5.5	(0.2)
<i>of which: common equity tier 1 leverage ratio</i>	<i>4.2</i>	<i>4.4</i>	<i>(0.2)</i>
Gone concern leverage ratio	5.6	6.0	(0.4)
Total loss-absorbing capacity leverage ratio	11.0	11.5	(0.6)

Reconciliation of equity under IFRS Accounting Standards to Swiss SRB common equity tier 1 capital (UBS AG vs UBS Group AG consolidated)

As of 30.6.25

USD m	UBS AG (consolidated)	UBS Group AG (consolidated)	Difference
Total equity under IFRS Accounting Standards	94,854	89,699	5,155
Equity attributable to non-controlling interests	(576)	(422)	(154)
Defined benefit plans, net of tax	(1,042)	(1,054)	12
Deferred tax assets recognized for tax loss carry-forwards	(2,527)	(2,527)	0
Deferred tax assets for unused tax credits	(871)	(871)	
Deferred tax assets on temporary differences, excess over threshold	(547)	(1,070)	523
Goodwill, net of tax	(6,284)	(5,779)	(505)
Intangible assets, net of tax	(107)	(742)	635
Compensation-related components (not recognized in net profit)		(2,752)	2,752
Expected losses on advanced internal ratings-based portfolio less provisions	(594)	(592)	(2)
Unrealized (gains) / losses from cash flow hedges, net of tax	1,527	1,527	
Own credit related to (gains) / losses on financial liabilities measured at fair value that existed at the balance sheet date, net of tax	1,094	1,036	59
Own credit related to (gains) / losses on derivative financial instruments that existed at the balance sheet date	(79)	(79)	0
Prudential valuation adjustments	(176)	(176)	
Accruals for dividends to shareholders for 2024	(6,500) ¹		(6,500)
Capital reserve for expected future share repurchases		(2,006)	2,006
Other ²	(8,343)	(1,483)	(6,860)
Total common equity tier 1 capital	69,829	72,709	(2,880)

¹ Reflects the appropriation of USD 6,500m to a special dividend reserve approved at the 2025 Annual General Meeting in April 2025. The decision on the special dividend payment is intended to be made at an Extraordinary General Meeting in the second half of 2025, considering the proposed requirements from Switzerland's review of its capital regime. ² Includes dividend accruals for the current year and other items.

The going concern capital of UBS AG consolidated was USD 3.2bn lower than the going concern capital of UBS Group AG consolidated as of 30 June 2025, reflecting lower CET1 capital of USD 2.9bn and lower going concern loss-absorbing additional tier 1 (AT1) capital of USD 0.4bn.

The aforementioned difference in CET1 capital was primarily due to a USD 12.9bn difference in dividend accruals between UBS AG and UBS Group AG, largely offset by UBS Group AG consolidated equity being USD 5.2bn lower, compensation-related regulatory capital accruals at the UBS Group AG level of USD 2.8bn, a capital reserve for expected future share repurchases of USD 2.0bn and a USD 0.5bn effect from eligible deferred tax assets on temporary differences.

The going concern loss-absorbing AT1 capital of UBS AG consolidated was USD 0.4bn lower than that of UBS Group AG consolidated as of 30 June 2025, mainly reflecting deferred contingent capital plan awards granted at the Group level to eligible employees for the 2020 to 2024 performance years.

Differences in capital between UBS AG consolidated and UBS Group AG consolidated related to employee compensation plans will reverse to the extent underlying services are performed by employees of, and are consequently charged to, UBS AG and its subsidiaries. Such reversal generally occurs over the service period of the employee compensation plan.

The RWA of UBS AG consolidated were USD 6.2bn lower than the RWA of UBS Group AG consolidated, mainly reflecting non-counterparty-related-assets held outside the UBS AG consolidation scope, partly offset by intercompany credit risk exposures in UBS AG toward Group entities outside of the UBS AG consolidation scope.

The LRD of UBS AG consolidated was USD 2.0bn higher than the LRD of UBS Group AG consolidated, mainly reflecting purchase price allocation (PPA) adjustments that apply at the Group level but not at the UBS AG level, as well as intercompany exposures in UBS AG toward Group entities, partly offset by fixed assets held outside of the UBS AG consolidation scope.

The LRD for UBS AG consolidated exceeds that of UBS Group AG consolidated, and UBS AG's RWA is lower than that of UBS Group AG consolidated. This divergence stems mainly from certain PPA adjustments that apply at the Group level but not at the UBS AG level and are subject to low risk weights.

- › Refer to the "Capital management" section of the UBS Group second quarter 2025 report, available under "Quarterly reporting" at ubs.com/investors, for information about the developments of loss-absorbing capacity, RWA and LRD for UBS Group AG consolidated

Consolidated financial statements

Unaudited

Table of contents

UBS AG interim consolidated financial statements (unaudited)

- 32 Income statement
- 33 Statement of comprehensive income
- 34 Balance sheet
- 35 Statement of changes in equity
- 36 Statement of cash flows

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

- 37 1 Basis of accounting
- 38 2 Accounting for the merger of UBS AG and Credit Suisse AG
- 38 3 Segment reporting
- 39 4 Net interest income
- 39 5 Net fee and commission income
- 39 6 Other income
- 40 7 Personnel expenses
- 40 8 General and administrative expenses
- 41 9 Expected credit loss measurement
- 49 10 Fair value measurement
- 55 11 Derivative instruments
- 56 12 Other assets and liabilities
- 57 13 Funding from UBS Group AG measured at amortized cost
- 57 14 Debt issued designated at fair value
- 57 15 Debt issued measured at amortized cost
- 58 16 Provisions and contingent liabilities
- 66 17 Supplemental guarantor information

UBS AG interim consolidated financial statements (unaudited)

Income statement

<i>USD m</i>			For the quarter ended		Year-to-date	
	Note	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	4	6,895	6,643	6,892	13,538	13,132
Interest expense from financial instruments measured at amortized cost	4	(6,805)	(6,909)	(7,080)	(13,715)	(13,132)
Net interest income from financial instruments measured at fair value through profit or loss and other	4	1,495	1,594	910	3,089	1,528
Net interest income	4	1,584	1,328	722	2,912	1,528
Other net income from financial instruments measured at fair value through profit or loss		3,374	3,924	3,271	7,298	6,216
Fee and commission income	5	7,179	7,280	6,190	14,459	11,797
Fee and commission expense	5	(653)	(650)	(589)	(1,303)	(1,047)
Net fee and commission income	5	6,526	6,630	5,601	13,156	10,750
Other income	6	150	281	306	432	515
Total revenues		11,635	12,163	9,900	23,798	19,008
Credit loss expense / (release)	9	152	124	84	275	136
Personnel expenses	7	5,649	5,910	4,797	11,559	8,958
General and administrative expenses	8	4,228	4,077	4,584	8,305	7,570
Depreciation, amortization and impairment of non-financial assets		744	714	631	1,458	1,162
Operating expenses		10,621	10,701	10,012	21,322	17,689
Operating profit / (loss) before tax		862	1,339	(196)	2,201	1,183
Tax expense / (benefit)		(336)	303	28	(32)	393
Net profit / (loss)		1,198	1,035	(224)	2,233	790
Net profit / (loss) attributable to non-controlling interests		6	7	40	13	48
Net profit / (loss) attributable to shareholders		1,192	1,028	(264)	2,220	742

Statement of comprehensive 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
Comprehensive income attributable to shareholders					
Net profit / (loss)	1,192	1,028	(264)	2,220	742
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	4,433	1,307	(109)	5,740	(1,673)
Effective portion of changes in fair value of hedging instruments designated as net investment hedges, before tax	(1,819)	(511)	78	(2,330)	886
Foreign currency translation differences on foreign operations reclassified to the income statement	(1)	0	2	(1)	2
Effective portion of changes in fair value of hedging instruments designated as net investment hedges reclassified to the income statement	0	0	0	0	1
Income tax relating to foreign currency translations, including the effect of net investment hedges	(3)	(2)	2	(5)	14
Subtotal foreign currency translation, net of tax	2,610	794	(27)	3,404	(771)
Financial assets measured at fair value through other comprehensive income					
Net unrealized gains / (losses), before tax	(4)	(3)	0	(7)	(1)
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)	(1)
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	(335)	746	(1,411)
Net (gains) / losses reclassified to the income statement from equity	296	322	626	617	1,119
Income tax relating to cash flow hedges	(131)	(125)	2	(256)	119
Subtotal cash flow hedges, net of tax	562	545	294	1,107	(173)
Cost of hedging					
Cost of hedging, before tax	7	20	(20)	27	(26)
Income tax relating to cost of hedging	0	0	0	0	0
Subtotal cost of hedging, net of tax	7	20	(20)	27	(26)
Total other comprehensive income that may be reclassified to the income statement, net of tax	3,175	1,356	247	4,531	(972)
Other comprehensive income that will not be reclassified to the income statement					
Defined benefit plans					
Gains / (losses) on defined benefit plans, before tax	(7)	18	42	11	77
Income tax relating to defined benefit plans	(9)	0	0	(9)	(8)
Subtotal defined benefit plans, net of tax	(16)	19	41	3	69
Own credit on financial liabilities designated at fair value					
Gains / (losses) from own credit on financial liabilities designated at fair value, before tax	(140)	233	228	94	247
Income tax relating to own credit on financial liabilities designated at fair value	2	(1)	(2)	1	(2)
Subtotal own credit on financial liabilities designated at fair value, net of tax	(138)	233	226	95	245
Total other comprehensive income that will not be reclassified to the income statement, net of tax	(154)	251	267	97	314
Total other comprehensive income	3,021	1,607	514	4,628	(657)
Total comprehensive income attributable to shareholders	4,213	2,635	251	6,848	85
Comprehensive income attributable to non-controlling interests					
Net profit / (loss)	6	7	40	13	48
Total other comprehensive income that will not be reclassified to the income statement, net of tax	13	15	(20)	28	(31)
Total comprehensive income attributable to non-controlling interests	18	22	20	41	17
Total comprehensive income					
Net profit / (loss)	1,198	1,035	(224)	2,233	790
Other comprehensive income	3,034	1,622	494	4,656	(689)
of which: other comprehensive income that may be reclassified to the income statement	3,175	1,356	247	4,531	(972)
of which: other comprehensive income that will not be reclassified to the income statement	(142)	266	247	125	283
Total comprehensive income	4,231	2,657	271	6,889	101

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		20,688	20,285	18,111
Receivables from securities financing transactions measured at amortized cost		110,161	101,784	118,302
Cash collateral receivables on derivative instruments	11	45,478	38,994	43,959
Loans and advances to customers	9	653,195	603,233	587,347
Other financial assets measured at amortized cost	12	72,546	66,864	59,279
Total financial assets measured at amortized cost		1,138,262	1,062,530	1,050,326
Financial assets at fair value held for trading	10	169,487	165,437	159,223
<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	10, 11	170,622	138,620	186,435
Brokerage receivables	10	29,068	28,747	25,858
Financial assets at fair value not held for trading	10	107,503	102,075	95,203
Total financial assets measured at fair value through profit or loss		476,680	434,879	466,719
Financial assets measured at fair value through other comprehensive income	10	6,872	3,216	2,195
Investments in associates		2,628	2,495	2,306
Property, equipment and software		12,425	12,024	12,091
Goodwill and intangible assets		6,753	6,691	6,661
Deferred tax assets		11,112	10,519	10,481
Other non-financial assets	12	17,082	15,134	17,282
Total assets		1,671,814	1,547,489	1,568,060
Liabilities				
Amounts due to banks		31,928	27,794	23,347
Payables from securities financing transactions measured at amortized cost		16,308	14,992	14,824
Cash collateral payables on derivative instruments	11	33,492	32,037	36,366
Customer deposits		804,705	747,452	749,476
Funding from UBS Group AG measured at amortized cost	13	113,000	111,457	107,918
Debt issued measured at amortized cost	15	107,505	98,259	101,104
Other financial liabilities measured at amortized cost	12	18,528	19,421	21,762
Total financial liabilities measured at amortized cost		1,125,466	1,051,412	1,054,796
Financial liabilities at fair value held for trading	10	52,346	43,099	35,247
Derivative financial instruments	10, 11	183,905	142,230	180,678
Brokerage payables designated at fair value	10	57,951	59,921	49,023
Debt issued designated at fair value	10, 14	108,252	107,393	102,567
Other financial liabilities designated at fair value	10, 12	35,529	32,792	34,041
Total financial liabilities measured at fair value through profit or loss		437,984	385,436	401,555
Provisions	16	5,082	5,495	5,131
Other non-financial liabilities	12	8,429	8,024	11,911
Total liabilities		1,576,960	1,450,367	1,473,394
Equity				
Share capital		386	386	386
Share premium		84,705	84,693	84,777
Retained earnings		3,703	9,128	7,838
Other comprehensive income recognized directly in equity, net of tax		5,483	2,346	1,002
Equity attributable to shareholders		94,278	96,553	94,003
Equity attributable to non-controlling interests		576	569	662
Total equity		94,854	97,123	94,666
Total liabilities and equity		1,671,814	1,547,489	1,568,060

Statement of changes in equity

<i>USD m</i>	Share capital and share premium	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	85,163	7,838	1,002	3,686	(2,585)	94,003
Premium on shares issued and warrants exercised	0					0
Tax (expense) / benefit	17					17
Dividends		(6,500)				(6,500)
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)	(89)	0				(89)
Total comprehensive income for the period		2,317	4,531	3,404	1,107	6,848
<i>of which: net profit / (loss)</i>		2,220				2,220
<i>of which: OCI, net of tax</i>		97	4,531	3,404	1,107	4,628
Balance as of 30 June 2025²	85,091	3,703	5,483	7,090	(1,527)	94,278
Non-controlling interests as of 30 June 2025						576
Total equity as of 30 June 2025						94,854

Balance as of 1 January 2024²	25,024	28,235	1,974	4,947	(2,961)	55,234
Equity recognized due to the merger of UBS AG and Credit Suisse AG ³	60,571	(18,848)	(291)		(291)	41,432
Premium on shares issued and warrants exercised	0					0
Tax (expense) / benefit	9					9
Dividends		(3,000)				(3,000)
Translation effects recognized directly in retained earnings		(52)	52		52	0
Share of changes in retained earnings of associates and joint ventures		(1)				(1)
New consolidations / (deconsolidations) and other increases / (decreases)	(393) ⁴	26				(367)
Total comprehensive income for the period		1,056	(972)	(771)	(173)	85
<i>of which: net profit / (loss)</i>		742				742
<i>of which: OCI, net of tax</i>		314	(972)	(771)	(173)	(657)
Balance as of 30 June 2024²	85,211	7,417	764	4,177	(3,373)	93,392
Non-controlling interests as of 30 June 2024						855 ⁵
Total equity as of 30 June 2024						94,247

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 Refer to Note 2 for more information. ⁴ Mainly reflecting effects from transactions between Credit Suisse AG and its subsidiaries and UBS AG and its subsidiaries prior to the merger in May 2024. ⁵ Includes an increase of USD 490m in the second quarter of 2024 due to the merger of UBS AG and Credit Suisse AG.

