Second quarter 2015 results

July 27, 2015

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 and statements relating to the anticipated effect of transactions and strategic initiatives on UBS's business and future development. While these forward-looking statements represent UBS's judgments and expectations 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. These factors include, but are not limited to: (i) the degree to which UBS is successful in executing its announced strategic plans, including its cost reduction and efficiency initiatives and its planned further reduction in its Basel III risk-weighted assets (RWA) and leverage ratio denominator (LRD), and to maintain its stated capital return objective; (ii) developments 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 and interest rates and the effect of economic conditions and market developments on the financial position or creditworthiness of UBS's clients and counterparties, and the degree to which UBS is successful in implementing changes to its business to meet changing market, regulatory and other conditions; (iii) changes in the availability of capital and funding, including any changes in UBS's credit spreads and ratings, or arising from requirements for bail-in debt or loss-absorbing capital; (iv) changes in or the implementation of financial legislation and regulation in Switzerland, the US, the UK and other financial centers that may impose, or result in, more stringent capital (including leverage ratio), liquidity and funding requirements, incremental tax requirements, additional levies, limitations on permitted activities, constraints on remuneration or other measures; (v) uncertainty as to when and to what degree the Swiss Financial Market Supervisory Authority (FINMA) will approve reductions to the incremental RWA resulting from the supplemental operational risk capital analysis mutually agreed to by UBS and FINMA, or will approve a limited reduction of capital requirements due to measures to reduce resolvability risk; (vi) the degree to which UBS is successful in establishing a US intermediate holding company and implementing the US enhanced prudential standards, completing the squeeze-out of minority shareholders of UBS AG, and other changes which UBS may make in its legal entity structure and operating model, including the possible consequences of such changes and other similar changes that have been made previously, and the potential need to make further changes to the legal structure or booking model of UBS Group in response to legal and regulatory requirements, including capital requirements, resolvability requirements and proposals in Switzerland and other countries for mandatory structural reform of banks; (vii) changes in UBS's competitive position, including whether differences in regulatory capital and other requirements among the major financial centers will adversely affect UBS's ability to compete in certain lines of business; (viii) changes in the standards of conduct applicable to our businesses that may result from new regulation or new enforcement of existing standards, including measures to impose new or enhanced duties when interacting with customers or in the execution and handling of customer transactions; (ix) 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; (x) the effects on UBS's cross-border banking business of tax or regulatory developments and of possible changes in UBS's policies and practices relating to this business; (xi) 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 including differences in compensation practices; (xii) 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; (xiii) limitations on the effectiveness of UBS's internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xiv) whether UBS will be successful in keeping pace with competitors in updating its technology, in trading businesses; (xv) the occurrence of operational failures, such as fraud, misconduct, unauthorized trading and systems failures; (xvi) restrictions to the ability of subsidiaries of the Group to make loans or distributions of any kind, directly or indirectly, to UBS Group AG; and (xvii) the effect that these or other factors or unanticipated events may have on our reputation and the additional consequences that this may have on our 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. Our business and financial performance could be affected by other factors identified in our past and future filings and reports, including those filed with 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 UBS's Annual Report on Form 20-F for the year ended 31 December 2014. 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.

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2Q15 highlights

1H15 net profit CHF 3.2 billion, up 73% YoY; 1H15 12% annualized return on tangible equity[1]

Group

Net profit attributable to UBS Group AG shareholders CHF 1,209 million, diluted EPS CHF 0.32

Reported profit before tax (PBT) CHF 1,759 million, adjusted PBT CHF 1,635 million

Basel III fully applied CET1 ratio 14.4%, Swiss SRB fully applied leverage ratio 4.7%

Successful launch of UBS Switzerland AG, the largest bank in Switzerland

Business divisions[1]

Wealth Management: PBT CHF 769 million and NNM CHF 8.4 billion[2]
- Highest second quarter PBT since 2009 with continued growth in recurring revenues

Wealth Management Americas: PBT USD 231 million
- Record net recurring fee income and industry-leading FA productivity

Retail & Corporate: PBT CHF 414 million
- Highest second quarter PBT since 2010 with all KPIs within target ranges

Global Asset Management: PBT CHF 134 million and continued strong NNM CHF 8.3 billion[3]
- NNM inflows across all capabilities

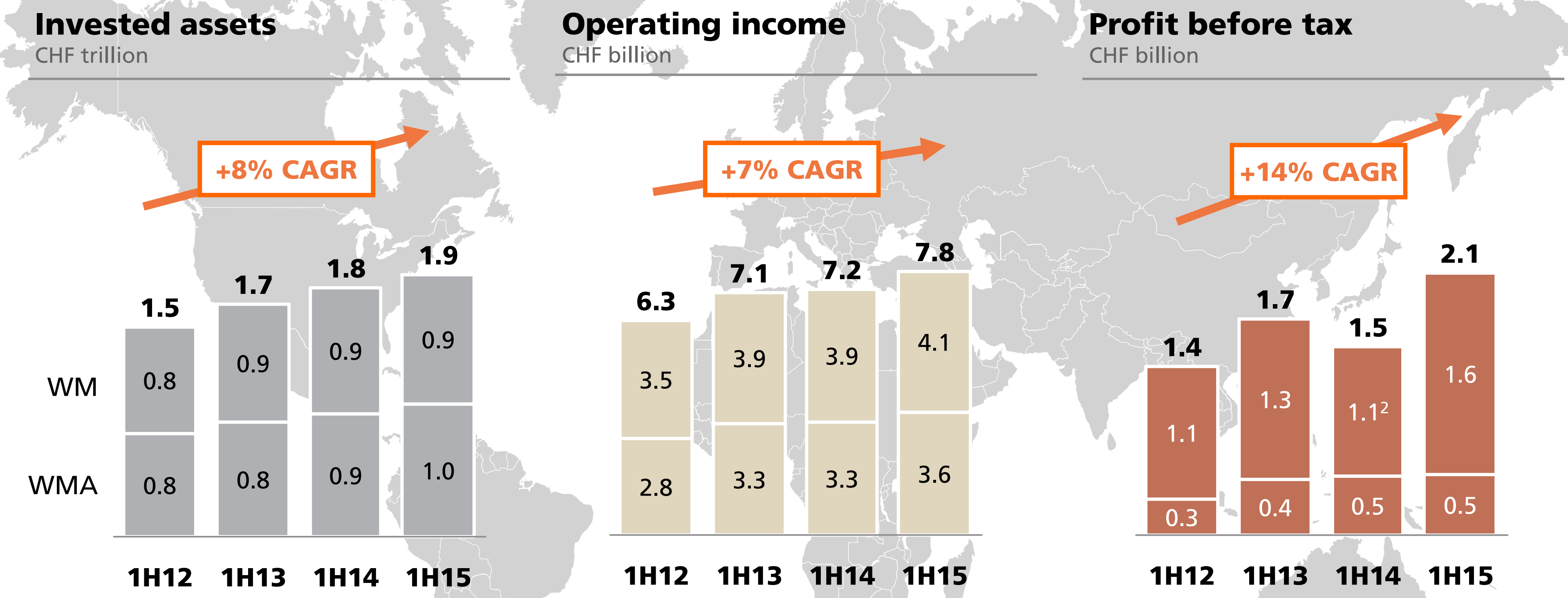
Investment Bank: PBT CHF 617 million
- Annualized return on attributed equity 34% on stable resource utilization

Corporate Center: PBT of negative CHF 514 million
- Significant reduction of CHF 14 billion in Non-core and Legacy Portfolio LRD

1 Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation;
2 Adjusted for net outflows of CHF 6.6 billion related to the Wealth Management balance sheet and capital optimization program;
3 NNM excluding money market flows

The world's leading wealth management franchise

UBS is the world's largest and fastest growing wealth manager[1]



Superior growth prospects and a unique global footprint

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Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Scorpio Partnership Global Private Banking Benchmark 2015, on reporting base currency basis for institutions with AuM >USD 500 billion;
2 Including CHF 0.4 billion in charges for provisions for litigation, regulatory and similar matters

Implementing our target group structure

Significant progress managing regulatory change

Capital and dividends

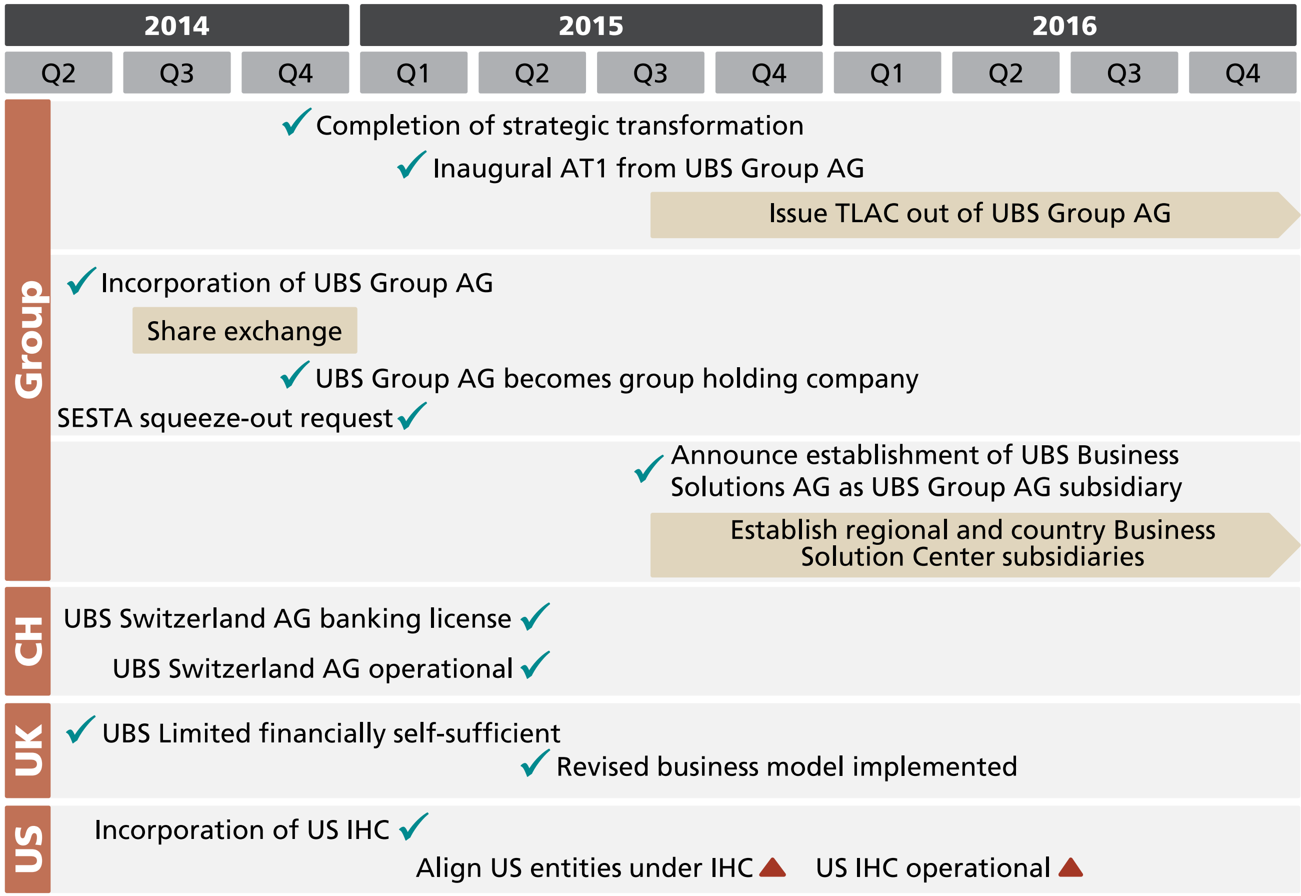
Capital

- Met current fully applied 2019 estimated capital requirements four years early
- Expect to qualify for rebate on progressive buffer requirement
- Intend to issue additional AT1 capital and inaugural TLAC-eligible debt out of UBS Group AG in 3Q15

Dividends

- Expect successful completion of the SESTA squeeze-out procedure in the near future
- Payment of supplementary capital return of CHF 0.25 per share planned for 3Q15

Key actions and milestones in improving our resolvability



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UBS strategic priorities

Building on our successful transformation with continued disciplined execution

1	**Capitalizing on our early mover advantage**	• Clear strategic intent • Enhanced resolvability • Strong execution track-record
2	**Improving effectiveness and efficiency**	• Executing CHF 2.1 billion in net cost reductions[1] • Creating the right cost structure to support long-term growth • From operational effectiveness to operational excellence
3	**Investing for growth**	• Continue to build our edge in technology and digitalization • Further strengthen our position in APAC and the Americas • Attract, develop and retain talent

We remain fully committed to our capital returns policy[2]

1 Refer to page 41 of the 2014 annual report for details of our cost reduction targets;
2 We target to pay out at least 50% of net profits subject to maintaining a fully applied Basel III CET1 capital ratio of at least 13% and at least 10% post-stress

UBS Group AG results (consolidated)

CHF million	2Q14	3Q14	4Q14	1Q15	**2Q15**
Total operating income	7,147	6,876	6,746	8,841	7,818
Total operating expenses	5,929	7,430	6,342	6,134	6,059
Profit before tax as reported	**1,218**	**(554)**	**404**	**2,708**	**1,759**
of which: own credit on financial liabilities designated at fair value	72	61	70	226	259
of which: gains on sales of real estate	1	0	20	378	0
of which: gain on disposals	43	0	0	141	67
of which: net restructuring charges	(89)	(176)	(208)	(305)	(191)
of which: impairment of an intangible asset	0	0	0	0	(11)
of which: impairment of a financial investment available-for-sale	0	(48)	0	0	0
of which: credit related to changes to retiree benefit plans in the US	0	33	8	0	0
Adjusted profit before tax	**1,191**	**(424)**	**514**	**2,268**	**1,635**
of which: provisions for litigation, regulatory and similar matters	(254)	(1,836)	(310)	(58)	(71)
Tax (expense)/benefit	(314)	1,317	515	(670)	(443)
Net profit attributable to preferred noteholders	111	0	31		
Net profit attributable non-controlling interests[1,2]	1	1	29	61	106
Net profit attributable to UBS Group AG shareholders	**792**	**762**	**858**	**1,977**	**1,209**
Diluted EPS (CHF)	0.21	0.20	0.23	0.53	0.32
Return on tangible equity, adjusted (%)	7.2	8.0	8.6	14.4	9.6
Total book value per share (CHF)[3]	13.20	13.54	13.94	14.33	13.71
Tangible book value per share (CHF)[3]	11.54	11.78	12.14	12.59	12.04

Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation; 1 Includes non-controlling interests in UBS AG reflecting UBS AG shares held by minority shareholders as well as non-controlling interests related to preferred notes issued by UBS AG; 2 We expect to attribute net profit to non-controlling interests related to preferred notes issued by UBS AG of CHF 80 million in 2016 and CHF 70 million in 2017; 3 Refer to slide 24 for details on the development of IFRS equity attributable to UBS Group AG shareholders

