



Second quarter 2020

Select Swiss franc disclosures for Pillar 3 regulatory information



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Basis of preparation

Effective 1 October 2018 and as required by IAS 21, *The Effects of Changes in Foreign Exchange Rates*, the functional currency of UBS Group AG and UBS AG's Head Office in Switzerland has changed from Swiss francs to US dollars and the functional currency of UBS AG London Branch's operations has changed from pounds sterling to US dollars. In line with these changes, the presentation currency of UBS Group AG's and UBS AG's consolidated financial information has changed from Swiss francs to US dollars. We will continue to publish select financial and regulatory information in Swiss francs as part of our quarterly and annual reporting.

The select Swiss franc disclosures in this document include information prepared on the basis of US dollar values disclosed in 30 June 2020 Pillar 3 report, translated to Swiss francs using a simplified approach. Assets, liabilities and total equity were translated to Swiss francs at closing exchange rates prevailing on

the respective balance sheet dates, and income and expenses were translated at the respective average rates prevailing for the relevant periods. As a consequence of restatements for this presentation currency change, Swiss franc figures may differ from those originally published in quarterly reports (our third quarter 2018 report and earlier reports) and annual reports (our Annual Report 2018 and earlier reports).

- **Refer to the "Significant accounting and financial reporting changes" section of our Annual Report 2018 for more information about the changes to functional and presentation currencies**
- **Refer to "Note 1 Summary of significant accounting policies" in the "Consolidated financial statements" section of our Annual Report 2018 for more information about the effects of restating to a US dollar presentation currency**

UBS Group

Select Swiss franc disclosures for Pillar 3 regulatory information (unaudited)

UBS Group AG key regulatory information

BCBS Basel III leverage ratio

<i>CHF million, except where indicated</i>	30.6.20	31.3.20	31.12.19	30.9.19	30.6.19
Total tier 1 capital	50,705	50,023	50,234	50,617	48,802
BCBS total exposures (leverage ratio denominator) ¹	922,819	921,076	882,280	900,399	889,676
BCBS Basel III leverage ratio (%) ¹	5.5	5.4	5.7	5.6	5.5

¹ Leverage ratio denominators (LRDs) and leverage ratios for 30 June 2020 and 31 March 2020 do not reflect the effects of the temporary exemption that has been granted by FINMA in connection with COVID-19. Refer to the "Introduction and basis for preparation" section of the 30 June 2020 Pillar 3 report, available under "Pillar 3 disclosures" at www.ubs.com/investors, and to "Application of the temporary COVID-19-related FINMA exemption of central bank sight deposits" in the "Going and gone concern requirements and eligible capital" section of that report for more information.

UBS AG standalone

Select Swiss franc disclosures for Pillar 3 regulatory information (unaudited)

UBS AG standalone key regulatory information

Liquidity coverage ratio

<i>CHF billion, except where indicated</i>	Weighted value ¹	
	Average 2Q20 ²	Average 1Q20 ²
High-quality liquid assets	89	66
Total net cash outflows	50	47
<i>of which: cash outflows</i>	151	155
<i>of which: cash inflows</i>	101	109
Liquidity coverage ratio (%)	178	141

¹ Calculated after the application of haircuts and inflow and outflow rates as well as, where applicable, caps on Level 2 assets and cash inflows. ² Calculated based on an average of 65 data points in the second quarter of 2020 and 63 data points in the first quarter of 2020.

Swiss SRB going and gone concern requirements and information

As of 30.6.20	RWA, phase-in		RWA, fully applied as of 1.1.28		LRD ¹	
<i>CHF million, except where indicated</i>	in %		in %		in %	
Required going concern capital						
Total going concern capital	13.96 ²	41,073	13.96 ²	51,227	4.88 ²	26,491
Common equity tier 1 capital	9.66	28,417	9.66	35,443	3.38	18,340
<i>of which: minimum capital</i>	4.50	13,244	4.50	16,519	1.50	8,151
<i>of which: buffer capital</i>	5.14	15,128	5.14	18,868	1.88	10,189
<i>of which: countercyclical buffer</i>	0.02	45	0.02	56		
Maximum additional tier 1 capital	4.30	12,656	4.30	15,784	1.50	8,151
<i>of which: additional tier 1 capital</i>	3.50	10,301	3.50	12,848	1.50	8,151
<i>of which: additional tier 1 buffer capital</i>	0.80	2,355	0.80	2,937		

Eligible going concern capital

Total going concern capital	21.03	61,905	16.86	61,905	11.39	61,905
Common equity tier 1 capital	16.67	49,070	13.37	49,070	9.03	49,070
Total loss-absorbing additional tier 1 capital	4.36	12,834	3.50	12,834	2.36	12,834
<i>of which: high-trigger loss-absorbing additional tier 1 capital</i>	3.56	10,473	2.85	10,473	1.93	10,473
<i>of which: low-trigger loss-absorbing additional tier 1 capital</i>	0.80	2,361	0.64	2,361	0.43	2,361

Risk-weighted assets / leverage ratio denominator

Risk-weighted assets	294,317	367,081
Leverage ratio denominator		543,398

Required gone concern capital³

Higher of RWA- or LRD-based

Total gone concern loss-absorbing requirement	30,639
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Eligible gone concern capital

Total gone concern loss-absorbing capacity	37,878
Gone concern coverage capital ratio	123.63

¹ LRD-based requirements and eligible capital presented in this table do not reflect the effects of the temporary exemption that has been granted by FINMA in connection with COVID-19. Refer to the "Introduction and basis for preparation" section of the 30 June 2020 Pillar 3 report, available under "Pillar 3 disclosures" at www.ubs.com/investors, for more information. ² Includes applicable add-ons of 1.08% for RWA and 0.375% for LRD. ³ From 1 January 2020 onward, 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.

BCBS Basel III leverage ratio

<i>CHF million, except where indicated</i>	30.6.20	31.3.20	31.12.19	30.9.19	30.6.19
Total tier 1 capital	61,905	60,107	61,857	64,437	62,783
Total exposures (leverage ratio denominator) ¹	543,398	553,737	570,351	608,632	603,971
BCBS Basel III leverage ratio (%)¹	11.4	10.9	10.8	10.6	10.4

¹ The temporary exemption granted by FINMA in connection with COVID-19 had no net effect on UBS AG standalone.

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

Tables | Within tables, blank fields generally indicate that the field is not applicable or not 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. Percentage changes are presented as a mathematical calculation of the change between periods.

UBS Group AG
P.O. Box
CH-8098 Zurich

ubs.com