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)	2,233	790
Non-cash items included in net profit and other adjustments		
Depreciation, amortization and impairment of non-financial assets	1,458	1,162
Credit loss expense / (release)	275	136
Share of net (profit) / loss of associates and joint ventures and impairment related to associates	(157)	(40)
Deferred tax expense / (benefit)	(792)	(355)
Net loss / (gain) from investing activities	(14)	162
Net loss / (gain) from financing activities	13,074	(2,890)
Other net adjustments ¹	(30,564)	10,730
Net change in operating assets and liabilities¹		
Amounts due from banks and amounts due to banks	6,990	2,209
Receivables from securities financing transactions measured at amortized cost	14,926	17,828
Payables from securities financing transactions measured at amortized cost	1,514	959
Cash collateral on derivative instruments	(3,954)	(8,503)
Loans and advances to customers	(6,143)	5,136
Customer deposits	(1,575)	(7,586)
Financial assets and liabilities at fair value held for trading and derivative financial instruments	33,802	(18,195)
Brokerage receivables and payables	5,294	(438)
Financial assets at fair value not held for trading and other financial assets and liabilities	(12,224)	(17,902)
Provisions and other non-financial assets and liabilities	(2,880)	385
Income taxes paid, net of refunds	(1,237)	(868)
Net cash flow from / (used in) operating activities²	20,027	(17,282)
Cash flow from / (used in) investing activities		
Cash and cash equivalents obtained due to the merger of UBS AG and Credit Suisse AG		121,258
Purchase of subsidiaries, business, associates and intangible assets	(17)	0
Disposal of subsidiaries, business, associates and intangible assets ³	482 ⁴	33
Purchase of property, equipment and software	(885)	(691)
Disposal of property, equipment and software	62	3
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	(13,927)	123,971
Cash flow from / (used in) financing activities		
Repayment of Swiss National Bank funding		(10,304) ⁵
Net issuance (repayment) of short-term debt measured at amortized cost	3,009	(2,140)
Distributions paid on UBS AG shares	(6,500)	(3,000)
Issuance of debt designated at fair value and long-term debt measured at amortized cost ⁶	62,315	60,796
Repayment of debt designated at fair value and long-term debt measured at amortized cost ⁶	(69,435)	(59,139)
Inflows from securities financing transactions measured at amortized cost ⁷	565	2,863
Outflows from securities financing transactions measured at amortized cost ⁷	(1,561)	
Net cash flows from other financing activities	(505)	(246)
Net cash flow from / (used in) financing activities	(12,112)	(11,170)
Total cash flow		
Cash and cash equivalents at the beginning of the period	243,360	190,469
Net cash flow from / (used in) operating, investing and financing activities	(6,012)	95,520
Effects of exchange rate differences on cash and cash equivalents ¹	20,976	(8,472)
Cash and cash equivalents at the end of the period⁸	258,323	277,517
<i>of which: cash and balances at central banks⁸</i>	<i>236,193</i>	<i>248,335</i>
<i>of which: amounts due from banks⁸</i>	<i>19,094</i>	<i>18,365</i>
<i>of which: money market paper^{8,9}</i>	<i>3,036</i>	<i>10,816</i>

Additional information

Net cash flow from / (used in) operating activities includes:

Interest received in cash	21,790	20,832
Interest paid in cash	19,593	18,345
Dividends on equity investments, investment funds and associates received in cash ³	1,803	1,505

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 436m 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 from 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 AG 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 Includes funding from UBS Group AG measured at amortized cost (recognized on the balance sheet in Funding from UBS Group AG measured at amortized cost) and measured at fair value (recognized on the balance sheet in Other financial liabilities designated at fair value). ⁷ Reflects cash flows from securities financing transactions measured at amortized cost that use UBS AG debt instruments as the underlying. ⁸ Includes only balances with an original maturity of three months or less. ⁹ 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 338m; 30 June 2024: USD 564m), 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 AG interim consolidated financial statements (unaudited)

Note 1 Basis of accounting

Basis of preparation

The consolidated financial statements (the financial statements) of UBS AG and its subsidiaries (together, UBS AG) 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 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 AG's audited consolidated financial statements in the UBS AG 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 AG 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 AG first quarter 2025 report. In the opinion of management, all necessary adjustments have been made for a fair presentation of UBS AG'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 AG Annual Report 2024.

Currency translation rates

The following table shows the rates of the main currencies used to translate the financial information of UBS AG'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 UBS AG with the same functional currency for each month. Weighted average rates for individual business divisions may deviate from the weighted average rates for UBS AG.

Note 2 Accounting for the merger of UBS AG and Credit Suisse AG

Merger of UBS AG and Credit Suisse AG

The merger of UBS AG and Credit Suisse AG effected on 31 May 2024 with no consideration payable by UBS AG constituted a business combination under common control. For details of the accounting for the merger, including accounting policies applicable to business combinations under common control, refer to "Note 1a Material accounting policies" and "Note 2 Accounting for the merger of UBS AG and Credit Suisse AG" in the "Consolidated financial statements" section of the UBS AG Annual Report 2024.

Comparability

The income statement and the statement of comprehensive income for the first and second quarters of 2025 are based entirely on consolidated data following the merger of UBS AG and Credit Suisse AG. The income statement and the statement of comprehensive income for the second quarter of 2024 include one month of consolidated data following the merger of UBS AG and Credit Suisse AG (June 2024) and two months of pre-merger UBS AG data only (April and May 2024). The year-to-date information for 2025 in the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows is based entirely on consolidated data following the merger of UBS AG and Credit Suisse AG. The year-to-date information for 2024 in the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows includes one month of consolidated data following the merger of UBS AG and Credit Suisse AG (June 2024) and five months of pre-merger UBS AG data only (January through May 2024). The balance sheet information as of 30 June 2025, 31 March 2025 and 31 December 2024 includes post-merger consolidated information.

Note 3 Segment reporting

UBS AG'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 UBS AG.

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

Segment reporting

USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	UBS AG
For the six months ended 30 June 2025							
Net interest income	3,176	2,201	(35)	(1,559)	(134)	(737)	2,912
Non-interest income	9,287	1,890	1,547	7,428	113	621	20,886
Total revenues	12,463	4,091	1,512	5,869	(21)	(116)	23,798
Credit loss expense / (release)	6	172	0	90	9	(1)	275
Operating expenses	10,190	3,030	1,225	4,840	1,488	548	21,322
Operating profit / (loss) before tax	2,268	890	286	938	(1,519)	(663)	2,201
Tax expense / (benefit)							(32)
Net profit / (loss)							2,233
As of 30 June 2025							
Total assets	584,075	483,669	25,446	519,800	38,337	20,487	1,671,814
USD m	Global Wealth Management	Personal & Corporate Banking	Asset Management	Investment Bank	Non-core and Legacy	Group Items	UBS AG
For the six months ended 30 June 2024							
Net interest income	2,521	1,634	(26)	(1,714)	(33)	(856)	1,528
Non-interest income	7,589	1,307	1,169	6,538	218	660	17,481
Total revenues	10,110	2,942	1,143	4,824	186	(196)	19,008
Credit loss expense / (release)	7	120	0	31	(23)	1	136
Operating expenses	8,448	1,808	972	4,284	1,691	487	17,689
Operating profit / (loss) before tax	1,655	1,014	172	509	(1,483)	(684)	1,183
Tax expense / (benefit)							393
Net profit / (loss)							790
As of 31 December 2024							
Total assets	560,194	449,224	22,291	453,078	67,696	15,577	1,568,060

Note 4 Net interest income

Net interest 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
Interest income from loans and deposits ¹	5,852	5,767	6,070	11,620	11,508
Interest income from securities financing transactions measured at amortized cost ²	915	839	1,008	1,754	1,996
Interest income from other financial instruments measured at amortized cost	406	360	320	766	643
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)	(532)	(672)	(1,069)
Total interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	6,895	6,643	6,892	13,538	13,132
Interest expense on loans and deposits ³	3,612	3,713	4,028	7,325	7,584
Interest expense on securities financing transactions measured at amortized cost ⁴	554	418	499	972	906
Interest expense on debt issued and funding from UBS Group AG measured at amortized cost ⁵	2,603	2,744	2,525	5,346	4,591
Interest expense on lease liabilities	37	35	29	72	51
Total interest expense from financial instruments measured at amortized cost	6,805	6,909	7,080	13,715	13,132
Total net interest income from financial instruments measured at amortized cost and fair value through other comprehensive income	89	(266)	(188)	(177)	(1)
Net interest income from financial instruments measured at fair value through profit or loss and other	1,495	1,594	910	3,089	1,528
Total net interest income	1,584	1,328	722	2,912	1,528

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. ⁵ Includes interest expense on funding from UBS Group AG measured at amortized cost, previously presented in Interest expense on loans and deposits. Comparative period information has been revised, which resulted in a USD 1.8bn reclassification from Interest expense on loans and deposits to Interest expense on debt issued and funding from UBS Group AG measured at amortized cost for the first quarter of 2025, USD 1.4bn for the second quarter of 2024 and USD 2.7bn for the six months ended 30 June 2024.

Note 5 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	252	219	235	471	458
M&A and corporate finance fees	225	244	262	470	496
Brokerage fees	1,261	1,376	1,095	2,637	2,115
Investment fund fees	1,600	1,543	1,358	3,143	2,559
Portfolio management and related services	3,163	3,102	2,678	6,265	5,134
Other	677	796	562	1,474	1,034
Total fee and commission income¹	7,179	7,280	6,190	14,459	11,797
of which: recurring	4,760	4,607	4,076	9,368	7,744
of which: transaction-based	2,380	2,639	2,089	5,019	4,004
of which: performance-based	39	33	25	73	49
Fee and commission expense	653	650	589	1,303	1,047
Net fee and commission income	6,526	6,630	5,601	13,156	10,750

¹ Reflects third-party fee and commission income for the second quarter of 2025 of USD 4,323m for Global Wealth Management (first quarter of 2025: USD 4,429m; second quarter of 2024: USD 3,697m), USD 768m for Personal & Corporate Banking (first quarter of 2025: USD 735m; second quarter of 2024: USD 589m), USD 984m for Asset Management (first quarter of 2025: USD 939m; second quarter of 2024: USD 774m), USD 1,100m for the Investment Bank (first quarter of 2025: USD 1,134m; second quarter of 2024: USD 1,110m), USD 1m for Non-core and Legacy (first quarter of 2025: USD 29m; second quarter of 2024: USD 42m) and USD 3m for Group Items (first quarter of 2025: USD 15m; second quarter of 2024: negative USD 22m).

Note 6 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	(13) ²	(2)	(9) ²	(2)
Net gains / (losses) from disposals of investments in associates and joint ventures	0	3	0	3	0
Share of net profit / (loss) of associates and joint ventures	21	136 ³	24	157 ³	39
Total	25	126	22	150	37
Income from properties ⁴	8	3	7	10	11
Net gains / (losses) from properties held for sale	(35)	8	0	(28)	0
Income from shared services provided to UBS Group AG or its subsidiaries	154	167	215	322	384
Other	(1)	(22)	63	(23)	83
Total other income	150	281	306	432	515

¹ Includes foreign exchange gains / (losses) reclassified from other comprehensive income related to the disposal or closure of foreign operations. ² Includes a loss of USD 11m 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 AG Annual Report 2024 for more information. ³ Includes a gain of USD 64m related to UBS AG's share of income recorded by Swisscard for the sale of the Credit Suisse card portfolios to UBS AG. Refer to "Note 29 Changes in organization and acquisitions and disposals of subsidiaries and businesses" in the "Consolidated financial statements" section of the UBS AG Annual Report 2024 for more information. ⁴ Includes rent received from third parties.

Note 7 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	4,882	5,129	4,205	10,011	7,826
<i>of which: variable compensation – financial advisors²</i>	1,335	1,409	1,291	2,744	2,558
Contractors	41	37	24	77	45
Social security	300	310	251	610	459
Post-employment benefit plans	220	257	159	477	346
Other personnel expenses	207	176	158	383	283
Total personnel expenses	5,649	5,910	4,797	11,559	8,958

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 8 General and administrative expenses

General and administrative 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
Outsourcing costs	187	197	191	384	312
Technology costs	244	255	206	499	369
Consulting, legal and audit fees	283	257	240	540	441
Real estate and logistics costs	235	203	190	439	320
Market data services	150	152	126	302	232
Marketing and communication	88	76	70	164	136
Travel and entertainment	78	66	72	145	126
Litigation, regulatory and similar matters ¹	163	196	1,161	359	1,169
Other	2,799	2,676 ²	2,329	5,474 ²	4,466
<i>of which: shared services costs charged by UBS Group AG or its subsidiaries</i>	2,538	2,231	2,097	4,769	4,030
Total general and administrative expenses	4,228	4,077	4,584	8,305	7,570

¹ Reflects the net increase / (decrease) in provisions for litigation, regulatory and similar matters recognized in the income statement. Refer to Note 16b 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 AG. Refer to "Note 29 Changes in organization and acquisitions and disposals of subsidiaries and businesses" in the "Consolidated financial statements" section of the UBS AG Annual Report 2024 for more information.