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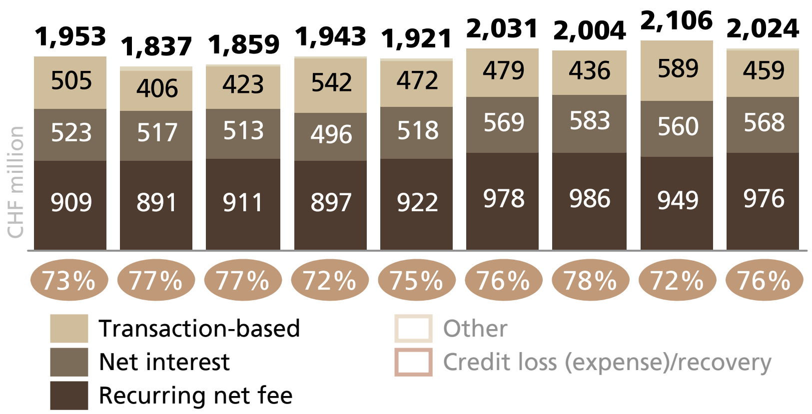
Wealth Management

PBT CHF 769 million, highest second quarter PBT since 2009

Operating income

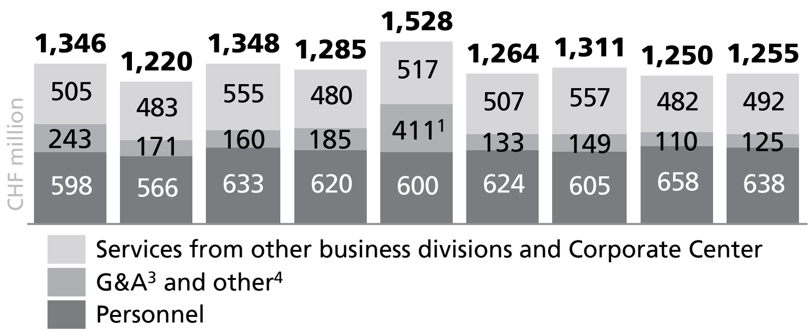


Recurring income

Operating income CHF 2,024 million

- Recurring net fee income increased, mainly reflecting pricing measures, continued growth in mandates and an increase in average invested assets
- Net interest income increased on higher lending and deposit revenues, partly offset by lower revenues from the investment of the Group's equity
- Transaction-based income decreased mainly due to reduced levels of market activity

Operating expenses

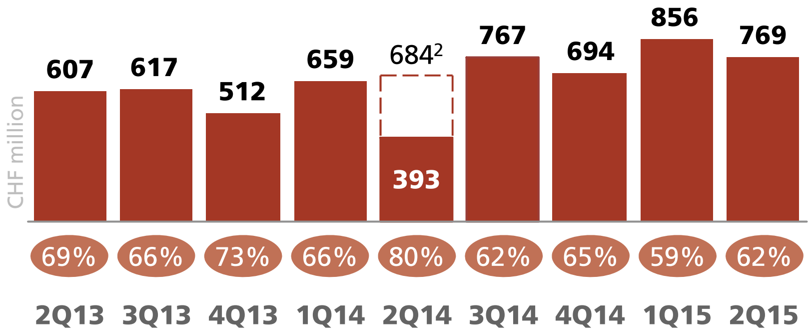


Operating expenses CHF 1,255 million

- Personnel expenses decreased primarily due to lower variable compensation expenses
- G&A expenses increased, partly due to higher marketing expenses

Profit before tax

C/I ratio



PBT CHF 769 million

- 62% cost/income ratio

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Adjusted numbers unless otherwise indicated, Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 CHF 121 million excluding CHF 291 million charges for provisions for litigation, regulatory and similar matters; 2 PBT excluding CHF 291 million charges for provisions for litigation, regulatory and similar matters; 3 General and administrative expenses; 4 Depreciation and impairment of property, equipment and software as well as amortization and impairment of intangible assets

WM balance sheet and capital optimization program

Program is accretive to profits and reduces resource utilization

- **The program seeks to optimize our resource utilization and ensure resource constraints are appropriately priced given the low interest rate environment**
- Assets in scope ~CHF 30 billion: mainly large clients with a high proportion of short-term deposits relative to their invested assets, with a low total client relationship margin, often with a negative client economic profit
- Targeted client discussions to redeploy deposit balances into cash alternatives and investment products, or to reprice their existing deposits and products
- **Results:**
  - Lower than expected outflows
  - >CHF 1 billion net increase in mandates
  - Increase in profit
  - Significant LRD and LCR outflow reduction
  - Additional smaller impact and benefits expected in 3Q15

Financial impact summary

Impact by quarter:
(CHF billion)

	2Q15	3Q15 estimate
NNM	(6.6)	(~4)
Due to customers	(12.3)	(~5)

Total estimated program benefit:
(CHF billion)

LCR[1] cash outflows	(~9)
LRD	(~10)

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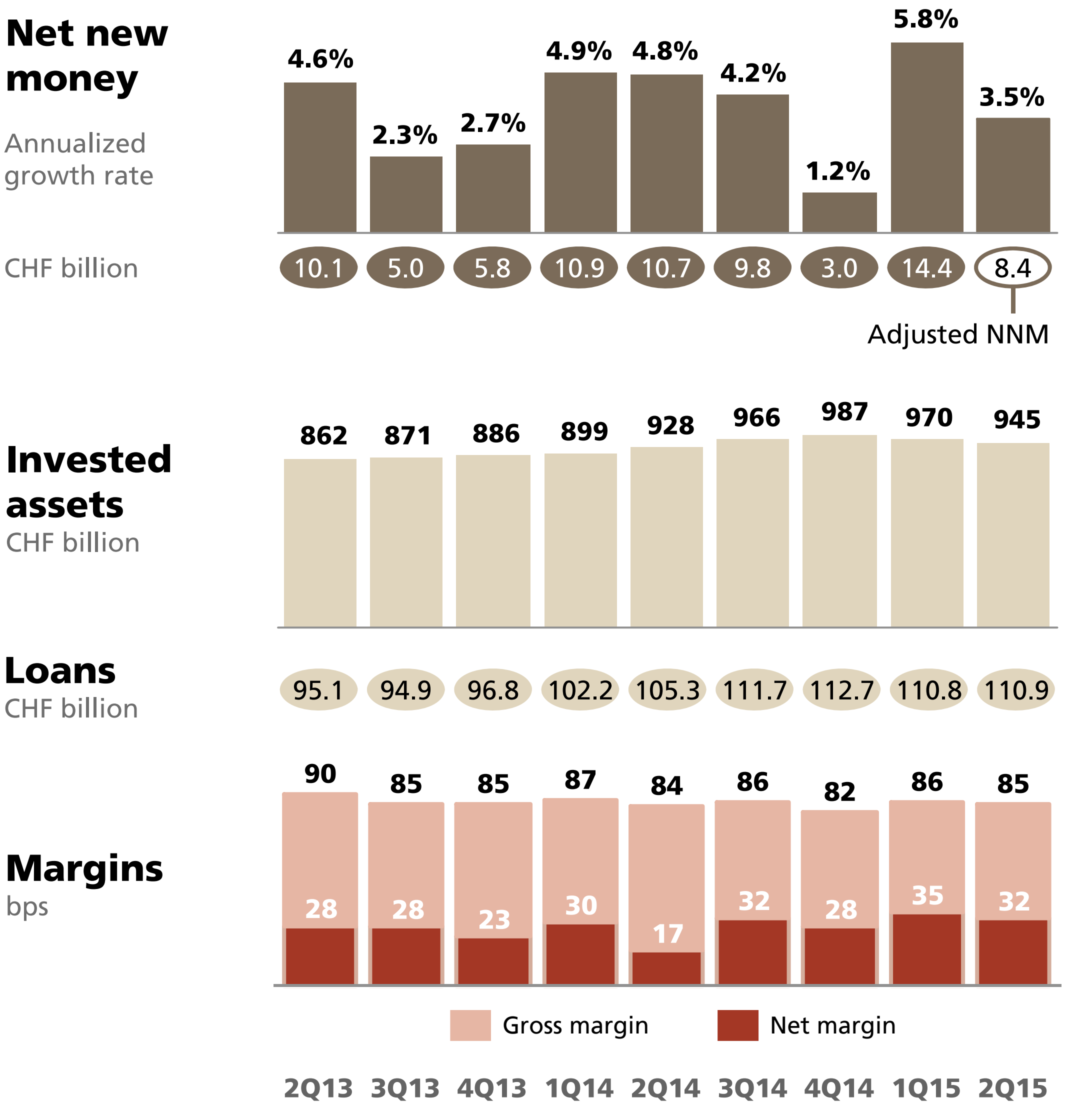
1 Liquidity coverage ratio

Wealth Management

CHF 8.4 billion adjusted NNM[1], mandate penetration up 80 bps to 26.3%



- **Adjusted NNM CHF 8.4 billion, 3.5% growth rate**, inflows in all regions and within our target range
- NNM reported CHF 1.8 billion

- **Invested assets CHF 945 billion**, decrease mainly due to currency translation effects
- **Mandate penetration 26.3%**, up from 25.5%, with strong net mandate sales of CHF 9.2 billion

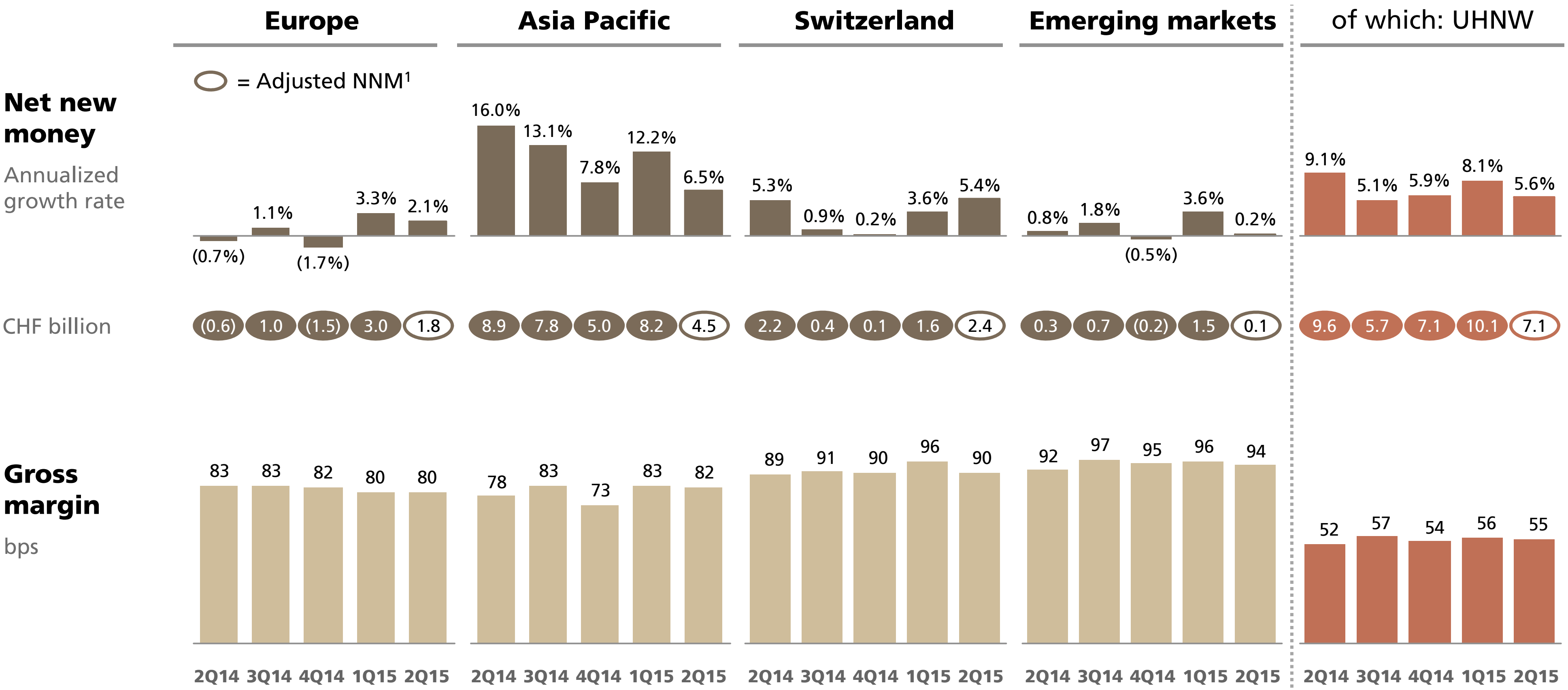
- **Gross loans CHF 110.9 billion**

- **Net margin 32 bps**, up YoY in the last four quarters

Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Adjusted for net outflows of CHF 6.6 billion related to the Wealth Management balance sheet and capital optimization program

Wealth Management

Adjusted NNM[1] positive in all regions



30.6.15	Europe	Asia Pacific	Switzerland	Emerging markets	of which: UHNW
Invested assets CHF billion	**340**	**274**	**172**	**157**	**494**
Client advisors FTE	**1,392**	**1,127**	**760**	**714**	**708**

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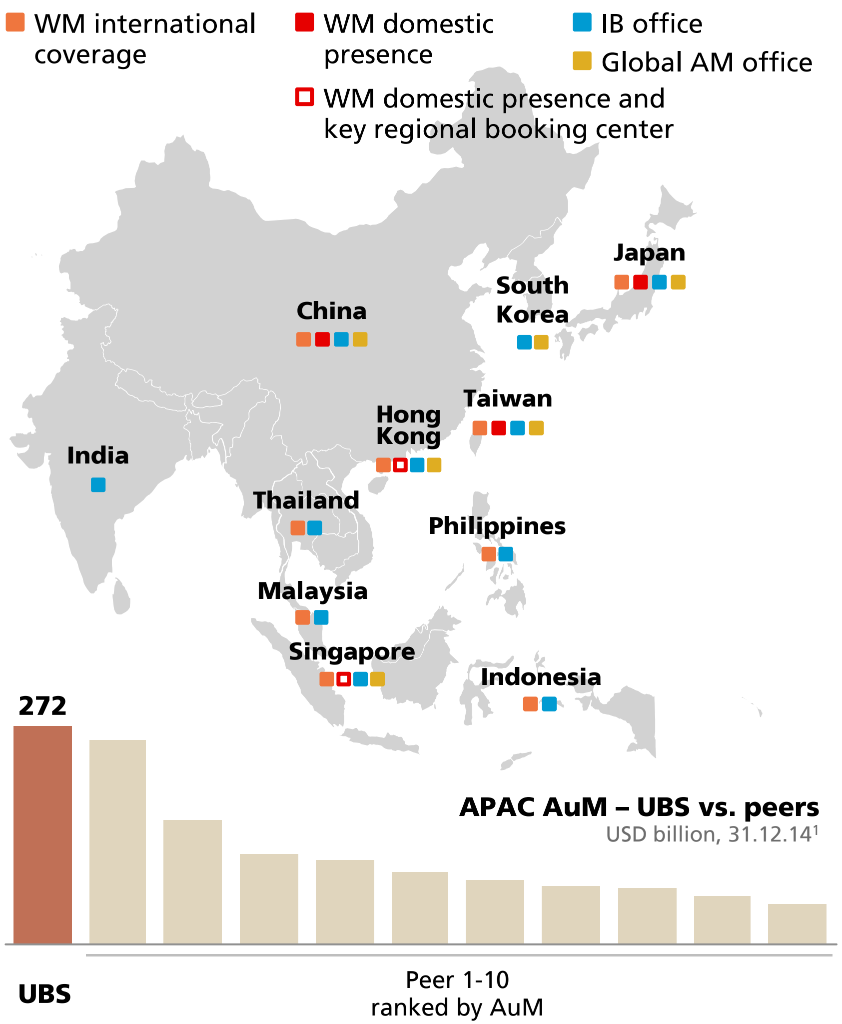
Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
Based on the WM business area structure, refer to page 33 of the 2Q15 financial report for more information; 1 Adjusted for net outflows of CHF 6.6 billion related to the Wealth Management balance sheet and capital optimization program: reported NNM for Europe CHF 0.6 billion, Asia Pacific CHF 3.4 billion, Switzerland CHF 0.8 billion, Emerging markets negative CHF 2.5 billion and UHNW CHF 2.8 billion