Note 9 Expected credit loss measurement

a) Credit loss expense / release

Total net credit loss expenses in the second quarter of 2025 were USD 152m, reflecting USD 38m net expenses related to performing positions and USD 114m 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 114m 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)

	Performing positions	Credit-impaired positions	
USD m	Stages 1 and 2	Stage 3	Total
For the quarter ended 30.6.25			
Global Wealth Management	(3)	1	(2)
Personal & Corporate Banking	22	92	114
Asset Management	0	0	0
Investment Bank	19	22	41
Non-core and Legacy	0	(1)	(1)
Group Items	0	0	0
Total	38	114	152
For the quarter ended 31.3.25			
Global Wealth Management	(7)	15	8
Personal & Corporate Banking	(8)	66	58
Asset Management	0	0	0
Investment Bank	(5)	54	49
Non-core and Legacy	0	10	10
Group Items	(1)	0	(1)
Total	(21)	145	124
For the quarter ended 30.6.24			
Global Wealth Management	(14)	12	(2)
Personal & Corporate Banking	(15)	125	110
Asset Management	0	0	0
Investment Bank	1	(2)	(1)
Non-core and Legacy	(1)	(22)	(23)
Group Items	0	0	0
Total	(29)	113	84

Note 9 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 AG 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 AG 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 AG kept the scenarios and scenario weights in line with those applied in the UBS AG 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 9 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.

No purchased credit-impaired financial assets were recognized in the second quarter of 2025. Originated credit-impaired financial assets were not material and are not presented in the table below.

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							
	Carrying amount ¹				ECL allowances			
Financial instruments measured at amortized cost	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Cash and balances at central banks	236,193	236,007	186	0	(263)	0	(263)	0
Amounts due from banks	20,688	20,587	102	0	(12)	(5)	(5)	(2)
Receivables from securities financing transactions measured at amortized cost	110,161	110,161	0	0	(3)	(3)	0	0
Cash collateral receivables on derivative instruments	45,478	45,478	0	0	0	0	0	0
Loans and advances to customers	653,195	623,137	25,571	4,486	(3,187)	(343)	(311)	(2,533)
of which: Private clients with mortgages	286,744	273,655	11,641	1,448	(147)	(43)	(49)	(55)
of which: Real estate financing	94,056	88,123	5,611	322	(117)	(25)	(36)	(56)
of which: Large corporate clients	26,866	23,058	3,118	690	(866)	(116)	(97)	(653)
of which: SME clients	25,000	21,161	2,498	1,341	(1,225)	(74)	(85)	(1,065)
of which: Lombard	161,199	160,942	147	110	(141)	(11)	0	(130)
of which: Credit cards	2,315	1,791	479	45	(48)	(7)	(12)	(29)
of which: Commodity trade finance	4,263	4,236	25	1	(134)	(8)	0	(126)
of which: Ship / aircraft financing	8,859	8,054	727	78	(20)	(15)	(5)	0
of which: Consumer financing	2,894	2,707	131	55	(149)	(19)	(23)	(108)
Other financial assets measured at amortized cost	72,546	71,751	620	176	(129)	(25)	(11)	(93)
of which: Loans to financial advisors	2,682	2,495	97	90	(39)	(3)	(1)	(35)
Total financial assets measured at amortized cost	1,138,262	1,107,120	26,479	4,662	(3,595)	(378)	(590)	(2,627)
Financial assets measured at fair value through other comprehensive income	6,872	6,872	0	0	0	0	0	0
Total on-balance sheet financial assets in scope of ECL requirements	1,145,133	1,113,992	26,479	4,662	(3,595)	(378)	(590)	(2,627)

	Total exposure				ECL provisions			
Off-balance sheet (in scope of ECL)	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Guarantees	44,446	43,444	819	184	(93)	(14)	(21)	(58)
of which: Large corporate clients	7,728	7,154	480	93	(54)	(6)	(5)	(42)
of which: SME clients	3,280	3,007	219	55	(31)	(5)	(15)	(11)
of which: Financial intermediaries and hedge funds	26,604	26,516	87	0	(1)	(1)	0	0
of which: Lombard	3,958	3,933	1	24	(3)	0	0	(2)
of which: Commodity trade finance	1,874	1,873	1	0	(1)	(1)	0	0
Irrevocable loan commitments	82,046	77,132	4,688	226	(259)	(139)	(83)	(37)
of which: Large corporate clients	49,093	44,806	4,094	193	(195)	(101)	(74)	(20)
Forward starting reverse repurchase and securities borrowing agreements	20,143	20,143	0	0	0	0	0	0
Unconditionally revocable loan commitments	153,998	151,188	2,582	227	(62)	(47)	(15)	0
of which: Real estate financing	8,237	7,929	309	0	(3)	(4)	1	0
of which: Large corporate clients	14,601	13,752	817	32	(15)	(8)	(5)	(2)
of which: SME clients	12,030	11,420	454	156	(26)	(20)	(6)	0
of which: Lombard	75,099	75,013	74	12	0	0	0	0
of which: Credit cards	11,566	11,045	518	3	(9)	(7)	(2)	0
Irrevocable committed prolongation of existing loans	5,201	5,182	19	0	(2)	(2)	0	0
Total off-balance sheet financial instruments and other credit lines	305,834	297,089	8,108	637	(415)	(202)	(118)	(95)
Total allowances and provisions					(4,010)	(580)	(708)	(2,722)

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances.

Note 9 Expected credit loss measurement (continued)

ECL-relevant balance sheet and off-balance sheet positions

USD m	31.3.25							
	Carrying amount ¹				ECL allowances			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Financial instruments measured at amortized cost								
Cash and balances at central banks	231,370	231,207	163	0	(240)	0	(240)	0
Amounts due from banks	20,285	20,248	37	0	(11)	(5)	(4)	(1)
Receivables from securities financing transactions measured at amortized cost	101,784	101,784	0	0	(3)	(3)	0	0
Cash collateral receivables on derivative instruments	38,994	38,994	0	0	0	0	0	0
Loans and advances to customers	603,233	576,017	22,744	4,471	(2,955)	(289)	(300)	(2,366)
<i>of which: Private clients with mortgages</i>	<i>258,849</i>	<i>246,480</i>	<i>10,943</i>	<i>1,426</i>	<i>(143)</i>	<i>(39)</i>	<i>(50)</i>	<i>(53)</i>
<i>of which: Real estate financing</i>	<i>84,915</i>	<i>79,744</i>	<i>4,923</i>	<i>247</i>	<i>(105)</i>	<i>(26)</i>	<i>(32)</i>	<i>(48)</i>
<i>of which: Large corporate clients</i>	<i>25,200</i>	<i>22,015</i>	<i>2,120</i>	<i>1,065</i>	<i>(915)</i>	<i>(82)</i>	<i>(111)</i>	<i>(722)</i>
<i>of which: SME clients</i>	<i>22,033</i>	<i>18,578</i>	<i>2,318</i>	<i>1,137</i>	<i>(1,030)</i>	<i>(65)</i>	<i>(67)</i>	<i>(897)</i>
<i>of which: Lombard</i>	<i>153,007</i>	<i>152,909</i>	<i>1</i>	<i>97</i>	<i>(113)</i>	<i>(8)</i>	<i>0</i>	<i>(105)</i>
<i>of which: Credit cards</i>	<i>2,025</i>	<i>1,564</i>	<i>420</i>	<i>41</i>	<i>(44)</i>	<i>(8)</i>	<i>(11)</i>	<i>(26)</i>
<i>of which: Commodity trade finance</i>	<i>4,331</i>	<i>4,311</i>	<i>12</i>	<i>8</i>	<i>(123)</i>	<i>(8)</i>	<i>0</i>	<i>(115)</i>
<i>of which: Ship / aircraft financing</i>	<i>8,221</i>	<i>7,905</i>	<i>316</i>	<i>0</i>	<i>(19)</i>	<i>(16)</i>	<i>(4)</i>	<i>0</i>
<i>of which: Consumer financing</i>	<i>2,617</i>	<i>2,403</i>	<i>109</i>	<i>106</i>	<i>(125)</i>	<i>(16)</i>	<i>(19)</i>	<i>(90)</i>
Other financial assets measured at amortized cost	66,864	66,110	560	194	(127)	(24)	(8)	(96)
<i>of which: Loans to financial advisors</i>	<i>2,738</i>	<i>2,600</i>	<i>48</i>	<i>89</i>	<i>(40)</i>	<i>(3)</i>	<i>(1)</i>	<i>(36)</i>
Total financial assets measured at amortized cost	1,062,530	1,034,361	23,505	4,665	(3,336)	(321)	(553)	(2,463)
Financial assets measured at fair value through other comprehensive income	3,216	3,216	0	0	0	0	0	0
Total on-balance sheet financial assets in scope of ECL requirements	1,065,747	1,037,577	23,505	4,665	(3,336)	(321)	(553)	(2,463)
	Total exposure				ECL provisions			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Off-balance sheet (in scope of ECL)								
Guarantees	42,588	40,620	1,800	168	(57)	(13)	(20)	(24)
<i>of which: Large corporate clients</i>	<i>7,103</i>	<i>6,487</i>	<i>530</i>	<i>87</i>	<i>(14)</i>	<i>(6)</i>	<i>(4)</i>	<i>(4)</i>
<i>of which: SME clients</i>	<i>2,885</i>	<i>2,529</i>	<i>316</i>	<i>39</i>	<i>(22)</i>	<i>(3)</i>	<i>(15)</i>	<i>(4)</i>
<i>of which: Financial intermediaries and hedge funds</i>	<i>25,139</i>	<i>24,249</i>	<i>890</i>	<i>0</i>	<i>(1)</i>	<i>(1)</i>	<i>0</i>	<i>0</i>
<i>of which: Lombard</i>	<i>3,591</i>	<i>3,561</i>	<i>0</i>	<i>30</i>	<i>(3)</i>	<i>(1)</i>	<i>0</i>	<i>(2)</i>
<i>of which: Commodity trade finance</i>	<i>2,160</i>	<i>2,158</i>	<i>1</i>	<i>0</i>	<i>(1)</i>	<i>(1)</i>	<i>0</i>	<i>0</i>
Irrevocable loan commitments	79,463	75,299	3,906	257	(233)	(116)	(81)	(36)
<i>of which: Large corporate clients</i>	<i>48,349</i>	<i>45,150</i>	<i>3,033</i>	<i>165</i>	<i>(161)</i>	<i>(84)</i>	<i>(59)</i>	<i>(18)</i>
Forward starting reverse repurchase and securities borrowing agreements	18,178	18,178	0	0	0	0	0	0
Unconditionally revocable loan commitments	144,907	141,263	3,442	202	(55)	(41)	(14)	0
<i>of which: Real estate financing</i>	<i>7,384</i>	<i>7,030</i>	<i>354</i>	<i>0</i>	<i>(3)</i>	<i>(4)</i>	<i>1</i>	<i>0</i>
<i>of which: Large corporate clients</i>	<i>13,497</i>	<i>12,751</i>	<i>722</i>	<i>23</i>	<i>(15)</i>	<i>(8)</i>	<i>(5)</i>	<i>(2)</i>
<i>of which: SME clients</i>	<i>10,902</i>	<i>9,952</i>	<i>801</i>	<i>149</i>	<i>(23)</i>	<i>(18)</i>	<i>(5)</i>	<i>0</i>
<i>of which: Lombard</i>	<i>72,767</i>	<i>72,757</i>	<i>8</i>	<i>2</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>of which: Credit cards</i>	<i>10,285</i>	<i>9,815</i>	<i>467</i>	<i>3</i>	<i>(8)</i>	<i>(6)</i>	<i>(2)</i>	<i>0</i>
Irrevocable committed prolongation of existing loans	4,165	4,162	2	2	(3)	(3)	0	0
Total off-balance sheet financial instruments and other credit lines	289,302	279,523	9,150	629	(348)	(172)	(115)	(61)
Total allowances and provisions					(3,685)	(493)	(668)	(2,524)

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances.

Note 9 Expected credit loss measurement (continued)

ECL-relevant balance sheet and off-balance sheet positions

USD m	31.12.24							
	Carrying amount ¹				ECL allowances			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Financial instruments measured at amortized cost								
Cash and balances at central banks	223,329	223,201	128	0	(186)	0	(186)	0
Amounts due from banks	18,111	17,912	198	0	(42)	(1)	(5)	(36)
Receivables from securities financing transactions measured at amortized cost	118,302	118,302	0	0	(2)	(2)	0	0
Cash collateral receivables on derivative instruments	43,959	43,959	0	0	0	0	0	0
Loans and advances to customers	587,347	560,531	22,309	4,506	(2,830)	(276)	(323)	(2,230)
<i>of which: Private clients with mortgages</i>	<i>251,955</i>	<i>241,690</i>	<i>9,009</i>	<i>1,256</i>	<i>(166)</i>	<i>(46)</i>	<i>(70)</i>	<i>(50)</i>
<i>of which: Real estate financing</i>	<i>83,780</i>	<i>79,480</i>	<i>4,071</i>	<i>229</i>	<i>(100)</i>	<i>(24)</i>	<i>(27)</i>	<i>(49)</i>
<i>of which: Large corporate clients</i>	<i>25,599</i>	<i>21,073</i>	<i>3,493</i>	<i>1,033</i>	<i>(828)</i>	<i>(72)</i>	<i>(123)</i>	<i>(632)</i>
<i>of which: SME clients</i>	<i>21,002</i>	<i>17,576</i>	<i>2,293</i>	<i>1,133</i>	<i>(963)</i>	<i>(55)</i>	<i>(47)</i>	<i>(860)</i>
<i>of which: Lombard</i>	<i>147,714</i>	<i>147,326</i>	<i>266</i>	<i>122</i>	<i>(107)</i>	<i>(6)</i>	<i>0</i>	<i>(101)</i>
<i>of which: Credit cards</i>	<i>1,978</i>	<i>1,533</i>	<i>406</i>	<i>39</i>	<i>(41)</i>	<i>(6)</i>	<i>(11)</i>	<i>(25)</i>
<i>of which: Commodity trade finance</i>	<i>4,204</i>	<i>4,089</i>	<i>106</i>	<i>9</i>	<i>(122)</i>	<i>(9)</i>	<i>0</i>	<i>(113)</i>
<i>of which: Ship / aircraft financing</i>	<i>8,058</i>	<i>7,136</i>	<i>922</i>	<i>0</i>	<i>(31)</i>	<i>(14)</i>	<i>(16)</i>	<i>0</i>
<i>of which: Consumer financing</i>	<i>2,814</i>	<i>2,468</i>	<i>114</i>	<i>232</i>	<i>(137)</i>	<i>(15)</i>	<i>(19)</i>	<i>(102)</i>
Other financial assets measured at amortized cost	59,279	58,645	439	194	(135)	(25)	(7)	(103)
<i>of which: Loans to financial advisors</i>	<i>2,723</i>	<i>2,568</i>	<i>59</i>	<i>95</i>	<i>(41)</i>	<i>(4)</i>	<i>(1)</i>	<i>(37)</i>
Total financial assets measured at amortized cost	1,050,326	1,022,550	23,074	4,701	(3,195)	(304)	(521)	(2,369)
Financial assets measured at fair value through other comprehensive income	2,195	2,195	0	0	0	0	0	0
Total on-balance sheet financial assets in scope of ECL requirements	1,052,521	1,024,746	23,074	4,701	(3,195)	(304)	(521)	(2,369)
	Total exposure				ECL provisions			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Off-balance sheet (in scope of ECL)								
Guarantees	40,280	38,860	1,242	178	(61)	(16)	(24)	(22)
<i>of which: Large corporate clients</i>	<i>7,818</i>	<i>7,098</i>	<i>635</i>	<i>85</i>	<i>(18)</i>	<i>(6)</i>	<i>(9)</i>	<i>(2)</i>
<i>of which: SME clients</i>	<i>2,524</i>	<i>2,074</i>	<i>393</i>	<i>57</i>	<i>(27)</i>	<i>(5)</i>	<i>(15)</i>	<i>(7)</i>
<i>of which: Financial intermediaries and hedge funds</i>	<i>21,590</i>	<i>21,449</i>	<i>141</i>	<i>0</i>	<i>(1)</i>	<i>(1)</i>	<i>0</i>	<i>0</i>
<i>of which: Lombard</i>	<i>3,709</i>	<i>3,652</i>	<i>24</i>	<i>33</i>	<i>(4)</i>	<i>(1)</i>	<i>0</i>	<i>(3)</i>
<i>of which: Commodity trade finance</i>	<i>2,678</i>	<i>2,676</i>	<i>2</i>	<i>0</i>	<i>(1)</i>	<i>(1)</i>	<i>0</i>	<i>0</i>
Irrevocable loan commitments	79,579	75,158	4,178	243	(192)	(105)	(61)	(26)
<i>of which: Large corporate clients</i>	<i>47,381</i>	<i>43,820</i>	<i>3,393</i>	<i>168</i>	<i>(155)</i>	<i>(91)</i>	<i>(54)</i>	<i>(10)</i>
Forward starting reverse repurchase and securities borrowing agreements	24,896	24,896	0	0	0	0	0	0
Committed unconditionally revocable credit lines	148,900	146,496	2,149	255	(75)	(59)	(17)	0
<i>of which: Real estate financing</i>	<i>7,674</i>	<i>7,329</i>	<i>345</i>	<i>0</i>	<i>(6)</i>	<i>(4)</i>	<i>(2)</i>	<i>0</i>
<i>of which: Large corporate clients</i>	<i>14,692</i>	<i>14,091</i>	<i>584</i>	<i>17</i>	<i>(22)</i>	<i>(14)</i>	<i>(7)</i>	<i>(2)</i>
<i>of which: SME clients</i>	<i>9,812</i>	<i>9,289</i>	<i>333</i>	<i>190</i>	<i>(34)</i>	<i>(28)</i>	<i>(6)</i>	<i>0</i>
<i>of which: Lombard</i>	<i>73,267</i>	<i>73,181</i>	<i>84</i>	<i>1</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>of which: Credit cards</i>	<i>10,074</i>	<i>9,604</i>	<i>467</i>	<i>3</i>	<i>(8)</i>	<i>(6)</i>	<i>(2)</i>	<i>0</i>
Irrevocable committed prolongation of existing loans	4,608	4,602	4	2	(3)	(3)	0	0
Total off-balance sheet financial instruments and other credit lines	298,263	290,012	7,572	678	(332)	(183)	(102)	(48)
Total allowances and provisions					(3,527)	(487)	(623)	(2,417)

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances.

Note 9 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 AG'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 was unchanged at 10 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 2 basis points to 74 basis points.

Coverage ratios for core loan portfolio

	Gross carrying amount (USD m)				ECL coverage (bps)				
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 1&2	Stage 3
On-balance sheet									
Private clients with mortgages	286,891	273,698	11,691	1,503	5	2	42	3	365
Real estate financing	94,173	88,149	5,647	378	12	3	63	7	1,475
Total real estate lending	381,064	361,847	17,337	1,880	7	2	49	4	588
Large corporate clients	27,732	23,174	3,215	1,343	312	50	300	81	4,863
SME clients	26,225	21,234	2,584	2,407	467	35	331	67	4,427
Total corporate lending	53,957	44,409	5,799	3,750	388	43	314	74	4,584
Lombard	161,340	160,953	147	240	9	1	0	1	5,407
Credit cards	2,363	1,798	491	74	201	36	250	82	3,898
Commodity trade finance	4,394	4,244	25	124	305	19	0	19	0
Ship / aircraft financing	8,879	8,068	732	78	22	18	70	22	0
Consumer financing	3,043	2,727	154	163	490	70	1,466	145	6,610
Other loans and advances to customers	41,342	39,434	1,197	711	82	6	32	7	4,395
Loans to financial advisors	2,721	2,498	99	125	145	13	140	18	2,777
Total other lending	224,082	219,723	2,845	1,514	39	4	159	6	4,878
Total¹	659,104	625,978	25,981	7,144	49	6	120	10	3,594
	Gross exposure (USD m)				ECL coverage (bps)				
Off-balance sheet	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 1&2	Stage 3
Private clients with mortgages	11,178	10,950	222	6	4	3	25	4	0
Real estate financing	9,734	9,401	333	0	8	9	0	8	0
Total real estate lending	20,912	20,351	555	6	6	6	0	6	0
Large corporate clients	71,511	65,801	5,392	318	37	17	156	28	2,012
SME clients	17,371	16,346	780	244	49	22	358	37	915
Total corporate lending	88,882	82,148	6,172	562	39	18	182	30	1,536
Lombard	82,536	82,424	75	36	2	1	0	1	2,337
Credit cards	11,566	11,045	518	3	8	6	36	8	0
Commodity trade finance	2,230	2,223	6	1	3	3	46	3	0
Ship / aircraft financing	2,430	2,390	41	0	0	0	0	0	0
Consumer financing	327	327	0	0	2	2	0	2	0
Financial intermediaries and hedge funds	31,513	30,974	539	0	2	1	7	2	0
Other off-balance sheet commitments	45,295	45,064	203	29	6	5	207	6	199
Total other lending	175,897	174,448	1,381	68	3	2	47	3	1,312
Total²	285,692	276,947	8,108	637	15	7	146	11	1,497
Total on- and off-balance sheet³	944,795	902,925	34,089	7,781	39	6	126	10	3,423

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 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	Total	Stage 1	Stage 2	Stage 1&2	Stage 3
Private clients with mortgages	258,992	246,519	10,993	1,480	6	2	45	3	361
Real estate financing	85,020	79,771	4,955	295	12	3	64	7	1,613
Total real estate lending	344,012	326,290	15,948	1,774	7	2	51	4	569
Large corporate clients	26,115	22,097	2,231	1,788	350	37	496	79	4,040
SME clients	23,062	18,643	2,385	2,034	446	35	283	63	4,409
Total corporate lending	49,177	40,739	4,616	3,822	395	36	386	72	4,236
Lombard	153,120	152,917	1	203	7	1	31	1	5,198
Credit cards	2,069	1,572	431	66	214	49	255	94	3,847
Commodity trade finance	4,454	4,319	12	123	276	18	10	18	9,376
Ship / aircraft financing	8,240	7,921	319	0	23	20	117	23	0
Consumer financing	2,743	2,418	128	196	457	65	1,500	137	4,598
Other loans and advances to customers	42,373	40,130	1,590	653	80	5	44	7	4,742
Loans to financial advisors	2,778	2,603	49	125	144	13	174	16	2,870
Total other lending	215,777	211,880	2,530	1,367	37	4	165	6	4,991
Total¹	608,966	578,909	23,094	6,963	49	5	130	10	3,450
Off-balance sheet	Gross exposure (USD m)				ECL coverage (bps)				
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 1&2	Stage 3
Private clients with mortgages	9,352	9,083	264	6	4	3	33	4	453
Real estate financing	8,225	7,851	374	0	8	10	0	8	0
Total real estate lending	17,578	16,934	638	6	6	6	0	6	448
Large corporate clients	69,056	64,495	4,286	275	27	15	160	24	874
SME clients	15,801	14,290	1,268	243	52	19	293	41	759
Total corporate lending	84,857	78,785	5,554	518	32	16	190	27	820
Lombard	79,638	79,597	8	33	2	1	14	1	2,461
Credit cards	10,285	9,815	467	3	8	6	37	8	0
Commodity trade finance	3,019	3,001	17	0	2	2	14	2	0
Ship / aircraft financing	2,520	2,486	34	0	0	0	0	0	0
Consumer financing	377	377	0	0	3	3	0	3	0
Financial intermediaries and hedge funds	30,668	29,151	1,517	0	1	1	3	1	0
Other off-balance sheet commitments	42,182	41,199	914	69	10	5	86	7	1,434
Total other lending	168,689	165,626	2,958	105	4	2	34	3	1,707
Total²	271,124	261,345	9,150	629	13	7	126	11	964
Total on- and off-balance sheet³	880,089	840,254	32,244	7,592	38	6	129	10	3,244

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 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	Total	Stage 1	Stage 2	Stage 1&2	Stage 3
Private clients with mortgages	252,121	241,736	9,079	1,306	7	2	77	5	386
Real estate financing	83,880	79,504	4,098	278	12	3	66	6	1,768
Total real estate lending	336,001	321,240	13,177	1,584	8	2	73	5	628
Large corporate clients	26,427	21,145	3,617	1,665	313	34	341	79	3,795
SME clients	21,966	17,631	2,341	1,993	439	31	203	52	4,316
Total corporate lending	48,393	38,776	5,958	3,659	370	33	287	67	4,079
Lombard	147,821	147,332	267	222	7	0	8	0	4,531
Credit cards	2,019	1,539	416	64	205	39	256	85	3,857
Commodity trade finance	4,327	4,098	106	122	283	22	40	23	9,258
Ship / aircraft financing	8,089	7,150	938	0	38	20	175	38	0
Consumer financing	2,951	2,484	134	334	464	62	1,447	133	3,057
Other loans and advances to customers	40,576	38,188	1,636	752	83	7	56	9	3,965
Loans to financial advisors	2,764	2,571	60	132	149	14	159	17	2,785
Total other lending	208,547	203,363	3,558	1,627	39	4	161	7	4,152
Total¹	592,941	563,379	22,693	6,869	48	5	143	10	3,301
Off-balance sheet	Gross exposure (USD m)				ECL coverage (bps)				
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 1&2	Stage 3
Private clients with mortgages	8,473	8,271	176	26	4	4	22	4	81
Real estate financing	8,694	8,300	394	0	7	6	33	7	0
Total real estate lending	17,167	16,571	570	26	6	5	30	6	81
Large corporate clients	69,896	65,013	4,612	271	28	17	151	26	528
SME clients	13,944	12,788	842	315	59	30	324	48	532
Total corporate lending	83,840	77,800	5,454	586	33	19	177	30	530
Lombard	80,390	80,235	120	35	1	0	1	0	2,330
Credit cards	10,074	9,604	467	3	8	6	36	8	0
Commodity trade finance	3,487	3,464	23	0	3	3	51	3	0
Ship / aircraft financing	2,669	2,663	6	0	13	13	49	13	0
Consumer financing	134	134	0	0	6	6	0	6	0
Financial intermediaries and hedge funds	22,842	22,378	464	0	1	1	8	1	0
Other off-balance sheet commitments	52,765	52,268	468	29	4	2	28	2	2,945
Total other lending	172,360	170,745	1,549	67	3	1	23	2	2,470
Total²	273,367	265,117	7,572	678	12	7	135	10	704
Total on- and off-balance sheet³	866,308	828,495	30,265	7,547	37	6	141	10	3,067

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 10 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	134,759	31,274	3,454	169,487	133,803	27,969	3,665	165,437	128,428	27,687	3,108	159,223
of which: Equity instruments	117,036	370	155	117,562	117,487	320	138	117,945	116,536	430	91	117,056
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	22,996	757	24,920	828	20,777	876	22,480	911	17,585	838	19,334
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	166,156	3,151	170,622	1,372	134,789	2,459	138,620	795	182,849	2,792	186,435
of which: Foreign exchange	815	77,661	81	78,558	570	48,911	71	49,551	472	100,572	66	101,111
of which: Interest rate	0	37,667	884	38,550	0	38,135	898	39,033	0	41,193	878	42,071
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	53,393	9,261	107,503	40,762	52,129	9,185	102,075	35,910	50,545	8,747	95,203
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	137	626	1,196	387	123	640	1,150	423	133	681	1,237
of which: Equity instruments	119	0	3,064	3,183	90	0	2,930	3,020	91	0	2,916	3,008
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	195,104	282,047	15,942	493,093	184,689	245,720	15,398	445,808	172,532	289,076	14,731	476,340

Note 10 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	38,240	14,057	50	52,346	30,503	12,565	31	43,099	24,577	10,429	240	35,247
of which: Equity instruments	30,081	215	26	30,322	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	178,463	4,148	183,905	1,407	136,694	4,130	142,230	829	175,788	4,060	180,678
of which: Foreign exchange	736	88,058	56	88,850	553	50,624	44	51,220	506	94,077	46	94,628
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	96,878	11,374	108,252	0	96,189	11,204	107,393	0	90,725	11,842	102,567
Other financial liabilities designated at fair value	0	31,749	3,780	35,529	0	28,525	4,267	32,792	0	29,779	4,262	34,041
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: Funding from UBS Group AG	0	4,639	1,480	6,119	0	4,042	1,515	5,557	0	3,848	1,494	5,342
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	39,535	379,098	19,352	437,984	31,909	333,894	19,633	385,436	25,406	355,744	20,405	401,555

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	379	421	397
Effect from merger of UBS AG and Credit Suisse AG ¹			1		1
Profit / (loss) deferred on new transactions	68	65	59	133	101
(Profit) / loss recognized in the income statement	(41)	(95)	(50)	(135)	(110)
Foreign currency translation	(1)	(1)	(1)	(2)	(1)
Reserve balance at the end of the period	417	391	388	417	388

¹ Refer to Note 2 for more information about the merger of UBS AG and Credit Suisse AG.