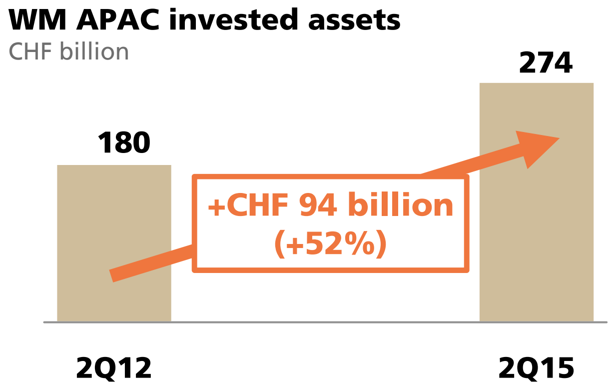
Wealth Management APAC

Leading position and capabilities allow us to capture highly attractive growth opportunities

Largest scale and footprint



Strong growth in assets and profit contribution



- **Outgrowing the market in UHNW**
- **Substantial profit growth: ~CHF 450 million PBT[2] in 1H15, 65% CAGR since 1H12**
- **Attractive operating leverage with material scale benefits**

Attractive business portfolio and leading platform

- **Covering the majority of APAC billionaires[3]:** industry leading and highly profitable UHNW business
- **Well-balanced business portfolio** with strong growth in onshore markets and considerable investments to capture future HNW opportunities
- **Unique platform** allowing both domestic and international clients to access our full suite of products, leveraging our leading IB[4] and AM capabilities
- **Full domestic securities and commercial banking license in China,** one of two foreign financial institutions with this combination
- **Benefitting from long-standing presence and sustained investments,** covering clients across generations with increasingly global investment and diversification needs

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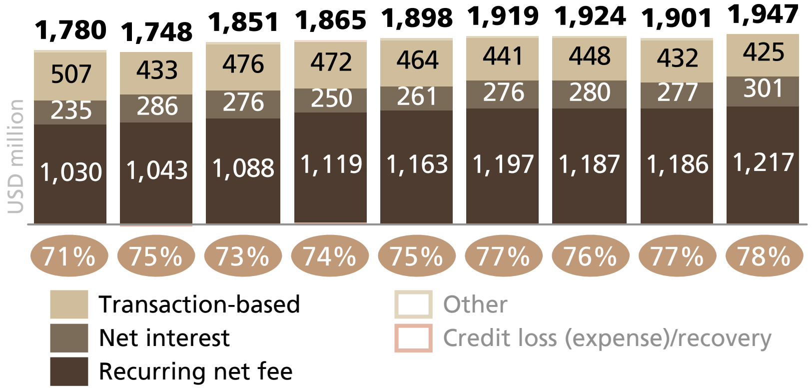
1 Asian Private Banker AuM League Table 2014; 2 Refer to the "Group performance" section of the 2Q15 financial report for further detail about regional performance; 3 Number of APAC billionaires as per Forbes 2015 Ranking; 4 Dealogic: top international bank by 1H15 CCS revenue (APAC excluding Japan) in total of ECM, DCM and M&A as well as ranked top by 2014 revenue in APAC ICS – Equities by leading private survey

Wealth Management Americas

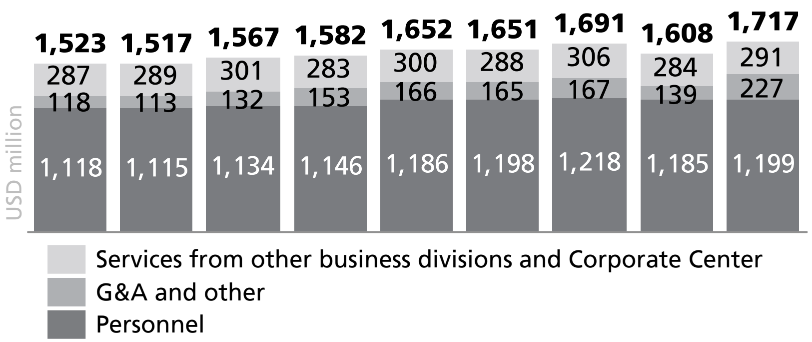
Record recurring net fee and total operating income

Operating income

Recurring income

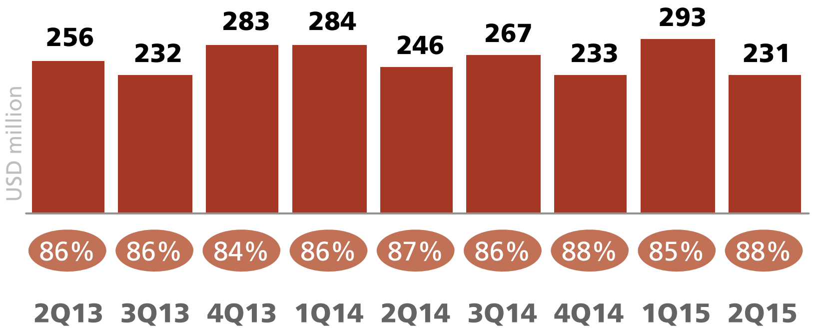


Operating expenses



Profit before tax

C/I ratio



Operating income USD 1,947 million

- Recurring net fee income increased on higher managed account fees
- Net interest income increased primarily due to continued growth in loan and deposit balances as well as higher income from the financial investment available-for-sale portfolio

Operating expenses USD 1,717 million

- G&A expenses increased mainly due to USD 71 million higher charges for provisions for litigation, regulatory and other matters as well as USD 21 million higher legal fees
- Personnel expenses increased, reflecting higher financial advisor compensation on higher compensable revenues

PBT USD 231 million

- PBT USD 318 million excluding charges for provisions for litigation, regulatory and other matters
- 88% cost/income ratio

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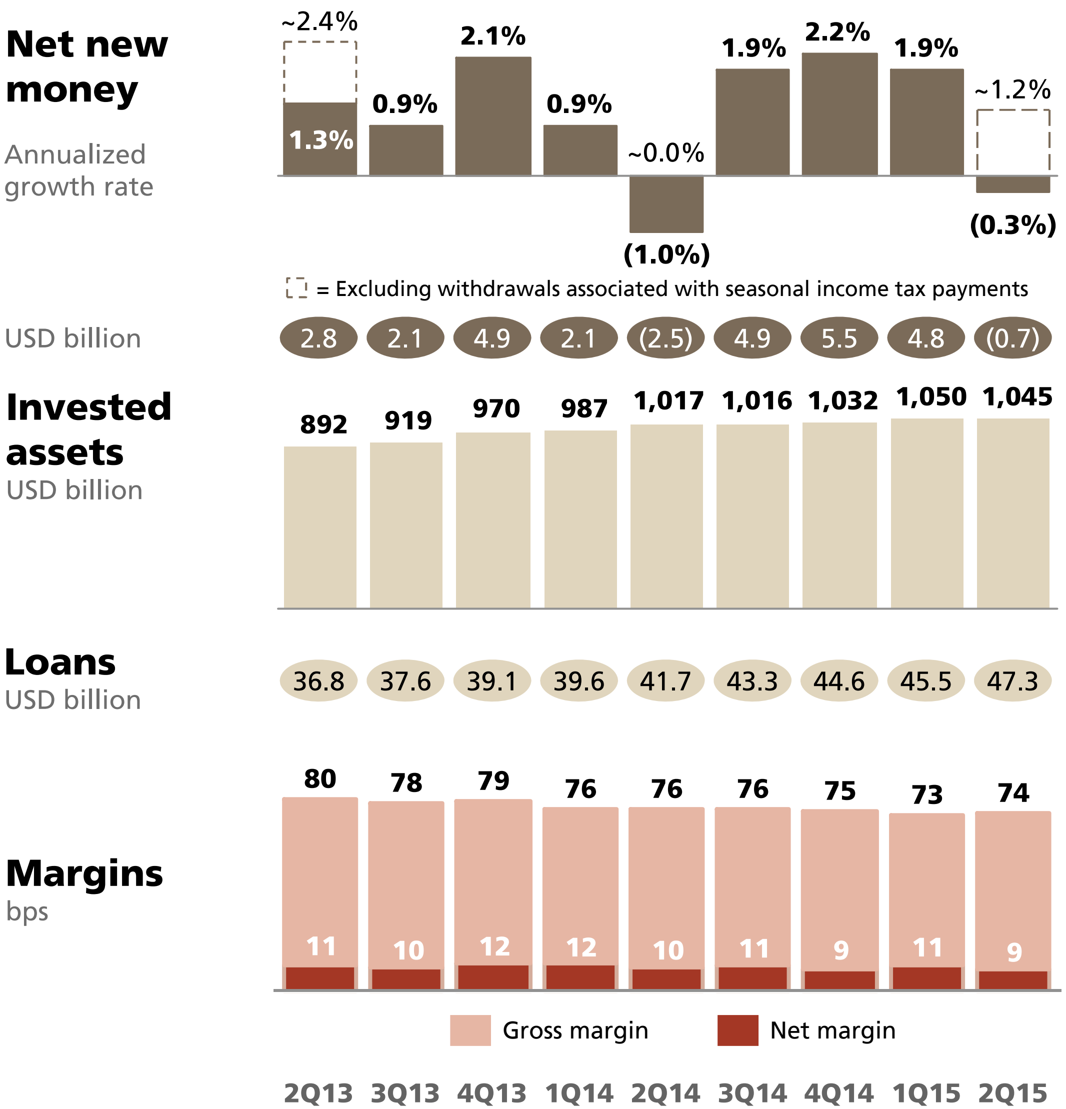
Wealth Management Americas

Continued growth in loan balances



- **Solid underlying NNM growth**
- Reported NNM negative USD 0.7 billion
- NNM ~USD 3.2 billion, excluding record seasonal income tax payments of ~USD 3.9 billion

- **Invested assets USD 1,045 billion**, managed accounts penetration of 34%

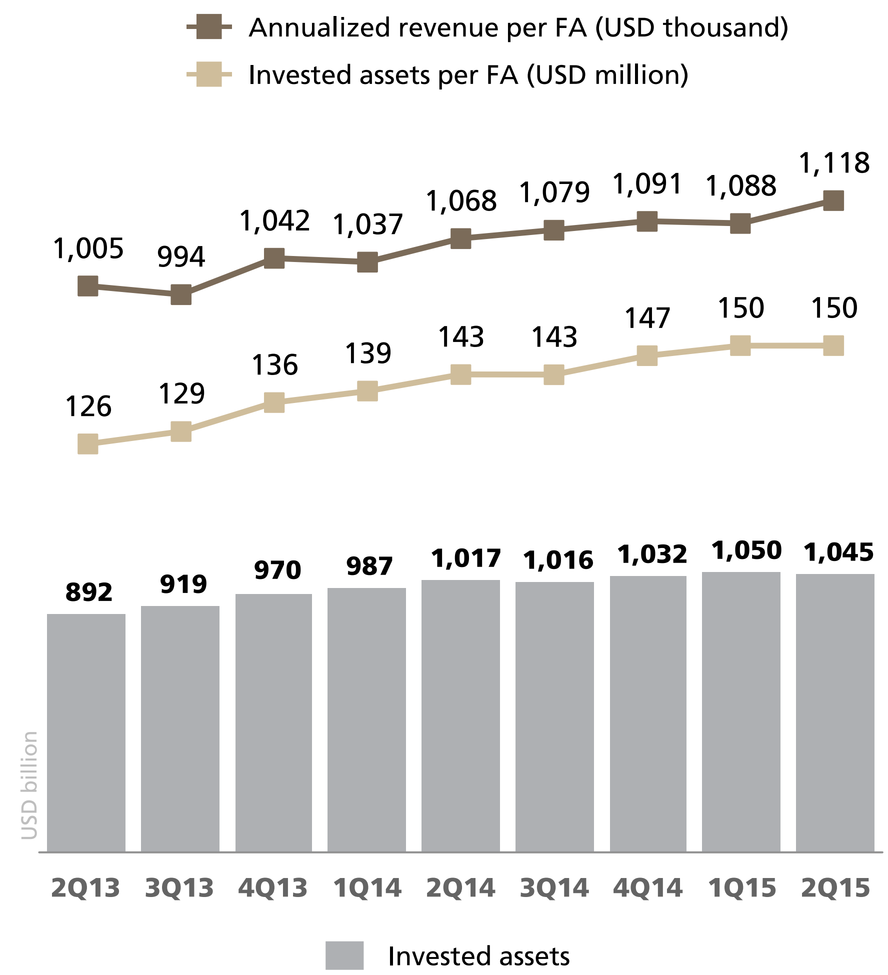
- **Gross loans USD 47.3 billion** on increased credit lines and mortgage balances