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 value¹	(1,100)	(942)	(1,165)
of which: debt issued designated at fair value	(774)	(680)	(780)
of which: other financial liabilities designated at fair value	(325)	(262)	(385)
Credit valuation adjustments²	(40)	(128)	(125)
Funding and debit valuation adjustments	(87)	(69)	(96)
Other valuation adjustments	(966)	(971)	(1,206)
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 10 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 UBS AG's estimates and assumptions, but rather the different underlying characteristics of the relevant assets and liabilities held by UBS AG.

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 AG 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			11.4	11.8									
Other financial liabilities designated at fair value ³			3.8	4.3	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 AG 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 10 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 10 Fair value measurement (continued)

Movements of Level 3 instruments

	Balance at the beginning of the period	Effect from merger of UBS AG and Credit Suisse AG	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
<i>USD bn</i>												
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	11.8		0.3	0.3	0.0	0.0	2.6	(1.7)	0.8	(2.9)	0.5	11.4
Other financial liabilities designated at fair value	4.3		(0.1)	(0.1)	0.0	(0.0)	0.4	(0.8)	0.0	(0.0)	0.1	3.8
For the six months ended 30 June 2024												
Financial assets at fair value held for trading	1.8	7.8	0.0	(0.0)	0.3	(1.0)	0.7	(1.4)	0.1	(0.3)	(0.0)	8.0
of which: Equity instruments	0.1	0.1	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0	(0.0)	(0.0)	0.2
of which: Corporate and municipal bonds	0.6	0.4	(0.1)	(0.1)	0.2	(0.2)	0.0	0.0	0.0	(0.0)	(0.0)	0.9
of which: Loans	0.9	7.0	0.1	0.1	0.0	(0.7)	0.7	(1.4)	(0.0)	(0.3)	(0.0)	6.4
Derivative financial instruments – assets	1.3	0.7	(0.1)	(0.0)	0.0	(0.0)	0.7	(0.4)	0.4	(0.2)	(0.0)	2.3
of which: Interest rate	0.3	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)	0.2	(0.0)	0.0	0.4
of which: Equity / index	0.7	0.2	(0.0)	(0.0)	0.0	0.0	0.5	(0.2)	0.1	(0.1)	(0.0)	1.2
of which: Credit	0.3	0.1	(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	4.1	4.1	(0.1)	(0.1)	0.3	0.0	1.1	(1.4)	0.1	(0.1)	(0.0)	8.0
of which: Loans	1.3	0.8	(0.1)	(0.1)	0.1	0.0	0.7	(0.1)	0.0	(0.1)	(0.0)	2.6
of which: Auction rate securities	1.2	0.0	0.0	(0.0)	0.0	0.0	0.0	(1.1)	0.0	0.0	0.0	0.2
of which: Equity instruments	1.1	1.8	0.0	0.0	0.1	(0.0)	0.0	0.0	0.0	0.0	(0.0)	2.9
of which: Investment fund units	0.2	0.4	0.0	(0.0)	0.0	(0.0)	0.0	0.0	0.0	(0.0)	(0.0)	0.7
of which: Asset-backed securities	0.0	0.5	0.0	0.0	0.0	(0.0)	0.0	(0.0)	0.0	(0.0)	(0.0)	0.5
Derivative financial instruments – liabilities	3.2	0.9	(0.1)	(0.1)	0.1	(0.0)	1.7	(1.4)	0.4	(0.3)	(0.0)	4.4
of which: Interest rate	0.1	0.1	(0.1)	(0.0)	0.0	0.0	0.1	0.0	0.1	(0.0)	0.0	0.2
of which: Equity / index	2.7	0.2	0.1	0.0	0.1	(0.0)	1.5	(1.2)	0.3	(0.2)	(0.0)	3.4
of which: Credit	0.3	0.2	(0.0)	(0.1)	0.0	(0.0)	0.1	(0.1)	0.0	(0.0)	(0.0)	0.4
of which: Loan commitments measured at FVTPL	0.0	0.4	(0.1)	(0.1)	0.0	(0.0)	0.0	0.0	0.0	0.0	(0.0)	0.3
Debt issued designated at fair value	7.8	4.5	0.2	0.2	0.0	(0.0)	2.9	(2.5)	0.6	(1.9)	(0.1)	11.5
Other financial liabilities designated at fair value	2.3	1.9	(0.1)	(0.1)	0.0	(0.0)	1.1	(0.2)	0.0	(0.1)	(0.0)	4.9

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 10 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 AG Annual Report 2024.

Financial instruments not measured at fair value

	30.6.25		31.3.25		31.12.24	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<i>USD bn</i>						
Assets						
Cash and balances at central banks	236.2	236.2	231.4	231.4	223.3	223.3
Amounts due from banks	20.7	20.7	20.3	20.3	18.1	18.1
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	653.2	649.3	603.2	597.1	587.3	582.4
Other financial assets measured at amortized cost	72.5	71.3	66.9	65.4	59.3	57.5
Liabilities						
Amounts due to banks	31.9	31.9	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	33.5	33.5	32.0	32.0	36.4	36.4
Customer deposits	804.7	805.5	747.5	748.2	749.5	750.0
Funding from UBS Group AG measured at amortized cost	113.0	117.2	111.5	115.3	107.9	112.5
Debt issued measured at amortized cost	107.5	107.9	98.3	98.7	101.1	102.7
Other financial liabilities measured at amortized cost ¹	14.9	14.9	15.6	15.6	17.9	17.9

¹ Excludes lease liabilities.

Note 11 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	38.6	33.6	3,687	18,031
Credit derivatives	3.2	3.4	132	
Foreign exchange	78.6	88.9	8,221	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	170.6	183.9	13,961	18,519
Further netting potential not recognized on the balance sheet ⁵	(153.5)	(162.0)		
<i>of which: netting of recognized financial liabilities / assets</i>	<i>(130.5)</i>	<i>(130.5)</i>		
<i>of which: netting with collateral received / pledged</i>	<i>(23.0)</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	39.0	34.2	3,722	18,048
Credit derivatives	3.2	3.6	173	
Foreign exchange	49.6	51.2	7,255	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	138.6	142.2	12,927	18,465
Further netting potential not recognized on the balance sheet ⁵	(123.2)	(127.9)		
<i>of which: netting of recognized financial liabilities / assets</i>	<i>(100.9)</i>	<i>(100.9)</i>		
<i>of which: netting with collateral received / pledged</i>	<i>(22.3)</i>	<i>(27.0)</i>		
Total derivative financial instruments, after consideration of further netting potential	15.4	14.4		

As of 31.12.24, USD bn

Derivative financial instruments				
Interest rate	42.1	36.6	3,650	16,844
Credit derivatives	3.1	3.7	144	
Foreign exchange	101.1	94.6	7,216	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	186.4	180.7	12,617	17,223
Further netting potential not recognized on the balance sheet ⁵	(162.6)	(166.4)		
<i>of which: netting of recognized financial liabilities / assets</i>	<i>(135.6)</i>	<i>(135.6)</i>		
<i>of which: netting with collateral received / pledged</i>	<i>(27.1)</i>	<i>(30.8)</i>		
Total derivative financial instruments, after consideration of further netting potential	23.8	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 AG 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 AG 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 AG 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 AG 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	33.5	39.0	32.0	44.0	36.4
Further netting potential not recognized on the balance sheet ²	(29.2)	(17.5)	(24.3)	(17.1)	(28.3)	(22.6)
<i>of which: netting of recognized financial liabilities / assets</i>	<i>(27.3)</i>	<i>(15.5)</i>	<i>(22.2)</i>	<i>(15.0)</i>	<i>(25.9)</i>	<i>(20.2)</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 AG 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 AG 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 AG Annual Report 2024 for more information.

Note 12 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	52,642	48,095	41,583
Loans to financial advisors	2,682	2,738	2,723
Fee- and commission-related receivables	2,716	2,493	2,231
Finance lease receivables	6,811	6,104	5,934
Settlement and clearing accounts	457	444	430
Accrued interest income	2,195	2,127	2,196
Other ¹	5,043	4,864	4,182
Total other financial assets measured at amortized cost	72,546	66,864	59,279

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	1,271	1,285	1,194
Current tax assets	1,347	1,410	1,504
VAT, withholding tax and other tax receivables	974	816	1,129
Properties and other non-current assets held for sale	186	189	195
Assets of disposal groups held for sale ²			1,823
Other	1,708	1,799	2,149
Total other non-financial assets	17,082	15,134	17,282

¹ Refer to Note 16 for more information. ² Refer to Note 6 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	2,607	2,646	2,732
Accrued interest expenses	5,317	4,910	5,862
Settlement and clearing accounts	1,892	2,193	1,925
Lease liabilities	3,631	3,824	3,871
Other	5,081	5,849	7,372
Total other financial liabilities measured at amortized cost	18,528	19,421	21,762

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
Funding from UBS Group AG ¹	6,119	5,557	5,342
Total other financial liabilities designated at fair value	35,529	32,792	34,041

¹ Funding from UBS Group AG consists of subordinated debt of UBS AG and its subsidiaries toward UBS Group AG. Subordinated debt consists of unsecured debt obligations that are contractually subordinated in right of payment to all other present and future non-subordinated obligations of the respective issuing entity.

e) Other non-financial liabilities

USD m	30.6.25	31.3.25	31.12.24
Compensation-related liabilities	5,501	4,460	6,897
of which: net defined benefit liability	739	704	691
Current tax liabilities	934	1,697	1,536
Deferred tax liabilities	322	303	283
VAT, withholding tax and other tax payables	914	888	1,067
Deferred income	639	596	614
Liabilities of disposal groups held for sale ¹			1,212
Other	119	80	304
Total other non-financial liabilities	8,429	8,024	11,911

¹ Refer to Note 6 for more information about the sale of Select Portfolio Servicing.

Note 13 Funding from UBS Group AG measured at amortized cost

Funding from UBS Group AG measured at amortized cost

<i>USD m</i>	30.6.25	31.3.25	31.12.24
Debt contributing to total loss-absorbing capacity (TLAC)	87,555	88,236	87,036
Debt eligible as high-trigger loss-absorbing additional tier 1 capital instruments ¹	18,656	18,325	14,585
Debt eligible as low-trigger loss-absorbing additional tier 1 capital instruments			1,245
Other ²	6,789	4,895	5,051
Total funding from UBS Group AG measured at amortized cost^{3,4}	113,000	111,457	107,918

¹ For 30 June 2025, includes USD 10.2bn (31 March 2025: USD 10.1bn; 31 December 2024: USD 6.9bn) that is, upon the occurrence of a trigger event or a viability event, subject to conversion into ordinary UBS shares. ² Includes debt no longer eligible as TLAC having a residual maturity of less than one year and high-trigger loss-absorbing additional tier 1 capital instruments that ceased to be eligible when UBS Group AG issued notice of redemption. ³ Consists of subordinated debt of UBS AG and its subsidiaries toward UBS Group AG. Subordinated debt consists of unsecured debt obligations that are contractually subordinated in right of payment to all other present and future non-subordinated obligations of the respective issuing entity. ⁴ UBS AG has also recognized funding from UBS Group AG that is designated at fair value. Refer to Note 12d for more information.

Note 14 Debt issued designated at fair value

Debt issued designated at fair value

<i>USD m</i>	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	15,027	15,178	14,250
Commodity-linked	3,140	3,462	3,592
Other	2,636	2,470	1,789
Total debt issued designated at fair value²	108,252	107,393	102,567
<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 15 Debt issued measured at amortized cost

Debt issued measured at amortized cost

<i>USD m</i>	30.6.25	31.3.25	31.12.24
Short-term debt¹	35,306	30,582	30,509
Senior unsecured debt	29,414	30,106	33,416
<i>of which: issued by UBS AG standalone with original maturity greater than one year</i>	<i>29,370</i>	<i>30,071</i>	<i>32,621</i>
Covered bonds	11,479	9,089	8,814
Subordinated debt	673	676	689
<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	30,158	27,378	27,251
Other long-term debt	476	429	424
Long-term debt²	72,199	67,677	70,595
Total debt issued measured at amortized cost^{3,4}	107,505	98,259	101,104

¹ Debt with an original contractual maturity of less than one year, includes mainly certificates of deposit and commercial paper. ² 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. ³ Net of bifurcated embedded derivatives, the fair value of which was not material for the periods presented. ⁴ 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 16 Provisions and contingent liabilities

a) Provisions

The table below presents an overview of total provisions.