- **Net margin 9 bps**

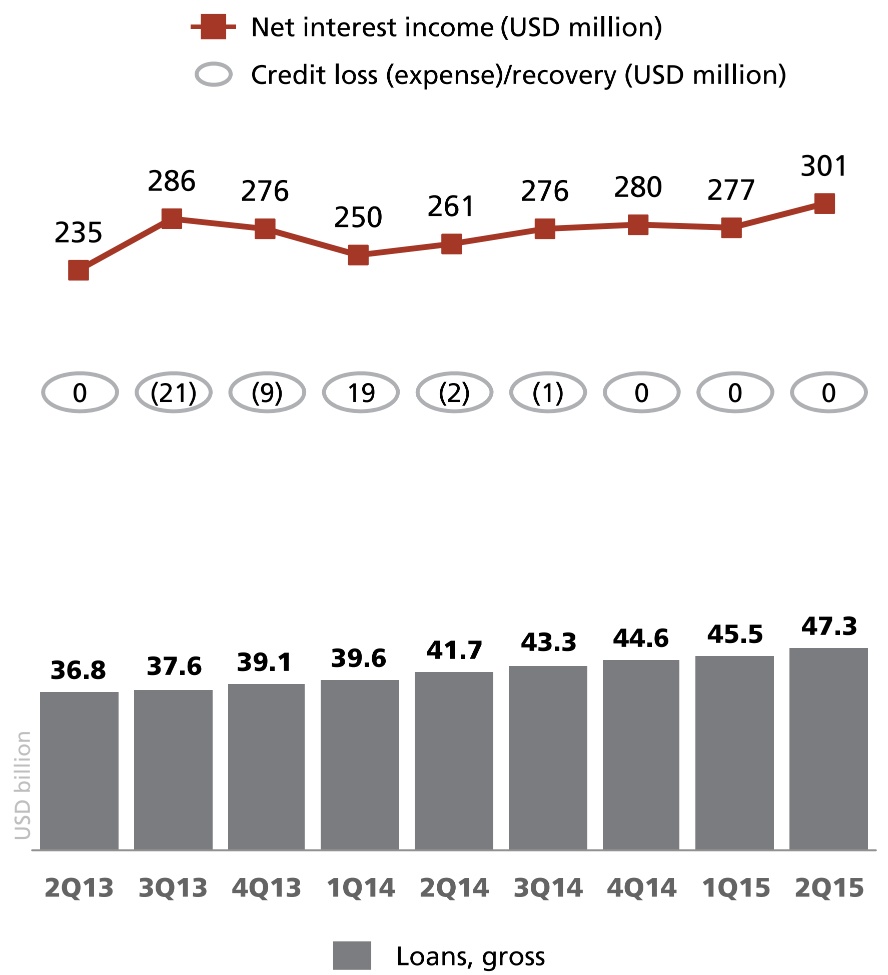
Wealth Management Americas

Record and industry-leading FA productivity

Invested assets and FA productivity



Net interest income and lending



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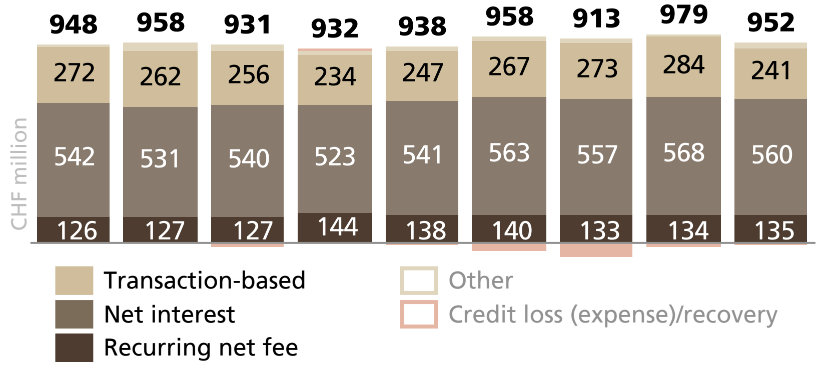
Retail & Corporate

Highest second quarter PBT since 2010 and all KPIs within target range

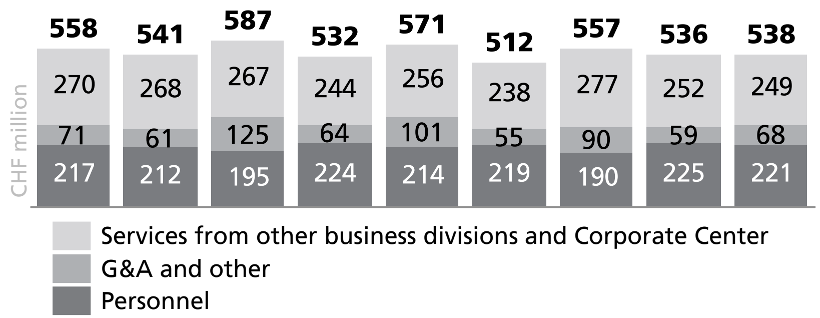
Operating income



Operating income CHF 952 million

- Net interest income decreased slightly on lower income from the investment of the Group's equity
- Transaction-based income decreased from a strong first quarter, mainly due to lower income from FX trading and the absence of hedge ineffectiveness gains included in the previous quarter
- Credit loss expenses decreased

Operating expenses

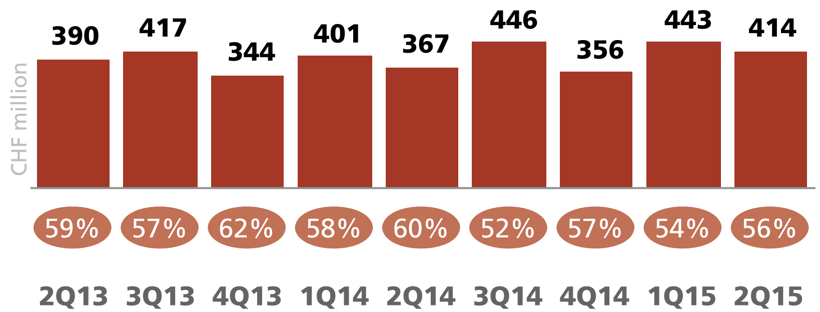


Operating expenses CHF 538 million

- Personnel expenses decreased with lower accruals for untaken vacation
- G&A expenses increased mainly due to higher charges for provisions in the Corporate & Institutional clients business

Profit before tax

C/I ratio



PBT CHF 414 million

- 56% cost/income ratio
- Net interest margin 164 bps vs. 165 bps in 1Q15, mainly reflecting lower net interest income
- Annualized net new business volume growth for retail business 3.1%, unchanged vs. 1Q15

Global Asset Management

NNM CHF 8.3 billion[1] with net inflows in all capabilities

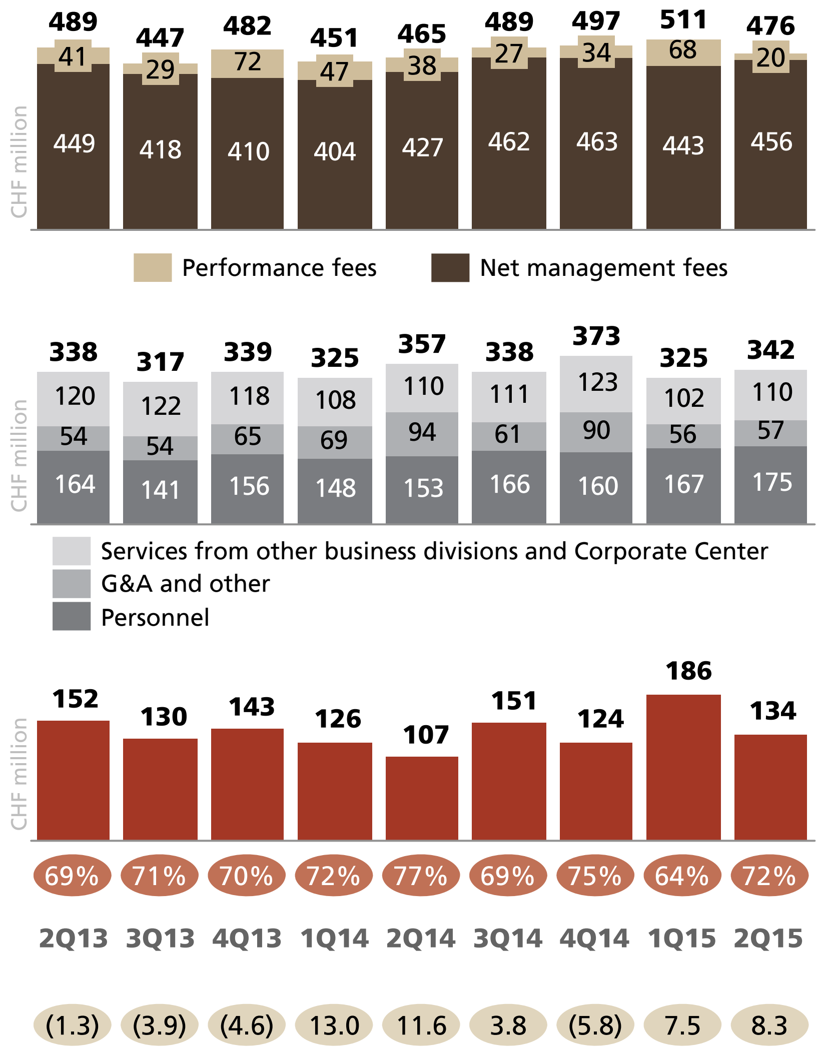
Operating income

Operating expenses

Profit before tax

C/I ratio

Net new money ex. MM



Operating income CHF 476 million

- Net management fees increased, mainly in traditional investments and global real estate
- Performance fees decreased primarily in O'Connor and A&Q with approximately 60% of performance fee-eligible assets at high-water marks as of 30.6.15 compared with more than 90% as of 31.3.15

Operating expenses CHF 342 million

- Charges for services from other business divisions and Corporate Center increased primarily due to higher charges from Group Technology
- Personnel expenses increased due to higher expenses for variable compensation

PBT CHF 134 million

- 72% cost/income ratio
- Invested assets CHF 650 billion
- Net margin 8 bps vs. 11 bps in 1Q15
- Gross margin 29 bps vs. 31 bps in 1Q1
- Net new money excluding money market flows of CHF 8.3 billion, of which 5.3 billion from third parties and CHF 3.0 billion from our wealth management businesses

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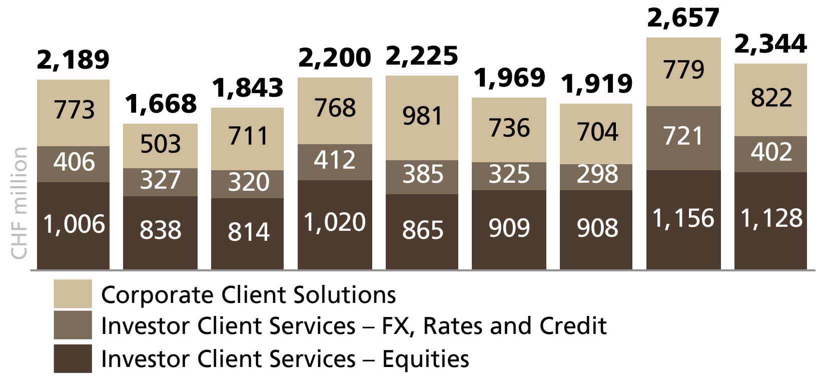
Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Net new money excluding money market flows

Investment Bank

PBT CHF 617 million; continued strong performance in Equities

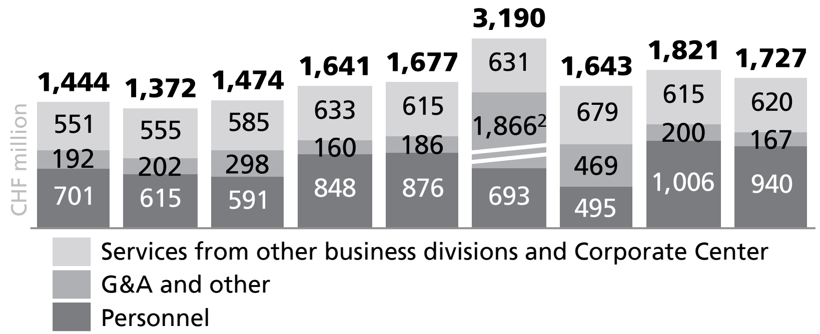
Operating income[1]



Operating income CHF 2,344 million

- ICS Equities revenues increased 30% YoY with particular strength in Derivatives and Financing Services, especially in APAC
- ICS FRC revenues increased 4% YoY driven by strong Rates and FX performance on increased client volumes
- CCS revenues decreased 16% YoY as strength in Advisory was primarily offset by declines in DCM

Operating expenses

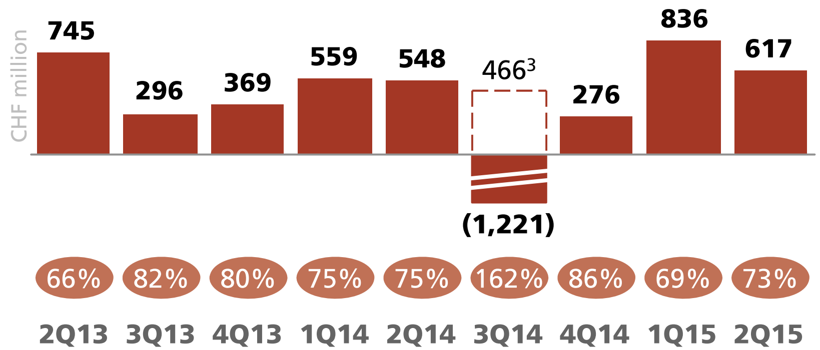


Operating expenses CHF 1,727 million

- Personnel expenses increased YoY due to higher variable compensation expenses
- G&A expenses decreased YoY mainly due to lower charges for provisions for litigation, regulatory and similar matters

Profit before tax

C/I ratio



PBT CHF 617 million

- 73% cost/income ratio
- Annualized return on attributed equity 33.8%
- Basel III RWA CHF 63 billion, stable resource utilization
- Funded assets CHF 176 billion
- Record revenue per unit of VaR

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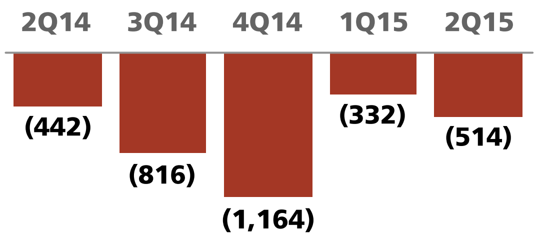
Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Operating income including credit loss (expense)/recovery; 2 CHF 179 million excluding CHF 1,687 million charges for provisions for litigation, regulatory and similar matters; 3 PBT excluding CHF 1,687 million charges for provisions for litigation, regulatory and similar matters

Corporate Center

Significant reduction in Non-core and Legacy Portfolio LRD, down >40% YoY

Profit before tax



Corporate Center total (CHF million)

Corporate Center results by unit (CHF million)

Services

	2Q14	3Q14	4Q14	1Q15	2Q15
Operating income	4	9	(6)	(4)	(41)
Operating expenses	(9)	180	255	218	212
o/w before allocations	*1,863*	*2,039*	*2,303*	*2,009*	*2,040*
o/w net allocations	*(1,872)*	*(1,859)*	*(2,048)*	*(1,791)*	*(1,827)*
Profit before tax	**13**	**(171)**	**(261)**	**(222)**	**(253)**

- **Operating expenses** before allocations increased mainly due to increased marketing costs, as well as higher professional fees associated with the ongoing changes to our legal structure

Group Asset and Liability Management

	2Q14	3Q14	4Q14	1Q15	2Q15
Operating income	(39)	(42)	(170)	87	(121)
o/w gross income	*205*	*298*	*161*	*376*	*70*
o/w net allocations	*(243)*	*(341)*	*(330)*	*(289)*	*(191)*
Operating expenses	3	(1)	6	(4)	7
Profit before tax	**(41)**	**(41)**	**(176)**	**91**	**(127)**

- **Gross income** declined and included losses from hedging activities as well as lower income from centralized balance sheet risk management and slightly higher gross funding costs
- **Net allocations** decreased, mainly driven by lower income generated from interest rate risk management activities and additional hedging losses related to the investment of the Group's equity

Non-core and Legacy Portfolio

	2Q14	3Q14	4Q14	1Q15	2Q15
Operating income	(168)	(330)	(376)	(41)	35
Operating expenses	247	273	350	160	167
Profit before tax	**(414)**	**(603)**	**(727)**	**(201)**	**(132)**
Personnel (FTEs)	160	150	137	125	101
Swiss SRB LRD (CHF billion)	121	106	93	84	70