Overview of total provisions

<i>USD m</i>	30.6.25	31.3.25	31.12.24
Provisions other than provisions for expected credit losses	4,666	5,146	4,799
Provisions for expected credit losses ¹	415	348	332
Total provisions	5,082	5,495	5,131

¹ Refer to Note 9c for more information about ECL provisions recognized for off-balance sheet financial instruments and credit lines.

The table below presents additional information for provisions other than provisions for expected credit losses.

Additional information for provisions other than provisions for expected credit losses

<i>USD m</i>	Litigation, regulatory and similar matters ¹	Restructuring ²	Real estate ³	Other ⁴	Total
Balance as of 31 December 2024	3,598	699	224	278	4,799
Balance as of 31 March 2025	3,848	781	223	294	5,146
Increase in provisions recognized in the income statement	299 ⁵	284	0	30	613
Release of provisions recognized in the income statement	(137)	(169)	(2)	(21)	(330)
Provisions used in conformity with designated purpose	(703) ⁶	(258)	(5)	(30)	(996)
Foreign currency translation and other movements	139	45	24	24	232
Balance as of 30 June 2025	3,446	684	240	296	4,666

¹ Consists of provisions for losses resulting from legal, liability and compliance risks. ² Includes USD 265m 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 363m of personnel-related restructuring provisions as of 30 June 2025 (31 March 2025: USD 342m; 31 December 2024: USD 262m) and USD 55m of provisions for onerous contracts related to technology as of 30 June 2025 (31 March 2025: USD 66m; 31 December 2024: USD 54m). 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 AG'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.

Information about provisions and contingent liabilities in respect of litigation, regulatory and similar matters, as a class, is included in Note 16b. There are no material contingent liabilities associated with the other classes of provisions.

b) Litigation, regulatory and similar matters

UBS 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 is involved in various disputes and legal proceedings, including litigation, arbitration, and regulatory and criminal investigations. "UBS", "we" and "our", for purposes of this Note, refer to UBS AG and / or one or more of its subsidiaries, as applicable.

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 UBS 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 UBS 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. UBS 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 UBS 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 UBS, but are nevertheless expected to be, based on UBS'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 UBS 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 16 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 16a 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 are in the range of USD 0bn to USD 3.1bn.

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.

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 AG
Balance as of 31 December 2024	1,271	147	1	266	1,779	135	3,598
Balance as of 31 March 2025	1,318	153	0	293	1,878	205	3,848
Increase in provisions recognized in the income statement	16	0	0	12	270 ²	2	299
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)
Foreign currency translation and other movements	98	14	0	17	10	0	139
Balance as of 30 June 2025	1,415	167	0	308	1,353	202	3,446

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 and 8 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 AG'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.

Note 16 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 USD 41m net increase in provisions, 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 16 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 16 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 16 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. In August 2025, CSS LLC entered into an agreement with the DOJ to resolve all of Credit Suisse's outstanding Consumer Relief Obligations under the 2017 settlement by paying USD 300m. UBS AG is fully provisioned for this settlement, which will not have a material effect on its financial statements for the third quarter of 2025.

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 16 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.

Note 16 Provisions and contingent liabilities (continued)

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.

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.

Note 17 Supplemental guarantor information

In 2015, the Personal & Corporate Banking and Wealth Management businesses booked in Switzerland were transferred from UBS AG to UBS Switzerland AG through an asset transfer in accordance with the Swiss Merger Act. Under the terms of the asset transfer agreement, UBS Switzerland AG assumed joint liability for contractual obligations of UBS AG existing on the asset transfer date, including the full and unconditional guarantee of certain SEC-registered debt securities issued by UBS AG. The joint liability of UBS Switzerland AG for contractual obligations of UBS AG increased in the first half of 2025 by USD 0.1bn to USD 2.7bn as of 30 June 2025. The increase reflected foreign currency effects, partly offset by contractual maturities and fair value movements.

UBS AG, together with UBS Group AG, has fully and unconditionally guaranteed the outstanding SEC-registered debt securities of Credit Suisse (USA), LLC, which as of 30 June 2025 consisted of a single outstanding issuance with a balance of USD 742m maturing in July 2032. Credit Suisse (USA), LLC is an indirect, wholly owned subsidiary of UBS AG. UBS AG assumed Credit Suisse AG's obligations under the guarantee as of 31 May 2024 (i.e. the date of the merger). In accordance with the guarantee, if Credit Suisse (USA), LLC fails to make a timely payment under the agreements governing such debt securities, the holders of the debt securities may demand payment from either UBS Group AG or UBS AG, without first proceeding against Credit Suisse (USA), LLC.

Comparison between UBS AG consolidated and UBS Group AG consolidated

The table below provides a comparison of selected financial and capital information of UBS AG consolidated and of UBS Group AG consolidated.

UBS AG and UBS Group AG both prepare consolidated financial statements in accordance with IFRS Accounting Standards. UBS Group AG has applied acquisition accounting as defined by IFRS 3, *Business Combinations*, to the acquisition of the Credit Suisse Group in 2023. The merger of UBS AG and Credit Suisse AG on 31 May 2024 has been accounted for as a business combination under common control, as defined in IFRS 3, using the historic carrying values of the assets and liabilities of Credit Suisse AG as at the date of the transaction (31 May 2024), determined under IFRS Accounting Standards. Therefore, differences exist between the accounting treatments applied at the UBS Group AG and UBS AG consolidated levels. There are also certain scope and presentation differences, as noted below.

- › Refer to “Note 2 Accounting for the merger of UBS AG and Credit Suisse AG” in the “Consolidated financial statements” section of the UBS AG Annual Report 2024, available under “Annual reporting” at ubs.com/investors, for more information about the accounting for the merger of UBS AG and Credit Suisse AG

Assets, liabilities, revenues, operating expenses and tax expenses / (benefits) relating to UBS Group AG and its directly held subsidiaries, including UBS Business Solutions AG, are reflected in the consolidated financial statements of UBS Group AG but not in those of UBS AG. UBS AG’s assets, liabilities, revenues and operating expenses related to transactions with UBS Group AG and its directly held subsidiaries, including UBS Business Solutions AG and other shared services subsidiaries, are not subject to elimination in the UBS AG consolidated financial statements, but are eliminated in the UBS Group AG consolidated financial statements.

In the second quarter of 2025, UBS AG consolidated recognized a net profit of USD 1,198m, while UBS Group AG consolidated recognized a net profit of USD 2,402m. The USD 1,205m difference was mainly due to certain purchase price allocation (PPA) effects recognized at the UBS Group AG level upon the acquisition of the Credit Suisse Group. These resulted in net accretion income at the UBS Group AG level, net of tax effects, whereas UBS AG has not applied acquisition accounting and does not have the PPA effects or the corresponding net income. The PPA effects also resulted in net releases for litigation, regulatory and similar matters for UBS Group AG (while UBS AG incurred net expenses). Other differences in net profit mainly arise as UBS Business Solutions AG and other shared services subsidiaries of UBS Group AG charge other legal entities within the UBS AG consolidation scope a markup on costs incurred for services provided.

As of 30 June 2025, the total assets of UBS AG consolidated were USD 1.8bn higher than the total assets of UBS Group AG consolidated. The difference mainly reflected PPA effects recognized at the UBS Group AG level upon the acquisition of the Credit Suisse Group, partly offset by consolidation scope differences. The total liabilities of UBS AG consolidated were USD 3.3bn lower than the total liabilities of UBS Group AG, mainly due to consolidation scope differences and PPA effects.

The equity of UBS AG consolidated was USD 5.2bn higher than the equity of UBS Group AG consolidated as of 30 June 2025. This difference was mainly due to PPA effects of USD 3.6bn recognized at the UBS Group AG level upon the acquisition of the Credit Suisse Group that did not impact UBS AG consolidated, primarily related to loans and loan commitments measured at amortized cost and contingent liabilities recognized under IFRS 3 for litigation, as well as consolidation scope differences of USD 1.4bn. The difference in the equity between the two scopes decreased by USD 4.4bn in the second quarter of 2025, mainly driven by the higher dividend paid by UBS AG to UBS Group AG compared with the dividend distribution of UBS Group AG.

The going concern capital of UBS AG consolidated was USD 3.2bn lower than the going concern capital of UBS Group AG consolidated as of 30 June 2025, reflecting the common equity tier 1 (CET1) capital of UBS AG being lower by USD 2.9bn and going concern loss-absorbing additional tier 1 (AT1) capital being USD 0.4bn lower.

The USD 2.9bn lower CET1 capital of UBS AG consolidated was primarily due to a USD 12.9bn difference in dividend accruals between UBS AG and UBS Group AG, largely offset by UBS Group AG consolidated equity being USD 5.2bn lower, compensation-related regulatory capital accruals at the UBS Group AG level of USD 2.8bn, a capital reserve for expected future share repurchases of USD 2.0bn and a USD 0.5bn effect from eligible deferred tax assets on temporary differences.

The quarterly average liquidity coverage ratio (the LCR) of UBS AG consolidated was 2.9 percentage points lower than the quarterly average LCR of UBS Group AG consolidated. The difference mainly reflected the higher net cash outflows of UBS AG consolidated from intercompany deposits and loans that are not within the Group consolidation scope but are within the UBS AG consolidation scope.

The net stable funding ratio (NSFR) of UBS AG consolidated was 1.5 percentage points lower than the NSFR of UBS Group AG consolidated. The difference primarily reflected lower UBS AG consolidated eligible regulatory capital as compared to UBS Group AG consolidated.

Comparison between UBS AG consolidated and UBS Group AG consolidated

	As of or for the quarter ended 30.6.25			As of or for the quarter ended 31.3.25			As of or for the quarter ended 31.12.24		
<i>USD m, except where indicated</i>	UBS AG consolidated	UBS Group AG consolidated	Difference (absolute)	UBS AG consolidated	UBS Group AG consolidated	Difference (absolute)	UBS AG consolidated	UBS Group AG consolidated	Difference (absolute)
Income statement									
Total revenues	11,635	12,112	(477)	12,163	12,557	(393)	11,317	11,635	(318)
Credit loss expense / (release)	152	163	(11)	124	100	24	241	229	12
Operating expenses	10,621	9,756	865	10,701	10,324	377	11,017	10,359	658
Operating profit / (loss) before tax	862	2,193	(1,331)	1,339	2,132	(793)	59	1,047	(989)
Net profit / (loss)	1,198	2,402	(1,205)	1,035	1,702	(667)	(254)	779	(1,034)
Balance sheet									
Total assets	1,671,814	1,669,991	1,823	1,547,489	1,543,363	4,126	1,568,060	1,565,028	3,033
Total liabilities	1,576,960	1,580,292	(3,332)	1,450,367	1,455,773	(5,406)	1,473,394	1,479,454	(6,060)
Total equity	94,854	89,699	5,155	97,123	87,590	9,532	94,666	85,574	9,092
Capital, liquidity and funding information									
Common equity tier 1 capital	69,829	72,709	(2,880)	70,756	69,152	1,604	73,792	71,367	2,425
Going concern capital	88,485	91,721	(3,236)	89,081	87,837	1,244	89,623	87,739	1,884
Risk-weighted assets	498,327	504,500	(6,172)	481,539	483,276	(1,737)	495,110	498,538	(3,429)
Common equity tier 1 capital ratio (%)	14.0	14.4	(0.4)	14.7	14.3	0.4	14.9	14.3	0.6
Going concern capital ratio (%)	17.8	18.2	(0.4)	18.5	18.2	0.3	18.1	17.6	0.5
Total loss-absorbing capacity ratio (%)	36.5	37.9	(1.4)	38.0	38.7	(0.8)	36.7	37.2	(0.5)
Leverage ratio denominator	1,660,097	1,658,089	2,008	1,565,845	1,561,583	4,261	1,523,277	1,519,477	3,799
Common equity tier 1 leverage ratio (%)	4.2	4.4	(0.2)	4.5	4.4	0.1	4.8	4.7	0.1
Liquidity coverage ratio (%) ¹	179.4	182.3	(2.9)	180.3	181.0	(0.7)	186.1	188.4	(2.3)
Net stable funding ratio (%)	120.9	122.4	(1.5)	122.8	124.2	(1.4)	124.1	125.5	(1.4)

¹ The disclosed ratios represent quarterly averages for the quarters presented and are calculated based on an average of 61 data points in the second quarter of 2025, 62 data points in the first quarter of 2025 and 64 data points in the fourth quarter of 2024. Refer to the "Liquidity and funding management" section of the UBS Group second quarter 2025 report, available under "Quarterly reporting" at ubs.com/investors, for more information.

Appendix

Alternative performance measures

An alternative performance measure (an APM) is a financial measure of historical or future financial performance, financial position or cash flows other than a financial measure defined or specified in the applicable recognized accounting standards or in other applicable regulations. A number of APMs are reported in the discussion of the financial and operating performance of the external reports (annual, quarterly and other reports). APMs are used to provide a more complete picture of operating performance and to reflect management's view of the fundamental drivers of the business results. A definition of each APM, the method used to calculate it and the information content are presented in alphabetical order in the table below. These APMs may qualify as non-GAAP measures as defined by US Securities and Exchange Commission (SEC) regulations.