- **Operating income** improved and the second quarter included a gain of CHF 57 million related to the settlement of two litigation claims
- **Operating expenses** increased, mainly due to higher charges for provisions for litigation, regulatory and similar matters

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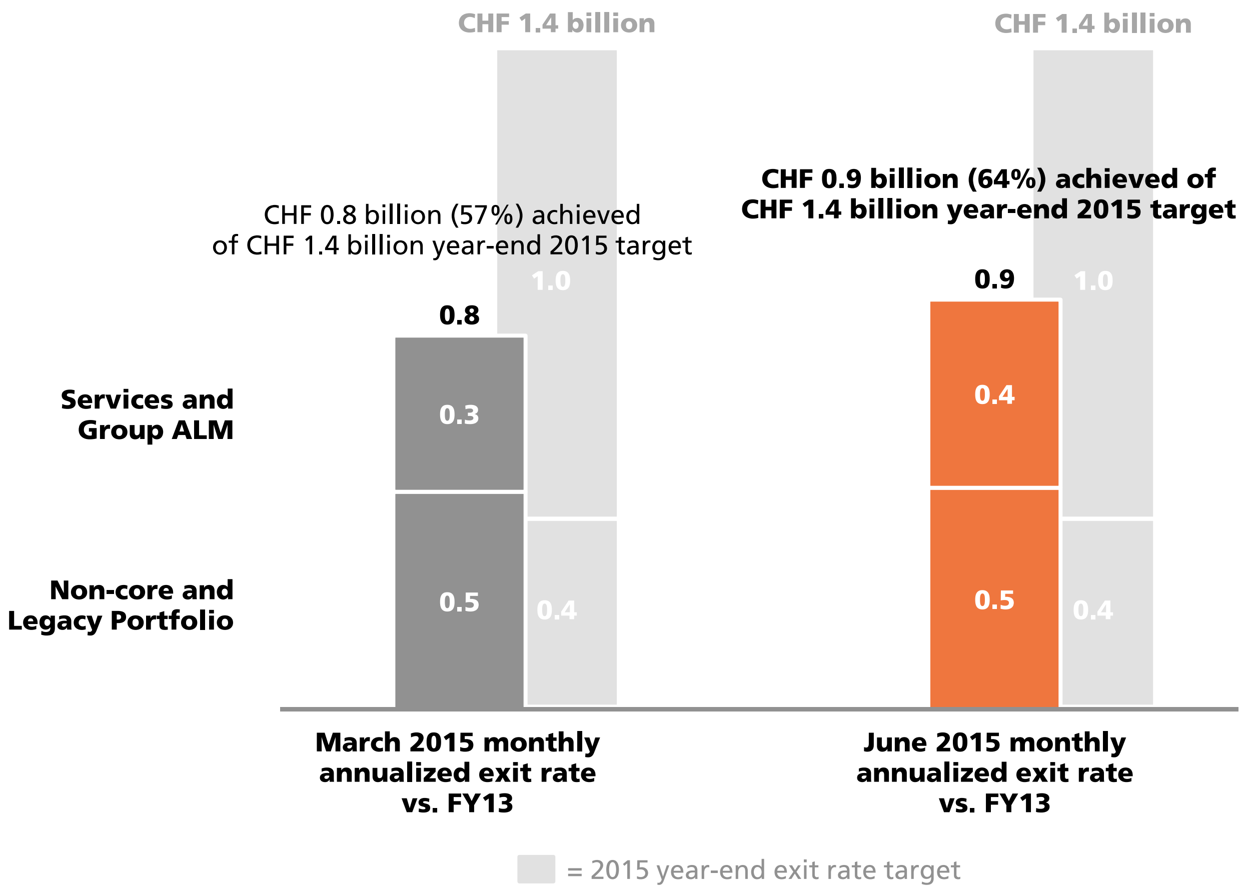
Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation; We currently expect to record net foreign currency translation losses of ~CHF 120 million in 2H15 which will be recorded in Group ALM and, consistent with past practice, treated as adjusting items for the purpose of calculating adjusted results. Refer to page 17 of the 2Q15 financial results for further detail

Corporate Center cost reductions

~CHF 0.9 billion net cost reductions using June 2015 annualized exit rate

Cumulative annualized net cost reduction[1,2]
CHF billion



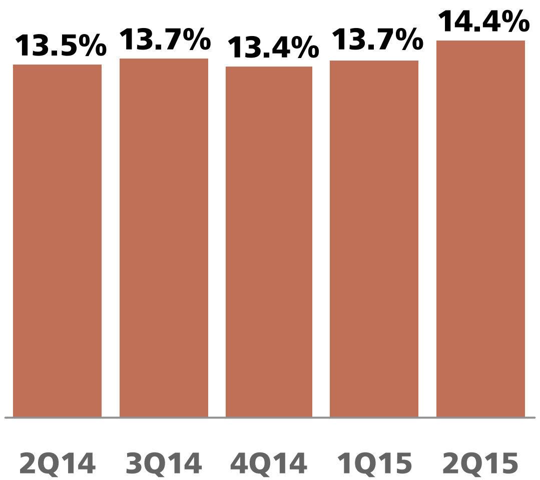
Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Refer to page 41 of the 2014 annual report for details of our cost reduction targets; 2 Refer to slide 33 for details on net cost reduction progress as of the end of June 2015 including incremental Group Technology investment of ~CHF 0.1 billion which has been self-funded by business divisions via direct cost savings and excluded from Corporate Center – Services

Capital and leverage ratios

Swiss SRB LRD reduced by CHF 33 billion to CHF 944 billion

Swiss SRB Basel III CET1 capital ratio

Fully applied, CHF billion

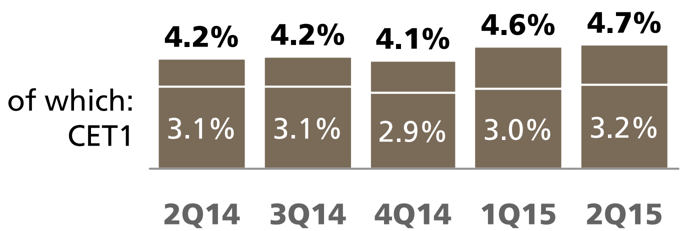


	2Q14	3Q14	4Q14	1Q15	2Q15
CET1 capital	30.6	30.0	28.9	29.6	30.3
RWA	227	219	216	216	210

Leverage ratio

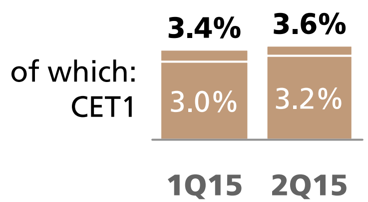
Fully applied, CHF billion

Swiss SRB



	2Q14	3Q14	4Q14	1Q15	2Q15
Total capital	41.0	41.0	40.8	44.5	44.6
LRD	981	981	998	977	944

BIS Basel III



	1Q15	2Q15
BIS Basel III tier 1 capital	33.5	34.0
BIS Basel III LRD	991	949

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Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
As of 30.6.15, our post-stress fully applied Basel III CET1 capital ratio exceeded 10%

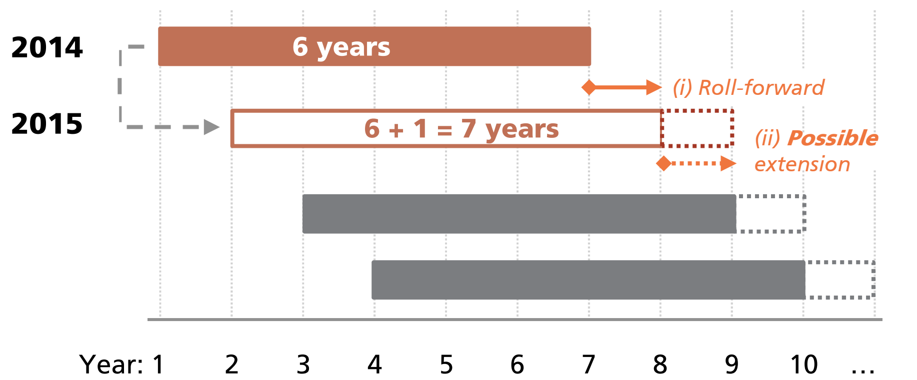
Deferred tax assets

We expect to revalue DTA balances in 3Q15

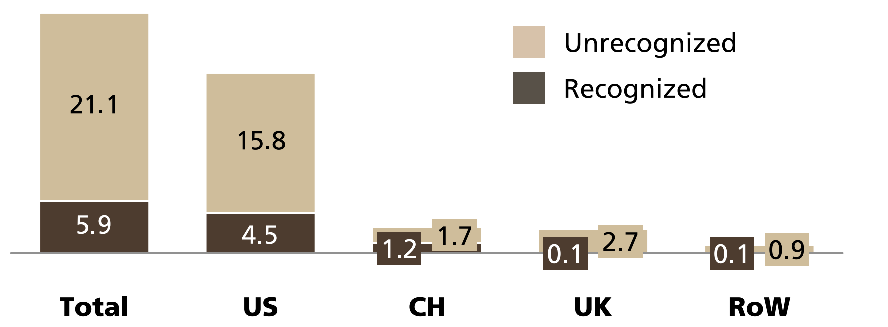
- **3Q15 DTA revaluation[1]** based upon:
    i. a reassessment of future profitability taking into account **updated business plan forecasts**
    ii. a **possible extension of the forecast period** that is currently used for DTA recognition purposes
- If we extend the forecast period for the US DTA to seven years, the **combined effect of (i) and (ii)** could result in a US upward deferred tax asset revaluation of **around CHF 1.5 billion**[3]
    – We expect any DTA revaluation from this reassessment to be recognized 75% in 3Q15 and 25% in 4Q15

DTA revaluation
Illustrative example

Updated business plan forecasts and extended profit recognition period[2]



Tax loss DTA[4,5,6]
CHF billion, 30.6.15



1 DTA revaluations expected in 3Q15 based on our annual planning process, but smaller revaluations can take place at different times for specific entities based on specific circumstances; 2 Refer to pages 75-76 of the 2014 Annual Report for more information; 3 The value of UBS's recognized US DTAs is highly sensitive to the level of forecast profit contained in the relevant business plans, and can vary considerably based on these plans; 4 Deferred tax asset figures are stated net of deferred tax liabilities, if applicable; 5 As of 30.6.15, the net DTA recognized on UBS's balance sheet was CHF 10.0 billion, which includes a tax loss DTA of CHF 5.9 billion and a DTA for temporary differences of CHF 4.1 billion; 6 Average unrecognized tax loss DTA have a remaining life of at least 15 years in the US, approximately 2 years in Switzerland and unrecognized tax losses have an indefinite life in the UK

UBS – a unique and attractive investment proposition

The world's leading wealth manager

UBS is the world's largest and fastest growing wealth manager[1]

- Unique global footprint provides exposure to both the world's largest and fastest growing global wealth pools
- Leading position across the attractive HNW and UHNW client segments
- Profitable in all regions including Europe, US, APAC and emerging markets
- Significant benefits from scale; high and rising barriers to entry
- Retail & Corporate, Global Asset Management and the Investment Bank all add to our wealth management franchise, providing a unique proposition for clients
- Highly cash generative with a very attractive risk-return profile
- 10-15% pre-tax profit growth target for our combined wealth management businesses[2]

Strong capital position

UBS capital position is strong – and we can adapt to change

- Our fully applied Basel III CET1 capital ratio is the highest among large global banks and we already meet our expected 2019 Swiss SRB Basel III capital ratio requirements
- Our highly capital accretive business model allows us to adapt to changes in regulatory capital requirements

Attractive capital returns policy

UBS is committed to an attractive capital returns policy

- Our earnings capacity, capital efficiency and low-risk profile all support our objective to deliver sustainable and growing capital returns to our shareholders
- Our capital returns capacity is strengthened by our commitment to further improve efficiency and our potential for net upward revaluations of deferred tax assets
- We target to pay out at least 50% of net profits[3], while maintaining our strong capital position and profitably growing our businesses

UBS

1 Scorpio Partnership Global Private Banking Benchmark 2015, on reporting base currency basis for institutions with AuM >USD 500 billion; 2 Adjusted pre-tax profit, refer to page 41 of the 2014 annual report for detail; 3 Payout ratio of at least 50% conditional on maintaining a fully applied Basel III CET1 capital ratio of at least 13% and at least 10% post-stress

Appendix

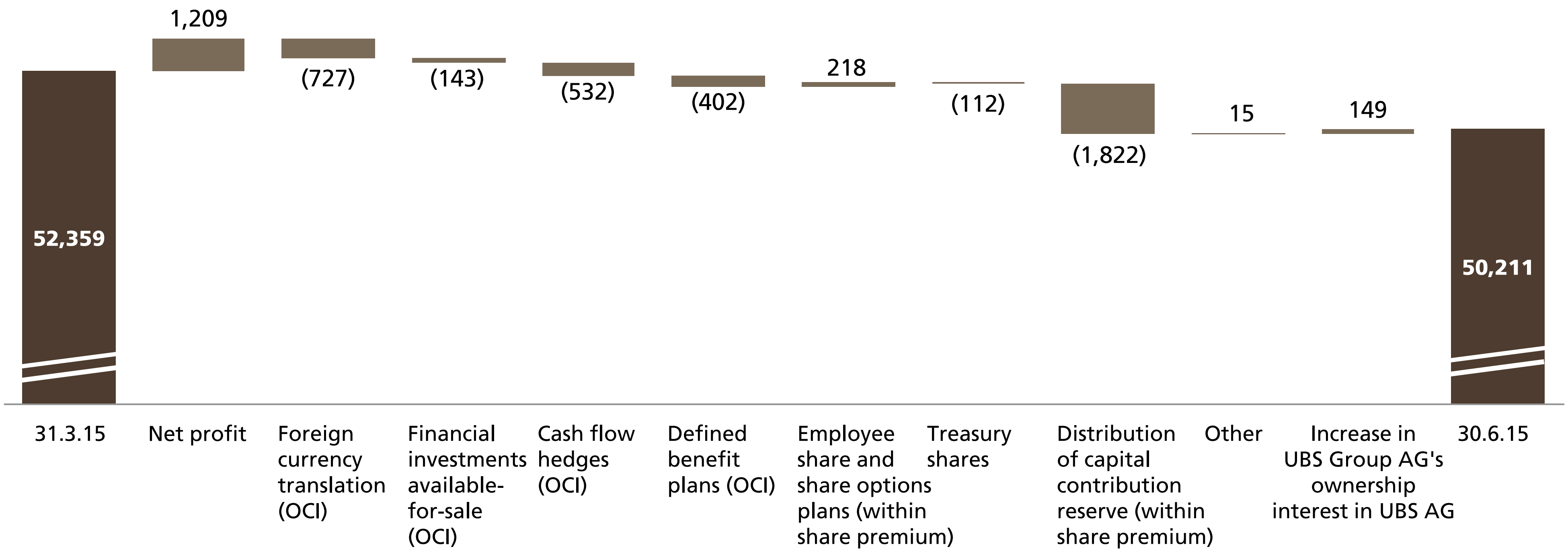
IFRS equity attributable to UBS Group AG shareholders

Equity attributable to UBS Group AG shareholders CHF 50.2 billion

QoQ movement

CHF million, except for per share figures in CHF

	31.3.15		30.6.15
Total book value per share:	14.33	**(4.3%)**	13.71
Tangible book value per share:	12.59	**(4.4%)**	12.04



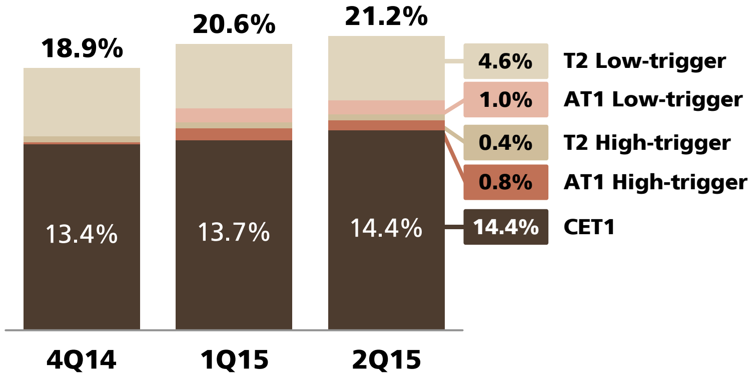
Refer to slide 38 for details about FX rates in this presentation; The payment of the supplementary capital return of CHF 0.25 per share planned for 3Q15 is expected to reduce IFRS equity attributable to UBS Group AG shareholders by ~CHF 0.9 billion

Swiss SRB Basel III capital and ratios

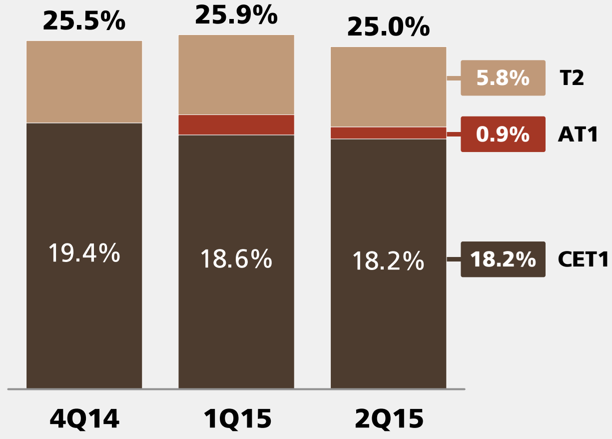
2Q15 fully applied Basel III CET1 capital ratio 14.4%

Fully applied

Ratio



Phase-in



CHF billion

		Fully applied 4Q14	Fully applied 1Q15	Fully applied 2Q15	Phase-in 4Q14	Phase-in 1Q15	Phase-in 2Q15
T2	Other[1]				2.1	2.0	1.8
T2	Low-trigger	10.5	10.0	9.6	10.5	10.0	9.6
T2	High-trigger	0.9	0.9	0.9	0.9	0.9	0.9
T2	**Total T2**	**11.4**	**11.0**	**10.5**	**13.4**	**13.0**	**12.3**
AT1	Other[2]				3.2	2.9	1.8
AT1	Low-trigger		2.3	2.1		2.3	2.1
AT1	High-trigger	0.5	1.7	1.6	0.5	1.7	1.6
AT1	Deductions[3]				(3.7)	(3.9)	(3.7)
AT1	**Total AT1**	**0.5**	**3.9**	**3.8**	**-**	**3.0**	**1.9**
CET1		**28.9**	**29.6**	**30.3**	**42.9**	**40.8**	**38.7**
Total capital		**40.8**	**44.5**	**44.6**	**56.3**	**56.8**	**52.9**
RWA		**216**	**216**	**210**	**221**	**219**	**212**

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Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

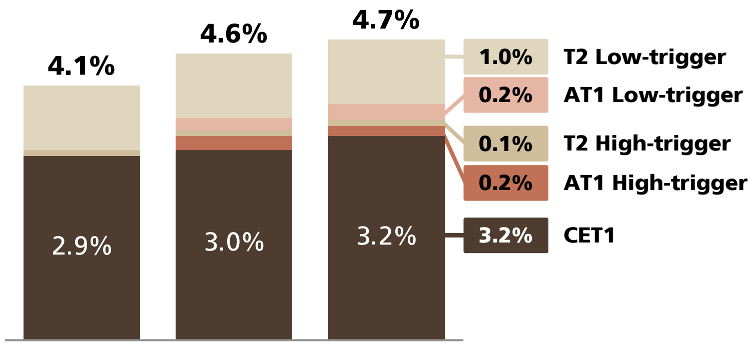
1 Phase-out capital; 2 Hybrid capital subject to phase-out; 3 Goodwill, net of tax, offset against hybrid capital and loss-absorbing capital

Swiss SRB leverage ratio

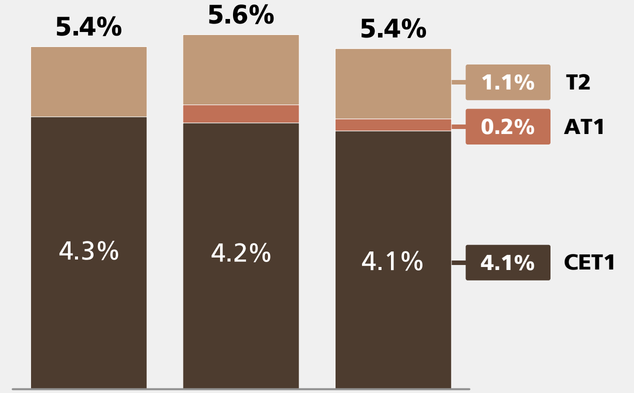
2Q15 fully applied Swiss SRB leverage ratio 4.7%

Fully applied

Ratio



Phase-in



CHF billion

		Fully applied 4Q14	Fully applied 1Q15	Fully applied 2Q15	Phase-in 4Q14	Phase-in 1Q15	Phase-in 2Q15
T2	Low-trigger	10.5	10.0	9.6	10.5	10.0	9.6
T2	High-trigger	0.9	0.9	0.9	0.9	0.9	0.9
T2	**Total T2**	**11.4**	**11.0**	**10.5**	**11.4**	**11.0**	**10.5**
AT1	Other[1]				3.2	2.9	1.8
AT1	Low-trigger		2.3	2.1		2.3	2.1
AT1	High-trigger	0.5	1.7	1.6	0.5	1.7	1.6
AT1	Deductions[2]				(3.7)	(3.9)	(3.7)
AT1	**Total AT1**	**0.5**	**3.9**	**3.8**	**-**	**3.0**	**1.9**
CET1		**28.9**	**29.6**	**30.3**	**42.9**	**40.8**	**38.7**
Total capital		**40.8**	**44.5**	**44.6**	**54.3**	**54.8**	**51.1**
Swiss SRB LRD		**998**	**977**	**944**	**1,005**	**982**	**949**

Loss-absorbing capital CHF 14.3 billion (30.6.15)

CHF 12.4 billion (30.6.15)

- BIS Basel III leverage ratio **3.6%** on a fully applied basis (of which CET1 3.2%)[3]
- BIS Basel III LRD CHF **949** billion on a fully applied basis[3]

UBS

Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Hybrid capital subject to phase-out; 2 Goodwill, net of tax, offset against hybrid capital and loss-absorbing capital; 3 Refer to the "BIS Basel III leverage ratio" section of the 2Q15 financial report for further detail

Breakdown of changes in RWA

By type
CHF billion

216 **31.3.15**

(2) **Methodology/model-driven**
- CHF 4.2 billion decrease in incremental operational risk RWA
- CHF 1.8 billion increase in credit risk RWA due to the introduction of the internal ratings-based multiplier on Investment Bank exposures to corporates and income producing real estate
- CHF 0.5 billion credit risk RWA increase relating to probability of default recalibration on Swiss SMEs

(3) **Currency effects**

(1) **Book size and other**
- CHF 2.4 billion decrease in market risk RWA primarily due to lower regulatory VaR, stressed VaR and risks-not-in-VaR (RniV)
- CHF 1.4 billion increase in credit risk RWA primarily due to increased loan facilities and higher RWA on default fund contributions to qualified central counterparties

210 **30.6.15**

By business division
CHF billion

216 **31.3.15**

(4) **Non-core and Legacy Portfolio**
- CHF 3 billion decrease in credit risk RWA primarily due to lower derivatives exposures, sale of banking book securitization positions and currency effects
- CHF 1 billion decrease in market risk RWA primarily due to lower regulatory VaR, stressed VaR and RniV

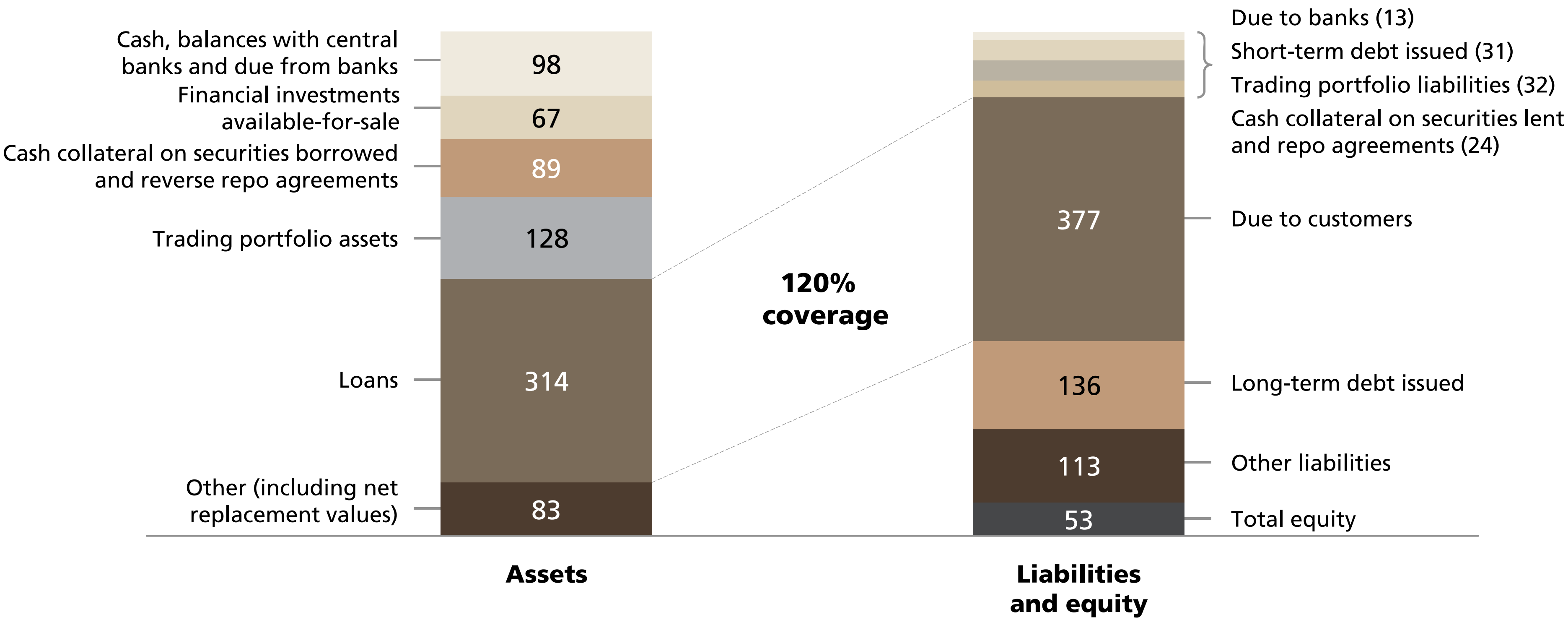
(1) **Investment Bank**
- CHF 1.2 billion decrease in incremental operational risk RWA
- CHF 0.9 billion decrease in market risk RWA primarily due to lower regulatory VaR, stressed VaR and RniV
- CHF 1 billion increase in credit risk RWA due to the introduction of the internal ratings-based multiplier on exposures to corporates and increased loan facilities partially offset by currency effects

(1) **All other business divisions and Corporate Center units**
- CHF 3.0 billion decrease in incremental operational risk RWA
- CHF 0.5 billion decrease in market risk RWA primarily due to lower regulatory VaR, stressed VaR and RniV
- CHF 2.0 billion increase in credit risk RWA primarily due to probability of default recalibration on Swiss SMEs and higher RWA on default fund contributions to qualified central counterparties

210 **30.6.15**

Strong balance sheet, funding and liquidity position

Asset funding[1]
30.6.15, CHF billion



Strong funding and liquidity

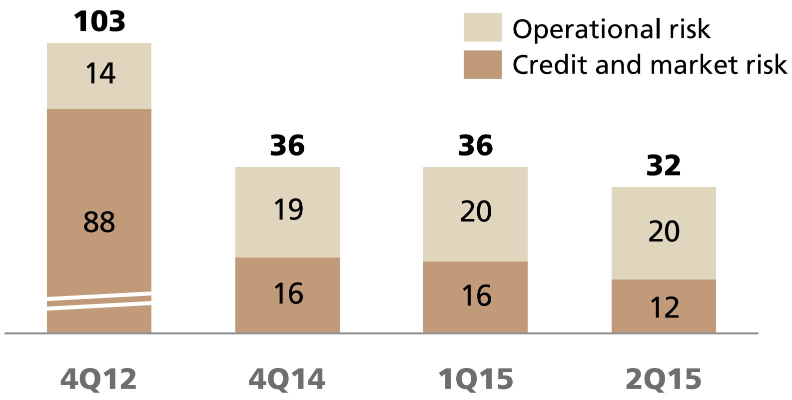
- Well diversified by market, tenor and currency
- Limited use of short-term wholesale funding
- Basel III LCR 121% and Basel III NSFR[2] 104%

Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Refer to the "Liquidity and funding management" section of the 2Q15 financial report for further detail; 2 Estimated pro-forma ratio

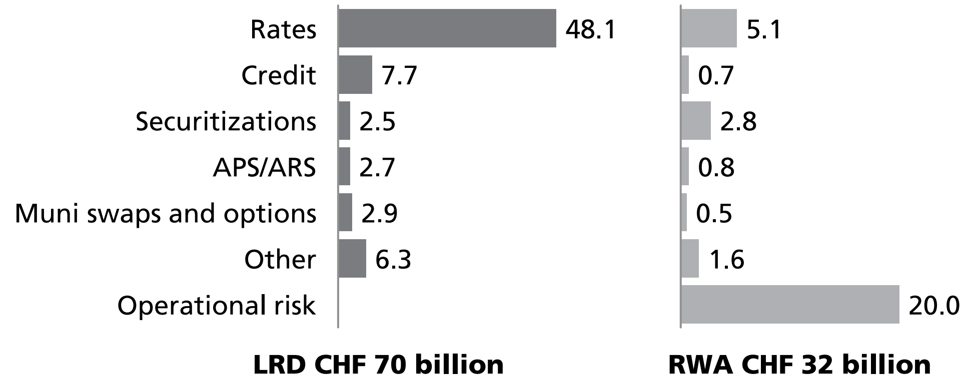
Corporate Center — Non-core and Legacy Portfolio