APM label	Calculation	Information content
Cost / income ratio (%)	Calculated as operating expenses divided by total revenues.	This measure provides information about the efficiency of the business by comparing operating expenses with total revenues.
Cost of credit risk¹ (bps)	Calculated as total credit loss expense / (release) (annualized for reporting periods shorter than 12 months) divided by the average balance of lending assets for the reporting period, expressed in basis points. Lending assets include the gross amounts of Amounts due from banks and Loans and advances to customers.	This measure provides information about the total credit loss expense / (release) incurred in relation to the average balance of gross lending assets for the period.
Credit-impaired lending assets as a percentage of total lending assets, gross (%)	Calculated as credit-impaired lending assets divided by total lending assets. Lending assets includes the gross amounts of Amounts due from banks and Loans and advances to customers. Credit-impaired lending assets refers to the sum of stage 3 and purchased credit-impaired positions.	This measure provides information about the proportion of credit-impaired lending assets in the overall portfolio of gross lending assets.
Fee-generating assets (USD) – Global Wealth Management	Calculated as the sum of discretionary and nondiscretionary wealth management portfolios (mandate volume) and assets where generated revenues are predominantly of a recurring nature, i.e. mainly investment, mutual, hedge and private-market funds where we have a distribution agreement, including client commitments into closed-ended private-market funds from the date that recurring fees are charged. Assets related to our Global Financial Intermediaries business are excluded, as are assets of sanctioned clients.	This measure provides information about the volume of invested assets that create a revenue stream, whether as a result of the nature of the contractual relationship with clients or through the fee structure of the asset. An increase in the level of fee-generating assets results in an increase in the associated revenue stream. Assets of sanctioned clients are excluded from fee-generating assets.
Gross margin on invested assets¹ (bps) – Asset Management	Calculated as total revenues (annualized for reporting periods shorter than 12 months) divided by average invested assets.	This measure provides information about the total revenues of the business in relation to invested assets.
Impaired loan portfolio as a percentage of total loan portfolio, gross (%) – Global Wealth Management, Personal & Corporate Banking	Calculated as impaired loan portfolio divided by total gross loan portfolio.	This measure provides information about the proportion of impaired loan portfolio in the total gross loan portfolio.
Integration-related expenses (USD)	Generally include costs of internal staff and contractors substantially dedicated to integration activities, retention awards, redundancy costs, incremental expenses from the shortening of useful lives of property, equipment and software, and impairment charges relating to these assets. Classification as integration-related expenses does not affect the timing of recognition and measurement of those expenses or the presentation thereof in the income statement. Integration-related expenses incurred by Credit Suisse also included expenses associated with restructuring programs that existed prior to the acquisition.	This measure provides information about expenses that are temporary, incremental and directly related to the integration of Credit Suisse into UBS.

APM label	Calculation	Information content
Invested assets (USD and CHF) – Global Wealth Management, Personal & Corporate Banking, Asset Management	Calculated as the sum of managed fund assets, managed institutional assets, discretionary and advisory wealth management portfolios, fiduciary deposits, time deposits, savings accounts, and wealth management securities or brokerage accounts.	This measure provides information about the volume of client assets managed by or deposited with UBS for investment purposes.
Net interest margin¹ (bps) – Personal & Corporate Banking	Calculated as net interest income (annualized for reporting periods shorter than 12 months) divided by average loans.	This measure provides information about the profitability of the business by calculating the difference between the price charged for lending and the cost of funding, relative to loan value.
Net new assets (USD) – Global Wealth Management	Calculated as the net amount of inflows and outflows of invested assets (as defined in UBS policy) recorded during a specific period, plus interest and dividends. Excluded from the calculation are movements due to market performance, foreign exchange translation, fees, and the effects on invested assets of strategic decisions by UBS to exit markets or services.	This measure provides information about the development of invested assets during a specific period as a result of net new asset flows, plus the effect of interest and dividends.
Net new assets growth rate (%) – Global Wealth Management	Calculated as the net amount of inflows and outflows of invested assets (as defined in UBS policy) recorded during a specific period (annualized for reporting periods shorter than 12 months), plus interest and dividends, divided by total invested assets at the beginning of the period.	This measure provides information about the growth of invested assets during a specific period as a result of net new asset flows.
Net new deposits (USD) – Global Wealth Management	Calculated as the net amount of inflows and outflows of deposits recorded during a specific period. Deposits include customer deposits and customer brokerage payables. Excluded from the calculation are movements due to fair value measurement, foreign exchange translation, accrued interest and fees, as well as the effects on customer deposits of strategic decisions by UBS to exit markets or services.	This measure provides information about the development of deposits during a specific period as a result of net new deposit flows.
Net new fee-generating assets (USD) – Global Wealth Management	Calculated as the net amount of fee-generating asset inflows and outflows, including dividend and interest inflows into mandates and outflows from mandate fees paid by clients during a specific period. Excluded from the calculation are the effects on fee-generating assets of strategic decisions by UBS to exit markets or services.	This measure provides information about the development of fee-generating assets during a specific period as a result of net flows, excluding movements due to market performance and foreign exchange translation, as well as the effects on fee-generating assets of strategic decisions by UBS to exit markets or services.
Net new loans (USD) – Global Wealth Management	Calculated as the net amount of originations, drawdowns and repayments of loans recorded during a specific period. Loans include loans and advances to customers and customer brokerage receivables. Excluded from the calculation are allowances, movements due to fair value measurement and foreign exchange translation, as well as the effects on loans and advances to customers of strategic decisions by UBS to exit markets or services.	This measure provides information about the development of loans during a specific period as a result of net new loan flows.
Net new money (USD) – Global Wealth Management, Asset Management	Calculated as the net amount of inflows and outflows of invested assets (as defined in UBS policy) recorded during a specific period. Excluded from the calculation are movements due to market performance, foreign exchange translation, dividends, interest and fees, as well as the effects on invested assets of strategic decisions by UBS to exit markets or services. Net new money is not measured for Personal & Corporate Banking.	This measure provides information about the development of invested assets during a specific period as a result of net new money flows.
Net profit growth (%)	Calculated as the change in net profit attributable to shareholders from continuing operations between current and comparison periods divided by net profit attributable to shareholders from continuing operations of the comparison period.	This measure provides information about profit growth since the comparison period.
Operating expenses (underlying) (USD)	Calculated by adjusting operating expenses as reported in accordance with IFRS Accounting Standards for items that management believes are not representative of the underlying performance of the businesses.	This measure provides information about the amount of operating expenses, while excluding items that management believes are not representative of the underlying performance of the businesses.

APM label	Calculation	Information content
Operating profit / (loss) before tax (underlying) (USD)	Calculated by adjusting operating profit / (loss) before tax as reported in accordance with IFRS Accounting Standards for items that management believes are not representative of the underlying performance of the businesses.	This measure provides information about the amount of operating profit / (loss) before tax, while excluding items that management believes are not representative of the underlying performance of the businesses.
Pre-tax profit growth (%) – Global Wealth Management, Personal & Corporate Banking, Asset Management, the Investment Bank	Calculated as the change in net profit before tax attributable to shareholders from continuing operations between current and comparison periods divided by net profit before tax attributable to shareholders from continuing operations of the comparison period.	This measure provides information about pre-tax profit growth since the comparison period.
Pre-tax profit growth (underlying) (%) – Global Wealth Management, Personal & Corporate Banking, Asset Management, the Investment Bank	Calculated as the change in net profit before tax attributable to shareholders from continuing operations between current and comparison periods divided by net profit before tax attributable to shareholders from continuing operations of the comparison period. Net profit before tax attributable to shareholders from continuing operations excludes items that management believes are not representative of the underlying performance of the businesses and also excludes related tax impact.	This measure provides information about pre-tax profit growth since the comparison period, while excluding items that management believes are not representative of the underlying performance of the businesses.
Recurring net fee income (USD and CHF) – Global Wealth Management, Personal & Corporate Banking	Calculated as the total of fees for services provided on an ongoing basis, such as portfolio management fees, asset-based investment fund fees and custody fees, which are generated on client assets, and administrative fees for accounts.	This measure provides information about the amount of recurring net fee income.
Return on attributed equity¹ (%)	Calculated as business division operating profit before tax (annualized for reporting periods shorter than 12 months) divided by average attributed equity.	This measure provides information about the profitability of the business divisions in relation to attributed equity.
Return on common equity tier 1 capital¹ (%)	Calculated as net profit attributable to shareholders (annualized for reporting periods shorter than 12 months) divided by average common equity tier 1 capital.	This measure provides information about the profitability of the business in relation to common equity tier 1 capital.
Return on equity¹ (%)	Calculated as net profit attributable to shareholders (annualized for reporting periods shorter than 12 months) divided by average equity attributable to shareholders.	This measure provides information about the profitability of the business in relation to equity.
Return on tangible equity¹ (%)	Calculated as net profit attributable to shareholders (annualized for reporting periods shorter than 12 months) divided by average equity attributable to shareholders less average goodwill and intangible assets.	This measure provides information about the profitability of the business in relation to tangible equity.
Revenues over leverage ratio denominator, gross¹ (%)	Calculated as total revenues (annualized for reporting periods shorter than 12 months) divided by the average leverage ratio denominator.	This measure provides information about the revenues of the business in relation to the leverage ratio denominator.
Tangible book value per share (USD)	Calculated as equity attributable to shareholders less goodwill and intangible assets divided by the number of shares outstanding.	This measure provides information about tangible net assets on a per-share basis.
Total book value per share (USD)	Calculated as equity attributable to shareholders divided by the number of shares outstanding.	This measure provides information about net assets on a per-share basis.
Total revenues (underlying) (USD)	Calculated by adjusting total revenues as reported in accordance with IFRS Accounting Standards for items that management believes are not representative of the underlying performance of the businesses.	This measure provides information about the amount of total revenues, while excluding items that management believes are not representative of the underlying performance of the businesses.
Transaction-based income (USD and CHF) – Global Wealth Management, Personal & Corporate Banking	Calculated as the total of the non-recurring portion of net fee and commission income, mainly composed of brokerage and transaction-based investment fund fees, and credit card fees, as well as fees for payment and foreign-exchange transactions, together with other net income from financial instruments measured at fair value through profit or loss.	This measure provides information about the amount of the non-recurring portion of net fee and commission income, together with other net income from financial instruments measured at fair value through profit or loss.
Underlying cost / income ratio (%)	Calculated as underlying operating expenses (as defined above) divided by underlying total revenues (as defined above).	This measure provides information about the efficiency of the business by comparing operating expenses with total revenues, while excluding items that management believes are not representative of the underlying performance of the businesses.

APM label	Calculation	Information content
Underlying net profit growth (%)	Calculated as the change in net profit attributable to shareholders from continuing operations between current and comparison periods divided by net profit attributable to shareholders from continuing operations of the comparison period. Net profit attributable to shareholders from continuing operations excludes items that management believes are not representative of the underlying performance of the businesses and also excludes related tax impact.	This measure provides information about profit growth since the comparison period, while excluding items that management believes are not representative of the underlying performance of the businesses.
Underlying return on attributed equity¹ (%)	Calculated as underlying business division operating profit before tax (annualized for reporting periods shorter than 12 months) (as defined above) divided by average attributed equity.	This measure provides information about the profitability of the business divisions in relation to attributed equity, while excluding items that management believes are not representative of the underlying performance of the businesses.
Underlying return on common equity tier 1 capital¹ (%)	Calculated as net profit attributable to shareholders (annualized for reporting periods shorter than 12 months) divided by average common equity tier 1 capital. Net profit attributable to shareholders excludes items that management believes are not representative of the underlying performance of the businesses and also excludes related tax impact.	This measure provides information about the profitability of the business in relation to common equity tier 1 capital, while excluding items that management believes are not representative of the underlying performance of the businesses.
Underlying return on tangible equity¹ (%)	Calculated as net profit attributable to shareholders (annualized for reporting periods shorter than 12 months) divided by average equity attributable to shareholders less average goodwill and intangible assets. Net profit attributable to shareholders excludes items that management believes are not representative of the underlying performance of the businesses and also excludes related tax impact.	This measure provides information about the profitability of the business in relation to tangible equity, while excluding items that management believes are not representative of the underlying performance of the businesses.

¹ Profit or loss information for each of the second quarter of 2025 and the first quarter of 2025 is based entirely on consolidated data following the merger of UBS AG and Credit Suisse AG and for the purpose of the calculation of return measures has been annualized by multiplying such by four. Profit or loss information for the second quarter of 2024 is presented on a consolidated basis, including Credit Suisse AG data for one month (June 2024), and for the purpose of the calculation of return measures has been annualized multiplying such by four. Profit or loss information for the first six months of 2025 is based entirely on consolidated data following the merger of UBS AG and Credit Suisse AG and for the purpose of the calculation of return measures has been annualized by multiplying such by two. Profit or loss information for the first six months of 2024 is presented on a consolidated basis, including Credit Suisse AG data for one month (June 2024), and for the purpose of the calculation of return measures has been annualized by multiplying such by two.

This is a general list of the APMs used in our financial reporting. Not all of the APMs listed above may appear in this particular report.