Non-core and Legacy Portfolio Swiss SRB LRD down 16% in the quarter

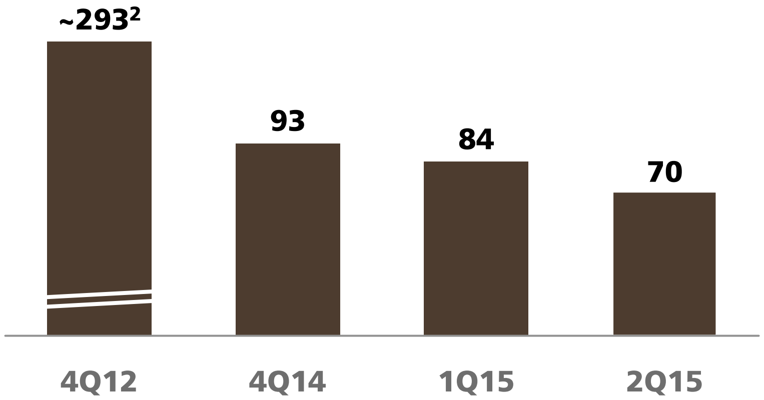
RWA reduced by >65% since 4Q12
CHF billion



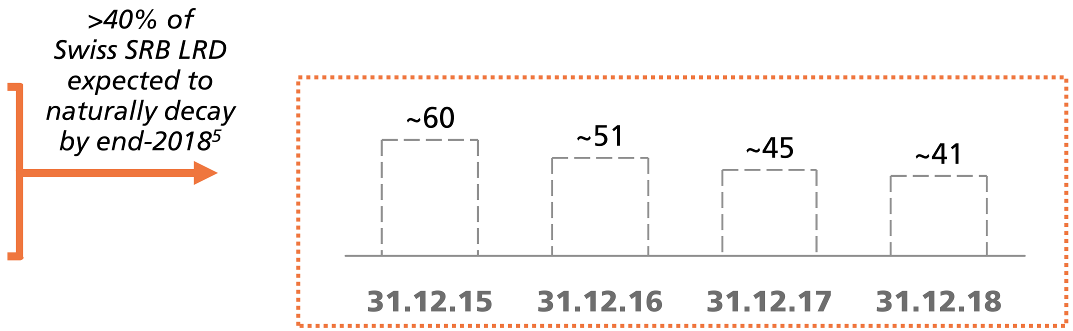
~70% of residual LRD in Rates products[1]
CHF billion, Swiss SRB LRD (average, fully applied), 30.6.15



LRD reduced by >75% since 4Q12
CHF billion, Swiss SRB LRD (average, fully applied)



LRD: natural decay[3,4]
CHF billion, Swiss SRB (fully applied), period-end spot balances



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Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

1 Refer to page 60 of the 2Q15 report for further detail; 2 Pro-forma estimate based on period end balance; 3 Estimates based on 30.6.15 data, assuming all portfolios are held to maturity; 3 Pro-forma estimate excluding any further unwind activity; 4 LRD balances can vary materially due to market movements, changes in regulation, changes in margin requirements and other factors; 5 2Q15 Swiss SRB LRD (average, fully applied) vs. 31.12.18 estimated Swiss SRB LRD (period-end spot balance, fully applied) excluding any further unwind activity

Interest rate sensitivities[1]

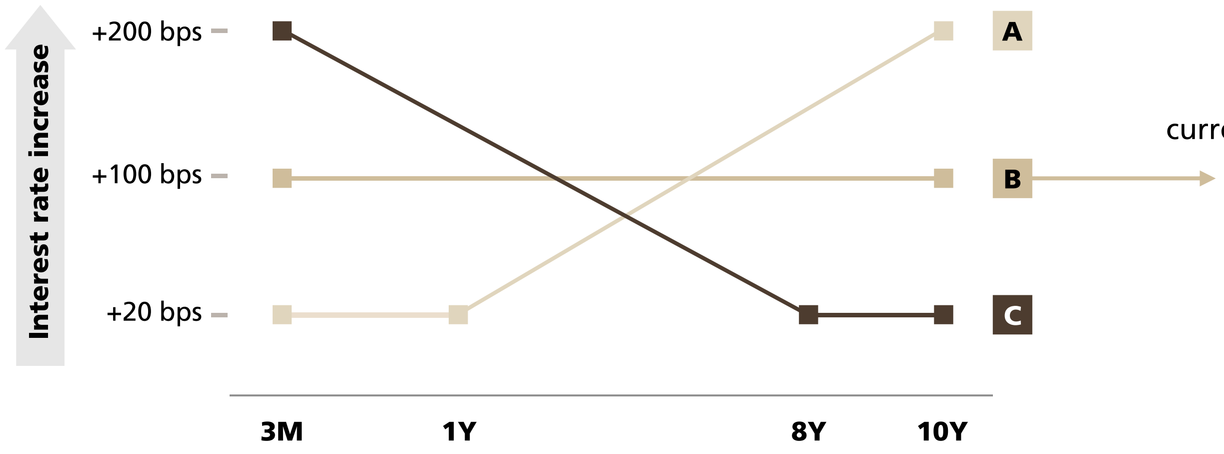
Our revenues are positively geared to rising interest rates

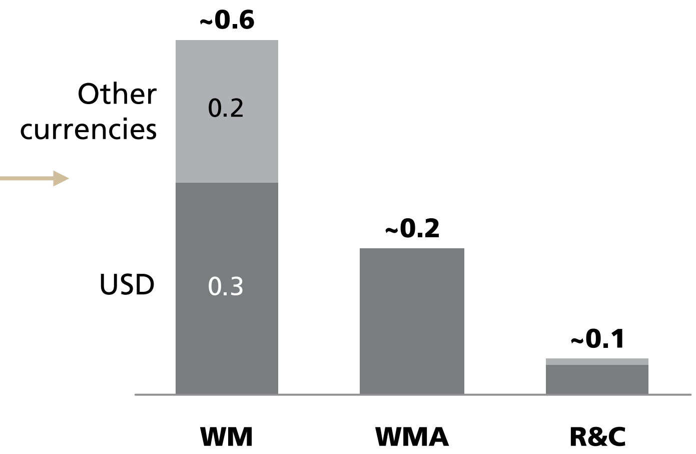
Interest rate scenarios: estimated impact on NII, OCI and regulatory capital CHF billion

	Annual incremental net interest income[2]	OCI impact[3,4]	OCI impact on regulatory capital[4]
A **Steepener** (+20 bps to +200 bps)	~0.3	(~1.6)	~0.7
B **Parallel** (+100 bps)	~0.8	(~2.3)	~0.4
C **Flattener** (+200 bps to +20 bps)	~1.4	(~2.5)	<0.1

Scenario overview and incremental NII by business division (+100 bps parallel increase, scenario B)

CHF billion





Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 For all scenarios, interest rate increases are assumed to be immediate, equal across all currencies and relative to implied forward rates based on static balance sheet and constant FX rates; 2 The estimated impact is for the first year of the relevant interest rate scenario; 3 Majority of the impact on OCI would be through cash flow hedges, which would not affect regulatory capital; 4 Including estimated OCI impact related to pension fund assets and liabilities

Retained funding cost

We continue to expect retained funding costs to decline in the mid term

Treasury income retained in Corporate Center – Group ALM

CHF million

	1Q15	2Q15
Gross results (excluding accounting asymmetry and other adjustments)	240	161
Allocations to business divisions	(289)	(191)
Net revenues (excluding accounting asymmetry and other adjustments)	**(49)**	**(30)**
of which: retained funding costs	(169)	(180)
of which: other items retained in Group ALM	120	151
Accounting asymmetry and other adjustments	**136**	**(92)**
Mark-to-market losses from cross currency swaps, macro cash flow hedge ineffectiveness, Group Treasury FX, debt buyback and other		
Net treasury income retained in Corporate Center - Group ALM	**87**	**(121)**

Credit spread compression will drive down costs of the Group's overall long term funding together with declining volumes as we reduce our balance sheet

We will continue to plan in order to maintain a diversified funding profile and comfortable LCR and NSFR ratios

- Central funding costs retained in Group Treasury increased quarter on quarter as a result of new debt issuance
- Retained funding costs expected to significantly decrease by end-2016

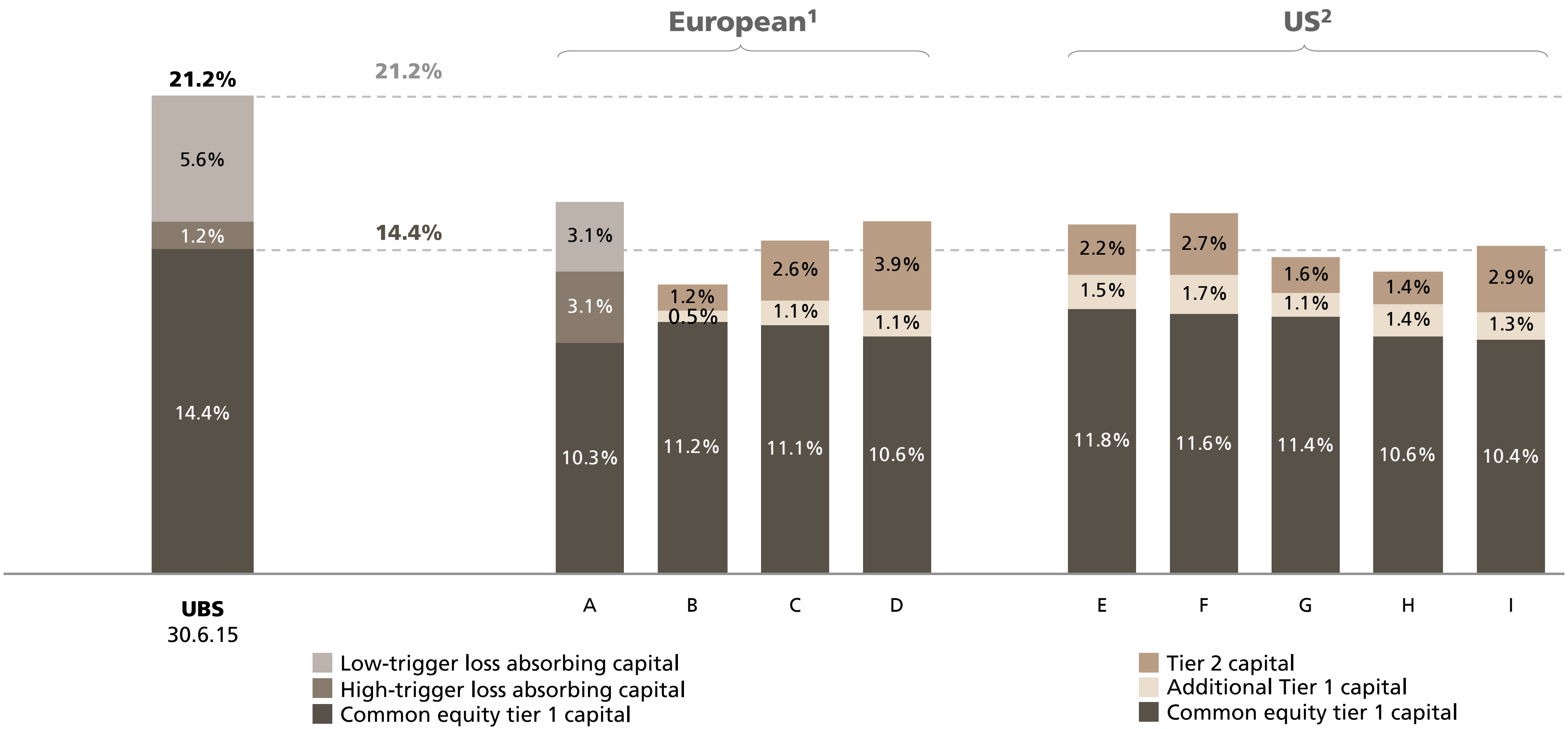
Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

Capital strength is the foundation of our success

We have the highest Basel III fully applied CET1 capital ratio among large global banks

Swiss SRB Basel III fully applied capital
30.6.15

Basel III fully applied capital – large global banks
Based on latest available disclosure



Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

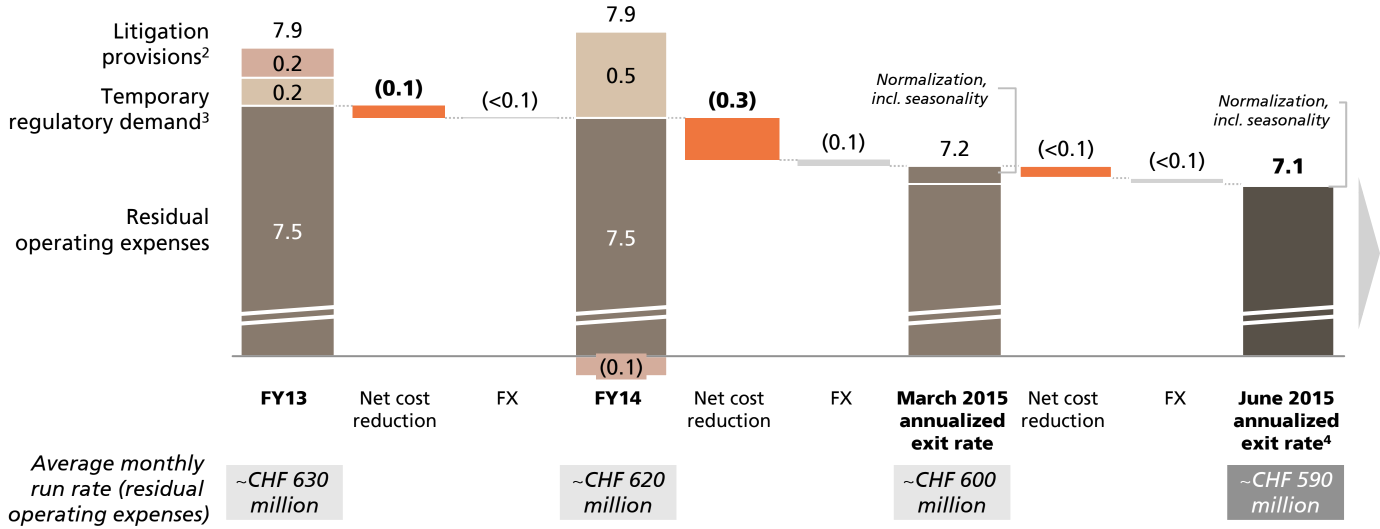
1 Basel III CET1 capital ratios (fully applied) as per CRD IV; 2 Basel III fully applied CET1 capital ratios under advanced approach

Corporate Center cost reductions

~CHF 0.9 billion net cost reduction as per June 2015 exit rate vs. FY13

Services & Group ALM

CHF 1.0 billion net cost reduction target by 2015 year-end exit rate vs. FY13[1]

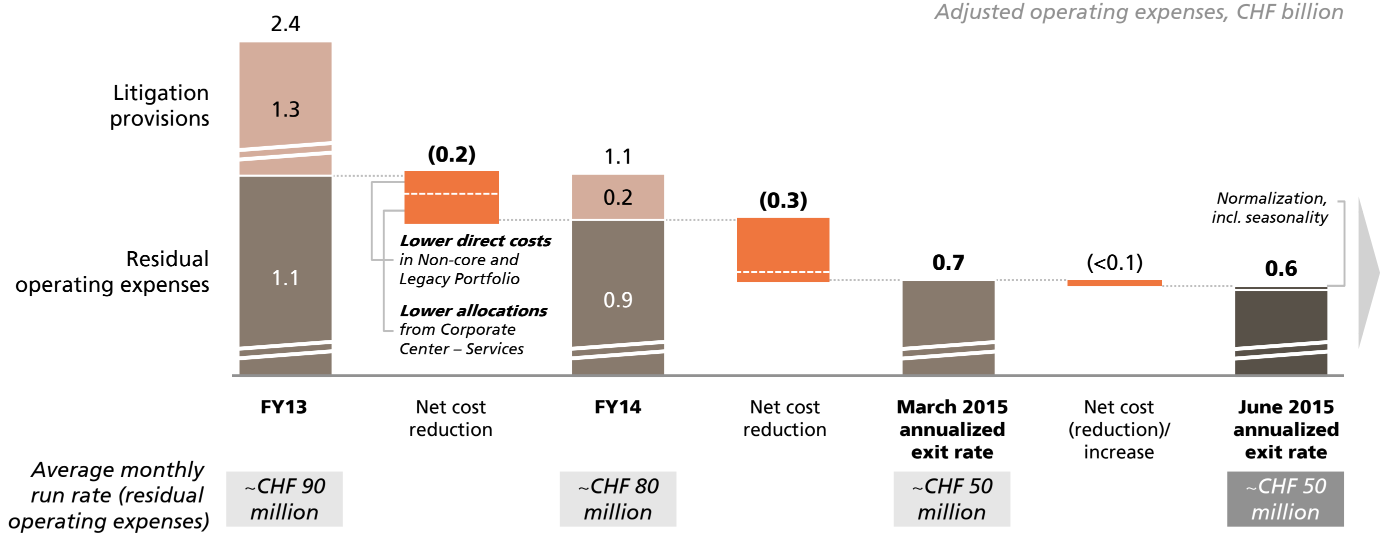


Adjusted operating expenses before allocations (net of allocations to Non-core and Legacy Portfolio), CHF billion

Non-core and Legacy Portfolio

CHF 0.4 billion net cost reduction target by 2015 year-end exit rate vs. FY13[1]

Adjusted operating expenses, CHF billion



~CHF 0.9 billion annualized net cost reduction

0.4

Services and Group ALM

June 2015 exit rate net cost reduction

+

0.5

Non-core and Legacy Portfolio

June 2015 exit rate net cost reduction

Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

Charts illustrative only and bars not to scale; 1 Refer to page 41 of the 2014 annual report for details on our cost reduction targets; 2 Provisions for litigation, regulatory and similar matters; 3 Regulatory demand of temporary nature; 4 Incremental Group Technology investment of ~CHF 0.1 billion has been self-funded by business divisions via direct cost savings and excluded from Corporate Center – Services

Group and business division targets

Ranges for sustainable performance over the cycle[1]

Business divisions

Wealth Management	Net new money growth rate Adjusted cost/income ratio	3-5% 55-65%	10-15% annual adjusted pre-tax profit growth for combined businesses through the cycle
Wealth Management Americas	Net new money growth rate Adjusted cost/income ratio	2-4% 75-85%	
Retail & Corporate	Net new business volume growth rate Net interest margin Adjusted cost/income ratio	1-4% (retail business) 140-180 bps 50-60%	
Global Asset Management	Net new money growth rate Adjusted cost/income ratio Adjusted annual pre-tax profit	3-5% excluding money market flows 60-70% CHF 1 billion in the medium term	
Investment Bank	Adjusted annual pre-tax RoAE Adjusted cost/income ratio Basel III RWA limit (fully applied) Funded assets limit	>15% 70-80% CHF 70 billion CHF 200 billion	

Corporate Center

Services and Group ALM	Net cost reduction	CHF 1.0 billion by 2015 year-end exit rate
Non-core and Legacy Portfolio	Net cost reduction Basel III RWA (fully applied)	CHF 0.4 billion by 2015 year-end exit rate, additional CHF 0.7 billion after 2015 ~CHF 40 billion by 31.12.15, ~CHF 25 billion by 31.12.17

Group

Group	Adjusted cost/income ratio Adjusted return on tangible equity Basel III CET1 ratio (fully applied) Basel III RWA (fully applied) Swiss SRB LRD	60-70% around 10% in 2015, >15% from 2016 at least 13%[2] <CHF 215 billion by 31.12.15, <CHF 200 billion by 31.12.17 CHF 900 billion by 2016[3]

UBS

Refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Refer to page 41 of the 2014 annual report for details; 2 Our objective is to maintain a post-stress fully applied CET1 capital ratio of at least 10%; 3 Based on the rules applicable as of the announcement of the target (6.5.14)

CC adjusted operating expenses before service allocations

CC - Services adjusted operating expenses before service allocations to business divisions and Corporate Center units	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
CHF million										
Personnel expenses	1,063	977	917	980	934	879	850	975	888	881
General and administrative expense	906	845	1,020	966	945	798	1,010	1,128	920	958
Depreciation and impairment of property and equipment	161	180	170	185	179	184	178	197	196	196
Amortization and impairment of intangible assets	1	1	1	1	1	1	2	2	5	5
Total adjusted operating expenses before service allocations to business divisions and Corporate Center units	**2,131**	**2,003**	**2,107**	**2,132**	**2,060**	**1,863**	**2,039**	**2,303**	**2,009**	**2,040**
Services (to)/from business divsions and CC units	(1,898)	(1,895)	(1,837)	(1,933)	(1,828)	(1,872)	(1,859)	(2,048)	(1,791)	(1,827)
of which: Services from business divisions	6	11	8	2	6	6	13	12	10	8
of which: Wealth Management	*(500)*	*(485)*	*(462)*	*(523)*	*(463)*	*(503)*	*(493)*	*(543)*	*(469)*	*(478)*
of which: Wealth Management Americas	*(273)*	*(266)*	*(263)*	*(267)*	*(249)*	*(262)*	*(263)*	*(295)*	*(265)*	*(270)*
of which: Retail & Corporate	*(316)*	*(306)*	*(305)*	*(319)*	*(274)*	*(282)*	*(271)*	*(310)*	*(277)*	*(276)*
of which: Global Asset Management	*(127)*	*(122)*	*(126)*	*(122)*	*(112)*	*(113)*	*(115)*	*(128)*	*(105)*	*(115)*
of which: Investment Bank	*(548)*	*(561)*	*(558)*	*(572)*	*(619)*	*(609)*	*(612)*	*(665)*	*(601)*	*(604)*
of which: CC - Group ALM	*(22)*	*(22)*	*(21)*	*(21)*	*(20)*	*(20)*	*(20)*	*(21)*	*(14)*	*(19)*
of which: CC - Non-core and Legacy Portfolio	*(118)*	*(142)*	*(111)*	*(110)*	*(98)*	*(89)*	*(98)*	*(99)*	*(69)*	*(74)*
Total adjusted operating expenses	**233**	**108**	**270**	**199**	**233**	**(9)**	**180**	**255**	**218**	**212**

UBS

Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation

Regional performance – 2Q15[1]

CHF billion

		Americas		Asia Pacific		EMEA[2]		Switzerland		Global[3]		Total	
		1Q15	2Q15	1Q15	2Q15	1Q15	2Q15	1Q15	2Q15	1Q15	2Q15	1Q15	2Q15
Operating income	WM	0.1	0.1	0.6	0.6	1.0	0.9	0.4	0.4	-	0.0	2.1	2.0
	WMA	1.8	1.8	-	-	-	-	-	-	-	-	1.8	1.8
	R&C	-	-	-	-	-	-	1.0	1.0	-	-	1.0	1.0
	Global AM	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	-	-	0.5	0.5
	Investment Bank	0.8	0.7	0.7	0.8	0.8	0.7	0.4	0.2	(0.0)	(0.0)	2.7	2.3
	Corporate Center	-	-	-	-	-	-	-	-	0.0	(0.1)	0.0	(0.1)
	Group	**2.9**	**2.8**	**1.4**	**1.5**	**1.9**	**1.7**	**1.9**	**1.7**	**0.0**	**(0.2)**	**8.1**	**7.5**
Operating expenses	WM	0.1	0.1	0.3	0.3	0.6	0.6	0.2	0.2	0.0	0.0	1.2	1.3
	WMA	1.5	1.6	-	-	-	-	-	-	-	-	1.5	1.6
	R&C	-	-	-	-	-	-	0.5	0.5	-	-	0.5	0.5
	Global AM	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	(0.0)	(0.0)	0.3	0.3
	Investment Bank	0.6	0.5	0.5	0.5	0.6	0.5	0.2	0.2	0.0	0.1	1.8	1.7
	Corporate Center	-	-	-	-	-	-	-	-	0.4	0.4	0.4	0.4
	Group	**2.3**	**2.4**	**0.9**	**0.8**	**1.3**	**1.2**	**1.0**	**1.0**	**0.4**	**0.5**	**5.8**	**5.9**
Profit before tax	WM	0.0	0.0	0.2	0.2	0.4	0.3	0.2	0.2	(0.0)	(0.0)	0.9	0.8
	WMA	0.3	0.2	-	-	-	-	-	-	-	-	0.3	0.2
	R&C	-	-	-	-	-	-	0.4	0.4	-	-	0.4	0.4
	Global AM	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.2	0.1
	Investment Bank	0.2	0.1	0.3	0.4	0.2	0.1	0.2	0.1	(0.0)	(0.1)	0.8	0.6
	Corporate Center	-	-	-	-	-	-	-	-	(0.3)	(0.5)	(0.3)	(0.5)
	Group	**0.6**	**0.4**	**0.5**	**0.6**	**0.6**	**0.5**	**0.9**	**0.7**	**(0.4)**	**(0.6)**	**2.3**	**1.6**

Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
1 Refer to the "Regional performance" section of the 2Q15 financial report for further detail; 2 Europe, Middle East and Africa excluding Switzerland;
3 Refers to items managed globally

Adjusted results

Adjusting items		1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
CHF million											
Operating income as reported (Group)		**7,775**	**7,389**	**6,261**	**6,307**	**7,258**	**7,147**	**6,876**	**6,746**	**8,841**	**7,818**
Of which:											
Gain on sale of a subsidiary	Wealth Management									141	
Gain on sale of the Belgian domestic WM business	Wealth Management										56
Gain on sale of Global AM's Canadian domestic business	Global Asset Management	34									
Gain from the partial sales of our investment in Markit	Investment Bank						43				11
Impairment of financial investments available-for-sale	Investment Bank							(48)			
Net gain on sale of remaining proprietary trading business	Investment Bank	55									
	Corporate Center - Group ALM	(24)									
Own credit on financial liabilities designated at FV	Corporate Center - Group ALM	(181)	138	(147)	(94)	88	72	61	70	226	259
Gains on sales of real estate	Corporate Center - Services		19	207	61	23	1		20	378	
Net losses related to the buyback of debt in public tender offer	Corporate Center - Group ALM	(119)			(75)						
	Corporate Center - NCL[1]	27									
Operating income adjusted (Group)		**7,983**	**7,232**	**6,201**	**6,415**	**7,147**	**7,031**	**6,863**	**6,656**	**8,096**	**7,492**
Operating expenses as reported (Group)		**6,327**	**6,369**	**5,906**	**5,858**	**5,865**	**5,929**	**7,430**	**6,342**	**6,134**	**6,059**
Of which:											
Net restructuring charges	Wealth Management	26	50	62	41	40	38	60	48	46	69
	Wealth Management Americas	10	10	13	26	10	7	15	23	24	24
	Retail & Corporate	15	13	15	12	15	13	20	16	16	17
	Global Asset Management	4	14	12	13	4	2	5	39	18	4
	Investment Bank	6	31	84	89	124	27	50	60	70	66
	Corporate Center - Services	(3)	5	(1)	(7)	2	4	16	8	119	0
	Corporate Center - NCL[1]	188	18	5	24	9	(2)	10	14	11	13
Credit related to changes to retiree benefit plans in the US	Wealth Management Americas							(3)	(7)		
	Global Asset Management							(8)			
	Investment Bank							(19)	(1)		
	Corporate Center - NCL[1]							(3)			
Impairment of an intangible asset	Investment Bank										11
Operating expenses adjusted (Group)		**6,081**	**6,229**	**5,718**	**5,660**	**5,661**	**5,840**	**7,287**	**6,142**	**5,829**	**5,857**
Operating profit/(loss) before tax as reported		**1,447**	**1,020**	**356**	**449**	**1,393**	**1,218**	**(554)**	**404**	**2,708**	**1,759**
Operating profit/(loss) before tax adjusted		**1,901**	**1,003**	**484**	**755**	**1,486**	**1,191**	**(424)**	**514**	**2,268**	**1,635**

Adjusted numbers unless otherwise indicated, refer to slide 38 for details about adjusted numbers, Basel III numbers and FX rates in this presentation
Refer to page 14 of the 2Q15 financial report for an overview of adjusted numbers; 1 Non-core and Legacy Portfolio

Important information related to this presentation

Use of adjusted numbers

Unless otherwise indicated, “adjusted” figures exclude the adjustment items listed on the previous slide, to the extent applicable, on a Group and business division level. Adjusted results are a non-GAAP financial measure as defined by SEC regulations. Refer to page 14 of the 2Q15 financial report for an overview of adjusted numbers.

If applicable for a given adjusted KPI (i.e., adjusted return on tangible equity), adjustment items are calculated on an after-tax basis by applying indicative tax rates (i.e., 2% for own credit, 22% for other items, and with certain large items assessed on a case-by-case basis). Refer to page 24 of the 2Q15 financial report for more information.

Basel III RWA, Basel III capital and Basel III liquidity ratios

Basel III numbers are based on the BIS Basel III framework, as applicable for Swiss Systemically relevant banks (SRB). Numbers in the presentation are Swiss SRB Basel III numbers unless otherwise stated. Our fully applied and phase-in Swiss SRB Basel III and BIS Basel III capital components have the same basis of calculation, except for differences disclosed on page 96 of the 2Q15 financial report.

Basel III risk-weighted assets in this presentation are calculated on the basis of Basel III fully applied unless otherwise stated. Our RWA under BIS Basel III are the same as under Swiss SRB Basel III.

Leverage ratio and leverage ratio denominator in this presentation are calculated on the basis of fully applied Swiss SRB, unless otherwise stated.

Refer to the “Capital Management” section in the 2Q15 financial report for more information.

Currency translation

Monthly income statement items of foreign operations with a functional currency other than Swiss francs are translated with month-end rates into Swiss francs. Refer to “Note 19 Currency translation rates” in the 2Q15 financial report for more information.

Rounding

Numbers presented throughout this presentation may not add up precisely to the totals provided in the tables and text. Percentages, percent changes and absolute variances are calculated based on rounded figures displayed in the tables and text and may not precisely reflect the percentages, percent changes and absolute variances that would be derived based on figures that are not rounded.