Abbreviations frequently used in our financial reports

A		CRO	Chief Risk Officer	FRTB	Fundamental Review of the Trading Book
ABS	asset-backed securities	CST	combined stress test		
AG	Aktiengesellschaft	CUSIP	Committee on Uniform Security Identification Procedures	FSB	Financial Stability Board
AGM	Annual General Meeting of shareholders			FTA	Swiss Federal Tax Administration
AI	artificial intelligence	CVA	credit valuation adjustment	FVA	funding valuation adjustment
A-IRB	advanced internal ratings-based	D		FVOCI	fair value through other comprehensive income
ALCO	Asset and Liability Committee	DBO	defined benefit obligation	FVTPL	fair value through profit or loss
AMA	advanced measurement approach	DCCP	Deferred Contingent Capital Plan	FX	foreign exchange
AML	anti-money laundering	DFAST	Dodd–Frank Act Stress Test		
AoA	Articles of Association	DM	discount margin	G	
APM	alternative performance measure	DOJ	US Department of Justice	GAAP	generally accepted accounting principles
ARR	alternative reference rate	DTA	deferred tax asset	GBP	pound sterling
ARS	auction rate securities	DVA	debit valuation adjustment	GCRG	Group Compliance, Regulatory and Governance
ASF	available stable funding	E		GDP	gross domestic product
AT1	additional tier 1	EAD	exposure at default	GEB	Group Executive Board
AuM	assets under management	EB	Executive Board	GHG	greenhouse gas
B		EC	European Commission	GIA	Group Internal Audit
BCBS	Basel Committee on Banking Supervision	ECB	European Central Bank	GRI	Global Reporting Initiative
BIS	Bank for International Settlements	ECL	expected credit loss	G-SIB	global systemically important bank
BoD	Board of Directors	EGM	Extraordinary General Meeting of shareholders		
C		EIR	effective interest rate	H	
CAO	Capital Adequacy Ordinance	EL	expected loss	HQLA	high-quality liquid assets
CCAR	Comprehensive Capital Analysis and Review	EMEA	Europe, Middle East and Africa		
CCF	credit conversion factor	EOP	Equity Ownership Plan	I	
CCP	central counterparty	EPS	earnings per share	IA	Internal Audit
CCR	counterparty credit risk	ESG	environmental, social and governance	IAS	International Accounting Standards
CCRC	Corporate Culture and Responsibility Committee	ETD	exchange-traded derivatives	IASB	International Accounting Standards Board
CDS	credit default swap	ETF	exchange-traded fund	IBOR	interbank offered rate
CEO	Chief Executive Officer	EU	European Union	IFRIC	International Financial Reporting Interpretations Committee
CET1	common equity tier 1	EUR	euro		
CFO	Chief Financial Officer	EURIBOR	Euro Interbank Offered Rate	IFRS	accounting standards issued by the IASB
CGU	cash-generating unit	EVE	economic value of equity	Accounting Standards	
CHF	Swiss franc	EY	Ernst & Young Ltd	IRB	internal ratings-based
CIO	Chief Investment Office	F		IRRBB	interest rate risk in the banking book
C&ORC	Compliance & Operational Risk Control	FCA	UK Financial Conduct Authority	ISDA	International Swaps and Derivatives Association
CRM	credit risk mitigation	FDIC	Federal Deposit Insurance Corporation	ISIN	International Securities Identification Number
		FINMA	Swiss Financial Market Supervisory Authority		
		FMIA	Swiss Financial Market Infrastructure Act		

Abbreviations frequently used in our financial reports (continued)

K		R		T	
KRT	Key Risk Taker	RBC	risk-based capital	TBTF	too big to fail
L		RbM	risk-based monitoring	TCFD	Task Force on Climate-related Financial Disclosures
	LAS	REIT	real estate investment trust		
	LCR	RMBS	residential mortgage-backed securities	TIBOR	Tokyo Interbank Offered Rate
	LGD	RniV	risks not in VaR	TLAC	total loss-absorbing capacity
	LIBOR	RoCET1	return on CET1 capital	TTC	through the cycle
		RoU	right-of-use		
LLC	limited liability company	rTSR	relative total shareholder return	U	
LoD	lines of defense			USD	US dollar
LRD	leverage ratio denominator	RWA	risk-weighted assets	V	
LTIP	Long-Term Incentive Plan			VaR	value-at-risk
LTV	loan-to-value	S		VAT	value added tax
M		SA	standardized approach or société anonyme		
M&A	mergers and acquisitions	SA-CCR	standardized approach for counterparty credit risk		
MRT	Material Risk Taker	SAR	Special Administrative Region of the People's Republic of China		
N					
NII	net interest income	SDG	Sustainable Development Goal		
NSFR	net stable funding ratio				
NYSE	New York Stock Exchange	SEC	US Securities and Exchange Commission		
O		SFT	securities financing transaction		
OCA	own credit adjustment				
OCI	other comprehensive income	SIBOR	Singapore Interbank Offered Rate		
OECD	Organisation for Economic Co-operation and Development	SICR	significant increase in credit risk		
OTC	over-the-counter	SIX	SIX Swiss Exchange		
P		SME	small and medium-sized entities		
PCI	purchased credit impaired	SMF	Senior Management Function		
PD	probability of default	SNB	Swiss National Bank		
PIT	point in time	SOR	Singapore Swap Offer Rate		
PPA	purchase price allocation	SPPI	solely payments of principal and interest		
Q					
QCCP	qualifying central counterparty	SRB	systemically relevant bank		
		SVaR	stressed value-at-risk		

This is a general list of the abbreviations frequently used in our financial reporting. Not all of the listed abbreviations may appear in this particular report.

Information sources

Reporting publications

Annual publications

UBS AG Annual Report: Published in English, this report provides descriptions of: the performance of UBS AG (consolidated); the strategy and performance of the business divisions and Group functions; risk, treasury and capital management; corporate governance; and financial information, including the financial statements.

Compensation Report: This report discusses the compensation framework and provides information about compensation for the Board of Directors and the Group Executive Board members. It is available in English and German (“*Vergütungsbericht*”) and represents a component of the UBS Group Annual Report.

Sustainability Report: Published in English, the Sustainability Report provides disclosures on environmental, social and governance topics related to the UBS Group. It also provides certain disclosures related to diversity, equity and inclusion.

Quarterly publications

Quarterly financial report: This report provides an update on performance and strategy (where applicable) for the respective quarter. It is available in English.

The annual and quarterly publications are available in .pdf and online formats at ubs.com/investors, under “Financial information”. Printed copies, in any language, of the aforementioned annual publications are no longer provided.

Other information

Website

The “Investor Relations” website at ubs.com/investors provides the following information about UBS: results-related news releases; financial information, including results-related filings with the US Securities and Exchange Commission (the SEC); information for shareholders, including UBS dividend and share repurchase program information, and for bondholders, including rating agencies reports; the corporate calendar; and presentations by management for investors and financial analysts. Information is available online in English, with some information also available in German.

Results presentations

Quarterly results presentations are webcast live. Recordings of most presentations can be downloaded from ubs.com/presentations.

Messaging service

Email alerts to news about UBS can be subscribed for under “UBS News Alert” at ubs.com/global/en/investor-relations/contact/investor-services.html. Messages are sent in English, German, French or Italian, with an option to select theme preferences for such alerts.

Form 20-F and other submissions to the US Securities and Exchange Commission

UBS files periodic reports with and submits other information to the SEC. Principal among these filings is the annual report on Form 20-F, filed pursuant to the US Securities Exchange Act of 1934. The filing of Form 20-F is structured as a wraparound document. Most sections of the filing can be satisfied by referring to the UBS AG Annual Report. However, there is a small amount of additional information in Form 20-F that is not presented elsewhere and is particularly targeted at readers in the US. Readers are encouraged to refer to this additional disclosure. Any document that is filed with the SEC is available on the SEC’s website: sec.gov. Refer to ubs.com/investors for more information.

Cautionary statement regarding forward-looking statements | This report contains statements that constitute “forward-looking statements”, including but not limited to management’s outlook for UBS’s financial performance, statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development and goals or intentions to achieve climate, sustainability and other social objectives. While these forward-looking statements represent UBS’s judgments, expectations and objectives concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations. In particular, the global economy may suffer significant adverse effects from increasing political tensions between world powers, changes to international trade policies, including those related to tariffs and trade barriers, and ongoing conflicts in the Middle East, as well as the continuing Russia–Ukraine war. UBS’s acquisition of the Credit Suisse Group has materially changed its outlook and strategic direction and introduced new operational challenges. The integration of the Credit Suisse entities into the UBS structure is expected to continue through 2026 and presents significant operational and execution risk, including the risks that UBS may be unable to achieve the cost reductions and business benefits contemplated by the transaction, that it may incur higher costs to execute the integration of Credit Suisse and that the acquired business may have greater risks or liabilities than expected. Following the failure of Credit Suisse, Switzerland is considering significant changes to its capital, resolution and regulatory regime, which, if adopted, would significantly increase our capital requirements or impose other costs on UBS. These factors create greater uncertainty about forward-looking statements. Other factors that may affect UBS’s performance and ability to achieve its plans, outlook and other objectives also include, but are not limited to: (i) the degree to which UBS is successful in the execution of its strategic plans, including its cost reduction and efficiency initiatives and its ability to manage its levels of risk-weighted assets (RWA) and leverage ratio denominator (LRD), liquidity coverage ratio and other financial resources, including changes in RWA assets and liabilities arising from higher market volatility and the size of the combined Group; (ii) the degree to which UBS is successful in implementing changes to its businesses to meet changing market, regulatory and other conditions; (iii) inflation and interest rate volatility in major markets; (iv) developments in the macroeconomic climate and in the markets in which UBS operates or to which it is exposed, including movements in securities prices or liquidity, credit spreads, currency exchange rates, residential and commercial real estate markets, general economic conditions, and changes to national trade policies on the financial position or creditworthiness of UBS’s clients and counterparties, as well as on client sentiment and levels of activity; (v) changes in the availability of capital and funding, including any adverse changes in UBS’s credit spreads and credit ratings of UBS, as well as availability and cost of funding to meet requirements for debt eligible for total loss-absorbing capacity (TLAC); (vi) changes in central bank policies or the implementation of financial legislation and regulation in Switzerland, the US, the UK, the EU and other financial centers that have imposed, or resulted in, or may do so in the future, more stringent or entity-specific capital, TLAC, leverage ratio, net stable funding ratio, liquidity and funding requirements, heightened operational resilience requirements, incremental tax requirements, additional levies, limitations on permitted activities, constraints on remuneration, constraints on transfers of capital and liquidity and sharing of operational costs across the Group or other measures, and the effect these will or would have on UBS’s business activities; (vii) UBS’s ability to successfully implement resolvability and related regulatory requirements and the potential need to make further changes to the legal structure or booking model of UBS in response to legal and regulatory requirements including heightened requirements and expectations due to its acquisition of the Credit Suisse Group; (viii) UBS’s ability to maintain and improve its systems and controls for complying with sanctions in a timely manner and for the detection and prevention of money laundering to meet evolving regulatory requirements and expectations, in particular in the current geopolitical turmoil; (ix) the uncertainty arising from domestic stresses in certain major economies; (x) changes in UBS’s competitive position, including whether differences in regulatory capital and other requirements among the major financial centers adversely affect UBS’s ability to compete in certain lines of business; (xi) changes in the standards of conduct applicable to its businesses that may result from new regulations or new enforcement of existing standards, including measures to impose new and enhanced duties when interacting with customers and in the execution and handling of customer transactions; (xii) the liability to which UBS may be exposed, or possible constraints or sanctions that regulatory authorities might impose on UBS, due to litigation, contractual claims and regulatory investigations, including the potential for disqualification from certain businesses, potentially large fines or monetary penalties, or the loss of licenses or privileges as a result of regulatory or other governmental sanctions, as well as the effect that litigation, regulatory and similar matters have on the operational risk component of its RWA; (xiii) UBS’s ability to retain and attract the employees necessary to generate revenues and to manage, support and control its businesses, which may be affected by competitive factors; (xiv) changes in accounting or tax standards or policies, and determinations or interpretations affecting the recognition of gain or loss, the valuation of goodwill, the recognition of deferred tax assets and other matters; (xv) UBS’s ability to implement new technologies and business methods, including digital services, artificial intelligence and other technologies, and ability to successfully compete with both existing and new financial service providers, some of which may not be regulated to the same extent; (xvi) limitations on the effectiveness of UBS’s internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xvii) the occurrence of operational failures, such as fraud, misconduct, unauthorized trading, financial crime, cyberattacks, data leakage and systems failures, the risk of which is increased with persistently high levels of cyberattack threats; (xviii) restrictions on the ability of UBS Group AG, UBS AG and regulated subsidiaries of UBS AG to make payments or distributions, including due to restrictions on the ability of its subsidiaries to make loans or distributions, directly or indirectly, or, in the case of financial difficulties, due to the exercise by FINMA or the regulators of UBS’s operations in other countries of their broad statutory powers in relation to protective measures, restructuring and liquidation proceedings; (xix) the degree to which changes in regulation, capital or legal structure, financial results or other factors may affect UBS’s ability to maintain its stated capital return objective; (xx) uncertainty over the scope of actions that may be required by UBS, governments and others for UBS to achieve goals relating to climate, environmental and social matters, as well as the evolving nature of underlying science and industry and the increasing divergence among regulatory regimes; (xxi) the ability of UBS to access capital markets; (xxii) the ability of UBS to successfully recover from a disaster or other business continuity problem due to a hurricane, flood, earthquake, terrorist attack, war, conflict, pandemic, security breach, cyberattack, power loss, telecommunications failure or other natural or man-made event; and (xxiii) the effect that these or other factors or unanticipated events, including media reports and speculations, may have on its reputation and the additional consequences that this may have on its business and performance. The sequence in which the factors above are presented is not indicative of their likelihood of occurrence or the potential magnitude of their consequences. UBS’s business and financial performance could be affected by other factors identified in its past and future filings and reports, including those filed with the US Securities and Exchange Commission (the SEC). More detailed information about those factors is set forth in documents furnished by UBS and filings made by UBS with the SEC, including the UBS Group AG and UBS AG Annual Reports on Form 20-F for the year ended 31 December 2024. UBS is not under any obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

Rounding | Numbers presented throughout this report may not add up precisely to the totals provided in the tables and text. Percentages and percent changes disclosed in text and tables are calculated on the basis of unrounded figures. Absolute changes between reporting periods disclosed in the text, which can be derived from numbers presented in related tables, are calculated on a rounded basis.

Tables | Within tables, blank fields generally indicate non-applicability or that presentation of any content would not be meaningful, or that information is not available as of the relevant date or for the relevant period. Zero values generally indicate that the respective figure is zero on an actual or rounded basis. Values that are zero on a rounded basis can be either negative or positive on an actual basis.

Websites | In this report, any website addresses are provided solely for information and are not intended to be active links. UBS is not incorporating the contents of any such websites into this report.

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